

# About The Author



Avtar Singh Bhasin (b.1935) B.A (Hons); M. A in History. Initially he had short stint of service in the National Archives of India and the Ministry of Defence before joining the Ministry of External Affairs where he served for three decades, retiring in 1993 as Director of Historical Division. He has served in the Indian missions in Kathmandu, Bonn, Vienna and Lagos. He travelled to several other countries in the discharge of his duties in the Ministry. Some of the countries visited were USA, China, South Africa, Kenya, Zambia, Malawi, Botswana, Russia, Ukraine, Belarus etc. He was member of several ministerial and official delegations for discussions with various countries both in India and abroad.

Since his retirement he has taken to academic research. He was Senior Fellow of the Indian Council of Historical Research from 1994 to 1996. He was Honorary Fellow of the Institute of Contemporary Studies, Nehru Memorial Museum and Library from 1997 to 2001. He has authored and edited several books on South Asian affairs. He also contributed several articles in newspapers on developments in the neighbouring countries. His seventy-five pieces on Partition and Freedom were published in the Asian Age consecutively from June 1 to August 14, 1997 coinciding with the Golden Jubilee celebrations of the Indian Independence.

**INDIA'S FOREIGN RELATIONS - 2009  
DOCUMENTS**

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DOCUMENTS**

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## P R E F A C E

This is the eighth Volume in the series India's Foreign Relations, published annually in cooperation with the Public Diplomacy Division of the Ministry of External Affairs, Government of India. Set up in 2006, this Division is the public face of the Ministry, reaching out to the think-tanks, academia, civil society and industry both within and outside of the country and interacts with them on the contours of India's foreign policy.

Today there is a paradigm shift from treating foreign relations as an esoteric subject to one of wider debate and discussion. The information explosion, and consequent dissemination of foreign policy related information through the electronic media and the proliferation of newspapers and other sources of information has made the *aam admi* aware of what goes on in the world and how his life is impacted by events in the global village. He wants to be informed how the foreign policy initiatives of the government would make his life better and secure. The government today whether in India or elsewhere cannot take a decision behind closed doors and expect the people to back it too. That is an onerous challenge a democratic and responsive government has to contend with today— to carry the message of foreign policy to the people at large and keep them informed.

India with a population of a billion and one of the largest and fastest growing economies of the world is of interest globally to scholars, academia, diplomats and industry alike. There is a need to reach out to them. The scientific study of foreign relations requires easy availability of original documents as tools of research and analysis. It is the fond hope of this editor that the present series is performing that task.

Over the years the bandwidth of India's foreign relations has increased many folds. Subjects which were not part of foreign policy discourse like, nuclear and thermal energy, climate change, terrorism, financial and monetary issues, trade and investments etc., are today routinely discussed both at the bilateral levels and international gatherings. India is also dialogue partner and/or member of major international organizations/conferences like G-5/G-8, G-20, BRIC, RIC, SCO, EU, ASEM, ASEAN, BIMSTEC, EAS, CICA, IBSA, SAARC, NAM and many more. All these engagements generate a volume

of documents which necessitate inclusion. However the bulk has grown to an extent that it has become difficult to handle. The resort to electronic technology has become the obvious solution to which recourse has been made in the present case. While the printed volume provides the ready reference to the totality of material made available, by placing the text of some of the documents in the accompanying Compact Disc (CD), the bulk has been brought within a reasonable limit. It is hoped the users too will find this format convenient.

The documents have been, as in the past, categorized thematically and region-wise as necessary. Those which do not fall in any particular category and deal with two or more subjects/countries have been placed in the General List with cross referencing wherever necessary.

During the year there were changes at the top echelon of the Ministry. After the general elections in the new Cabinet constituted by the Prime Minister in May Shri S. M. Krishna took over as External Affairs Minister replacing Shri Pranab Mukherjee. At the Minister of State level, Shrimati Preneet Kaur and Dr. Shashi Tharoor replaced Shri E. Ahamed and Shri Anand Sharma respectively. At the top official level there were changes too. On superannuation of Shri Shivshankar Menon on July 31, 2009 Shrimati Nirupama Rao took over as Foreign Secretary. On the superannuation of Shri N. Ravi and on the posting out of Shri Nalin Surie, Ms. Vijaya Latha Reddy took over as Secretary (East) and Shri Vivek Katju as Secretary (West). Shrimati Parbati Sen Vyas took over as Secretary (Economic Relations) from Shri Hardeep Singh Puri on his being posted out as Permanent Representative of India at the United Nations in New York.

In undertaking this task I have as in the past, received help from several sources and friends. I remain indebted to them. Shri TCA Rangachari as always has been generous with his time and went through the Introduction rather meticulously and his advice and critical comments helped to rhyme the text. Many thanks, Sir. Having said that let me hasten to add that I remain fully responsible for any deficiency that may be found either in the Introduction or any where else in the book.

**March 20<sup>th</sup>, 2010.**

**Avtar Singh Bhasin**

## INTRODUCTION

### I

As India entered the penultimate year of the first decade of the second millennium it found itself active player in a multi-polar world constantly shaped by the forces of globalization. Multi-polarity is a fact of the contemporary globalized order which India as a pluralist society readily accepted. It sought to address a number of global issues and challenges through multilateral consultations at multilateral fora. Effective multilateralism requires understanding and respect for mutual concerns, needs and aspirations of its interlocutors. It is only in this way that coordination and cooperation can develop. The dialogue at the multilateral level enhances the mutual understanding or respect so that the issues of peace, security and development that require bilateral or multilateral cooperation can be effectively addressed. It is in this sense that India's membership and participation in plethora of multilateral organizations/conferences has to be seen. Today India is a member of all important inter and intra regional and international organizations and has been called upon to actively participate in their conferences around the world to help find a solution to global problems whether of a political or economic nature.

2. Unlike prosperity peace is indivisible and it is the key to development and prosperity. Domestic peace cannot be separated from external peace. In determining the foreign policy each country big or small looks to establish peace to attain prosperity for its people. If domestic peace depends on external factors, prosperity of a nation too depends on mobilization of both internal and external resources and hence the need for a peaceful environment becomes critical. Since India's external environment has been threatened by external forces fighting a proxy war, India's search for peace and security has become most urgent. Resources which should have been deployed for development had to be perforce diverted to internal and external security. Peace and security which are the constant prime objectives of any country's foreign policy become more urgent in the case of India. It is the fight against forces of destabilization in the garb of terrorism that drives the energies of the Indian foreign policy establishment today. It must draw the attention of the international community to the scourge of terrorism from

which ever source it emanates and whatever the justification of the cause it seeks to propagate or espouse. Its efforts have brought in mixed results. As the terrorism spreads its tentacles to take more and more nations in its grip, there is greater realization of the Indian point of view that it is a global menace and unless the international community cooperates and acts in tandem, it will not go away.

3. India's need for peace and security is further buttressed by the plethora of problems of development it faces. It is an energy deficit country. Energy is the engine that brings in its train growth. Much of the sources of energy lie beyond its borders. Both to obtain and carry them home, peaceful environment and cooperation of international community is a prerequisite.

4. Concern for Climate has become another impediment to accelerated growth. Clean energy is the new mantra of growth. Faster economic growth has brought in its train its own problem of pollution and green house gas emissions. Temperatures are rising, glaciers are melting much faster now than at any time in the past, threatening to sink small islands and coast lines out of existence. It is a global problem and has to be tackled at the global level. If one were to look back, this problem of climate change has its origin in the consumer societies of the west, who have over the years merrily been eating away into resources of the earth and polluting the environment. Instead of carrying the full burden of correcting the historical injustice, they wish to transfer their burden to the new emerging economies thus further retarding their growth. India is however clear that the control of GHG emissions must be "founded on the principle of equity and common but differentiated responsibilities and respective capabilities". The burden of guarding this principle falls in the realm of foreign policy too. These are new challenges that the foreign policy establishment has to face and develop the expertise for it. The challenges are increasing with the shrinking of the world.

5. In a little more than six decades since India's independence, a plural and diverse nation has with considerable success welded together a democratic political order as also has achieved considerable progress in social and economic development. Economic growth, modernization and the pace of technology driven changes have transformed Indian society at a pace that it has leapfrogged into the new millennium as a galvanized nation. The cliché 'Hindu Rate of Growth' is passe. Now it hits 8 to 9 % and even double digit growth. India is now engaging the world with unprecedented confidence and dynamism as never before. Express highways, super power stations, mega projects dot its landscape. A vast network of railways connects

its various regions more closely than ever before. Our open skies are witnessing traffic jams. India is now more linked with the global economy than it has been for centuries. A major slice of its GDP is accounted for by the external sector. India's needs from the world have changed, as are world's expectation from it and so its capabilities.

## II

### **Climate Change**

6. The international discourse during the year was dominated with the concern for environment and climate change. As pointed out above, the rising temperature caused by GHG emissions was impacting the global climate threatening the very existence of small island nations and vast coastal areas. Rapid industrialization and use of thermal energy as engine of growth was identified as the culprit causing the problem of emissions. Energy being the catalyst for development, a large number of countries emerging from long colonial rule, had taken to the route of rapid industrialization for their economic development and therefore the need for more and more power houses, the problem of green house gas emissions became critical. The attention of the world environmentalists was naturally drawn to the gathering clouds of green house gases. The carbon dioxide emitted by the burning of hydro-carbon by the automobiles and emissions from power houses fired by coal and oil were identified as the principal reasons for it. With better technologies it became possible to control automobile emissions, the problem finally centered on the super-thermal power stations which were being set up in rapid succession around the world. The real polluters were the nations of the west who during the last two centuries had indiscriminately used thermal energy for their industrialization. The new emerging economies were rather late entrants in the field. The keenness of the west to pin the responsibility on the new emerging economies was stoutly resisted by the latter who insisted that it was the western countries who had to address the historical problem more than what they expected the new economies to do in this direction.

7. The international community was seized of this problem for some time but it gathered the critical mass in 2009 in the run up to the Copenhagen Conference in December. During the year there were many rounds of pre-Copenhagen consultations. The year opened with the Delhi Sustainable Development conference in February. It was attended among others by the Princess of Thailand, Presidents of Finland and Kiribati, Prime Minister of Ethiopia, Secretary General of the United Nations, former Presidents of Maldives, Switzerland and former Prime Minister of Senegal among many

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other luminaries. The Delhi Conference on Climate Change, Technology Development and Technology Transfer in October was attended by 58 delegations, of which 30 were at the ministerial or vice ministerial level. Recalling the Beijing High Level Conference of November 2008 it reaffirmed its commitment to the objective, provisions and principles of the UNFCCC. Other international conferences in the run up to the COP were the Bonn conference in April, the Bangkok in October, Barcelona in November and finally Copenhagen preparatory conference in November itself. In addition, the SAARC countries met in a special conference in October in New Delhi to work out a common position for the Copenhagen. To work out a national consensus, New Delhi too decided to take the state governments into confidence and called a special meeting of the State Environment and Forests Ministers in August.

8. Apart from these conferences which were convened especially and were devoted entirely to climate change, the multilateral conferences held during the year too had it on their agenda. The BRIC Summit in Yekaterinburg and the BIMSTEC in June, G-8 and G-5 Summits at L'Aquila in Italy and the NAM Summit at Sharm El-Sheikh in July, the G-20 Summits at London and Pittsburg in April and September respectively, the India-ASEAN Summit at Hua Hin (Thailand) in October and the India-EU Summit in New Delhi in November too discussed it substantially. The subject was considered so important by the CHOGM that when it met in Port of Spain in November, it held a special session exclusively devoted to its discussion. President Sarkozy of France who had nothing to do with the Commonwealth otherwise, dropped in at Port of Spain to participate in its deliberations, as also the Prime Minister of Denmark. The UN too held a Round Table in New York in September. Sadly, the final CoP at Copenhagen in December, attended by over hundred Heads of State/Government, despite din and excitement it generated, ended inconclusively to the disappointment of all particularly the developing countries, which had pinned a lot of hopes on it.

9. India's negotiating position was summed up by Prime Minister Dr. Manmohan Singh in his message to the nation before leaving for Copenhagen on December 17. He said "the UNFCCC and its Kyoto Protocol embody the international agreed regime for addressing the global challenge of climate change" since these were "founded on the principle of equity and common but differentiated responsibilities and respective capabilities". Therefore as a responsible member of the international community he assured the world that India "was fully committed to working with the rest of the world to preserve and protect the environment" based on these principles.

10. Before the Conference, India too announced unilaterally that it would reduce the emissions intensity by 20-25% by 2020 as compared to 2005. In June 2008 India launched a comprehensive Action Plan on Climate Change and the eight National Missions were set up to achieve its objectives. New Delhi was not unwilling to go a mile further provided there were credible arrangements to provide both additional financial support as well as technological transfers from developed to developing countries in support of programmes for developing clean energy.

11. On June 12, 2009 at Bonn, India had joined 36 other developing countries from Asia, Africa and Latin America, to move an amendment to the Kyoto Protocol which suggested that developed countries committed themselves to GHG emission reduction targets that were considered to be minimum required in view of the enormity of the challenge that the world was confronted from climate change.

12. As stated above, and contrary to expectations, the Copenhagen Conference of Parties held in December after two weeks could not produce a legally binding document. Instead there was a political statement which was not endorsed by the participating countries as a legally binding document. (This was subsequently confirmed officially by the UNFCCC in a notification addressed to the parties by its Executive Secretary Yvo de Boer that since the COP neither adopted nor endorsed the Accord, but merely took note of it; its provision did not have any legal standing with the UNFCCC process even if some parties decide to associate themselves with it.) Disputes between rich and poor countries and between the world's biggest carbon polluters - China and the U.S. - dominated the two-week Copenhagen conference. Tens of thousands of protesters took to the streets and staged demonstrations, to demand action to cool an overheated planet.

13. The political statement contained few specific commitments and a still fewer specific figures or timelines in the global fight against climate change. The UN Secretary General Ban ki-Moon put it tersely: "The Copenhagen Accord may not be everything everyone had hoped for", but added this decision "is an important beginning". He however expressed the hope that it would transform itself into a legally binding treaty in a year's time. It was not adopted failing a consensus, since some delegations had strong objections. Lack of general agreement forced the Chairman to announce it as a "reference document", a political declaration which was not a decision under the UN framework. Hence the countries were left free to add their name to it if they accepted it.



14. The Accord promised a mobilization of \$100 billion in annual funding for developing countries to meet the challenge of climate change from 2020 and also pledged about \$30 billion by 2012. It set a target limiting temperature increases to a maximum of two degrees Celsius, but failed to specify the greenhouse gas emission cuts that nations needed to commit themselves to, in order to meet that goal. There was also no deadline for global emissions to peak.

15. The Minister of State for Environment and Forests briefing the Parliament on December 22 about the outcome of the Copenhagen Conference said: "The Accord recognizes the principle of common but differentiated responsibilities and respective capabilities of the Parties in combating climate change. The Accord recognizes the need to limit the global temperature rise by 2050 to below 2 degree Celsius above pre-industrial levels. While doing so, the Accord clearly sets out the goal in the context of equity and sustainable development. This ensures that in achieving this goal, the right of the developing countries to have an equitable share in access to global atmospheric resources cannot be ignored and is ensured. I might add here that this was a point repeatedly made by the Prime Minister in all his interactions."

16. Regarding peaking of global and national emissions, the Minister said that it was accepted at Copenhagen and included in the Accord that the "time frame for peaking will be longer in developing countries" compared to the developed. It also bears in mind that "Social and economic development and poverty eradication are the first and over riding priorities of developing countries". Minister Jairam Ramesh claimed this to be another "area of success" and "consistent with the position of India as outlined by our Prime Minister over two years ago that our per capita emission will never exceed the average per capital emissions of the developed countries."

17. One of the concrete steps agreed upon at the conference necessary to achieve the funding of some of the programs under the Accord, Mr. Ramesh said was to set up a Climate Fund named "Copenhagen Green Climate Fund". It will seek to provide resources "approaching US\$ 30 billion during the period 2010-2012 to support the adaptation and mitigation actions of the developing country Parties. The funding for adaptation will be focused on the least developed countries, small-island developing States and Africa. They have also undertaken a commitment to mobilize US \$ 100 billion a year by 2020 for such purposes and a high level panel will be set up under the guidance of Conference of Parties to review the progress of these commitments."

18. One major outcome of the Climate debate at Copenhagen was the emergence of the BASIC Group comprising Brazil, South Africa, China and India who not only coordinated their positions at Copenhagen but also vowed to work together in their endeavour not to let the developed countries walk away with a solution at the cost of developing and least developed countries at any future international gathering of this nature. Mr. Ramesh in his Statement in the Parliament emphasized that their unity was instrumental in ensuring that the Accord "was finalized in accordance with the negotiating framework as laid out in the UNFCCC, Bali Action Plan and the Kyoto Protocol". He added that the BASIC countries would "continue to work together" along with other countries of the G-77. The Minister made a significant announcement that the US President Obama in helping to forge the Accord at the end interacted with the BASIC countries, which ensured that "the Copenhagen Accord was clinched to the satisfaction of all present," and that the Basic Group succeeded in getting through with its proposals on global goals and on monitoring and verification besides that "the Copenhagen Accord was not legally binding and that there was no mention of a new legally binding instrument in the Accord."

19. New Delhi after carefully studying the implications of the call given in the non-binding statement conveyed to the UNFCCC Secretariat its association to it on January 30th, 2010 by pronouncing its domestic mitigation actions to prevent climate change. It said it would endeavour to reduce the emission intensity of its gross domestic product (GDP) by 20 - 25 percent by 2020 in comparison to 2005 levels. This is the same position which India had earlier unilaterally and voluntarily announced. It was once again made clear that this was a voluntary offer and will not have legal binding character, and this action did not apply to agricultural sector. That it was not a binding accord was once again affirmed by the Minister Jairam Ramesh in Lok Sabha on March 9, 2010. He said: "Accord is a political document and not a legally binding one. The Accord is not a separate track for negotiations outside the UNFCCC and the purpose of the Accord was to bring consensus in the on-going two track process. The two tracks on which talks will continue from April 20, 2010 are the Long Term Cooperative Action on Climate Change and extended Kyoto Protocol."

20. The battle of Climate Change now moves to Mexico where the next COP will take place towards the end of 2010. But before that the battle will be fought at many pre-Mexico conferences.

### Civil Nuclear Energy Cooperation

21. If the year 2008 marked the end of nuclear apartheid imposed on India by the international community since the nuclear implosion of 1974, the year 2009 was one of consolidation. The Agreement for Civil Nuclear Energy Cooperation signed in 2008 with France was ratified in 2009. Another similar agreement was signed with Russia too whereby it will help India to set up two additional nuclear facilities. From being an outlier, India was now accepted as a partner in the global nuclear domain. The success of the civil nuclear initiative engendered a sense of assurance and confidence which enabled New Delhi to look, proactively and not defensively, at a new global agenda for nuclear non-proliferation and nuclear disarmament.

22. The concern for climate change through green house gas emissions became the primary motivation to promote the use of nuclear energy. According to some estimates a nuclear power plant in its life cycle emits only 3.24 grams of carbon dioxide per kilowatt hour, much less than fossil fuels. Shrinking stocks of fossil fuel and other sources of thermal energy, make it doubly necessary to promote the use of nuclear power. Research and development of nuclear safety technology has enabled the world to cross the threshold of fear and safety from radiation, which had gripped the world, particularly the countries of the west in the eighties, fanned by the Greens movements in Europe. India's clean record of non-proliferation of nuclear technology too had prompted the members of the NSG to consider the waiver in favour of India. In February 2009 India signed with the International Atomic Energy Agency another mandatory agreement for application of safeguards to civil nuclear facilities. This would further facilitate the process of cooperation with many more countries in the coming years.

23. In 2009, among the countries that agreed to extend their cooperation in this critical area were Mongolia, Canada, the UK, Kazakhstan etc. In February Russia signed with the Department of Atomic Energy a contract for the long term supply of 2000 tons of natural uranium pellets for its Pressurized Heavy Water reactors and another contract for about 60 tons of Low Enriched Uranium (LEU) pellets for Boiling Water units at Tarapur. *The Hindu* on July 16 quoting the Chairmen of the Nuclear Power Corporation Ltd. SK Jain reported that besides Russia India had also received natural uranium as yellow cakes from Areva of France for use in its safeguarded reactors. Mr. Jain said on July 14 that India had also received clearance from the International Atomic Energy Agency (IAEA) for the fabrication of

this imported fuel into fuel rods. The process was now underway at the Nuclear Fuel Complex (NFC), Hyderabad, he said.

24. In October India identified four sites for setting up new nuclear reactors. The sites identified were Chhayamithi Viri in Gujarat and Kovvada in Andhra Pradesh for US and Jaitapur in Maharashtra for the French reactors. The Russian collaboration was for reactors at Kudankulam in Tamil Nadu and Haripur in West Bengal. During the year India too issued a letter of intent for up to 10,000 megawatts of U.S. nuclear power reactors.

25. There were some areas of concern too. The US President had announced his intention to seek ratification of the CTBT and its universalisation as one of the principal instruments of international security architecture and a key measure of non-proliferation and disarmament. India's reservations on the CTBT were already well known. The Declaration issued by the G-8 countries on Non-Proliferation at their L'Aquila Summit in Italy earlier in July, and the references in it to the transfer of enrichment and reprocessing items and technology to non-signatories to the NPT, did cause concern to India albeit temporarily. New Delhi wondered whether an effort was being made by certain countries to deprive it of its newly won waiver!

26. In responding to the concerns raised in the Indian Parliament on July 13, Finance Minister Mr. Pranab Mukherjee, who had led India's negotiations for the nuclear deal in 2008 as External Affairs Minister clarified that only IAEA and NSG were the appropriate agencies in so far as the policy of nuclear trade was concerned and individual countries belonging to whatever group, could only decide individually whether they want to enter into trade with India or not.

27. The visit of US Secretary of State Hillary Clinton to India in July became handy to clear the doubts. When questioned on this, she categorically denied any such intention and assured her interlocutors that US did not want to go back on what had been achieved already. Even before the start of Ms. Clinton's India visit signals from Washington were positive. The Press Trust of India reported from Washington that the U.S. on July 16 had said it was "fully committed" to the nuclear deal with New Delhi and hoped to sign the end-use monitoring agreement. "We hope to be able to sign that [end-use monitoring agreement], and obviously, that will take place .... next week," Assistant Secretary of State for South and Central Asia Robert Blake told reporters in Washington on the eve of Secretary of State Hillary Clinton's visit to India. "I do not think there should be any apprehensions about the

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future of the civil nuclear agreement," Mr. Blake told reporters. "The [U.S.] Secretary and the President are fully committed to that agreement. I think the Indians are also fully committed," he said. "They [India] are going to be, I am sure, moving forward to file a declaration of safeguarded facilities with the IAEA, which is sort of the next step in that process, and then we're going to start reprocessing talks, probably either later this month or in August," Mr. Blake said. The Press Trust of India further reported from Vienna on July 25 quoting Department of Atomic Energy sources that India and the U.S. had completed the first round of consultations on 'arrangements and procedures' for reprocessing of spent fuel of American origin on Indian soil. Incidentally the end use monitoring agreement was signed during the visit of Ms. Clinton in July.

28. The Prime Minister wishing to put an end to any such apprehensions as a result of the L'Aquila declaration himself made the position clear in Parliament. Replying to the discussions in Parliament on his visits abroad the Prime Minister told the Parliament on July 29 that "as far as the G-8 is concerned, the fact is that we have no civil nuclear cooperation agreement with the G8 bloc per se. We have, however, signed bilateral agreements with France, Russia and the United States. As I have said before, and I repeat it here, when I raised this matter with President Sarkozy, he was gracious enough to tell me that as far as France is concerned, there will be no restrictions. He also said that if we want him to go public on this, he will do so. Therefore, there is no consensus in the NSG to debar India from such technologies. We expect that the countries concerned will honour and implement their bilateral commitments."

29. The concern for non-proliferation reverberated at the UN as well when fourteen Heads of State/Government of the member countries of the UN Security Council met in a special session on September 24, under the president-ship of the US President Barack Obama, since the Presidency of the Council for that month rotated to the United States. The Summit adopted a Resolution on nuclear non-proliferation and nuclear disarmament.

30. India not being a member of the UNSC, was anxious that its views must be before the Council on this sensitive issue. In a preemptive move, a day earlier on 23 September 2009 India's Permanent Representative at the UN Ambassador H.S. Puri, conveyed to the Council, through a letter containing India's approach and perspectives on non-proliferation as well as its reservations. That New Delhi was assured before hand that

the Resolution was not directed against India, was clear from what the Prime Minister told the Indian media at Pittsburg on September 25. He said: "We have been assured that this is not a Resolution directed at India; and that the US commitment to carry out its obligations under the Civil Nuclear Agreement that we have signed with the United States remains undiluted. That, we have been assured officially by the United States Government."

31. Ambassador Puri's letter while emphasized New Delhi's "unwavering commitment to global efforts for preventing the proliferation of weapons of mass destruction and their means of delivery" too sought to point out the infirmities of the non-proliferation regime that have had an adverse impact on Indian security. Supporting the "the two global and non-discriminatory international conventions banning chemical and biological weapons and efforts for strengthening their implementation" the letter recalled the former Prime Minister Rajiv Gandhi's Action Plan of 1988 and said: "Nuclear disarmament can be achieved through a step by step process underwritten by a universal commitment for global elimination of nuclear weapons". India reminded the Council that in order to address the "threat posed by all nuclear weapons to international peace and security it required global elimination of nuclear weapons on a non-discriminatory basis" and "while preventing proliferation is important, an excessive focus on non-proliferation does a disservice to the essential principle of the mutually reinforcing linkage between disarmament and non-proliferation."

32. India suggested that "International efforts in this regard should build the necessary confidence among states so that international treaties and agreements are multilaterally negotiated and freely accepted which remains the true test of their legitimacy and credibility." The letter strongly felt that "states should fully and effectively implement the obligations arising from the agreements or treaties to which they are parties" and that India did not find any specific role for the UN Security Council, which should arise only "if those treaties themselves provide for such a role".

33. In November Prime Minister Dr. Manmohan Singh visited Washington and met several leaders of the US including the President and raised this issue of US cooperation in civil nuclear energy Sector. He was assured as he himself told the Indian media on November 25 "the Government of the United States remains committed to early implementation of Civil Nuclear Cooperation Agreement." Admitting that

"there are some minor problems with regard to agreeing on the reprocessing dedicated facilities that is mentioned in the 123 Agreement" he said these were "not insurmountable barriers, and I am confident that in the next couple of weeks we can sort out these things." He confirmed to the media that the civil liability legislation had already been approved by the Indian Cabinet "and we will be going to Parliament to enact the legislation that is required".

34. The Prime Minister "welcomed President Obama's initiative to host a Summit on Nuclear Security in April next year" and expressed the hope that "our countries can play a vital role in strengthening global resolve to prevent terrorists from gaining access to materials and technologies related to weapons of mass destruction".

35. On the Fissile Material Cut Off Treaty (FMCT) India held a consistent position: envisaged it as a significant contribution to nuclear non-proliferation in all its aspects. It encouraged the negotiation and early conclusion of a multilateral, universally applicable and effectively verifiable treaty on Fissile Material Cut-Off at the Conference on Disarmament. It may be recalled that the Bush Administration had signaled a change in policy, to insist that the FMCT should have no verification procedures and that national means would be relied upon for ensuring compliance. The July 18, 2005 Indo-US Joint Communiqué stated that the two countries would cooperate to bring about an early conclusion of the FMCT in Geneva. The nature of the treaty was left deliberately ambiguous, because India continued to favour multilateral verification procedures. This is also the consensus view among Conference members. India therefore welcomed the Obama Administration's reversion to this consensus and shown its preparedness to work together for the early conclusion of an FMCT.

36. New Delhi drew satisfaction from the fact that as the year 2009 ended, its rearguard action to preserve and consolidate the gains of 2008 had been successful.

37. While India was consolidating and extending its area of international cooperation, an avoidable controversy was raised in the media by some interested elements regarding the success of the Tests conducted by it in May 1998. It died soon enough as the Atomic Energy Commission on September 5 came out with full facts regarding the types of Test conducted, estimated yields, and other essential details to set at rest any doubts. The Prime Minister himself confirmed the success of the Tests.

## IV

**Multilateral Cooperation****ASEAN and East Asia Summit**

38. In August India signed with the ASEAN two agreements on (1) Dispute Settlement Mechanism and (2) Trade in Goods under the Framework Agreement on Comprehensive Economic Cooperation and a Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation. This it was hoped would give a new momentum to trade development between India and member countries of the Organization.

39. External Affairs Minister S. M. Krishna at the Ministerial meeting of the India-ASEAN described India's engagement with ASEAN as the central element of its "Look East" policy which was initiated in the early 1990s. This relationship had grown steadily and acquired qualitatively new dimensions, particularly since 2002, when India began its annual Summit level dialogue with ASEAN.

40. The Prime Minister visited Hua Hin (Thailand) in October to attend the 7th India - ASEAN and the 4th East Asia Summits. Overall India's trade with ASEAN amounted to about 10 per cent of India's global trade. It grew at a healthy rate and stood at about US Dollars 48 billion in 2008.

41. The importance of the ASEAN lies in the fact that it is a region that comprises of about 600 million people where the nominal GDP is about 1.7 trillion US dollars. India's relations with the ASEAN countries overall assumed greater salience in the last few years. Particularly, after the emergence of the global economic and financial crisis. It was a matter of satisfaction for India that overall, Asian countries including the ASEAN were able to deal with the after-effects of the global financial crisis with a certain degree of confidence and success. The India-ASEAN Summits are occasions to review the progress in relations with ASEAN countries. India's enhanced engagement with the ASEAN was at the heart of India's 'Look East' Policy.

42. Dr. Manmohan Singh announced the ASEAN countries were deeply appreciative of the fresh initiatives announced by India, to establish an India-ASEAN Round Table, for the preparation of a Vision Statement for our relations till the year 2020, marking of commemorative events in 2012, and offer of assistance of up to 50 million US dollars to fund various projects under the ASEAN Work Plan for the period 2009-2015. He described the conclusion of the India-ASEAN Trade in Goods Agreement as a concrete



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step forward in the process of India's integration with South East Asia. As a follow up to this Agreement, India agreed to expedite the finalization of the Agreement on Trade in Services and Investment.

43. The 16-nation East Asia Summit, established in 2005, comprises the ten ASEAN countries and 6 others, Australia, New Zealand, India, China, Japan and South Korea. It has developed a wider vision of cooperation within Asia encompassing developed, developing, emerging markets and least developed countries. So, it was a mix which gave an opportunity to the members to exchange their expertise in different fields whether manufacturing or capacity-building or training. It gave them a tremendous degree of opportunity. This included energy, environment, climate change and sustainable development, financial cooperation, natural disaster mitigation, education and most importantly a Track II study on a Comprehensive Economic Partnership in East Asia. It is called the CEPEA. Till recently, CEPEA was on a Track II where mostly think tanks and representatives including economic experts were examining how to facilitate and expand trade among the East Asia Summit countries. When the Economic Ministers of the East Asia Summit countries met in Bangkok in August, they decided to enhance the activity of CEPEA from the so-called Track II to Track I in the sense that senior officials of the respective Governments would now meet to discuss how to take this forward.

44. At the end of the two Summits, the Prime Minister expressed his satisfaction with their outcome. He said he found a strong desire among the ASEAN countries to substantially strengthen their links with India in all areas. This included not only economic cooperation and trade but also science and technology, human resource development, protection of the environment, and deeper political and security cooperation.

45. The East Asia Summit shared India's vision of an Asian Economic Community that was based on an open and inclusive regional architecture. The EAS countries recognize the impact of India's socio-economic transformation on the reshaping of the global economic order and the opportunities for accelerating Asia's own growth. The Prime Minister reiterated to the leaders of the EAS India's commitment to the success of international efforts to combat climate change, the urgent need to collaborate in the research and development of renewable energy technologies, the need for Asia to focus on food and energy security and disaster management, all of which were key to finding a path to sustainable development. There was understanding among the leaders of the EAS that the issues of terrorism

and non-traditional threats to security needed to be addressed with resolve and firmness.

46. To New Delhi's satisfaction the EAS Leaders' endorsed the Nalanda University Project to be located in Bihar.

### **BIMSTEC**

47. The External Affairs Minister described India's commitment to BIMSTEC as an integral part of our "Look East Policy". BIMSTEC with a population of 1.4 billion and GDP of US \$ 1.7 trillion is a bridge between India and Southeast Asia. India had hosted the second BIMSTEC Summit in November 2008. There are 14 areas of cooperation identified under the BIMSTEC, some of which are health, energy, technology, HRD, trade, tourism, and counter terrorism. A Free Trade Agreement between India and the countries of the BIMSTEC is under active discussion.

48. While attending the Ministerial meeting of the BIMSTEC in Myanmar in December 2009 India handed over to Myanmar the Chairmanship of the organization. The Ministerial meeting adopted a Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking, a Memorandum of Association among the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation for the establishment of Energy Centre, another Memorandum of Association for a BIMSTEC Centre for Weather and Climate and a Memorandum of Understanding on the Establishment of the BIMSTEC Cultural Industries Commission (BCIC) and BIMSTEC Cultural Industries Observatory (BCIO). The meeting expressed its satisfaction at the finalization of the text of the Agreement on Trade in Goods and other provisions relating to the Rules of Origin, Operational Certification Procedures and the Agreement on Customs Cooperation at the 18th Meeting of the BIMSTEC TNC at Phuket in June 2009, and called upon the TNC to finalize the Annexes to the BIMSTEC FTA Agreement on Trade in Goods at the earliest.

### **BRIC, SCO and RIC**

49. India's contribution in 2008 at G-20 to help in stabilizing world economy and role played by it in other international fora over the years has ensured for it almost a permanent place at the high table of international conferences. Russian President's personal invitation to Prime Minister Manmohan Singh to attend the summit conference of the Shanghai Cooperation Organization at Yekaterinburg, despite India only enjoying an Observer status was a pointer to that trend. He too expressed his anxiety that India joined as full member

of the SCO and insisted that the rules for this be finalized soonest to facilitate New Delhi's entry. New Delhi's own decision to participate in the Conference was India's desire to intensify its engagement with countries in its extended neighbourhood in Central Asia. The issues which connect India with the countries of the SCO were, as Prime Minister Manmohan Singh enumerated in his departure statement on June 15,-- "fight against terrorism and extremism, and cooperation in areas of energy security, infrastructure development, agriculture, transportation, science, and technology and education".

50. The SCO Summit was preceded by the Summit of the BRIC countries namely, Brazil, Russia, India, China. Representing 40 percent of the world's population and global GDP, BRIC has the potential to lead global economic growth.

51. The Summit while endorsing the decisions of the G-20 as a panacea for the economic meltdown of 2008, emphasized that the decision-making and implementation process at the international financial organizations should be "democratic and transparent". Even otherwise the Summit underlined its support for a "more democratic and just multi-polar world order based on the rule of international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all states."

52. India's main concern, terrorism received due attention at the Summit and this was reflected in the joint statement issued at the end of the conference. The Statement *inter alia* said: "We strongly condemn terrorism in all its forms and manifestations and reiterate that there can be no justification for any act of terrorism anywhere or for whatever reasons. We note that the draft Comprehensive Convention against International Terrorism is currently under the consideration of the UN General Assembly and call for its urgent adoption."

53. There was some commonality between the BRIC and SCO Summits held together. The resolve to reform the United Nations Security Council to reflect the contemporary reality, the SCO summit said that global "multi-polarity is irreversible" while the BRIC summit reaffirmed its "support for a more democratic and just multi-polar world order based on the rule of international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all states."

54. The 9th meeting of the Foreign Minister of the three of the four BRIC countries namely Russia, India and China (RIC) held on 27 October 2009 in

Bengaluru (India) while exploring new avenues for deepening and strengthening their interaction on various issues, expressed satisfaction that despite the international financial crisis, their "economies improved contributing to faster growth among them". They were satisfied that "enhanced engagement among them had strengthened their influence on the process of democratization of international relations and development of multi-polar world order reflecting the diversity of world cultures and civilizations". The RIC too endorsed the Pittsburg Conference of G-20 decisions as a way out of the financial crisis of 2008. Like the BRIC and SCO the RIC too "reiterated that there was a need for a comprehensive reform of the United Nations with a view to make it more efficient so that it can deal with the current global challenges more effectively". Juxtaposing the expression that "their countries attach importance to the status of India in international affairs, and understand and support India's aspirations to play a greater role in the United Nations" along with the need for democratizing the UN was quite satisfying to New Delhi. India's concern on the question of terrorism too found resonance in the joint communiqué issued at the end of the Bengaluru Conference.

### **Commonwealth**

55. The theme for this year's Commonwealth Heads of Government Meeting (CHOGM) which took place at Port of Spain, Trinidad and Tobago in November, marking its 60th anniversary, was "Partnering for a more Equitable and Sustainable Future". The Concept paper circulated by the host country Trinidad and Tobago entitled "Partnering for a more Equitable and Sustainable Future" urged member states to forge partnerships for a more sustainable future. India while fully supporting sustainable development and understanding the concerns of Small Island States regarding global warming, however believed that the historical responsibility of the current situation had to be addressed under the principle of Common but Differentiated Responsibilities.

56. At this conference Pakistan was reinstated in the Organization following the "conduct of credible elections in the country in February 2008 and the assumption of office by an elected, civilian government in April 2008".

57. Given the importance of Climate Change, a separate session of the Conference, attended by special invitees like the Secretary General of the UN, the President of France and the Prime Minister of Denmark was held along with the main conference. Since a global climate change solution was central to the survival of peoples, the conference in its declaration on Climate

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Change pledged itself to the "promotion of development and facilitation of a global transition to a low emission development path" and determined that the agreement in Copenhagen must address the urgent needs of developing countries by providing financing, support for adaptation, technology transfer, capacity building, approaches and incentives for reducing emissions from deforestation and forest degradation, and for afforestation and sustainable management of forests".

58. To mark this special occasion of the 60th anniversary of the Commonwealth, the Indian Prime Minister announced at the conference several new initiatives like issuing commemorative coins and first day covers and stamps, 250 slots under ITEC programme for Commonwealth countries, funding of the post of Sports Advisor in the Commonwealth Secretariat, a special programme of training for Commonwealth diplomats at its Foreign Service Institute, etc.

### **European Union**

59. The 10th India - European Union Summit was held in New Delhi, when the current President of the EU the Swedish Prime Minister Reinfeldt visited New Delhi in November. An important outcome of this annual exercise was the signing of the India-EU Agreement in the field of Fusion Energy Research, which underscored the growing importance of energy security and clean energy in the India-EU cooperation.

60. A review of the progress on the Joint Action Plan adopted in 2005 was conducted, and measures to speed up its implementation were agreed upon. It was noted with satisfaction that despite the economic slowdown, trade in goods and services doubled over the past five- year period to reach almost Euro 80 billion. It was agreed to expedite the conclusion of a balanced and mutually beneficial Broad Based Agreement on Trade and Investment leading, hopefully, to increased economic opportunities and creation of jobs as well as wealth.

61. The Summit provided an opportunity to exchange views on global and regional issues such as the reforms of international institutions, the global economic and financial crisis, climate change and nuclear disarmament and non-proliferation.

62. The security situation in the AF-Pak region which was the cause for concern to both India and the EU was discussed. It was agreed on the need for concerted international action to combat terrorism. India and the EU agreed to work towards early finalization of the agreement between

EUROPOL and India. It was also an opportunity to review the situation in West Asia, Iran, Myanmar, Sri Lanka and to discuss other regional issues.

63. The Prime Minister Dr. Manmohan Singh in his media interaction expressed his satisfaction with the outcome of the discussions and expressed the desire to take this very important relationship forward in all areas.

64. The summit reflected the growing interdependence across a wide range of issues and areas. It was noteworthy that starting with the first bilateral summit in Lisbon in 2000, the EU -India interaction has become multifold. Within 4 years, at The Hague summit, the landmark Strategic Partnership Agreement was signed and in 2005 a Joint Action Plan (JAP) was adopted which gave the roadmap for action, and continues to guide the deliberations annually. With the geopolitical centre progressively shifting, the EU-India relationship steadily moved from commercial and economic one to that of strategic partnership through trade and investment.

#### **G- 8/G-5**

65. In July the Prime Minister attended for the fifth time the Summit of the G - 8 countries at L'Aquila, Italy, as a member of the Other Five namely, Brazil, China, Mexico, India and South Africa. This offered an opportunity to the Prime Minister to interact with leaders of both the major and emerging economies. The issues discussed at such meetings varied according to the need of the time. As Prime Minister said in his departure message "this will be an occasion for projecting India's views on major global issues relating to the world economic and financial crisis and its impact on development, food security, energy security and climate change, international trade negotiations and reform of the international institutions".

66. The Prime Minister during his stay in L'Aquila attended meetings of leaders of the G-5, G-5 + G-8 and Egypt and of the G-8, G-5, Egypt and African countries, besides attending the meeting of the Major Economies Forum on Trade and Climate Change. These meetings he told the media accompanying him on board his special flight to New Delhi, took place "when the world is attempting a recovery from the recession caused by the financial crisis in the heart of the developed world". He said while there were some signs of recovery, the world economy was still a long way from recovering the earlier growth momentum. Other subjects that came up were climate change, food security, energy security, terrorism, nuclear non-proliferation, international trade, restructuring of institutions of global governance including the UNSC. While at L'Aquila, he took the opportunity to meet the leaders of

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Angola, Japan, the USA, Russia, the UK, Australia, Italy, and several other world leaders.

67. When asked if he succeeded in achieving what he had set to achieve, he frankly said "This is a big struggle. I have placed the thinking of India before the G-8, G-5 and before the entire world. I believe there has been a great appreciation of our view point. But it would not be correct to say that all other countries are in agreement with us. Particularly there is going to be greater pressure on India and China. We have to stop it. Alongside we have to make the world understand that as global citizen we understand the responsibilities of India. What is reasonable to stem the climate change we shall do and in fact we are doing."

68. The Conference ended with the adoption of several declarations such as, on food security, counter terrorism, non-proliferation, global agenda, and declaration by the Major Economies Forum on Energy and Climate Change.

69. Regarding the financial crisis, the Prime Minister told the Parliament on July 17 that he had stressed to the Conference the "importance of a concerted and well coordinated global response to address systemic failures and to stimulate the real economy. There is a need to maintain adequate flow of finance to the developing countries and to keep markets open by resisting protectionist pressures".

70. As pointed out in earlier paras there was some apprehension in India about the G-8 Statement on non-proliferation and its impact on India's cooperation on civil nuclear energy agreements with countries like the United States, France and Russia. Prime Minister took pains to assure the people of India through his statement in Parliament on July 29 that their apprehensions were misplaced. While pointing out that India's agreements were with some of the individual countries of the G-8 who had again pledged to stay committed to the agreements and not with the G-8 per se. Besides, in view of the clean exemption accorded to India by the NSG last year on nuclear trade, India had nothing to fear.

## **G-20**

71. The impact of financial crisis which gripped the world in 2008 continued to be felt in 2009. The world leaders met twice in summit at London in April and at Pittsburg in September. The London Conference meeting in April was confronted with the greatest challenge to the world economy in recent times. The global output was contracting at pace not seen since the 1930s. Trade was plummeting. Jobs were disappearing rapidly. It appeared as if the world was on the edge of a depression.

72. The London Conference met the challenge head on and many agreements were arrived at which helped the global economy to stage some fast recovery. There was agreement that credit flows to developing countries must be restored. There was consensus that the development process particularly of the developing countries could not be halted and this realization resulted in ambitious liquidity stimulus measure and growth packages. Importantly the Conference pledged to mobilize US \$ 1.1 trillion of resources for international financial institutions, largely to sustain growth in emerging markets. The steps taken by the G-20 to augment the resources of multilateral development banks led to substantial stepping up of World Bank lending to emerging economies and India benefited too. This summit too agreed the crisis was tackled in a way that did not create other problems for the future like protectionism or restrictions on the free flow of trade and persons that could be counter productive for the developing countries in the long and short run. Similarly there was consensus that development could not be halted or sacrificed in the search for immediate solutions to the financial crisis.

73. By the time Pittsburg Conference convened in September the global economy and financial markets had shown a distinct improvement. The positive results flowing from the London Conference were acknowledged by the Pittsburg in its Communique issued on September 25. It noted: "Our forceful response helped stop the dangerous, sharp decline in global activity and stabilize financial markets. Industrial output is now rising in nearly all our economies. International trade is starting to recover. Our financial institutions are raising needed capital, financial markets are showing a willingness to invest and lend, and confidence has improved..... Our national commitments to restore growth resulted in the largest and most coordinated fiscal and monetary stimulus ever undertaken. We acted together to increase dramatically the resources necessary to stop the crisis from spreading around the world. We took steps to fix the broken regulatory system and started to implement sweeping reforms to reduce the risk that financial excesses will again destabilize the global economy."

74. The Pittsburg Summit was meant essentially to review what had happened since the London Conference and chart the way forward in the light of experience gained. The Conference agreed there would be no premature withdrawal of stimulus. The conference noted that the emergency financing for the International Monetary Fund had been successfully completed and there was now need to address the issue of the IMF quota increase by early 2011. There was agreement to help the World Bank and



other regional development banks to find the necessary resources based on a review of their capital needs to be completed in the first half of 2010.

75. An important decision of the Conference was to phase out and rationalize the medium term inefficient fossil fuel subsidies while providing targeted support for the poorest. There was a recognition that inefficient fossil fuel subsidies encourage wasteful consumption, reduce energy security, impede investment in clean energy sources and undermine efforts to deal with the threat of climate change.

76. The most important conclusion of the Pittsburgh Conference was that the Group of 20 will henceforth be the premier forum for international economic issues. This is an important development to broadening the global governance structure, to incorporate major developing and emerging countries into the new framework. There was speculation that this decision could lead to merger of the role of G-8 with that of G-20.

77. The Pittsburgh Conference pledged to sustain strong policy responses until a durable recovery was secured and to avoid any premature withdrawal of stimulus while preparing exit strategies and adopt policies needed to lay the foundation for strong, sustained and balanced growth in the 21st century. As stated above the London Conference had laid emphasis on avoiding a solution that would create other problems for the future like protectionism or restrictions on the free flow of trade and persons. At Pittsburgh that danger was recognized once again and it was pledged that "We will fight protectionism. We are committed to bringing the Doha Round to a successful conclusion in 2010."

78. To achieve the objective of the Conference, it launched a Framework for Strong, Sustainable, and Balanced Growth and tasked the IMF to help "with its analysis of how our respective national or regional policy frameworks fit together." It identified the World Bank for advice "on progress in promoting development and poverty reduction as part of the rebalancing of global growth". While doing so the Conference pledged to "work together to ensure that our fiscal, monetary, trade, and structural policies are collectively consistent with more sustainable and balanced trajectories of growth".

79. To undertake the work of putting the Framework in place the Finance Ministers and Governors of Central Bank of the G-20 were tasked "to launch the new Framework by November by initiating a cooperative process of mutual assessment of our policy frameworks and the implications of those frameworks for the pattern and sustainability of global growth".

80. Accordingly the Finance Ministers and Central Bank Governors of the G-20 met in November and launched "the G20 Framework for Strong, Sustainable and Balanced Growth". They adopted "a detailed timetable and initiated a new consultative mutual assessment process to evaluate" whether their policies will collectively deliver the "agreed objectives". The IMF and the World Bank were called upon to assist in this task, beside getting input from other international organizations "as appropriate including FSB, OECD, MDBs, ILO, WTO and UNCTAD".

### **Nonaligned Summit**

81. The XV Summit of the nonaligned countries was held in Sharm EL-Sheikh (Egypt) in July. It had for its main agenda the theme of "International Solidarity for Peace and Development" and the current Economic and Financial Crisis. Non-alignment has been the bedrock and an article of faith of India's foreign policy. Talking of the relevance of the nonaligned movement "in the post-Cold War era, when the world is no longer divided into two military blocs", the Prime Minister said in his departure statement it "has a renewed role to play in the emerging world order". He pledged to the members of the NAM that "India will play its part in helping NAM to regain its moral high ground to address issues which are of direct concern and relevance to developing countries such as sustainable development, climate change, food security, energy security, terrorism and reform of the architecture of international governance".

82. Stressing the need for solidarity among the countries of the movement, External Affairs Minister S. M. Krishna on July 15 addressing the Ministerial segment of the Conference said "Our solidarity is crucial for our development and progress. Our problems are common. They range from poverty alleviation, eradicating hunger and deprivation, tackling pandemics, and raising literacy levels. Our responses to them are naturally varied given our differing situations. Many of them need international cooperation and an enabling environment for countries to succeed in these tasks. Solidarity within our Movement and a balanced approach should be our guiding principles."

83. "Nowhere is international solidarity for peace and development most relevant than in combating terrorism," said Mr. Krishna. He did not stop at that and went on to underline its scourge to humanity and warned: "Terrorism threatens democracy and democratic values. It aims to destroy lives and reverse development. It is also a threat to international peace and security. International solidarity and solidarity within NAM are necessary in order to

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combat this scourge effectively. We call upon MAM members to unequivocally condemn terrorism; no cause or reasoning can be used to justify such acts. In this context, the early adoption of the Comprehensive Convention on Terrorism being discussed in the United Nations is an immediate imperative."

84. Pointing out the relevance of nonalignment, the Prime Minister in his address to the Summit plenary on July 15, alluded to the unfairness of the system as presently structured both in terms of political and economic institutions. He said while the financial crisis had been brought upon the world by the developed economies, greater burden of it has been unfairly cast on the developing countries which were also non-aligned. Therefore nonaligned movement had a great stake in securing the steps planned to revive the global economy. These include the challenges of food security, energy security, environment and reform of the institutions of global governance. They were embedded in the economic crisis and must be dealt with comprehensively and with a sense of urgency. The Prime Minister regretted that though "we have a global economy of sorts, the global polity does not represent the hopes, fears and aspirations of the majority of the world's people". Regretfully the "decision-making processes, whether in the United Nations or the international financial institutions continue to be based on charters written more than sixty years ago, though the world has changed greatly since then", said the Prime Minister. Prime Minister pleaded that the weight of NAM should be used to achieve a comprehensive, balanced and above all, equitable solution to the economic and political problems of the world.

85. The Sharm El Sheikh Declaration issued on July 16 inter alia demanded the expeditious reform of the Security Council through its expansion and improvement of its working methods; the fundamental reform of the international economic and financial systems and architecture "so as to address its flaws". It asked for enhanced voice and participation of developing countries "in international economic and decision making and norm setting, including in international financial institutions, with a central role of the United Nations and its member states through the General Assembly and the Economic and Social Council, including in mitigating the impact of the crises on developing countries and in materializing the right of developing countries to a legitimate policy space."

86. The Sharm El Sheikh Summit ended with four declarations- Declaration on Palestine, Declaration on ending US embargo on Cuba, the Final Declaration and the Sharm El Sheikh Declaration.

## V

**South Asia -- The Countries of the SAARC**

87. South Asia or the countries of the SAARC represent one-fifth of humanity. It is an enormous landmass. Bonds of geography, history, culture and values tie the peoples of this region together. For centuries, South Asia has been the home for the peaceful coexistence of various peoples in harmony with nature. People of many faiths have lived together for ages and our region has given birth to many religions-- Hinduism, Buddhism, Sikhism and Jainism. Islam enriched the mosaic of South Asian culture for more than millennia. There were practicing Christians on the Malabar coast before Christianity reached Europe.

88. All through the region, efforts were underway to achieve the common good through greater exchanges at multiple levels - governmental, parliamentary, academic, cultural and most importantly at the level of peoples through the promotion of tourism, commerce and cooperation in the field of education. These efforts have to be accelerated for the region to confront its common challenges - poverty alleviation, health, education and industrialization. Internal stability and economic progress in all the region could only solve the problem of poverty which has been endemic for centuries. It is only through shared economic development that the region can achieve its objectives of lasting peace and security. Growth and development are closely intertwined with peace and security.

**Afghanistan**

89. India's \$ 1.2 billion assistance programme in Afghanistan, makes it the sixth largest donor and underlines its abiding interest in the political stability of the country by strengthening its social and economic institutions to guarantee its self-sustained growth. The Indian programme straddles the road and power projects, small and quick-gestation social projects and indigenous skills and capacity development. India's five medical missions provide free medicines and treatment to over a thousand patients a day. The Indian-aided Indira Gandhi Hospital has now been linked through a telemedicine link with two of India's super specialty hospitals, similar to what India has done for the African countries

90. In 2009 India-assisted 218-KM long Zaranj - Delaram Road, Pul-e-Khumri transmission lines and the substation at Chimtala were inaugurated. The Shimtala sub-station ensures stable 24-hour supply of power to the capital city of Kabul. The Salma Dam on the Hari Rud river in Heart province

and the Afghan parliament building are scheduled to be completed in 2011. Human resource development is an important element of Indian programme in Afghanistan. In this sector India provides annually 675 scholarships each, for undergraduate and graduate studies in India, besides training facilities for public servants in Indian training institutions in areas beneficial to that country. India welcomed the successful completion of second presidential and provincial elections, which marked the maturing of democratic institutions in a traditional society.

91. The set back in the security scenario was indeed a major cause for worry. There was a repeat attack on the Indian Embassy in Kabul. The targeting of the Indian Embassy in Kabul on October 8 by a suicide squad of the Taliban, shocked New Delhi. It may be recalled that on July 7, 2008 there was a similar attack on the Embassy, in which 40 people including two senior diplomats-a military attaché and a Counsellor besides security personnel of the Embassy and Afghan nationals were killed. The present suicide attack killed 17 people and injured another 80. Characterizing the attack on the Indian mission in Kabul as the handiwork of those desperate to undermine Indo-Afghan friendship, New Delhi offered financial and medical assistance to Afghan nationals injured in the terror strike. While India did not point an accusing finger at any one, the Foreign Secretary Mrs. Nirupama Rao said "whoever is responsible for this attack is against peace, is against democracy, is against people of Afghanistan and against the people of India." The Afghan authorities however, had apparently no doubt about the direction the attack came and said that it was planned from "across the border." Refusing to be intimidated by such clumsy attacks Ms. Rao reiterated New Delhi's "unwavering commitment to pursue our bilateral development partnership and assist the people of Afghanistan in realising a democratic, peaceful and prosperous Afghanistan." The External Affairs Minister asked to comment on the developments in Kabul, reiterated in Bengaluru on October 10 India's "determination to continue its work of developing infrastructure there".

92. The irony is that only a day earlier on October 7, Foreign Secretary Mrs. Rao at a Seminar in New Delhi prophetically had warned of the "recent dramatic decline in security", and the "need for an intensified focus on security, governance and development." She called upon the international community to "do what it can to assist" Afghanistan, and to put "effective pressure on Pakistan to implement its stated commitment to deal with terrorist groups in its territory including the members of the Al Qaeda." She cautioned "failure in Afghanistan's stabilisation will entail a heavy cost for both the Afghan people and the world at large". Mrs. Rao was quite forthright in

analyzing the reasons for the decline in the security scenario and the source of turbulence, when she said: "the increase in terrorist actions in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. That explains the particularly high-level of violence in the border areas of Afghanistan". Mrs. Rao warned that unless security was ensured "the gains made over the past eight years will be compromised and it will become difficult to forestall the restoration of status-quo-ante, to a situation similar to what prevailed prior to 11 September 2001." Underlining Indian conviction that "terrorism cannot be compartmentalized" she warned that "any facile attempts to strike Faustian bargains with terrorists often result in such forces turning on the very powers that sustained them in the past." She had no qualms in pointing out the "sense of defeatism (that) pervades certain sections of international opinion" and the need to guard against this, "because it runs the risk of encouraging insurgent groups, besides weakening the authority of the Central Government and its institutions". In sounding her warning, she had on the back of her mind the recent rumbling of the call for differentiating between good and bad Talibans; bring the former in the mainstream by sharing power with them and in the process isolating the latter. The question which bothered New Delhi was 'can the out laws of so many years' standing--some accused of most barbarous crimes, really be given a share in running the country? New Delhi continued to be disbelieving. However it is a losing battle India is fighting. The NATO powers have put their weight behind it. Afghan President Hamid Karzai with Pakistan's enthusiastic backing is sold to the idea, New Delhi's options are limited.

93. In March 2009 India had welcomed the US Af-Pak policy in the hope that it augured well for the security of Afghanistan since the strategy started with a clear, concise, attainable goal: disrupt, dismantle, and defeat al Qaeda and its safe havens. For the first time Afghanistan and Pakistan were clubbed together as two countries but one challenge. Despite western efforts and deployment, the security situation however remained fragile and there was not much decline in terrorist activity. It looked as if the security forces both internal and external were not in a position to meet the challenge and there was a danger of their getting bogged down in the Afghan quagmire. Then in a dramatic move on December 1, 2009 President Obama announced surge of another 30, 000 troops in Afghanistan to augment the American deployment to bring the situation under control expeditiously. But President Obama's brave announcement too had a dampening ring about it. He announced the timetable for starting the American pull out of its troops from that country in the next 18 months. While New Delhi welcomed the "surge" as a step to strengthen the Afghan security forces to meet the challenge of

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terrorism in that country and President Obama's call on Pakistan to ensure "terrorists do not enjoy safe havens on its territory", New Delhi knew well that the hope was too fanciful. If past experience was any guide Pakistan was indeed a weak link who in search for its "strategic depth" played a different ball game from the one the US had in mind. Therefore while welcoming US surge New Delhi, harbouring its doubts of Pakistan's bona fide, appealed the international community "to impress upon Pakistan that it must use all its influence and resources to implement its commitments to dismantle the infrastructure of terrorism and to deny sanctuary to all terrorist groups who operate from its soil". New Delhi too was not sanguine on the time table the US set for it to begin withdrawing from Afghanistan. The Official Spokesperson of the Indian Ministry of External Affairs on December 3 gave expression to his doubts when he said that it was "imperative that the international community shows sustained and long-term commitment to assisting the Government and people of Afghanistan."

### **Bangladesh**

94. As a result of the landslide victory of the Awami League in the December 2008 elections, Sheikh Hasina took over as Prime Minister of Bangladesh on January 7, 2009. India welcomed the new government and the Prime Minister Dr. Manmohan Singh in his message of congratulations to Sheikh Hasina assured her that he looked forward to working closely with her to further strengthen and expand the multifaceted bilateral relationship in a manner that responded to the aspirations of the people of the two countries.

95. In February the External Affairs Minister visited Bangladesh and received the most positive response to New Delhi's concerns on the question of security. Bangladesh's Foreign Minister Ms. Moni's words were most reassuring. She said Dhaka believed that "the terrorists don't have any borders, they don't have any religion, they don't have any nationality. They are terrorists. Whoever tries to use our territory to harm anyone we will put a stop to it. We will be vigilant. We are reassuring not just the honourable Foreign Minister of India but like to reassure all of us that we will be vigilant and we will not let anyone use our territories for any kind of terrorist activities." During his call on Prime Minister Hasina, Mr. Mukherjee proposed a Task Force to combat terrorism. Adding her bit Ms. Moni said Bangladesh would have dialogues with its other regional neighbours", since "terrorism is a problem, which is not contained by any borders, so combating terrorism also needs cross-border regional cooperation to be effective". All this was most reassuring to New Delhi.

96. Bangladesh's trade deficit with India had been a matter of concern to Dhaka for a long time. Though India had been responsive to Dhaka's concern, latter failed to understand that it was not always possible to address this problem in arithmetic terms. Showing understanding of Bangladesh's concern on this account EAM tried to argue that while imbalance may not be possible to eliminate, it certainly was "possible to reduce the gap and to keep it within manageable limits." Recalling his last visit to Dhaka he reminded Dhaka that New Delhi had removed or reduced tariff barriers on a number of items. Reassuring Dhaka of India bonafide he said: "This time, during my interaction with the Foreign Minister I have requested them to give me a list in which Bangladesh Government is interested so that we can further prune the negative list. We have already pruned the negative list. In this connection you may recall, unilaterally, we declared at the 14th SAARC Summit - India will allow large number of items without any duty from the least developed countries, including Bangladesh".

97. During the EAM visit two Agreements - one on bilateral trade and the other on bilateral investment promotion and protection were signed in the hope that these would further strengthen the framework for trade and investment between both countries. To further promote trade between closes neighbours External Affairs Minister stressed the importance "to enhance connectivity, linkages" which would bring prosperity to the region. The subject of connectivity was again a subject of discussion in September when Bangladesh Foreign Minister paid a return visit to New Delhi. It was then agreed that the Indian side would facilitate Nepal-Bangladesh and Bhutan-Bangladesh connectivity.

98. The September visit of Dr. Moni was important for both the countries from many angles. It was supposed to be a curtain raiser for the scheduled visit of Prime Minister Sheikh Hasina before the end of 2009. Since both the Prime Ministers of India and Bangladesh had to make unscheduled visits to Copenhagen for the Climate Change Summit, her visit was postponed and it took place in January 2010.

99. Among the many important decisions taken during Dr. Moni's visit, the most momentous decision of far reaching importance was to enhance cooperation in the power sector. India agreed to provide at least 100 MW of power to Bangladesh on a priority basis. Dhaka had expressed concern at the Tipaimukh Dam project on Brahmaputra, but New Delhi to allay Dhaka's misgivings assured it that India "would not take steps that would adversely impact Bangladesh". Similarly to resolve the long pending question of sharing



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of waters of the Teesta river, while mandating the two foreign offices to urgently discuss the technical and other parameters of this issue, it was agreed to immediately commence joint hydrological observations on the river and undertake bank protection works.

100. The visit of Dr. Moni provided an opportunity to give shape to the concerns expressed by both for their mutual security during the External Affairs' visit to Dhaka in February. It was now agreed to conclude two important agreements --Agreement for Mutual Legal Assistance in Criminal Matters, and Agreement on Combating International Terrorism, Organized Crime and Illegal Drug Trafficking. It was also agreed to conclude another agreement for transfer of sentenced persons in each other's country.

### **Nepal**

101. In May the Nepalese government led by the Maoist leader Pushpa Kamal Dahal "Parchanda" resigned on issue of civil control over armed forces, since the Cabinet decision to replace the Chief of Army Staff was not accepted by President Dr. Ram Baran Yadav. In the ensuing developments a new coalition government under CPN (UML) leader Madhav Kumar Nepal and supported by 22 parties, took office. Political instability in the neighbourhood of India did cause unease in New Delhi. The Prime Minister giving his expression to his anxiety on this account said on May 4 "Today there is lack of peace and stability in India's neighbouring nations- be it Nepal, Pakistan or Sri Lanka. It [the developments] can also affect the security situation in our country." The Union Home Ministry directed Seema Suraksha Bal (SSB) which patrols 1750-km border with Nepal, to remain on high alert.

102. The fast developing scenario in Kathmandu saw Foreign Secretary Shiv Shankar Menon in Kathmandu on June 20-21 to reiterate India's commitment to "assist Nepal in its transition to multi-party democracy and in its peace process to achieve a peaceful and prosperous future".

103. India was concerned at the stalemate in constitution making and lack of political consensus in Nepal. External Affairs Minister S. M. Krishna told the Lok Sabha on July 9 that due to the nature of our "relations and the open border, the developments in Nepal had a direct impact on us". Of particular concern to New Delhi was lack of tangible progress in the process of integration and rehabilitation of the combatants of the Maoist army and their cadres. As the year ended the process of constitution making too remained stalemated, essentially due to disagreement among the political parties on the structure of governance and polity.

104. In August both the Nepalese Prime Minister and the Prime Minister visited New Delhi separately. The visit of Prime Minister Madhav Kumar 'Nepal' offered an opportunity to discuss and resolve many outstanding issues relating to trade, and transit, borders and border management, cross border crime, connectivity, hydro-power and water management, development assistance, supply of essential commodities, infrastructure, education and human resource development, investments etc. The Prime Minister of India assured his Nepalese counterpart India's full support and cooperation in its political process and constitution making. The longstanding Nepalese urge for revision of the 1950 Treaty was discussed and the two Foreign Secretaries were directed "to discuss and review the 1950 Treaty of Peace and Friendship and other bilateral agreements with a view to further strengthening the bilateral relationship".

105. Security has remained a major area of concern between the two countries. The Nepalese side assured New Delhi that it would not allow its territory to be used for any activity against India and the Indian side also gave the same assurance to the Nepalese side. The two sides agreed to consider steps to further facilitate cross-border arrangements in order to resolve border related issues and to assist local populations in the border areas on both sides. They also stressed on the need for strengthening the legal framework, in order to counter their common cross border security challenges. Unfortunately the extradition treaty which was initialed in January 2005 has remained unsigned for one reason or the other.

106. Following the Nepalese Prime Minister's visit, the Indian Foreign Secretary Mrs. Nirupama Rao visited Kathmandu in September to exchange views on further improvement of bilateral relations and to focus on the implementation of the vast agenda agreed upon during the visit of the Prime Minister of Nepal, as contained in the Joint Press Statement. At the Civil Aviation Secretary level talks both sides agreed to promote tourism between the two countries by increasing the number of seats from 6000 to 30, 000 between Kathmandu and the Indian metros.

107. It may be recalled that the appointment of Indian priests to perform the traditional puja at the sacred shrine of Lord Pashupatinath in Kathmandu had created some avoidable trouble by some elements for which the political leaders, with whom Mrs. Rao interacted, conveyed their regret. The Government of Nepal reassured her that "they have taken all necessary measures to ensure the security and well being of the Indian priests and continuation of regular prayers at the temple".

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108. Mrs. Rao reinforced Prime Minister's assurance to the Nepalese political leaders India's "abiding interest in the success of Nepal's transition to multi-party democracy and the completion of the peace process" since a peaceful, democratic and prosperous Nepal was in the interest of the both countries and their people and South Asia.

109. In October the two countries signed the Treaty of Trade and the Agreement of Cooperation to Control Unauthorized Trade. The new Trade Treaty revised the 1996 Treaty which was a turning point in the trade relations between the two countries and resulted in phenomenal growth of bilateral trade from Rs. 28.1 billion in 1995-96 to Rs. 204.8 billion in 2008-09. While the Nepalese exports to India increased from Rs. 3.7 billion to Rs. 40.9 billion, the Indian exports to Nepal increased from Rs. 24.4 billion to Rs. 163.9 billion during the period 1995- 2009. Yet the two sides felt there was a need to shift the Indo-Nepal trade to the higher level and attain better qualitative dimensions.

110. A fundamental feature of the 2009 Agreement of Cooperation to Control Unauthorized Trade was to allow export of goods imported by Nepal from India to the third countries without necessity of carrying out any manufacturing activity in Nepal. This would enhance exports from Nepal to third countries where it had a better market access as compared to India. Similarly it will allow export of the goods imported by India from Nepal to third countries. This will help Nepalese exporters to take advantage of the third country market access developed by the Indian export houses.

### **Sri Lanka**

111. It was a decisive year in Sri Lanka's history. The Sri Lankan security forces for the first time took the battle in the LTTE's territory and beat them too. New Delhi was anguished that political structure of talks was abundant in favour of a solution by use of arms. It repeatedly impressed on Colombo to work for a political solution through peaceful negotiations between all the parties. It appealed to the LTTE too to abandon the path of armed conflict, lay down arms and sit across the table with the Sri Lanka Government to find a political solution. Unfortunately that was not to be. LTTE's obstinacy and obduracy shrank the ground for New Delhi to help in a peaceful political solution. The conflict resulted in large scale suffering for the people in the North province, which bore the brunt of the fighting. About three lakh Tamils were displaced from their homes and hearths, many were killed and many more injured in the cross fire.

112. The killing of LTTE Chief Villupalli Prabhakaran during the security operations and the defeat of the LTTE though eliminated the militarist fringe of the Tamils; it did not bring a political solution to the ethnic issue any closer. A permanent solution admittedly may take a little time. The priority was to heal the wounds inflicted by decades of protracted conflict, to make a new beginning and to build a better future for the people. The External Affairs Minister S. M. Krishna on December 4 in his speech in the Parliament emphasized to the Sri Lankan Government that "the time had indeed come to focus on issues of relief, rehabilitation, resettlement and reconciliation". India while expressing its readiness to work with the Government of Sri Lanka in the rehabilitation and reconstruction process of Northern Sri Lanka and in restoring normalcy offered an assistance of Rs. 1000 crores.

113. Presence of nearly 300,000 Internally Displaced Persons (IDPs) in camps in Northern Sri Lanka posed a major challenge to the Sri Lankan Government. The need was immediate humanitarian attention and urgent steps to resettle them in their original places of habitation so as to restore semblance of normalcy in their lives after the traumatic experience they had undergone.

114. Sri Lanka Government had announced that by the end of 2009 a couple of lakh displaced persons would be settled. By all accounts Sri Lanka government did struggle to achieve the rehabilitation and humanitarian objectives of the problem on an expeditious scale. By the end of the year about a couple of lakh IDPs had indeed been settled.

115. In October, a delegation of Tamil Parliament Members visited Sri Lanka to see things for themselves. They witnessed the distribution of the humanitarian relief items donated by India and held discussions with a cross-section of the leaders of the Sri Lankan Tamil community and the Indian Origin Tamils. They called on the President of Sri Lanka Mahinda Rajapaksa. The parliamentarians came back by and large satisfied at the pace of rehabilitation and relief work in Northern Sri Lanka.

116. The Government of India assisted and worked with the Sri Lankan Government to ensure the resettlement of all IDPs. 2.5 lakh family packs from Tamil Nadu, consisting of dry rations, clothing, utensils, footwear etc, were provided to the IDPs. The 60-member emergency field hospital set up by India in March 2009 operated for six months till September and treated more than 50,000 patients, many of them serious cases requiring surgery. Two consignments of medical supplies were also gifted.

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117. Speaking in the Lok Sabha on December 4, Mr. Krishna assured the Tamil community that besides Rs. 1000 crore already promised, India was committed to doing more. "Our humanitarian effort in Sri Lanka has transitioned from a purely relief effort to a broader rehabilitation and reconstruction phase," announced the External Affairs Minister. To facilitate speedy resettlement of IDPs, India extended much needed de-mining assistance. To ensure that returning IDPs had a roof over their heads, India donated initially 2,600 tonnes of shelter material. An additional 2,600 tonnes of shelter material was again provided. To address the vulnerable sections of the society emerging out of a military conflict, especially war widows, New Delhi undertook to construct a project for their rehabilitation as well.

118. For the rehabilitation of agriculture in the devastated North Province, India supplied 20,000 agricultural starter packs in the first instance followed by an additional 50,000 packs. A team led by the Indian Council of Agricultural Research visited Sri Lanka to work out a blueprint for assistance to revive agriculture there.

119. To help in the priority area of infrastructure under Lines of Credit India committed to take up projects in railway infrastructure, reconstruction in Northern Sri Lanka and provision of rolling stock. India too is anxious to rejuvenate the cultural and social life amongst the people in the North and East provinces. Skill development and capacity building are areas of focus, as also vocational training and the provision of enhanced educational opportunities.

120. But rehabilitation and resettlement was one part of the story; the other and more important was finding a political solution to the ethnic problem within the framework of a united Sri Lanka, which would meet the legitimate interest and aspirations of all sections of the population that caused the conflict and the attendant ruin all round. Revival of such a political process and an inclusive dialogue would help bring the minority communities into the political mainstream and offer a dignified life to all. India continued to emphasise to the Sri Lankan Government to put forward a meaningful devolution package that would go beyond the 13th Amendment. This naturally was expected to take some time. The Government time table is progressing to a schedule. The presidential election, which was advanced by a couple of years, was completed in January 2010 and the incumbent president emerged victorious.

121. There was a need to evolve a national consensus and hold an all party meeting on this crucial issue. One only hopes this process will not be unduly prolonged and meaningful dialogue will be held in a business like manner leading to an all round acceptable solution which will be harbinger of social, economic and political harmony in the island.

### **Pakistan**

122. India-Pakistan relations during the year remained under the 26/11 cloud. New Delhi was anguished that Pakistan had not shown enough earnestness to prosecute the leaders/handlers of the gang who mounted the terror attack on Mumbai. Despite India providing copious evidence to meet the insatiable and repeated Pakistani demands for more and more evidence, Pakistan did not show enough seriousness to put up a cast-iron case in the court, particularly against their ring leader Hafiz Mohammad Saeed. It found space behind the smokescreen provided by the Lahore High Court which threw out the case against him since court felt there was not enough evidence to prosecute him. External Affairs Minister S. M. Krishna in his gentle manner gave vent to Indian frustration when he told Karan Thapar in an interview on June 14 "Pakistan could have made more serious attempts in fighting the case and I believe that not enough was done in pursuing the case".

123. The Jahadi outfits that were declared unlawful were still operating freely, albeit under different names. The Pakistani cities too came under repeated terror attacks resulting in the killing of scores of people. The tiger Islamabad was riding was roaring back for once. But it did not spur Pakistan enough. They continue to have a field day. Unfortunately, Pakistan failed to realize that terrorism is a two-edged sword. The Frankenstein that it allowed to grow in its backyard for years to 'punish' India for its failure to address Islamabad's perceived grievances, including one on Kashmir, had now chosen to strike back, giving Pakistan the taste of its own pudding. Perhaps the cries of the innocent Pakistanis were not loud enough for the deaf Pakistani leadership. It nevertheless remained oblivious of the Indian pain and anguish.

124. Under the US prodding and perhaps in gratitude for massive US financial assistance Pakistan did move a little finger but only selectively. It chose to act against only those operating in its western region targeting western interests. It remained ambivalent on action against those operating on its eastern borders. Never mind if in targeting India they were neither sparing Pakistan's premier cities like Islamabad and Lahore. It perhaps did not matter to Pakistan even when the guest sportsmen were not spared.

125. Complicity of Pakistan in terror attack on the Indian Embassy in Kabul in July 2008 was no less galling for New Delhi. Pakistan, in search of an illusionary strategic depth in the west, employed the instrument of terror to sanitize Afghanistan of Indian presence. The grudging acquiescence of the outside powers, anxious to use Pakistan in securing their larger objective in that country was unfortunate. And this when it was admitted by all that the Indian programmes were beneficial for the people of Afghanistan. Failure of these powers to persuade Pakistan to allow its corridor for the import by Afghanistan of the much needed Indian goods, and allow the export of its produce to India points to that failure.

126. The outraged Indian public opinion backed the government's decision taken last year to suspend the on-going 'Composite Dialogue', until Pakistan took credible action against the people whom India held responsible for the Mumbai attack and against whom sufficient evidence was provided to Islamabad in several dossiers. That India made this a litmus test of Pakistan's sincerity was articulated by the Prime Minister himself on the floor of the Parliament when he said that if Pakistan showed the sincerity that was necessary to convey to us that they were rearing to go the whole hog in trying to destroy the instrumentalities of terrorism, which was directed against India, perhaps India would be too willing to resume the dialogue with Pakistan.

127. During the year India unsuccessfully tested waters several times to see if there was even a glimmer of hope that Pakistan was serious about taking action towards dismantling the structure of terrorism directed against India. At Yekaterinburg, on June 16, on the sidelines of the SCO Summit, Prime Minister Manmohan Singh chose to deliver a tough message to President Zardari. He was left in no doubt about India's seriousness. Mr. Singh told Mr. Zardari in the presence of the media that while he was happy to meet him, his mandate was to tell him "quite frankly that I have come with the limited mandate of discussing how Pakistan can deliver on its assurances that its territory would not be used for terrorist attacks on India." It took not only President Zardari by surprise but the entire media and the public at large. It was India's frustration at Pakistan's pussyfooting on the terrorist question that was oozing out.

128. By the time the Prime Ministers of India and Pakistan met at Sharm El Sheikh on the sidelines of the NAM Summit, not much had happened to give India the satisfaction that it was looking for. While Pakistani Prime Minister Yusuf Raza Gilani was anxious for resumption of the composite dialogue, Dr. Manmohan Singh assured him that New Delhi was not against

the talks per se, but "the dialogue cannot begin unless and until the terrorist acts of Mumbai are fully accounted for and the perpetrators are brought to book". Pakistan putting a spin of its own on the joint statement interpreted the phrase "Prime Ministers recognized that dialogue is the only way forward. Action on terrorism should not be linked to the Composite Dialogue process and these should not be bracketed." The use of the phrase "Action on terrorism" preceding the words "not linked to the Composite Dialogue process" clearly put the onus of "Action" first on Pakistan which was to be followed by Dialogue and not the other way round as Pakistan sought to interpret.

129. The Prime Minister explained in Parliament on July 29 while speaking on his visits abroad that it was "in our vital interest to make sincere efforts to live in peace with Pakistan. But despite the best of intentions, we cannot move forward if terrorist attacks launched from Pakistani soil continue to kill and injure our citizens, here and abroad. That is the national position. I stand by it. I have said time and again and I repeat it right now again: it is impossible for any government in India to work towards full normalization of relations with Pakistan unless the Government of Pakistan fulfills, in letter and spirit, its commitment not to allow its territory to be used in any manner for terrorist activities against India." This was the sum and substance of what he tried to explain to the Pakistan Prime Minister Gilani notwithstanding what he made out to understand. The truth was ringing loud and clear when Dr. Manmohan Singh added "over the past seven months, we followed a policy, using all effective bilateral and multilateral instruments at our command, to ensure that Pakistan acts, with credibility and sincerity, as we would expect of any civilized nation". In the face of Pakistani intransigence on the question of terrorism, if any body expected that Dr. Singh offered to resume talks or de-link terrorism from the dialogue, it would sound incredulous.

130. The mention of Pakistan's problem area of Balochistan in the Shram El Sheikh Joint Statement created avoidable confusion in a section of the media and the public. The Prime Minister explaining its rationale said that Prime Minister Gilani had expressed to him the apprehensions of a section of the Pakistani people that India "meddled in that Province". But he assured him that their concerns were unfounded since India was "neither interested in destabilizing Pakistan nor it harboured any ill will towards Pakistan". He firmly believed and told Mr. Gilani as well that "a stable, peaceful and prosperous Pakistan living in peace with its neighbours is in our own interest". He reiterated to the Lok Sabha, what he had told Gilani "that we are not afraid of discussing any issue of concern between the two countries. If there



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are any misgivings, we are willing to discuss them and remove them". He also told Prime Minister Gilani that the Indian Consulates located in Kandhar and Jalalabad, which were there for the past sixty years, had never before been accused of any thing like that since they were only involved in purely diplomatic work. Besides the diplomatic work, the Consulates now were additionally engaged in the reconstruction work in Afghanistan, which was beneficial to the common people of that country. Being sure of the bona fide of the Indian agencies in Afghanistan, the Prime Minister assured Mr. Gilani that if Pakistan had any evidence to the contrary, India would not shy away from looking into that since "we have nothing to hide." Concluding the Prime Minister said that he believed that "it is as much in Pakistan's vital interest as it is in ours to make peace. Pakistan must defeat terrorism, before being consumed by it. I believe the current leadership there understands the need for action." "Our objective" the Prime Minister said, "must be a permanent peace with Pakistan, where we are bound together by a shared future and a common prosperity". Dr. Singh believed that there was a large constituency for peace in both countries and the majority of people in both countries wanted an honourable settlement of the problems between them that had festered far too long and want to set aside the animosities of the past. That was the hope that inspired the Prime Minister to extend the hand of friendship to Pakistan at Sharm El Sheikh despite 26/11.

131. Despite all his efforts not to let Pakistan get off the hook easily and his disappointment, Prime Minister Singh still persisted in his peace efforts, because there was no alternative and said so in his speech: "I say with strength and conviction that dialogue and engagement is the best way forward". That was Prime Minister's commitment to peace because there is no alternative to peace, and peace comes with dialogue and not sitting back and sulking at home. The question is what is the right time for talks? There can be difference of opinion on the timing but not on act of it. To convince the House that there was no alternative to talks and dialogue, the Prime Minister referred to the repeated efforts of his predecessor who despite Hijacking of the IC plane, Kargil, and Parliament attack persisted in dialogue starting with his visit to Lahore in 1999 and Agra Summit in 2001, and Islamabad talks in 2004.

132. The last opportunity in 2009 for the two countries to meet came in September on the sidelines of the UNGA. Indian foreign Secretary and the External Affairs Minister met their counterparts from Pakistan in New York. India once again conveyed to Pakistan its concern at "very very slow pace of action" being taken against the conspirators and other responsible for the

Mumbai terror attack. But if at the end of 2009, one was looking for satisfaction at the action taken by Pakistan either to dismantle the structure of terrorism or to bring the culpable elements for the Mumbai attack to book, there was nothing positive on the credit side. But hope is eternal and one lives with hope. As the Prime Minister said several times, one can choose one's friends but not neighbours. So where is the choice? It was perhaps with this hope that India once again, in the New Year, tried to test the waters by inviting Pakistan's Foreign Secretary for talks, which took place in New Delhi towards the end of February, 2010. In so doing it made it clear that the talks were not under the umbrella of the 'Composite Dialogue'. These were essentially to find out the progress Pakistan had made in bring the guilty men of Mumbai to book. That Pakistan gave it a different spin to hoodwink its public opinion is another story.

## VI

### **Southeast, East Asia & Pacific**

133. Ever since India embarked on its 'Look East' policy in the nineties, its engagement with the countries of the region has been on the upswing. India no longer regards the region as its extended neighbourhood, but its immediate neighbourhood given India's 1600 km long common border with Myanmar. With the Kaladan Multi-Modal Transit Project, agreement for which was signed in April 2008, coming up it will give India's northeast complete connectivity with Southeast Asia through Myanmar. Similarly the free trade agreements/comprehensive economic cooperation agreements would give India intensive and extensive trade and economic links, which would integrate Indian economy with the region. India is already founder member of the East Asia Summit and dialogue partner with the ASEAN. India is expected to become a member of the Asia Pacific Economic Cooperation grouping with the end of moratorium on new memberships in 2010.

### **Australia**

134. India-Australian relations during the year were dominated by the problem of the Indian students studying in that country and coming under racial attacks from the fringe elements of the Australian society. This caused a good deal of worry to their parents in India. Naturally the Government of India was concerned. The Prime Minister and the External Affairs Minister spoke to their Australian counterparts who were assured of the Australian sincerity of good treatment for the Indian student community.

135. In August the External Affairs Minister S. M. Krishna visited Cairns

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(Australia) in connection with the Pacific Island Forum's - Post Forum Dialogue and availed of this opportunity to convey to the Australian Foreign Minister Stephen Smith India's concerns. This issue dominated the discussions with the Australian Prime Minister Kevin Rudd and the Premier of the South Wales Government when they visited New Delhi later that year. New Delhi was assured of their full cooperation to safeguard the interests of the Indian students and promised stern action against the culprits. The high priority that New Delhi attached to the students' welfare was oozing out in the joint statement issued at the end of the visit of Australian Prime Minister Kevin Rudd on November 12. Mr. Rudd once again "reiterated that Australia had a zero tolerance approach to violence and was committed to taking all possible measures to protect the safety and welfare of all international students including Indian students."

136. New Delhi however felt that all assaults were not necessarily racist and emphasized the need for "orientation for students on living conditions and other information that would help them integrate with the society" in Australia. It was announced that specially designated student welfare officers would be available in the Indian High Commission and Consulates in Australia who would focus on issues related to Indian students.

137. The visit of Premier of the State of Victoria John Brumby in September gave him an opportunity to reassure the Ministers for Overseas Indian Affairs and Human Resource Development of heightened protection to the students studying there. While announcing a series of measures in this direction, he announced scholarship of AUD \$ 10,000 to five Indian students in 2009 as part of a new International Scholarship programme. The Ministry of External Affairs also issued on June 12, an advisory to the Indian students going to Australia on how to prepare for their studies, the living conditions and the precautions etc during their stay in that country.

138. As a result of the Government of India's efforts, the student community felt secure. The Indian missions in Australia solicitous of the students' welfare as they always have been in the past, are now even more than ever before keeping themselves in touch with the student community and the local authorities on their problems.

139. On the political plane, Australia has been quite keen to keep the bilateral relations on an even keel, despite its reluctance to allow nuclear trade with India even after India had last year secured the necessary exemption from the NPT requirements from the Nuclear Suppliers' Group. New Delhi on its part too, appreciating the Australian policy compulsions, did not allow

Canberra's disinclination to come in the way of reciprocating Australian eagerness for closer relations.

140. The visit of the External Affairs Minister Mr. S.M. Krishna to Australia in August, and the visits of Australian Foreign Minister and Prime Minister to New Delhi and the India-Australia Framework Dialogue went a long way to create a better climate of understanding between the two countries on both bilateral and regional issues. Australia supported India's quest for a permanent seat on the United Nations Security Council (UNSC) and also its membership of the Asia Pacific Economic Cooperation grouping when the membership moratorium ended in 2010. The high Point of the Prime Minister Rudd's visit was the Joint Declaration in which the two countries committed themselves to security cooperation that "will strengthen cooperation in a wide range of security and related areas including counter-terrorism, defence, disarmament and non-proliferation and maritime security". The Declaration enumerated eight elements of cooperation in this regard viz., information exchange, and policy coordination on regional and long term strategic and global issues, cooperation within the EAS and ASEAN Regional Forum, efforts to combat terrorism, trans-national organized crime, disaster management, maritime and aviation security, and police and law enforcement. They also identified the mechanism to achieve these objectives of cooperation. In the preamble to the separately issued Joint Statement, the two countries underlined their shared interests and values as pluralist democracies, global in outlook, but also closely integrated into the Asian region with rapidly expanding economic relationship and a shared desire to enhance and maintain peace, stability and prosperity in Asia through multilateral institutions which also needed to reform.

### **China**

141. It was a mixed year for India - China relations. There were both areas of understanding and misunderstanding. The mature manner in which the two countries handled their problems ended on a happy note and solid cooperation at Copenhagen, which saved the day not only for them but also for the developing countries as a whole.

142. The relations between the two countries were summed up by the External Affairs Minister S. M. Krishna in his statement in the Lok Sabha made on December 9. He said "Our relations with China get very high priority in our strategic thinking. We would like to develop this cooperative partnership based on equality in which each side should be sensitive enough to the concerns, aspirations and sentiments of the other nation." India would

celebrate the 60th year of establishment of diplomatic relation with China next year in "a befitting manner" since "these are reciprocal symbolic gestures which we make to our neighbours," said Mr. Krishna. Saying that India "value China's friendship, association and we would like to further take it to certain strategic levels" and he felt assured that "China is willing to reciprocate".

143. Prime Minister Dr. Manmohan Singh met his counterpart Wen Jiabao in Hua Hin on the sidelines of the India-ASEAN summit in October. Wen Jiabao recalled PM's remark that there was "enough space for both sides to develop and cooperate" and that "for the Asian Century to become a reality it is important that India and China should live in harmony and friendship and enjoy prosperity". Prime Minister Dr. Manmohan Singh at his press conference in Hua Hin on October 25 giving a broader perspective of his meeting with the Chinese Premier said: "I had a frank and constructive exchange of views with Premier Wen both during our formal meetings and at the gala dinner last night. We discussed all these issues and agreed that existing mechanisms for bilateral cooperation should be used to resolve all issues amicably in the spirit of the strategic and cooperative partnerships." Adding he said "The Premier and I reaffirmed the need to maintain peace and tranquillity on the border pending a resolution of the boundary question. Both of us agreed that we should continue and strengthen efforts to build political trust and understanding."

144. The External Affairs Minister Krishna too met the Chinese Foreign Minister twice during the year. The first meeting between the two was on July 22 at Phuket (Thailand) on the sidelines of the India-ASEAN Ministerial Conference and the second on October 27 on the sidelines of the RIC foreign ministers' meeting in Bengaluru. At Phuket they resolved to further deepen their ties, especially in bilateral trade targeted at \$60 billion by the end of 2010. At Bengaluru they agreed once again on the "importance of further developing high level exchanges, of enhancing trade and economic cooperation" and added the need to further develop their "defence contacts". Speaking to the Bangalore Press Club on October 28 Mr. Krishna said "China wants to have good ties and I have often said India would like to have very friendly relations with China. Our effort is to take this relationship to the level of partnership. Hence there is goodwill on both sides and it augurs well."

145. On the India-China boundary question the two-day 13th meeting of the Special Representatives took place in New Delhi on August 7- 8. A statement issued by the Ministry of External Affairs said that "apart from the

boundary issues, discussions covered a broad agenda which included the entire gamut of bilateral relations and regional and international issues of mutual interest". Describing relations with China as a key foreign policy priority for India, the National Security Advisor who led the Indian delegation to the talks said "the joint document on a 'Shared Vision for the 21st Century' signed during Prime Minister's visit to China in January 2008 has taken bilateral relations to a new level. There has been a significant expansion in bilateral cooperation in areas such as trade and investment, defence, culture, education and people-to-people exchanges".

146. His sentiments were reciprocated by the leader of the Chinese delegation who referred "to rapid growth witnessed in the bilateral relations in recent years". He "highlighting the importance of ongoing consultations and coordination between the two countries at multilateral fora", and expressed the hope that "the two countries will jointly meet global challenges in the spirit of the Shared Vision". Mr. Dai Bingguo said that "China takes a positive view of India's development and progress, and also supports a bigger role for India in international affairs."

147. A Chinese statement on the talks issued separately pointed out that "the Chinese Government and people value the strategic and cooperative partnership between China and India, the largest two developing nations with a combined population accounting for 40 percent of the world's total. Friendly coexistence, mutual beneficial cooperation and shared progress between the two neighbours will contribute not only to the people of the two countries but also Asia and the whole world. China and India have no other option than living in peace and developing side by side. China stands firmly committed to working with India to press ahead with the bilateral ties."

148. The growth in business and commercial ties which has been the biggest leitmotif in the relations between India and China provided the setting for the establishment of a new body - the India Business Forum (IBF) - launched on the 15th April in Beijing jointly by the Indian Ambassador Mrs. Nirupama Rao and Mr. Wang Jinzhen, Vice Chairman of the China Council for the Promotion of International Trade (CCPIT).

149. There were occasion causing concern in the relations between the two countries. The Chinese objection to the visit of Dalai Lama to Arunachal Pradesh was one. The other was the Chinese decision to issue visa to the residents of the Indian State of Jammu and Kashmir visiting China on a separate sheet of paper than stamping it on their Indian Passport. The media

perception that the Chinese were constructing diversion dams on Brahmaputra river which flows from Tibet to India and which could lead to reduced flows to the north-eastern region thus upsetting India's own plans to exploit the river in its territory, did not come true. The un-demarcated nature of the India - China border was also the source of some media speculation on the nature of patrolling of the border by the Chinese. The official New Delhi response that such misapprehension was not correct since both sides patrolled the border according to their individual understanding of the Line of Control in the absence of a clear demarcated line helped to calm the media raucousness. In fact the media was warned that such misplaced concerns could cause avoidable tension between the two countries. The Chinese financial assistance to Pakistan projects in the Pakistan-Occupied Kashmir too caused some unease to New Delhi. An article by a unknown Chinese scholar advocating disintegration of the Union into several regions was dismissed by New Delhi as "expression of individual opinion" and not "in accord with the officially stated position of China on India - China relations conveyed to us on several occasions, including at the highest level". India' deft handling at the ADB of Chinese stalling efforts for a loan for a project in Arunachal Pradesh saw Chinese quiet acquiescence to the Indian application for the loan. Thus on all the issues that could have caused some disquiet in the relations between the two countries, both the countries acted and reacted in such a subdued manner as to ensure that no irreparable damage was done to the long-term relationship.

### **Japan**

150. The victory of Democratic Party of Japan under the leadership of Prime Minister Yukio Hatoyama with commitment to reorient Japan's relations with the West to look more towards East augured well for India's own policy of developing new links with the countries of East and Southeast Asia. Hatoyama's initiative for an East Asian community has therefore been a welcome move. India and Japan with no conflict of strategic interest, and sharing common goals to build stability, power equilibrium and institutionalized multilateral cooperation in Asia, have for some time been engaged in forging many bilateral institutional links, and can hope to build on that framework. New Delhi too did not fail to notice new government's keen desire to reorient Japan's traditional policy towards Washington. The announcement by Tokyo to end its 8-year old Indian Ocean refueling mission in support of US led war in Afghanistan, and desire to reexamine the earlier agreement on the storage and or transshipment of nuclear weapons on Japanese soil, was clear signal that Japan intended to look more towards

its traditional area of influence in Asia than to be playing a second fiddle to the West in its pursuit of global objectives.

151. The institutionalized annual summit brought Mr. Hatoyama to New Delhi before the year 2009 drew to a close. This offered an opportunity for the two countries to go over the existing relationship to build a new one on it. The two prime ministers during their summit talks agreed to continue with the on-going economic cooperation in several fields. This cooperation had in recent years particularly contributed substantially to India's economic progress, and to strengthen the existing institutional links for strategic dialogue. They recognized the need for enhancing cooperation in strengthening security and to that extent expressed their satisfaction "at the finalization of the Action Plan with specific measures to advance security cooperation based on the Joint Declaration on Security Cooperation between India and Japan issued in October 2008" at the end of summit talks. During this visit, a new 'Action Plan' was agreed upon between the two prime ministers. The Japanese Prime Minister gave sufficient indication of the strategic cooperation envisioned by the two leaders when he told the media that the stepped up cooperation in the defence of the sea lanes of communication "would be very meaningful".

152. India too took the earliest steps to establish rapport with the new government as it took office. National Security Advisor visited Tokyo as the Special Envoy of Prime Minister. The Prime Minister himself met the new Prime Minister Hatoyama at Pittsburg in September and at Hua Hin in October. The Defence Minister AK Antony went to Tokyo in November and established mechanism for annual defence talks between the two countries at the ministerial and official levels. Foreign Secretary Mrs. Rao's visit in December was to prepare the groundwork for the Summit later that month.

153. There has been a steady growth in trade, economic relations and investments. As per the Japanese statistics, during 2008-09, the bilateral trade crossed 12 billion dollars despite the global economic slowdown. There is a trade target of 20 billion dollars by 2010. Japan already is the sixth largest investor in India with actual investments, already exceeding three billion dollars. The pace of investments has picked up in recent years. In the preceding eight or nine years alone, actual investments from Japan have been over 2.5 billion dollars.

154. The two sides, encouraged by the trend of growing economic and commercial relations and wanting to consolidate that trend, are in the process



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of concluding a Comprehensive Economic Partnership Agreement (CEPA). Twelve rounds of discussions have already been held which shows the importance that the two countries attach to this agreement. The last round was in Tokyo in September-October 2009..

155. Japan valuable assistance in large infrastructure development projects including the dedicated freight corridors and Delhi-Mumbai Industrial Corridor has been greatly appreciated in India. Since 2004, India has been the largest recipient of Official Development Assistance (ODA) from Japan. In 2008-09 India received ODA of 2.5 billion dollars which was almost 30 per cent of Japan's global ODA.

156. Recent years witnessed greater people-to-people contacts, cultural and educational exchanges. In September 2009 an India Cultural Centre was set up in Tokyo. Also the first ever Chair on India in the prestigious Tokyo University was set up. Japan is also extending assistance in the establishment of a green-field project, an IIT in Hyderabad.

157. The year too witnessed a number of defence exchanges including the trilateral Malabar Exercise in April-May and also the visit of three Japan Maritime Self-Defence Force ships to Goa in May.

158. India's multifaceted ties also cover a number of other important areas including energy. Other important areas are high-technology trade, science and technology cooperation, urban development etc.

159. Earlier in July when External Affairs Minister SM Krishna visited Tokyo for the 3rd India-Japan Strategic Dialogue he highlighted the fact of "the Strategic & Global Partnership between us (India and Japan)" being "an important factor in furthering our ties, as well as in promoting peace, stability and prosperity in Asia and the world."

## **Mongolia**

160. In September India welcomed the Mongolian President Elbegdorj on his first visit to India which was also his first overseas visit after his election to the Mongolian presidency in June 2009. During the visit the two countries signed agreements in the field of peaceful uses of radioactive minerals and nuclear energy, health, culture and statistics. The agreement for peaceful uses of radioactive minerals and nuclear energy made Mongolia the sixth country after the U.S., Russia, France, Kazakhstan, and Namibia to sign the civil nuclear pact after the 45-member Nuclear Suppliers Group lifted the ban on nuclear trade in 2008. India too agreed to provide Mongolia a

soft loan of 25 million US dollars to help it to stabilize its economy in the wake of the global financial crisis.

161. To help Mongolia in the human resources development and capacity building 60 slots allotted to it under the ITEC programme were doubled to 120. India too will assist Mongolia in the field of education, particularly in teaching English language, and information technology, besides extending assistance to set up an information technology centre. Regular consultations between the Foreign Ministries of the two countries were constituted.

162. The Prime Minister Dr. Manmohan Singh in his remarks after his talks with the Mongolian President said: "India attached importance to its expanding defence exchanges and cooperation with Mongolia, including regular joint exercises between the armies, and agreed to strengthen cooperation in this area." It may be recalled that an agreement on Cooperation in Defence Matters was signed in 2001. The 5th joint military exercise under the agreement was held in Mongolia in September. The 3rd meeting of the Joint Working Group on Defence Cooperation was expected be held in Ulaanbaatar in 2010.

163. President Shrimati Pratibha Devisingh Patil in her banquet speech in honour of the Mongolian President highlighted the fact that both "India and Mongolia share common views on international peace, security and development". She welcomed the commitment of Mongolia along with that of India "against the menace of international terrorism that is afflicting our region".

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### **West and Central Asia**

164. India has extensive relations with the West Asian region. The bedrock of goodwill between India and West Asia comprising the Arab world resulted in the emergence of a strong edifice of political, economic, defence and security. India has noted the perceptible shift in the policies of the Arab countries from the West to the East. The Arab countries have shown considerable confidence in the stability of India's political, economic, and social institutions. Our democratic institutions have withstood all the tremors and upheavals caused by the shake up of the old economic and social order in the last six decades. The ability of Indian financial system to take in its stride the recent economic meltdown, and expeditiously recover from its worst impact, which caused the western financial system to crumble, did not go unnoticed in the region. The gulf is important for India's trade in the

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area. Trade in goods and services between India and the Gulf expanded rapidly and it exceeded US\$ 87 billion in the fiscal year 2007-08. The year 2008 witnessed several high-level visits, highlighting the importance of the region in India's foreign policy, peaking with Prime Minister Dr. Manmohan Singh's visit to Qatar and Oman in November of that year. India's stake in the security of the waters around the Arabian peninsula are high, since the bulk of Indian trade with the west depends greatly on the security of its sea lanes. India-Qatar Defence and Security Agreement of 2008 is manifestation of the same concern. Trade in goods and services between India and the Gulf is expanding rapidly and it exceeded US\$ 87 billion in the last fiscal year.

165. To enhance economic and commercial relationship with the Gulf there was now in place the necessary institutional arrangement-- the India-GCC Framework Agreement signed in 2004. There is a proposal to liberalize trade relations for which a Free Trade Agreement between India and GCC is under active consideration. The negotiating teams for this purpose have held three rounds of discussions so far. The Free Trade Agreement would complement the ongoing and rapidly expanding bilateral economic engagement with individual member countries of the GCC. The MOU signed between India and the GCC in 2008 for an India-Arab Cooperation Forum as a framework for dialogue for strengthening cooperation in such diverse fields as sustainable development, economic and commercial, educational, scientific, information technology etc., would go a long way in forging new links and enhancing cooperation in these fields.

166. The West Asian region remained active on the Indian radar in 2009. In April the Vice President M. Hamid Ansari visited Kuwait, It may be recalled that in June 2006 the Amir of Kuwait His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah had visited India. Since then there were two sessions of the Joint Commission between India and Kuwait - one in November 2006 followed by another in July 2008. In addition there were various exchanges at the Ministerial and official levels which sustained the momentum in bilateral relations across many sectors. At last count there were a little under 600,000 people of Indian origin working and living in Kuwait contributing to the economic development of Kuwait. Kuwait is an important trading partner of India. In 2007-08 bilateral trade amounted to about \$ 8.4 billion. It accounts for about 12 per cent of Indian crude oil imports. The Indian Oil Corporation has recently renewed its contract for purchase of about nine million metric tonnes of crude and about 351 trillion cubic metres of gas from Kuwait. Obviously Kuwait's role in providing energy security to Indian economy is substantial.

167. In June Minister of State Dr. Shashi Tharoor visited Dubai and had meetings with Sheikha Lubna, Minister for Foreign Trade as well as with Minister of Cabinet Affairs Mr. Mohammad Al Gergawi. The meetings gave Mr. Tharoor an opportunity to review India-UAE bilateral relations and discuss further measures to intensify them. In the same month the Foreign Minister of UAE Sheikh Abdullah Bin Zayed Al Nahyan, was on an official visit to India and had detailed discussions with Minister of External Affairs Shri S.M. Krishna on bilateral relations, regional and multilateral issues and on new avenues of cooperation, especially in the domain of trade and economy. It was acknowledged that the presence of over 1.5 million Indians in the UAE had contributed to the development of the economies of both India and the UAE. The UAE Minister conveyed his desire to enhance UAE's investment in India which currently stood at US \$ 4.5 billion through FDI and FII routes and was among the top ten investors.

168. Dr. Tharoor visited the Republic of Yemen in June to participate in the 9th Ministerial meeting of the Indian Ocean Rim-Association of Regional Cooperation. He however, took the opportunity to call on the President of the Yemen Republic Ali Abdullah Saleh, and handed over a letter from the President Smt. Pratibha Devisingh Patil reiterating the excellent state of bilateral relations and inviting the President of Yemen to visit India. President Saleh while expressing his gratitude for the invitation expressed his happiness at the deepening of the historic and civilizational relationship between India and Yemen. Dr. Tharoor also met with Dr. Abubakr Al Qirbi, Minister of Foreign Affairs of Yemen and exchanged views on bilateral, regional and multilateral issues of mutual concern including increasing incidence of terrorism and piracy and urgent need to further bolster the joint efforts for safe and secure transit of trade and other exchanges which are so vital for the economic growth of the region.

169. After the visit of Syrian President in 2008, the cooperation with Syria is increasing. As a first step a Memorandum of Understanding was signed on 14th May, 2009 between Department of Fertilizer, Ministry of Chemicals and Fertilizers, Government of India and General Company for Phosphate and Mines, Ministry of Petroleum and Mineral Resources, Government of the Syrian Arab Republic for providing consultancy services for preparation of technical, economic and environmental study report for development of rock phosphate resources of Syria. The study by an Indian consortium will be completed within 1-year. Cost of the feasibility study will be borne by the Government of India.

170. Palestine continues to be an important aspect of India-Arab relations. India's solidarity with the Palestinian people and its attitude to the Palestinian question reflects, perhaps more than any other issue, the enduring nature of Indo-Arab ties. In 1974, India was the first non-Arab country to recognise the Palestine Liberation Organization as the sole and legitimate representative of the Palestinian people. In March 1980, the Government of India announced in Parliament India's decision to accord full diplomatic recognition to the PLO office in New Delhi. In 1988, India recognised Palestine as a State. India has now constructed the Palestine Embassy building in New Delhi, a gift of the people and Government of India to the Palestinian people. Chairman of the Palestinian National Authority Mahmoud Abbas visited New Delhi in October 2008. During his visit India extended US \$ 10 million budgetary support to the Authority and another US \$10 million for development projects besides signing an MOU to construct a school in the Palestinian territory at its cost.

171. New Delhi was greatly anguished when at the beginning of 2009 Gaza came under Israeli attack. India regretted that when talks were going on in Cairo among representatives of all concerned under the guidance of the French and the Egyptian officials, there was no sign of sorrow or concern about the plight of the million and half Gazan civilians living in a permanent state of fright. India expected an early end to the suffering of the people of Gaza and a return to a dialogue and resumption of the peace process. In October India increased its contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to \$1 million. In January 2009, in response to an UNRWA Flash Appeal, the Government of India had made a special assistance of \$1 million for relief work in Gaza Strip.

172. India has continued to maintain its contacts with the countries of Central Asia in 2009 as in the previous years. At the start of the year, in January President of Kazakhstan paid a state visit to New Delhi.

173. Sharing Indian concern about the menace of terrorism President Nursultan Nazarbayev strongly condemned the 26/11 terrorist attacks in Mumbai and reiterated the need for intensifying global cooperation in combating international terrorism. He conveyed assurance that Kazakhstan stood firmly with India in dealing with the scourge of global terrorism. He joined India in calling for early conclusion of the Comprehensive Convention on International Terrorism within the UN framework. The signing of the Extradition Treaty would help law enforcement agencies to develop mutually beneficial cooperation, render required assistance and support to each other,

which would be an important step towards controlling international crime and terrorism.

174. After the waiver by the NSG in 2008 Kazakhstan has come forward to cooperate with New Delhi in the civil nuclear energy field. The signing of a Memorandum of Understanding between Nuclear Power Corporation of India and National Atomic Company Kazatomprom JSC for the supply of uranium by Kazakhstan was a step in that direction. Both the countries agreed to the early conclusion of an Inter Governmental Agreement for cooperation in Peaceful Uses of Nuclear Energy. India-Kazakhstan Inter-Governmental Commission on Trade, Economic, Scientific, Technical, Industrial and Cultural Cooperation was an important instrument to develop and enhance trade and economic cooperation as well as cultural cooperation.

175. As part of her visit to Russia in September President Shrimati Pratibha Devisingh Patil visited Tajikistan, which remained an important partner for India in the Central Asian region. The President described Tajikistan as "our extended neighbourhood"-- a young nation with "an old civilization". Her visit was the first ever by an Indian President to Tajikistan. It was an historic occasion for the President to address the people of Tajikistan on their National Day and "convey to them the greetings and best wishes of the people and Government of India for their progress and prosperity". The President had fruitful exchange of views on global and regional issues with President Rahmon, whom, she recalled, she had hosted in Jaipur in August 2006. There too were fruitful discussions between the Indian trade delegation traveling with the President and Tajik delegation. The President extended an invitation to the Tajik President Rahmon to visit India.

## VIII

### **Africa**

176. The relations with the countries of Africa gained a new momentum in the wake of the India-Africa Forum Summit in 2008. The Delhi Declaration which was a political document covered bilateral, regional and international issues. These included Indian and African common positions on UN reforms, climate change, WTO, international terrorism, etc. The India-Africa Framework for Cooperation spelt out the agreed areas of cooperation. These areas span human resources and institutional capacity building, education, science & technology, agricultural productivity and food security, industrial growth, small & medium enterprises and minerals, health sector, development of infrastructure, and ICT.

177. Relying on the latest technology to secure greater depth in its diversified relationship with the continent, India launched an India-Africa Website to provide new avenues for exchange and dissemination of information, a new vehicle to reach out to them and a renewed commitment to Africa that even when living in another part of the world, it was not far from India. It is a matter of great satisfaction for New Delhi that its "duty-free preference scheme" for the Least Developed Countries, covering 94 per cent of India's tariff lines extended to 33 African countries.

178. As the year 2009 opened, the Federation of Indian Chamber of Commerce and Industry (FICCI) organized the India - Africa Business Partnership Summit. It offered an opportunity to the External Affairs Minister to reiterate India's commitment, made at the India-Africa - Forum Summit to more than double the amount of Lines of Credit to US\$ 5.4 billion for the five-year period beginning 2008-09. India too is committed to provide US\$ 500 million over the next 5 to 6 years for projects in critical areas such as higher and vocational education, science, IT, agriculture and renewable energy, from the 'Aid to Africa' budget. India has so far extended over US\$ 3 billion of concessional lines of credit to countries in Africa.

179. Another significant chapter added in the year 2009 in the history of India-Africa relationship was the Pan-African e-Network Project, inaugurated on 26th Feb, 2009 by the External Affairs Minister amidst the presence of the Heads of Mission of the African countries in New Delhi. As of now 47 countries have signed up with the Telecommunications Consultants India Limited (TCIL), the project consultants for the link, to join it. Sao Tome was the 47th country to join it, with its Foreign Minister Dr. Carlos Alberto Pires Tiny signing the MOU in December 2009, during his visit to New Delhi.

180. With the commissioning of the Network Project, former president Dr. A P J Abdul Kalam's vision of connecting India with all 53 countries of the African Union with a satellite and fibre optic network for sharing India's expertise in education and health care, was translated into reality. The project is a unique example of South-South Cooperation based on similarities of circumstances and experiences. India has always been open to sharing its strength, democratic model of development and appropriate technologies that are cheap, yet effective with the developing countries particularly of Africa. It is no wonder that Africa has become the largest partner of India's technical assistance and capacity building programmes.

181. Under the Network project India has gifted a dedicated satellite for e-connectivity in sub-Saharan Africa to help bridge the digital divide. The Project

created significant linkages for tele-education and tele-medicine, making available to the people of Africa, the facilities and expertise of some of the best universities and super-specialty hospitals in India.

182. The Ministry of External Affairs administered project, in addition, was equipped to support e-governance, e-commerce, infotainment, resource mapping and meteorological and other services in the African countries. It too provided VVIP connectivity among the Heads of State of the African countries through a highly secure closed satellite network. The Project budget of Rs. 542.90 crores covered the cost of supply, installation, testing and commissioning of hardware and software, end-to-end connectivity, satellite bandwidth, O&M support and provided the tele-education and tele-medicine services for 5 years.

183. It would provide tele-education services to 10,000 African students to undertake Post-Graduate, Under-Graduate, PG Diploma and Diploma and skill enabling certification courses in subjects such as Business Administration, IT, International Business, Tourism and Finance. The seven leading universities and educational institutions in India associated with the Project are: Amity University, NOIDA; University of Madras, Chennai; Indira Gandhi National Open University (IGNOU), New Delhi; Birla Institute of Technology and Science (BITS), Pilani; University of Delhi; IIT Kanpur and Indian Institute of Science (IISc.) Bengaluru.

184. As part of the tele-medicine services, online medical consultations are provided for one hour every day to each participating African country for a period of 5 years in various medical disciplines such as cardiology, neurology, urology, pathology, oncology, gynecology, infectious diseases/HIV-AIDS, ophthalmology, pediatrics etc. The twelve leading Indian Super Specialty Hospitals associated with the Project are: Apollo Hospital and Sri Ram Chandra Medical College and Research Institute, in Chennai; All India Institute of Medical Sciences, Escorts Heart Institute and Moolchand Hospital in New Delhi, Fortis Hospital in Noida, KEM Hospital in Mumbai, Care Hospital in Hyderabad, Amrita Institute of Medical Sciences, Kochi; Manipal Hospital and Narayan Hrudayaylaya, Bengaluru and Santosh Hospital, Ghaziabad. With the commencement of this service, some of the best medical specialists of India would be available for consultations online for the African patients.

185. Another important element of tele-medicine service is the Continuing Medical Education (CME) in various specialties which is intended to update the knowledge and upgrade the clinical skills of the practicing physicians



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and paramedical staff in the African countries. President Shrimati Pratibha Devisingh Patil eloquently underlined the importance of India's Africa programme in her banquet speech in honour of the visiting Benin President on March 4. She said the "cornerstone of India's policy on external relations is to help our friends in Africa with their socio-economic development and for the continent of Africa to emerge as a vibrant entity, well integrated with the world economy".

186. India's bilateral trade with Africa has grown manifold and reached a level of US\$36 billion in 2007-08, up from US\$3 billion in 2000-01. Given the concrete opportunities that exist between the two sides, India-Africa trade could easily be doubled to US\$70 billion over the next five years.

187. That Africa has come into its own was forcefully demonstrated at the Copenhagen Climate Change Conference in December 2009. The backtracking of the developed countries on their draft after the Africans backed by India chose to walk out on their draft. It was indeed a turning point at the Conference. Despite the severe constraints faced by them, African countries have been making special efforts to achieve their development goals while controlling the green house gas emissions.

188. Africa unfortunately was badly hit by the financial meltdown of 2008. It was critical that the international community provided concrete assistance for their efforts to overcome the crisis, through provision of greater financial resources, technology transfer and capacity building. There was the need for easier access for African countries to developed markets. There was too the need to focus on actions that added value to African exports. The international community had to recognize and respect the indigenous and traditional knowledge available in Africa and the use of such knowledge in development efforts, climate change, and GHG emissions. The need for support for their own efforts was succinctly underlined by the UN Secretary General in his 7th Report on New Partnership for Africa's Development. The Report emphasized the need for concerted and urgent action by international development partners to mitigate the socio-economic impact of the global financial and economic crisis and help the African countries in their progress towards implementation of NEPAD and realization of the Millennium Development Goals. It was a matter of satisfaction for New Delhi that the report highlighted India's contribution towards Africa's development in the context of South-South cooperation.

189. India is also exploring possibilities of comprehensive economic cooperation agreements with the Common Market of Southern Africa

(COMESA) and the East African Community (EAC). Significantly the FICCI sponsored India-Africa Business Partnership Summit in January 2009 was attended by the Rwandan President Paul Kagame, who was also the current Chairperson of the East African Community.

190. A framework agreement for a Preferential Trading Arrangement between India and the South African Customs Union (SACU) is in the pipeline. New Delhi in cooperation with the South African Development Community (SADC) was also developing projects in a number of sectors thereby expanding the scope for India-Africa cooperation in the coming years.

191. Since the inception of the Indian Technical and Economic Cooperation (ITEC) Programme in 1964, capacity building and human resource development in Africa has been an area of high priority for the Government of India. The ITEC programme has benefited thousands of experts and students from Africa who came for training courses in professional institutions in India. Drawing satisfaction from the success of this programme, New Delhi has increased the number of training slots for African countries from 1100 to 1600.

192. In addition, several thousand African students are currently studying in Indian universities and colleges. The number of scholarships for them has been doubled. Over the next five to six years India hopes to undertake in Africa, on a grant basis, projects in critical areas such as higher and vocational education, science, IT, agriculture and renewable energy. A sum of US\$500 million has been allocated for this endeavour.

193. India too was extensively involved in peacekeeping efforts in Africa. Presently, India has over 7000 peacekeepers serving in Africa, including a 5000 strong contingent in the Democratic Republic of Congo. India's first full all-female formed police unit is currently deployed in Liberia. In addition to peacekeeping, this unit has been reaching out to the most vulnerable sections of the society i.e. women and children in inspiring them to stand on their own in their war torn society.

194. In recent years Oil has become a thrust area in Africa. India was happy to be collaborating in this sector too and identified five thrust areas in the oil and gas sector for cooperation. These include; buy more crude from Africa, invest more in upstream opportunities on bilateral basis in the continent as well as in third countries, explore opportunities to source more LNG from Africa, make available our skills, talent and technology in cost-effective manner for the benefit of the people of Africa. In his valedictory address to the India-Africa Hydrocarbon Conference held in New Delhi in December

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the Indian External Affairs Minister assured Africa that "India's approach to African resources is not a one way street," and added, "We will draw equal satisfaction when African oil fuels Africa's own development and growth. Our long standing priority is to serve as a partner in Africa's development". This approach underlines all the Indian efforts in this continent.

## IX

### **The United States of America**

195. There were some trepidations in New Delhi with the inauguration of the Obama Administration in Washington, particularly in view of his stand on non-proliferation. But soon enough New Delhi felt assured that despite the President's views on this sensitive issue, there would be no change in the US position on the implementation of the India - US Civil Nuclear Energy Cooperation Agreement of 2008. Even when the US President led the UN Security Council to adopt a Resolution on Non-Proliferation, Washington understood India's position as conveyed in its letter of 23rd September addressed to the Security Council President which happened to be the United States. Another sign of warmth noted in New Delhi was when contrary to media reports the Administration in appointing a Special Envoy to tackle the problem of terrorism in Afghanistan, in deference to Indian sensitivities, confined his role to Afghanistan and Pakistan. In a special gesture to Prime Minister Dr. Manmohan Singh the President called him on December 1, when he announced his plan of 'surge' in Afghanistan to explain the US policy to him.

196. New Delhi too appreciated the President's gesture to invite Prime Minister Manmohan Singh as his first State Guest at the White House after assuming the Presidency. The United States too did not shirk from putting pressure on Islamabad to cooperate with New Delhi to tackle the problem of terrorism in the Sub-continent and take sufficient action against the culprits held responsible for the 26/11 attack in Mumbai. As a mark of solidarity with India, Secretary of State Ms. Clinton visiting India in July, first landed in Mumbai and stayed at the Hotel Taj Mahal which bore the brunt of the terrorist attack. While at the Hotel she interacted with the staff and paid tribute to those killed during the terror attack.

197. The External Affairs Minister besides welcoming the US Secretary of State Ms. Hillary Clinton to New Delhi in July, had another meeting with her in September in New York on the sideline so the UN General Assembly session. Foreign Secretary visited Washington in March and the Assistant Secretary of State William Burn paid a return visit to New Delhi in October.

The US National Security Advisor too paid a visit to New Delhi in June. These high level visits helped to keep the channels of communications active at personal level between leaders of the two countries. As pointed out above in the section on Civil Nuclear Energy Cooperation there was some misgivings in India about the US commitment on cooperation in this vital field of particular interest to India in view of President Obama's new found zeal for non proliferation, the same were dispelled at the highest level as announced by the Prime Minister himself.

198. The high point of the India - US relations in 2009 was the State visit by Prime Minister to Washington for a summit meeting with US President Barack Obama in November. At their first meeting in April on the sidelines of the G-20 Conference in London they had established personal rapport. President Obama after his meeting made significant remarks about the relations between the two countries that set the tone for the rest of the year -- "We are the world's two largest democracies. India, like America is full of diversity, full of energy and it is a complicated place like the United States is complicated. But there are very few countries that have such a strong affection and affinity between the two as between India and the United States. What is also true is that, I think, the United States sees India as a global power, and a critical partner in helping deal with the challenges of twenty first century- every thing from climate change, to poverty, to trade, to science and innovation." President Obama and Prime Minister Dr. Manmohan Singh along with leaders of the other BASIC countries interacted closely at the Copenhagen summit in December to save it from complete collapse.

199. Desire of both the countries to raise the level of cooperation in other fields like defence, climate change, high technology commerce, civil aviation, education and human resource development, were confirmed during the visit of Prime Minister to Washington in November. The preamble of the Joint Statement issued on November 23 made a significant declaration that "the common ideals and complementary strength" of the two countries "today provide a foundation for addressing the global challenges of the 21st century"; and their resolve "to harness these shared strengths and to expand the U.S.-India global partnership for the benefit of their countries, for peace, stability and prosperity in Asia, and for the betterment of the world." To New Delhi's satisfaction Washington agreed with New Delhi that "the threat posed to regional and global security" emanated "from India's neighbourhood" and its impact was "beyond the region" and in this context agreed that it was "absolute imperative to bring to justice the perpetrators of this terrorist attack".

**Europe**

200. Prime Minister Dr. Manmohan Singh's visit to France as Guest of Honour at the Bastille Day Parade and his visit to Russia for the annual summit, President's visits to Russia, the UK, Cyprus, Spain, Poland and External Affairs Minister's visit to Belarus and British Foreign Secretary's visit to New Delhi during the year kept the relations between India and Europe on an active trail.

**France**

201. The Prime Minister's presence at the Bastille Day Parade was particularly important since a contingent of the Indian army was also invited to take part in the parade. In 2008, President Sarkozy was the Chief Guest at the Indian Republic Day parade. In his remarks after the parade Dr. Manmohan Singh spoke of the global significance of the Bastille Day and the ideals of the French Revolution of liberty, equality and fraternity. After the lunch organized in his honour by President Sarkozy, the latter introduced Dr. Singh to thousands of people gathered at the Elysee Palace National Day Reception.

202. During the brief visit of the Prime Minister and among his very busy schedule President Sarkozy found time to review bilateral relations between India and France, who are now strategic partners. Their bilateral cooperation extended to education, health, defence, space, peaceful uses of nuclear energy and several other fields. Both leaders expressed satisfaction at the steady deepening, broadening and development of the relationship. There was a strong convergence of interest on threats posed by terrorism and measures to counter it. They agreed to further strengthen cooperation in this area. They also expressed satisfaction at the implementation of the civil nuclear energy cooperation agreement signed in 2008 and cooperation in space and wide ranging defence cooperation.

**President's Visits to Spain and Poland**

203. The President Shrimati Pratibha Devisingh Patil's visit to Spain was the first ever State Visit by the President of India to that country. The visit to Poland was the fourth State Visit by an Indian President. Both the visits took place in April. While in Madrid the King and the Queen hosted a banquet in her honour, in Warsaw President Mrs. Kaczynska hosted it. In both the countries, she addressed meetings between the Indian business delegation accompanying her and their business delegations. She also addressed the

members of the Indian community in the two countries. In Madrid she was honoured with the Key of the City by the Mayor. In Poland two agreements on Tourism and Health and Medicine were signed, which the President said would open "new areas of cooperation in these sectors". She expressed the hope that these initiatives would "provide a sound framework for expanding people-to-people level contacts between our two countries".

204. At the end of her visit to the two countries, in a statement to the media she expressed her happiness that the objectives of her visit to the two countries had been "fulfilled", and that she "found, both in Spain and Poland, a common resonance and desire to more effectively and meaningfully cooperate in matters pertaining to trade, investment, development of infrastructure, renewable energy, energy, pharmaceuticals, agriculture, the auto sector, defence, tourism, IT, culture and education".

205. About her discussions in the two capitals she said "I also had a detailed exchange of views with the leadership both in Spain and Poland on the situation in our respective regions and agreed to strengthen our already useful cooperation in multilateral organizations, especially the United Nations. The global financial crisis was another factor that brought home to all of us that this is the right opportunity for us to leverage each others' complementarities and synergies."

#### **President's Visits to the United Kingdom and Cyprus**

206. In October the President visited the U.K and Cyprus. In UK it was the third state visit by an Indian President but after almost twenty years. The previous two visits took place in 1963 and in 1990 when President S. Radhakrishnan and R. Venkataraman visited the UK. The Queen hosted a banquet in her honour. She had a meeting with Prime Minister Gordon Brown and held important discussions with him. She also addressed a business meeting organized by the UK-India Business Council in which the business delegation accompanying her participated. The Lord Mayor of the City of London hosted a banquet in her honour at the Guild Hall. In addition, President Patil also interacted with British Members of Parliament in a meeting organized at the Westminster by the All-Party Parliamentary Group on India.

207. The President had an interaction with the Members of the Indian Community soon after her arrival in London on the 26th October. She attended the function held at India House, where memorabilia associated

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with Mahatma Gandhi was handed over to her. She made significant remarks when she said: "It was a profoundly emotional moment for me. We are carrying these precious items back to India." She too visited the Royal collection at Windsor where she saw a small shawl made with yarn spun by Gandhiji and gifted in 1947 to Her Majesty the Queen and the Duke of Edinburgh for their wedding.

208. She also participated in the ceremony at the Buckingham Palace where the Queen's Baton Relay was launched for the Fourteenth Commonwealth Games being held in India in 2010.

209. In February, consultations between the Foreign Offices of India and the UK were held in London. The Indian delegation was led by Foreign Secretary Mr. Shivshankar Menon and the British delegation by Permanent Undersecretary Sir Peter Ricketts. The last Foreign Office Consultations were held in New Delhi on 5th September, 2007. This was an occasion to review bilateral and International developments including the global financial meltdown and reform of International Financial Institutions, the G-20 Summit and Climate Change. The Foreign Secretary also met Lord Malloch-Brown, Minister for Asia, Africa and the UN. Both sides expressed happiness at the positive growth in bilateral relations and satisfaction at the strategic partnership which has developed between the two countries over the last years.

210. The President's state visit to Cyprus was from October 29th to October 31st. During the visit the President had bilateral talks with her Cypriot counterpart Mr. Dimitris Christofias. She also met the President of the House of Representatives of Cyprus Mr. Marios Karoyian and the Archbishop of Cyprus Archbishop Chrysostomos II.

211. A business delegation from India representing FICCI, CII and ASSOCHAM accompanied her. It interacted with the business delegations from the Cyprus-India Business Association and the Cyprus Chamber of Commerce and Industry. She met with the Indian community which is about 4000 strong and consisted of professionals, students and others.

212. The warmth of relations with Cyprus was reflected in various landmarks in Nicosia like location of the Cypriot Parliament on the Jawaharlal Nehru Avenue with the Statue of Mahatma Gandhi at the entrance and the Indira Gandhi Street where the Indian High Commission is located. In her farewell message summing up the significance of her visit she said: "my visit to Cyprus reinforced the strong bonds that already exist and helped define the contours of a future cooperation within the context of a rapidly changing world."

## Russia

213. The highlight of the India-Russia relations in 2009 was the annual summit in Moscow. The three-day Moscow visit in December by Prime Minister Manmohan Singh culminated in the signing of six agreements. This provided enough proof that New Delhi's relations with Moscow were stand alone and not at the cost of any other relationship. This was confirmed by the Prime Minister himself while addressing the media in Moscow on December 7. He said India - Russia relationship "stands on its own footing and is not influenced by our relations with any other country". Of the agreements signed, the agreement for joint production of multi-role transport aircraft, a \$100 million credit line for Indian goods and services in Russia, close cooperation in the field of civil nuclear energy, and an agreement on the pricing of Admiral Gorshkov, the aircraft carrier underlined the message that the two countries were not prepared to dilute their old relationship because of New Delhi developing newer relationships. The participation by Prime Minister Dr. Manmohan Singh in the SCO summit in June at Yekaterinburg at the Russian President's personal invitation, despite India being only an observer, was another signal of the warmth of personal relationship between the leaders of the two countries. Russia reciprocated in full measure the Indian gesture, by insisting that the rules of the membership of the SCO be finalized early, to facilitate Indian entry into it. It would give India a toehold in Central Asia, a strategically important area, particularly from the energy security angle. At the beginning of year in February, Russia in a display of its friendship towards New Delhi had signed a contract for the much needed long-term supply of 2000 tons of natural uranium pellets for Heavy Water Reactors and another 60 tons for Low Enriched Uranium pellets for Boiling Water Reactor. India too announced the two sites for the setting up of new reactors with Russian cooperation, agreement for which was signed in 2008.

214. Otherwise also 2009 was a special year in India - Russia relations. It was the Year of India in Russia. As stated above, in June Prime Minister had visited Russia for the Yekaterinburg summit meetings of the BRIC and the SCO. In September President Pratibha Patil paid a five-day state visit to Russia. In the same month Commerce and Industry Minister Anand Sharma led a 70-member delegation of Indian business leaders to a Russian-Indian Forum on Trade and Investment, which was followed in quick succession by the visits of External Affairs Minister S.M. Krishna and Defence Minister A.K. Antony. The appointment of heavyweight Deputy Prime Minister Sergei Sobyenin as the Russian co-chair for the Indo-Russian Inter-Governmental



Commission (IRIGC) on Trade, Economic, Scientific, Technological and Cultural Cooperation did not go unnoticed in New Delhi as also his gesture in visiting New Delhi in October to prepare for the Prime Minister's visit to Moscow for the annual Summit. In forging closer relationship the two countries are conscious that the global power is fast gravitating to the Asia-Pacific region, and there was mutual advantage as Russia begins to redevelop Siberia and the Far East.

215. The global economic crisis too played a role in pushing the two countries closer to each other. Despite a world trade slump, Indo-Russian commerce grew more than 10 per cent in 2009 to hit the figure of US \$ 7.5 billion. The target to 2010 was set at \$10 billion. At its annual session in October the Inter-Governmental Commission set a new target for 2015 - \$20 billion, which was still considered a modest figure, but would mark a big leap from the past decade when bilateral trade stagnated at \$2-3 billion a year. Energy is emerging as an important focus between the oil rich Russia and energy starved India. New Delhi had invested US \$ 2.8 billion in an oil field on Sakhalin off Russia's east coast and was in talks with the energy firms Rosneft and Gazprom for more blocks in north Russia. Now that India has obtained the necessary waiver from the NSG for nuclear trade, Russia is also emerging a major player in the development of nuclear energy. Besides the two new reactors agreement for which was signed in 2008 as mentioned earlier, possibility of Russia setting up more nuclear reactors remains wide open for the future.

216. The visit of President Shrimati Pratibha Devisingh Patil to Moscow in September was an important occasion for a review of ongoing bilateral cooperation between India and the Russian Federation and exchange of views on ways and means to further strengthen India-Russia bilateral ties in the future. She also exchanged views on regional and international issues of importance with the Russian leaders.

217. She noted with satisfaction the level of contacts between the political leadership of the two countries including at the annual Summit level as well as meetings and exchanges at Ministerial and other levels.

218. She too expressed satisfaction with ongoing efforts to achieve the bilateral trade target of US\$ 10 billion by 2010 which she felt, given the potential for economic cooperation that existed, was much below their potential. The private sectors in both countries need to take a lead on this issue, she stressed.

219. She was happy that her visit coincided with the celebrations of The Year of India in Russia. President Medvedev and the President participated in a Gala Concert showcasing the colorful mosaic of Indian culture during her stay in Moscow.

## XI

220. With the increase in the bandwidth of India's engagements globally, the Ministry of External Affairs in New Delhi and its diplomatic missions, which are its eyes and ears are facing new challenges. Foreign Relations are no longer confined to what has been classically understood the role of a diplomat, observing protocol, interacting with the chancelleries of the world and delivering the messages of war and peace. Until some years ago it was enlarged to pursuing trade and economic interests. This too is passé. The sophistication, the growing needs of the developing economy and globalization have brought about qualitative change in the functioning of the Ministry and the Missions. Energy, environment and climate change, terrorism, science and technology, biotechnology, I.T, nano technology, space, and the like are the core of the new diplomatic vocabulary. The World Trade Organization has ruled out trade protectionism. It has dismantled the trade barriers which had segregated economies for centuries. It has given way to market economy, competition and free trade. The challenge of high growth and social change is no longer the attribute of domestic politics but has today assumed international ramifications. The need to bridge the gap between the rich and the poor is the demand of a democratic polity on which India prides itself. The development is no longer the process of mere planning, it needs attracting foreign investments and modern technology and even participation of multinational companies. All these have foreign policy implications even if they are governed by domestic compulsions. While much of the burden of reconciling the conflicting demands of modernization and globalization may fall on the technocrats, the Foreign Service bureaucracy today cannot escape shouldering its own share of the challenge.

221. The Ministry of External Affairs conscious of the new challenges has taken steps to meet them head on. New divisions have been created with duly qualified and trained officers to head them; training programmes are organized for its personnel to keep them up-to-date with new developments. The Foreign Service Institute in New Delhi is geared to meet the new challenges and needs.

222. As part of the same exercise the conference of the heads of mission has been institutionalized as an annual affair. The structure of international

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system has changed beyond recognition; time and space stand cut short by the electronic means of communication, the challenges have become rapid and give little time to think and ponder. Responses have to be quick and instant. It is in this perspective that the utility of the conference has to be seen. It provides an opportunity to the personnel at home and abroad to understand each other and develop a common outlook on global problems allowing local orientation as necessary to meet the demands of the time and situation.

223. The second conference of Heads of Indian Mission was inaugurated by the External Affairs Minister on August 24. In his inaugural speech he laid down the strategic goals-'development, inclusive economic growth and alleviation of poverty'- and laying down the task of the foreign service, he said "the main purpose of our foreign policy is to assist in the fulfillment of these goals by providing an enabling external environment which ensures security, promotes trade, enhances our influence in the world". Describing terrorism as the main challenge he said the foreign service has to ensure that "neighbourhood is stable and peaceful and that our surrounding environment is conducive to the pursuit of our national goal of comprehensive socio-economic development".

224. The Prime Minister in his address "emphasized the integral link of India's foreign policy with domestic policies particularly economic policy" and said "the country's foreign policy should be aimed at addressing the challenges of mass poverty, ignorance and disease in the country, which were the primary concern of the Indian state and polity".

225. Widening the scope he identified "three pillars of our global engagement -(i) sustaining capital inflows to supplement our investment efforts, (ii) the need to take advantage of rapid scientific and technological developments in the world which provide an opportunity for India to leap frog its technological development, and (iii) the need to ensure that the country's growth is not constrained by scarcity of natural resources.

226. Making it clear that "insularity was not an option" he underlined the imperative of India playing a role in the international arena "in a manner that makes a positive contribution to finding solutions to major global challenges, whether in the field of trade or climate change". He flagged terrorism as a menace and the need to tackle it with "full vigour".

227. The road map is laid down. The task of the Ministry of External Affairs and its missions is cut out. The Challenges are evident and need no

elaboration. Both the External Affairs Minister and the Prime Minister have spoken loud and clear. The Year 2010 would test the mettle of the Foreign Office personnel in fulfilling the mandate entrusted to them.



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**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - I**

**GENERAL**

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**001. Inaugural Address by Prime Minister Dr. Manmohan Singh at the Naval Academy.**

**Ezhimala (Kerala), January 8, 2009.**

It is my great pleasure to be present here today at this magnificent campus overlooking the Arabian Sea. There could not have been a better place for the establishment of India's Naval Academy. I am grateful to the Government of Kerala for having made this possible.

Today marks the realization of a dream of our late Prime Minister Shri Rajiv Gandhi who laid the foundation stone of this Academy. The decision to establish a world class Naval Academy was a truly forward-looking one. As I look at the vast expanse of the Arabian Sea before me and the Indian Ocean beyond, it is easy to see why the Indian Navy must have a much greater role in safeguarding the Nation's vital security interests.

The Mumbai attacks have highlighted the need for heightened vigilance and response to asymmetric threats from the sea. We face such threats not only in the Arabian Sea but also in the Indian Ocean. There is a marked increase in the attempts by various terrorist and other groups to use the blue waters around India for nefarious purposes. This is a matter of concern.

This emerging maritime security environment greatly enhances your responsibilities. We have a coastline of over 7600 kms. with over 1200 island territories spread across the Indian Ocean. We have a large Exclusive Economic Zone. We have a vital interest in the Indian Ocean and a close relationship with countries of the Indian Ocean Rim, and specially the Gulf region.

We should also recognize that there will be other competing interests whose maritime presence in the sphere of our interest and our influence will have to be carefully monitored.

The importance of the Indian Navy in safeguarding our vital security interests has thus become paramount. There can thus be no doubt that the Indian Navy must be the most important maritime power in this region.

It is essential for the Navy, the Coast Guard and the intelligence agencies to coordinate their efforts much more closely. We need to develop credible strategies to counter all threats from the sea. On its part the government will take all necessary measures to ensure that the Coast Guard and the Navy are fully equipped to protect the seas and oceans around us.



The Gulf is part of our extended neighbourhood, separated only by the Arabian Sea, of which the Indian Navy is one of the sentinels. India and the countries of the Gulf have a shared view of peace and prosperity in the region. Many of the Gulf countries look upon India as a friendly and benign neighbour on which they can depend in times of difficulty and need. Nearly five million people of Indian origin live here. I strongly condemn the hostilities taking place in Gaza and express dismay at the unfortunate killing of hundreds of innocent civilians. We call for the immediate cessation of hostilities so that a settlement based on dialogue can be arrived at. I reiterate our unstinted and unwavering support to the just Palestine cause. This is an area of special priority for India and over the next decade and more this focus would only intensify further.

Another key role that the Indian Navy will play would be to safeguard the sea-lanes of communication, through which pass the bulk of our energy supplies and our sea-borne trade. As India's oil and gas imports increase demands on the Navy will become further pronounced. There is an inextricable link between our economic resurgence and our maritime power.

As economic power shifts to Asia, the demand for energy and the volume of trade passing through the Indian Ocean region will expand rapidly. This shift is being accompanied by the emergence of a host of threats that travel through the oceans.

These include the transportation of weapons of mass destruction, small arms and other weaponry through the oceans to the hinterland; the threat of piracy in international waters; organized crime; drug trafficking; environmental degradation; rising sea-levels; illegal migration and human smuggling.

The actions taken by the Navy recently to combat piracy in the Gulf of Aden and off the coast of Somalia have been timely. I would like to commend the professionalism of the Navy, which has been widely acknowledged across the world.

Traditional naval powers continue to rely upon their sea-control assets while emerging powers are developing sea-denial capabilities. More and more resources are being spent on naval modernization and research and development for new ship designs and battle space dominance through information networking. Increasingly, space and information technology are being harnessed for enhancing naval capabilities. The ongoing Revolution in Military Affairs and network-centric warfare has also impacted

on the navies as the joint-ness between the land, air and naval forces improves.

All this is leading to the emergence of a new international maritime order, one that is characterized by a great deal of flux. This will have major implications for India. The Indian Navy will be required to have capabilities to perform in the entire spectrum of conflict ranging from military missions and strategic deterrence to humanitarian assistance. As India moves ahead, it would need naval capabilities commensurate with its expanding national interests.

Today naval power is not just about fighting wars. It has an integral role to play in international diplomacy, commerce, energy supplies, exploitation of sea resources and ensuring order at sea. In such a scenario naval interactions have an important role to play. The large number of exercises that India has held in the recent years with several countries has resulted in greater exposure for the Indian Navy. They have enhanced the ability of the Indian Navy to operate with other navies to respond to common security threats.

Keeping the sea-lanes of commerce open, projecting power and maintaining strategic stability dictate that India should possess a strong blue water Navy. The sea is increasingly becoming relevant in the context of India's security interests and we must re-adjust our military preparedness to this changing environment. We have in place an ambitious plan for force modernization of the Navy which will contribute to the Navy's emergence as a three-dimensional force.

To face up to these challenges the Navy needs well trained manpower. I am confident that the Naval Academy will produce well rounded graduates with the latest scientific and technical skills, and a broad awareness of our national interests.

I congratulate all those who have contributed towards the creation of this institution. Such institutions are better known by the quality of their alumni than by their stone facades and I have no doubt that INS Ezhimala will, year after year, send out future generations of naval officers of whom the country will be proud.

I have great pleasure in dedicating the Naval Academy to the Nation.

Jai Hind.



**002. Inaugural Address by the External Affairs Minister Pranab Mukherjee at Petrotech 2009 conference on the theme of : 'Energy Independence with Global Cooperation: Challenges & Solutions'.**

**New Delhi, January 12, 2009.**

**My colleagues, Shri Murli Deora and Shri Dinsha Patel**

**Distinguished Ministers from Angola, Canada, Iran, Mozambique, Nepal, Oman, Sri Lanka, Sudan, and Syria**

**Secretary, Ministry of External Affairs, Shri H.S.Puri**

**Additional Secretary, Ministry of Petroleum & Natural Gas, Shri S. Sundareshan**

**Chairman Indian Oil, Shri Sarthak Behuria**

**Chairman & Managing Director ONGC, Shri RS Sharma**

**Director (HR) of Indian Oil, Shri VC Agrawal**

**Members of the Oil & Gas industry**

**Distinguished Guests, Media representatives**

**Ladies & Gentlemen:**

I am very happy to be amongst this distinguished gathering of Ministers, policy makers, entrepreneurs, engineers, geoscientists, academics and other energy sector professionals from across the world. May I begin by wishing you a 'Very Happy New Year'. I truly hope that 2009 spreads peace, prosperity and goodwill all around and in abundant measure.

I am pleased that India's premier hydrocarbon sector event Petrotech has rapidly evolved as one of the biggest forums in Asia for fostering partnership, knowledge sharing, technology display and global co-operation in the energy sector. I congratulate Indian Oil Corporation and the Ministry of Petroleum and Natural Gas for this.

Ladies and Gentlemen, historically, and especially since the Industrial Revolution there has always been a correlation between economic growth and energy consumption. Energy is a prime driver of economic growth, but not all countries are equally blessed with energy resources.

Over the last few years, India the world's second fastest economy has grown at about 9 percent per year. We are also counted as the seventh largest energy producer. But our per capita energy consumption is less than one-third of the global average. We are way short of providing electricity to all our citizens. Over 70 per cent of our crude oil is imported. The energy deficit that we face poses one of the most important challenges to our economic development. Unless we are able to overcome this, we will have to re-evaluate our development expectations.

The recently adopted Integrated Energy Policy envisages an energy mix that focuses on augmenting the domestic energy resource base and increasing efficiency while strategising our stakes in energy assets overseas. India aspires to a medium-to-long term strategy of shifting from fossil fuels to renewable and non-conventional sources of energy. Since oil and gas account for about 45 % of our current energy requirements, we are aware that even in the most optimistic of scenarios our dependence on hydrocarbons will continue in the coming decades.

Despite these energy constraints we are determined to maintain our rate of growth because that is the only way to defeat poverty and meet our human development goals. Notwithstanding the global economic gloom, we hope to grow at a 7 percent this year. India is backed by strong fundamentals like sustained high domestic savings and investment rates, productivity growth and domestic demand. We are confident of coping with external shocks and sustaining the India growth story.

The main challenge for us is to ensure the continuous availability of safe, clean and accessible energy at commercially competitive prices. Energy Security concerns are central to our national interest and an important aspect of our economic diplomacy.

Our production of oil and gas is modest by international standards, but we are a significant player in the entire spectrum of the hydrocarbon value chain. In the years to come, India's growth plans will undoubtedly make us a major contributor to the incremental global energy demand. As a growing energy market the potential for international investments is immense. The Government of India favours a competitive and market oriented hydrocarbon sector with increasing private sector and foreign investment in all the important segments of the industry.

Friends, crude oil prices were on a roller coaster in 2008. Historic highs and 4-year lows were experienced in less than 6-months. Even in their

dramatic drop, oil prices promise to hit back with a vengeance. It is not difficult to visualize that a recovery from the existing global meltdown could witness a sharp demand driven increase in prices. This extreme price volatility underscores the price sensitivity to short-term market imbalances, diminishing global spare capacity and ultimately the finite nature of oil and natural gas resources. What is more, hydrocarbons are not inspired by market principles alone. Geopolitics also have an influential voice in determining the availability and price of hydrocarbons. As I am not an astrologer in such matters, I shall not guess the route oil prices will take from here. What can, nevertheless, be said with a sense of surety is that, in the long run, this acute volatility in oil prices will profit neither the producer nor comfort the seller.

The time has come to recognize that our past approach to energy issues has limitations. A 'nationalist' position on energy matters will close more doors than it will open. The theme for this Conference - 'Energy Independence with Global Cooperation' is extremely appropriate as it actually prescribes "energy inter-dependence," which if accepted, is half way home to the idea of energy security. The logic of "energy inter-dependence" is more obvious than it appears. There is limited gain in taking an exclusivist, zero sum game approach on energy issues. For instance, any major development in oil supplies, whether a significant find or disruption to supplies by a blockade or militant action affects prices worldwide. On the larger canvas, energy interests of all countries are ultimately tied together.

The imperative before us is to renew the global energy architecture by developing an arrangement that incorporates long-term supply and demand side concerns. A new cooperative framework, based on dialogue and transparent exchange of data that ensures an open, transparent, competitive and stable market ought to emerge.

Increasing demand for hydrocarbons is given and will have to be met. The focus is on realistic answers to questions about supply, investments and technology up- gradation in the oil and gas sector. I look forward to Petrotech 2009 deliberating these issues.

I would also in particular, draw your attention to the safety and security of oil and gas installations and their transport infrastructure. The recent terrorist attack in Mumbai was a direct strike at India's economic development. This unpardonable criminal attack only underscores the risk all countries face from economic sabotage, irrespective of whether

these acts are authored by states or merely carried out by so-called non-state actors. The global hydrocarbons sector would increasingly be even more vulnerable to such threats. Protecting these assets would not simply be a law and order problem for an individual country, whether an energy exporter or consumer. Stability of energy supplies, security of energy transportation and creation of new energy infrastructure and its protection has to be a common goal requiring coordination and cooperation of all countries. It would be my recommendation that this Conference pay some attention to this issue as well.

In this New Year, talk of 'recession and recovery' has become common in the wake of one of the biggest global financial and economic downturns. I realize that this gloom also surrounds the hydrocarbons sector. Before I conclude, let me persuade the participants in this Conference to optimistically look above and beyond the pall of economic uncertainty. Let us prepare and plan for an energy future that is minus imbalances and shocks.

With this, I declare the Petrotech 2009 - 8th International Oil and Gas Conference open and wish it all success!

Jai Hind!



**003. Address of Prime Minister Dr. Manmohan Singh at the Award Ceremony of the *Economic Times*.**

**Mumbai, January 17, 2009.**

This function, originally scheduled for November had to be postponed because of the terrorist attack on Mumbai in that month. Although I visited the city along with Congress President Smt. Sonia Gandhi, immediately after that event, I had no opportunity to speak in public on that occasion. I would, therefore, like to use this opportunity to say a few words on that painful subject.

Although that horrific event is behind us, the scars it has left remain. I was a resident of Mumbai for three happy years and I feel keenly the pain and anger of the city. To the people of Mumbai, I can only say that we will spare no effort to ensure that their city does not suffer any such attack in the future.

My heart goes out to the families of those who lost their lives and also those who suffered injuries. I particularly wish to salute the bravery and sacrifice of the men of the Mumbai police and the NSG who laid down their lives fighting against this attack.

Before I proceed further, I would request you to rise and observe one minute of silence as a mark of respect to the victims of the tragedy

The choice of Mumbai as the target of this barbaric attack was not without deeper intent. It was meant to be an attack on our very nationhood. Mumbai is the best-known symbol of free, pluralistic, dynamic and cosmopolitan India. That is precisely why the terrorists chose to attack it.

But the terrorists should know that the civilized world is against them. They must know that this onslaught on the founding ideals of India and on its secular, pluralistic and vibrant democracy is an onslaught on all civilized nations. They must know that this is something that no country can or will tolerate.

We have shared the evidence that we have gathered so far on the incidents with Pakistan and others. Pakistan has admitted that the arrested terrorist is their national. We expect Pakistan to take all the consequent next steps against all those who have planned, organized and executed these horrific crimes.

The Pakistani government has announced that the results of their investigations will be made public in a few days. I urge the Pakistani authorities to come out with a full and complete disclosure of all the facts

surrounding the case, without attempts at denial, diversion or obfuscation.

Pakistan should act against the LeT and other terrorist groups and their sponsors - in its own interest, in the discharge of its obligations under international instruments, and to honour the bilateral commitments it has given us at the highest level. It should ensure that nothing like Mumbai, or the attack on our Embassy in Kabul ever happens again.

Apart from hundreds of innocent Indians, innocent civilians from 21 countries were either killed or injured in the attacks. We expect the international community to use its full weight to see that the investigations are pursued vigorously and brought to a speedy and logical conclusion and that terror groups operating from Pakistan are completely shut down. If Pakistan is sincere in its words, it should show through its actions that it will not tolerate these assaults on civilized norms of behaviour.

However, at the end of the day I recognize that this is a problem that we will have to tackle ourselves, with our own sources and our own determination. We need to strengthen our own ability to deal with such attacks and our intelligence capability to anticipate them. The Mumbai attacks revealed deficiencies in our systems that we are working to remedy. After the attacks, we have taken a number of steps to strengthen our ability to fight with terrorism. We have tightened our laws to deal with terrorist crimes. We have established a National Investigating Agency, which is primarily intended to coordinate investigations into terrorist offences. The flow of information from various agencies and the processing of such information for action has been improved. We have finalized details of a coastal defence system in which the Navy would play a key role while the coastal command would directly function under the Coast Guard. Steps to improve our intelligence gathering capability, including the use of more sophisticated technology, have also been initiated.

Let me now turn to the agenda of this meeting.

I would like to offer my sincere congratulations to all those receiving awards today. These awards recognize the superior performance of the recipients as individuals and companies in different fields. They, and the teams working with them which made their achievement possible, fully deserve our applause and accolades. We hope that their performance will be a beacon to others to emulate their achievements and perhaps even exceed them.

And yet, I must also point out that superior economic performance will not be easy in the year ahead. The global economic horizon is cloudier



than it has been for a long time. It will be a testing time for the economy and for individual businesses in all sectors.

Before the year 2008-09 began, we knew that it was going to be a year of cyclical downturn in the industrialised world. We did not know at that time that the financial difficulties in the sub-prime mortgage lending sector in the US, which had already surfaced in 2007, would quickly snowball into a truly global financial crisis and that in turn, would lead to a severe recession which has been described by many as the worst crisis since the Great Depression of the 1930s.

The US, Europe and Japan are currently in recession and are expected to show negative growth for the year 2009 as a whole. Global financial markets remain clogged with very high levels of risk perception. Capital flows to emerging markets have been choked.

A global crisis of this magnitude was bound to affect India and it has. Export demand has contracted. The stock market has come down sharply, as it has all over the world, posing severe financing difficulties, in addition to the hardship caused to individual stock holders. Traditional sources of finance have dried up.

The governments of the industrialised world are well aware of the seriousness of the crisis and are taking an unprecedented series of proactive steps to counter the recession. Our government has also taken a number of steps to counter the global downturn. We have relaxed monetary policy in a series of steps since October 2008. We are encouraging the banks, especially the public sector banks, to lend more freely to help otherwise viable production units to cope with the temporary stress of the economic downturn. Steps have also been taken to allow a greater flow of credit to the non bank finance companies which have become an important part of our financial system.

Special efforts have been made to expand credit to small and medium industry and to sectors such as housing and automobiles which are especially hit.

These steps in monetary and credit policy have been supplemented by measures to ease restrictions on commercial borrowing abroad.

We have also taken major steps in fiscal policy to give a stimulus to the economy. Tax rates have been reduced in a number of areas. Budgetary provisions made for expenditure in a number of schemes in the current

fiscal year have been substantially increased. These increases are largely for the development of much needed infrastructure in rural and urban areas.

Infrastructure development through Public Private Partnership based on competitive bidding has been an important part of our strategy. However, these projects will now face a difficult financing environment. To deal with this problem, a new mechanism for providing refinancing through the India Infrastructure Financing Company Ltd. has been announced. IIFCL will provide low cost refinancing to banks against long term loans provided by the banks for competitively bid infrastructure projects.

Exporters are another group that are directly impacted by the global downturn. We have paid special attention to their needs. Various export incentive schemes have been strengthened and export credit facilities have been enhanced.

The range of steps taken within a few weeks is unprecedented. Nevertheless, I recognise that they do not take care of all problems. This is because domestic policy action cannot completely negate the effect of a global downturn as severe as the one we face today. We can at best minimise its negative impact. There will be a full recovery to our normal economic potential, but this will take place when the global economy reaches normalcy.

Meanwhile, growth in the current year will be lower than last year. GDP grew by 7.7% in the first half of 2008-09. It will be much lower in the second half of the year. The latest estimates for the final outcome in 2008-09 vary between 6.5 and 7 percent. The exact figure is not critical. The important point is that although growth is lower it is still much higher than most other countries. Furthermore our agricultural sector is doing well. The brunt of the recession is being felt in the areas which had seen rapid growth earlier. This imposes pain, but hopefully these sectors are more able to cope with temporary difficulties.

I must also emphasise that our problems will not be over in the current year. The difficult period will continue into 2009-10. The Government will plan on continuing its efforts for a supporting environment next year also. Both monetary and fiscal policy will have to be tailored to that objective.

Fortunately, the rate of inflation has eased considerably. Inflation is now 5.2% and is expected to decline further. This gives ample flexibility for monetary policy.

On the fiscal side, our space is limited. The fiscal deficit in the current fiscal year will be much higher than originally planned. This is not something to be tolerated indefinitely. However, we will have to tolerate a high fiscal deficit for the next year to accommodate expenditure needed to stimulate the economy. This expenditure should be mainly in infrastructure development and in schemes that help support incomes of the poor.

Our business leaders in both the corporate and smaller sectors will have to cope with difficult and changing market circumstances. I am sure that they will respond to the challenge. Crises are also opportunities to reposition oneself, overcome weaknesses and be ready to resume growth as the world turns upward. The award winners of next few years will be those that have coped best with these difficult times.

Finally, let me comment on the very recent and shocking developments relating to one of the well known firms in the IT sector. The Satyam episode is a blot on our corporate image. It indicates how fraud and malfeasance in one company can inflict suffering on many and can also tarnish India's image more broadly. The Government is determined to unravel the full nature of the fraud and to punish those involved under the due process of law.

I would also urge Indian corporate leaders, many of whom are assembled here, to look closely into their operations to ensure that their systems are fully operational and fraudulent activity is as effectively prevented as is humanly possible.

Corporate leaders and managements hold positions of trust for shareholders, workers, and other stake holders. Their actions have reputational impact much beyond the reputation of their companies. I seek your support in setting the highest standards for Indian industry so that the world can say that we emerged from the Satyam scandal stronger and more credible.

I have no doubt we can do it.

Let me end by once again congratulating the award winners and wishing all of you all the very best."



**004. Statement by External Affairs Minister Pranab Mukherjee at the Partnership Summit - 2009 on the theme of "Building Partnerships in a Post-Crisis World".**

**New Delhi, January 19, 2009.**

**Shri Kamal Nath, Chairman, The Partnership Summit 2009 & Minister of Commerce & Industry**

**His Excellency Mr Stockwell Day, Minister of International Trade and Minister for the Asia-Pacific Gateway, Canada**

**Hon'ble Smt Sheila Dikshit, Chief Minister of NCT of Delhi**

**Mr Sunil Bharti Mittal, Immediate Past President, CII Chairman & Group Chief Executive Officer, Bharti Enterprises**

**Mr KV Kamath, President CII**

**Distinguished delegates, guests, ladies and gentlemen**

I am pleased to address the Inaugural Plenary of The Partnership Summit 2009, and to share the dais with such a distinguished gathering of speakers. The Partnership Summit over the years has been an outstanding platform for thought-leaders from different walks of life. It has served well as a forum for sharing global perspectives on global concerns as well as issues and challenges facing India. I congratulate CII on the Summit which has achieved the milestone of being 15th in the series.

**Excellencies, Ladies and Gentlemen**

2. The world is currently experiencing a complex set of challenges that derives from a number of factors. Globalisation has aided world growth in the past two decades. At the same time, it has also contributed in the West to 'market fundamentalism' characterised by excessive deregulation and speculation. Coupled with a series of misadventures on the part of some financial institutions, this has had a cascading effect on the entire world. While examining the causes, both proximate and removed, we will have to go back quite a number of years.

3. In 1995, when the Partnership Summit was first held, world GDP was \$39.4 trillion. Today, world GDP has reached \$60 trillion, an increase of 50% during the 14 years. It is interesting to go into the origins of world output. In 1995, high income countries contributed two-thirds of global

production, but in 2006, this came down to 59%. East Asia and Pacific region pushed its share up from 9% to 14% while South Asia's share went up from 4% to 6%. The major contributors to the change thus appear to be the two large developing economies of India and China.

4. In trade as well, growth has been strong. World trade has expanded faster than world output as economies have opened up and have instituted reforms for better integration with each other. In India for example, trade in merchandise and services is over two-fifths of GDP, a big jump from the early 1990s when it was below 15%. India has been one of the beneficiaries of globalisation, bringing up its share in world exports to just over 1%, while becoming the fastest-growing service provider on the strength of its IT sector.

5. We believe that the gains from the strong period of globalisation, though severely impacted, will not be totally negated by the global economic crisis. Most countries will find themselves better off despite the downturn than they were a few years ago. The flow of goods, services, funds, people and technology in fact will continue to be the driving factor for future growth. Therefore, the lessons that we learn from the 'economic tsunami' sweeping the world must be to preserve and protect the forces of globalisation that will allow each country to best leverage its comparative advantages for the progress of its citizens without the accompanying abject failure of regulation, supervision and oversight.

6. But to make globalisation a more effective tool for progress, we would have to identify the exact nature of what went wrong, and then try to fix it. In the run-up to the financial crisis, the world faced many unprecedented developments. For example, for many years the US economy had been living beyond its means accumulating huge deficits being funded by foreign surpluses which was unsustainable. This led many emerging economies to amass foreign exchange reserves, creating financial imbalances. Then there were the massive fluctuations in prices of primary products throughout last year. At one stage, the rise in prices of food, oil and commodities was being placed at the door of large developing economies for their voracious appetite for growth. But oil prices have come down to one-third of ruling highs, while food prices have stabilized. Steep growth in financial instruments or derivatives trading contributed to the crisis. Unbridled deregulation combined with speculative greed led to a massive regulatory and supervisory failure. All these trends will have to be examined in detail while at the same time evolving solutions for continued stability of the system.

7. It is already clear that the present crisis of historically unprecedented magnitude and scope, had its origins in the developed world. The crisis clearly bears a 'Made in the US' label. It is equally clear that the toxic assets produced in America were exported to Europe and the rest of the world. The situation has been further aggravated by the fact that large parts of the developed world are already in recession. Thus the origin and the responsibility for the crisis rest squarely with the developed countries. Even so, emerging economies like India cannot remain isolated and insulated; they must be a part of the solution through an inclusive approach. Emerging economies need to have a greater role and say in global financial matters to reflect contemporary realities. Accordingly, India has been fully engaged in the global exercise to address and overcome this crisis in an effective and urgent manner. This is also consistent with our commitment to pursue India's rightful place in the comity of nations, be it the UN Security Council or the international financial institutions.

8. India remains committed to playing a prominent role in global negotiations and is seen as the voice for the developing world. We are a participant in the G-20 deliberations on the future of the financial system. We look forward to taking a proactive and constructive part in shaping the contours of the emerging system of global financial governance. The issues of surveillance and monitoring, identification of potential threats, tracking of developments to measure their impact, and stabilization will have to be addressed. The Bretton Woods institutions have been criticized for their slow response and their failure to raise the red flag. The management of these archaic institutions lies with the developed countries and this may have led to their being part of the problem. These institutions therefore must be made more responsive and more sensitive to the needs of the developing economies. It is evident to all that the international financial institutions are in need of far-reaching and comprehensive reforms by way of democratisation, transparency, etc. for effective surveillance, oversight and regulation. I am confident that the global crisis will trigger fresh thinking on the way the world meets emerging challenges. The institutions constituting the new financial architecture must reflect contemporary realities, with countries like India having their due representation and weight in these institutions.

9. Apart from the financial system, the world will also have to develop new partnerships to address global threats. The expansion of the UN Security Council has been discussed for many years, but needs to move into action. India seeks its rightful place in an expanded Security Council.

10. Terrorism is one threat that affects many of us. India has long faced the scourge of terrorist activities. The attacks on Mumbai shocked the world and focused attention on the challenges faced by India in countering cross-border terrorism. International partnerships by way of sharing and analysis of intelligence are crucial components of anti-terrorist operations. The mechanisms for these operations must be reworked so that all countries have access to sophisticated technology for tackling terror. At the same time, sufficient security must be ensured to prevent such intelligence from falling into the wrong hands. We in India are strengthening and upgrading our anti-terrorist strategies. Our diplomatic efforts to diminish the terrorist threats will continue unabated. We look to build partnerships with our interlocutors on counter-terrorism to root out the menace of terrorism. In practical terms, this means that countries that sponsor or tolerate terrorism must be left with no choice but to dismantle the infrastructure of terrorism. This also implies that countries found wanting in their commitment to zero tolerance for terrorism will be made to pay a heavy price by the international community bound together in a steadfast partnership against terrorism.

#### **Excellencies, Ladies and Gentlemen**

11. In conclusion, this Partnership Summit 2009 comes at an opportune and timely moment; its theme 'Building Partnerships in a post-crisis world' is appropriate and topical. I have no doubt that this Partnership Summit forum will, during its deliberations today and tomorrow, seize the opportunities being thrown up by the challenges posed. Far-reaching change is inevitable; the momentum appears unstoppable. The stage is set for a global, inclusive and calibrated response involving comprehensive reforms of the existing institutions as an interim measure in the short run. At the same time, we need to look at devising new institutions to be put in place for a new global financial architecture in the medium term. In this effort, India appears to be well placed, pursuing a positive reform agenda, to be a worthy and meaningful partner in a post-crisis world.

12. I urge the present congregation to deliberate on some of these key challenges and evolve possible solutions. I wish your Partnership Summit 2009 all success.

Thank you.



**005. Talk by Foreign Secretary Shivshankar Menon on India's Foreign Policy at the Delhi University.**

**Delhi, January 19, 2009.**

**Prof. Deepak Paintal, Vice Chancellor, University of Delhi.**

**Dr. S.K. Tandon, Pro-Vice Chancellor, University of Delhi.**

Thank you for asking me to speak to you today on India's Foreign Policy. It is an honour and intimidating to be asked back to one's alma mater. It has been thirty-nine years since I left Delhi University and it is impressive that it looks much better than my memory of it.

I thought that I would try to discuss what foreign policy is, then speak of independent India's experience of conducting foreign policy, and finally try to foresee what our foreign policy may look like in future. After that I would be most interested in hearing your views and comments.

**What is Foreign Policy?**

The hardest question for a professional diplomat like me to answer is, "What is it that you actually do?" The simple answer is that we implement the country's foreign policy. Which invariably invites the question, "What is foreign policy?"

Perhaps the simplest definition of foreign policy is that it is the attempt by a state to maximize its national interest in the external or international environment. Even this simple definition suggests some of the complexity of this attempt. The definition assumes a commonly agreed definition of the national interest in the country. This is not always true. Secondly, foreign policy is an ends and means problem, a problem of achieving certain national goals with the limited means available. Unlike domestic policy, the attempt to attain one's goals has to be made in an environment which is largely outside of one's own control. Thirdly, and again unlike domestic policy, this attempt is made in competition with other states who are seeking the same goals for themselves, sometimes at your expense. For instance, if any one state in the international system attains absolute security for itself, there would be absolute insecurity for every other state in the world. So merely maximizing one's own interest competitively will not suffice. One needs to include some measure of cooperation, or at least of alliance building or working together. Of the two basic goals of the state, security and prosperity, one, security, is



often presented as a zero sum game. The other, prosperity, requires states to cooperate with each other. Both goals can therefore pull one's foreign policy in opposite directions.

And this competition and cooperation with other states to maximize one's own interests takes place in a perpetually changing external environment and while the states themselves gain and lose relative and absolute power. As they change, states change or modify their definitions of national interest. Even the domestic mainsprings of external policy shift. Some factors that one expects to remain constant undergo change. History is redefined continuously by all political systems. And immutable facts of geography are made less or more relevant by advances in technology and ideology. This is why attempts to analyze foreign policy require the use of dynamic concepts like the balance of power, game theory, and such like.

For a practitioner or diplomat, it is in the analysis and working of these changes that the opportunities, threats and joys of diplomacy and foreign policy lie. My generation has been fortunate in having lived through the fastest ever period of change in India's history. For a diplomat, it has been an amazing transformation of India, its place in the world, and the foreign policy that we can now aspire to practice.

Let us look at the Indian foreign policy experience.

### **The Beginnings**

There have been diplomats and diplomacy since time immemorial. By some accounts Hanuman was our first Ambassador to Sri Lanka and Krishna one of our first known envoys. But foreign policy as it is now understood is a function of the modern state system. One can therefore legitimately speak of late medieval Indian foreign policy. But just when the modern Westphalian state system, based on the nation state, came into existence in the eighteenth century, India was losing the attributes of sovereignty and her capacity for an independent foreign policy. So long as India was not an independent actor on the world stage, imperial British interests prevailed over Indian interests. When strong personalities like Curzon tried to assert what they saw as Indian interests, as he did in 1904 by sending Younghusband on his Tibetan expedition, London rapidly reined him in, forcing him to give up his gains in the Chumbi valley and Tibet in order to preserve the overall British interest in keeping China on her side against the Russians. So, while the Government of India had a

Foreign and Political Department from 1834 onwards, its primary functions were to deal with the Indian princes, (as representative of the paramount power), and to handle British-Indian commercial and mercantile interests in the Gulf and the immediate neighborhood of India.

The unintended benefit from this absence of an indigenous foreign policy tradition became apparent when the freedom movement began to think of national issues. As early as 1927 it was possible for Jawaharlal Nehru to start describing a purely Indian view of the world. In July 1938, when it was highly unfashionable to do so, he was speaking of both fascism and imperialism in the same breath, refusing to choose between them, and to start saying what India's foreign policy would be. By January 1947, these thoughts had coalesced in a letter to KPS Menon into a doctrine, non-alignment, which seemed best designed to meet independent India's needs in the bipolar world she found herself in. Nehru said:

"Our general policy is to avoid entanglement in power politics and not to join any group of powers as against any other group. The two leading groups today are the Russian bloc and the Anglo-American bloc. We must be friends to both and yet not join either. Both America and Russia are extraordinarily suspicious of each other as well as of other countries. This makes our path difficult and we may well be suspected by each of leaning towards the other. This cannot be helped."

### **At Independence**

When India became independent in 1947, our economy had not grown for over fifty years, while population was growing at over 3% a year. The average Indian could expect to live for 26 years, and only 14% of Indians could read. What had once been one of the richest, most advanced and industrialized nations in the world had been reduced by two centuries of colonialism into one of the poorest and most backward countries, de-industrialized and stagnant. From accounting along with China for two-thirds of world industrial production in 1750, by 1947 India's share of world industrial product was negligible.

It was therefore natural and clear that the primary purpose of independent India's foreign policy was to enable the domestic transformation of India from a poor and backward society into one which could offer its people their basic needs and an opportunity to

achieve their potential. And this had to be attempted in the Cold War world, divided between two heavily armed and hostile camps, each led by a superpower, and each saying that if you were not with them you were against them. It took courage and vision to choose, as Nehru and the leadership did then, not to join either camp and to opt for non-alignment, to retain the choice to judge each issue on its merits and on how it affected India's interests rather than those of an alliance or its leaders. Having fought so hard for our freedom, we were not ready to abdicate our independence of judgment to others.

India's immediate foreign policy objectives in 1947 were therefore a peaceful environment, strategic space and autonomy, free of entanglement in Cold War conflicts or alliances, while we concentrated on our domestic tasks of integration and nation building. Non-alignment, as this policy came to be called was the ability to judge issues on their merits and their effect on India's interests or, as our first Prime Minister Nehru used to say, 'enlightened self-interest'. Indian nationalism has not been based on a shared language or common religion or ethnic identity. As we sought to build a plural, democratic, secular and tolerant society of our own, it was natural that we would look for and promote the same values abroad.

Our foreign policy experience can probably be divided into three broad roughly twenty year periods: 1950-1971, 1971-1991 and 1991 onwards till today.

### **1950-1971**

Non-alignment as a policy was a practical and strategic choice, but was soon put to the test by the alliances. It was denounced by John Foster Dulles as immoral, and Stalin had strong words to say about it too. Our neighbours were rapidly enrolled in the competing alliance systems - China by the Soviet Union and Pakistan by the US.

Our attempt was to enlarge the area of peace, of those states willing to coexist peacefully despite ideological and other differences, enabling us to concentrate on our own development. Hence the very early summoning of the Asian Relations Conference in New Delhi in March 1947, our activism at the Bandung Afro-Asian conference, our reliance on the UN, and the institutionalization of the Non-Aligned movement in the sixties.

Throughout this early period, our means were limited, our goals were primarily domestic, and our aspirations were local. The foreign policy challenges that we faced, such as having a border with China for the first time in our history after China moved into Tibet, could not be addressed with any tools other than diplomacy because of the simple fact that we had no others. Our primary focus was domestic, and at no stage in this period did we spend more than 3% of our GDP on defence. It was this desire to escape external distractions that accounts for some of the tactical choices in handling issues like the India-China boundary, resulting in the short but sharp and salutary conflict of 1962.

Our preoccupations were with the consequences of Partition and the uniquely complicated birth of the independent Indian state. The J&K issue itself, which was with us from the birth of the Republic of India, was one consequence of that birth. One of our first tasks was also to compress into a few years what history takes centuries to do for most other states - agreeing and settling boundaries with our neighbours. In a major diplomatic achievement, we agreed all our land boundaries except those with China (and with Pakistan and our state of J&K) within thirty years. We have also agreed all our maritime boundaries except for those with Pakistan in Sir Creek and Bangladesh.

### **1971-1991**

By the early seventies, the steady development of India, (which even at 3.5% p.a. was faster than that achieved by Britain for most of her industrial revolution), had created capacities and relative strengths that were dramatically revealed in the 1971 war. The liberation of Bangladesh was equally a liberation for India. For the first time in centuries, India had on her own and without relying on external imperial power crafted a political outcome in our neighborhood, despite the opposition of a superpower and a large and militarized neighbor. That we could do so was also tribute to Mrs. Indira Gandhi's political skills and willingness to take risks. The diplomatic task was primarily to hold the ring internationally by winning over public opinion for a just cause and averting actions by others which would prevent us from assisting the birth of Bangladesh.

Soon thereafter, in 1974 India tested a nuclear explosive device, in what was described as a peaceful nuclear explosion (PNE). The world led by the Nuclear Weapon States reacted by forming a nuclear cartel, the Nuclear Suppliers Group (NSG), and by cutting off nuclear cooperation with India

unless she agreed to forego a nuclear weapons programme and put all her nuclear facilities under international safeguards to guarantee that commitment. As the nuclear weapon states were not willing to do the same themselves, we refused to do so, suffering the consequences of technology denial regimes for our growth and development. But at that stage we lacked the relative power or capability to do more than to suffer in silence while keeping our options open. (This in itself was more than most other states managed).

### **1991-2009**

The true realization of our foreign policy potential had to wait for the end of the bipolar world in 1989 and our economic reform policies, opening up the Indian economy to the world. Historically speaking, India has been most prosperous and stable when she has been most connected with the rest of the world.

In many ways, the period after 1991 has been the most favorable to our quest to develop India. The post Cold War external environment of a globalizing world, without rival political alliances, gave India the opportunity to improve relations with all the major powers. The risk of a direct conflict between two or more major powers had also diminished due to the interdependence created by globalization. And the strength of capital and trade flows was directly beneficial to emerging economies like India, China and others. We saw the evolving situation as one in which there is an opportunity for India. The consistent objective of our foreign policy was and remains poverty eradication and rapid and inclusive economic development. If we are to eradicate mass poverty by 2020, we need to keep growing our economy at 8-10% each year. This requires a peaceful and supportive global environment in general and a peaceful periphery in particular. The period since 1991 has therefore seen a much more active Indian engagement with the neighbours, whether through repeated attempts by successive governments to improve relations with Pakistan, or the border related CBMs with China, or free trade agreements with neighbours starting with Sri Lanka in 1998.

The period since 1991 has been a period of remarkable change in the scale of our ambitions, and in our capacity to seek to achieve them. The international situation made possible the rapid development of our relationships with each of the major powers. Equally important was another necessary condition which gave India space to work in: India's rapid economic and social transformation. As a result of twenty five years of

6% growth and our reforms since 1991, India is today in a position to engage with the world in an unprecedented manner. Our engagement with the global economy is growing rapidly, with trade in goods and services now exceeding US\$ 330 billion. Our needs from the world have changed, as has our capability. India can do and consider things that we could not do or consider twenty years ago. This is reflected in how India perceives its own future, its ties with its neighbourhood and its approach to the larger international order.

The contrast between the world's reaction to the 1974 and 1998 nuclear tests is instructive. And finally in 2008 we were able not only to break out of our nuclear isolation but to rewrite the rules in our favour by working with others to enable the NSG decision permitting international civil nuclear cooperation with India.

### **Today's World**

Today, however, it seems that we may be on the cusp of another change in the nature of the world situation. Looking at the world from India, it often seems that we are witness to the collapse of the Westphalian state system and a redistribution in the global balance of power leading to the rise of major new powers and forces. The twin processes of the world economic crisis and economic inter-dependence have resulted in a situation where Cold War concepts like containment have very little relevance and where no power is insulated from global developments. The interdependence brought about by globalization imposes limits beyond which tensions among the major powers are unlikely to escalate. But equally, no one power can hope to solve issues by itself, no matter how powerful it is. What seems likely, and is in fact happening in Iraq, Afghanistan and elsewhere, is that major powers come together to form coalitions to deal with issues where they have a convergence of interests, despite differences on other issues or in broader approach. In other words, what we see is the emergence of a global order marked by the preponderance of several major powers, with minimal likelihood of direct conflict amongst these powers, but where both cooperation and competition among them are intense. The result is a de-hyphenation of relationships with each other, of each major power engaging with and competing with all the others, in a situation that might perhaps be described as "general un-alignment".

Paradoxically, some of the same forces of globalization - the evolution of technology, the mobility of capital and so on - which have led to the decline

or collapse of the Westphalian state order are also the source of our greatest dangers. Our major threats today are from non-state actors, from trans-boundary effects of the collapse of the state system, or, at least, of its inadequacy. (Paradoxically, the doctrine of absolute sovereignty created by the strong European states and rulers in earlier centuries is now the last defence of the weak against the strong.)

Looking ahead, the real factors of risk that threaten systemic stability come from larger, global issues like terrorism, energy security and environmental and climate change. With globalization and the spread of technology, threats have also globalised and now span borders. These are issues that will impact directly on India's ability to grow and expand our strategic autonomy. It is also obvious that no single country can deal with these issues alone. They require global solutions.

### **International Terrorism**

Among these global threats, international terrorism remains a major threat to peace and stability. We in India have directly suffered the consequences of the linkages and relationships among terrorist organizations, support structures and funding mechanisms, centered upon our immediate neighborhood, and transcending national borders. Any compromise with such forces, howsoever pragmatic or opportune it might appear momentarily, only encourages the forces responsible for terrorism. Large areas abutting India to the west have seen the collapse of state structures and the absence of governance or the writ of the state, with the emergence of multiple centres of power. The results, in the form of terrorism, extremism and radicalism are felt by us all in India.

### **Energy Security**

As for energy security, this is one issue which combines an ethical challenge to all societies with an opportunity to provide for the energy so necessary for development. For India, clean, convenient and affordable energy is a critical necessity if we are to improve the lives of our people. Today, India's per-capita energy consumption is less than a third of the global average. (Our per capita consumption is only 500 kgoe compared to a global average of nearly 1800 kgoe). For India a rapid increase in energy use per capita is imperative to realize our national development goals.

Global warming and climate change require all societies to work together. While the major responsibility for the accumulation of green house gasses

in the atmosphere lies with the developed countries, its adverse affects are felt most severely by developing countries like India. When we speak of 'shared responsibility', it must include the international community's shared responsibility to ensure the right to development of the developing countries. Development is the best form of adaptation to climate change.

What we seek is equitable burden-sharing. We have made it clear that India will not exceed the average of per capita GHG emissions by the industrialized countries, as we continue to pursue the growth and development that our people need.

Also, the transfer and access to clean technologies by developing countries, as global public goods on the lines of what was done for retrovirals to fight AIDS, is essential to effectively limit future GHG emissions. The IPR regime should include collaborative R&D and the sharing of the resulting IPRs.

### **The Future**

I have tried to show you how great the change and flux in India's foreign policy has been within my own lifetime. In 1948, waving expansively at a map of the world, Nehru exclaimed to a young Indian Foreign Service officer, "We will have forty missions around the world!". Today we have one hundred and sixteen Embassies abroad.

If our foreign policy experience teaches us one thing it is that change is inevitable and rapid. There is hardly an international boundary between two states that is where it was two hundred years ago. The speed of the rise of China and India in the last quarter of the twentieth century is proof of the rapidity of change. Since the balance of power is relative, small shifts have exaggerated effects on the international system.

India's foreign policy today no longer deals only with existential threats to our security or with subsistence issues. Today our future will be determined by how effectively we adapt to change, and how we deal with cross-cutting global issues, with questions of energy security, water, low carbon growth, technology issues and so on. An open rule-based trading system is in our interest now that we have sizeable equities in international trade. We have moved from statements alone to working for and crafting desirable outcomes.

After several centuries, once again the state is not the sole or necessarily the predominant actor in the international system. In some cases, like



technology, for instance, it is businesses and individuals who now determine the future, and it is these units that a successful foreign policy must now increasingly deal with.

If we are to deal with this new world and new issues, it is essential that we begin to develop our own culture and tradition of strategic thought. So long as India's situation and needs are unique, it becomes essential that we develop our own strategic culture, vocabulary and doctrine. Fortunately for us, there is no isolationist streak in our strategic thought so far. As I have said before, India's best periods in history have been when we were most connected to the world. Ironically, the greater our capabilities, the more we need the world and are integrated into it. So if anything, the joys and challenges of Indian foreign policy will only grow with time.

Thank you



**006. Key Note Address by External Affairs Minister Pranab Mukherjee at 'Delhi Dialogue' organised by Federation of Indian Chamber of Commerce and Industry.**

**New Delhi, January 21, 2009.**

**Your Excellency, Dr. Surin Pitsuwan, Secretary General, ASEAN,**

**Your Excellency Mr. OK Darariddh, Under Secretary of State of Tourism of the Kingdom of Cambodia,**

**Ambassador K. Kesavapany, Director, Institute of South East Asian Studies, Singapore,**

**Shri Rajeev Chandrasekhar, President, FICCI,**

**Dr. Amit Mitra, Secretary General FICCI,**

**Distinguished participants of the Delhi Dialogue,**

**Ladies & Gentlemen,**

Let me, at the outset, thank the Federation of Indian Chambers of Commerce & Industry, for inviting me as the keynote speaker at its inaugural session. This dialogue on cooperation and regional security

with our ASEAN friends is being supported by the Institute of South East Asian Studies, Singapore, and the SAEA Group Research, Singapore.

Growing linkages between India and ASEAN countries - civilizational, economic, intellectual and societal - have taken on a momentum which is palpably accelerating. Our bilateral trade, which was US \$ 2.5 billion in 1993-94, crossed US\$ 38 billion in 2007-08 and is expected to reach US\$ 50 billion by 2010 - a target set at the India-ASEAN Summit in Singapore. It is remarkable that this impressive growth has taken place even before the India-ASEAN FTA in goods, has come into effect. Our ongoing cooperation embraces a vast spectrum of governmental as well as non-governmental activities with a special focus on programmes to cover the widest segment of our societies in terms of capacity building and human resource development. We are participating actively in the Initiatives for ASEAN Integration, launched by ASEAN to bridge the intra-ASEAN development gaps. We are focusing on collaborating in vital areas such as health care, disaster management, R&D and technology development, among others. We are also working together for increasing our tourist exchanges.

**Excellencies, Ladies & Gentlemen,**

ASEAN has now adopted a Charter. With this, the ASEAN organisation is developing the mechanism to achieve much greater economic and political cohesion amongst the member states. ASEAN's rising stature will have a beneficial effect on global affairs both geo-strategically as well as economically because of its stabilising influence in these fluid times. It is the growing and strong linkages between us which underlie the decision by the Government of India to appoint an Ambassador to the ASEAN. It is my pleasure to inform that Mr. N. Ravi, Secretary(East), Ministry of External Affairs, has now been appointed as our next Ambassador to ASEAN.

This seminar has taken on a new meaning altogether in our complex times when the world is beset with an unprecedented economic crisis - the worst in nearly 75 years - affecting all of us in varying degrees of intensity. As Roger C. Altman, a former US Treasury official put it, in a recent 'Foreign Affairs' article, the Anglo-Saxon brand of market-based capitalism is, now, under a cloud. The apparent marginal role of the global financial institutions established after the Bretton-Woods Conference demonstrates both the unprecedented scale of the crisis and perhaps calls into question the anachronistic nature of these institutions to handle them in the future, in their present form.

A steady friendship that we have developed since our first engagement with ASEAN as a sectoral partner eighteen years ago will play a critical role in coping with these still developing challenges. The situation provides both a challenge as well as an opportunity, reflected in the evolution of an Asian response to this crisis, by developing its own model of inclusive economic growth.

As our relationship grows, so would our inter-dependence. This would be beneficial to both sides because our economies have, fortunately, not been so badly affected as the western ones; ASEAN nations met the challenges of the 1997-98 crisis well and has ensured that there are adequate currency reserves to cope with such crises in the future.

#### **Excellencies,**

Asia holds the bulk of the world's savings and Asians show one of world's best savings rates. Even the 1997-98 crisis was caused by the fickleness of certain international investors which then wrought havoc in the region. I should add that many of the security problems in the South-east Asian region can be traced back to the mishandling of the economic crisis of the 1997-98 by leading financial institutions. We therefore need to handle the current economic crisis in a far-sighted manner.

I believe that our inter-linkages provide the basis for exploring the possibility of regional financial arrangements which will mitigate the growing risks from the current negative economic outlook.

The recent steps such as the India-Malaysia Capital Market Forum, jointly organised by the Securities and Exchange Board of India (SEBI) and the Securities Commission of Malaysia, which met in November, 2008, in Mumbai are a good development. The strengthening of the Chiang Mai Initiative and the Asian Bond Market is another, given the currency reserves held by the countries of the region. I believe that India will both benefit from and contribute to financial cooperation in Asia: it will meet our enormous demand for investment in infrastructure development and will contribute towards relative stability of exchange rate and, also facilitate regional trade.

#### **Excellencies, Ladies & Gentlemen,**

The trend towards inter-connectedness needs to grow much more. Energy demands are going to grow in the emerging markets and indeed in much of Asia. This requirement is complicated by price volatility,

potential supply instability and rising energy costs. The ASEAN region has oil, gas, coal, hydro, bio-mass and geo-thermal resources. A carefully calibrated strategy can help our region to grow on an ecologically sustainable basis and through diversified economic and trade linkages which is the best way to cushion ourselves from the energy security point of view. I am pleased to note that within the East Asia Summit mechanism, this issue is being addressed comprehensively. Simultaneous attainment of energy security, market rationalisation and environmental preservation in Asia requires the best "energy mix" for each country. India's own energy linkages with the ASEAN member states have enormous potential for our relationship to get even deeper.

Another aspect of this growing inter-connectedness is physical infrastructure and the logistics of the movement of goods and services. I am aware that, within the ASEAN region, considerable work has been done which is spurring the region's economic growth. I believe that better connectivity between India and ASEAN would unlock the growth potential our two regions for reasons that are self-evident. On this score, the progress has been rather modest and the faster it is the more dramatic the results for our cooperation would be - the India-ASEAN car rally four years ago showed this quite vividly. The Kaladan project, the trilateral India-Myanmar-Thailand transport link and the Delhi-Hanoi rail link are three very important projects which will facilitate inter-connectivity between South East Asia and onward to West Asia and beyond. We need to move faster on all fronts - maritime, aviation, rail and road. I am glad that some preliminary work has taken place already and more is envisaged. ERIA (the Economic Research Institute for ASEAN and East Asia), of which the Indian think-tank RIS is a member, is engaged in conceptualizing east-west transport and industrial corridor. This is a promising prospect for our deepening cooperation.

**Excellencies, Ladies & Gentlemen,**

To sustain the promise of progress, we all need a peaceful environment. As the recent brutal terrorist attacks in Mumbai have shown, both India and ASEAN will need to resolutely rebuff such evil attempts that strike at our common civilizational roots. Our growing economic and political links will send a message that the terrorists' designs will have to be defeated not just by India but by the international community as a whole. Terrorism is not just the act of misguided individuals. Since 9/11 the magnitude, depth and audacity of terror acts, as once again manifested in Mumbai

attacks, demonstrate that this is no longer a problem of a state or of a region but of the whole world. This problem becomes more acute when it becomes state sponsored. Recalcitrant state must be brought to discipline by various international measures.

Friends, what I have stated above is not a blue print but a vision of what our relationship should be. If we conserve and marshal our resources, this is not a dream but a realistic future for all of us with all its attendant benefits for the vast populations of both our regions - a population which has proven to be enterprising, creative and industrious. This growth would be sustainable and inclusive and counter the many challenges which beset them. It is also the answer to the threat posed by reckless globalisation.

We have great interest, therefore, in the outcome of your forthcoming deliberations. They will be useful as policy inputs for the governments of India and the ASEAN member states. My compliments to FICCI, to the Singapore Institute of South East Asian Studies and the SAEA Group Research. I offer special welcome to His Excellency, Dr. Surin Pitsuwan, to His Excellency Mr. Ok Darariddh, to Ambassador Kesavapany and many other friends from the ASEAN countries for success in their endeavours.

Thank you



**007. Interview of External Affairs Minister Pranab Mukherjee with the Chief Editor of the Indian Express Shekhar Gupta in the NDTV-TV programme Walk-the-Talk.**

**[The interview was telecast in two parts and excerpts from it were published in the Indian Express on *February 2 and February 9, 2009.*]**

**[Hello and welcome to Walk the Talk. My guest today is the busiest man in our public life and perhaps one of the busiest in public life anywhere in the world. A man who needs his mind to be like a nine-band radio, or who maybe needed 48 hours in a day. Pranab Mukherjee, welcome to Walk the Talk.]**

Thank you.

- **So, how many hours do you have in your day?**

I wish if it could have been extended a little. Then I could have coped with things better.

- **Because you do more jobs than anybody can think of.**

No, I do not know. There are some busy persons. I was told Karunanidhi, even at this age, works very hard. His life is very disciplined.

- **Your life is very busy and very disciplined as well.**

More or less. You can say that.

- **You are very punctual too, and I believe you have very low patience with anybody who is not punctual.**

I try to be punctual but not always. Earlier, I was more punctual because you know the basic discipline which we have got from Indira Gandhi. She was very punctual. We used to tally our watch with her schedule. When she was engaged in her work and the Cabinet meeting was due, she would send a slip to me, saying you take the innocuous routine items, I will join you.

- **There is something she once said that I was reading somewhere. She said if you say something to Pranab**

**Mukherjee, it remains with him. Then even if you punch him in the stomach, all that comes out is smoke.**

(Laughs) That was a beautiful comment.

- **So, now even smoke won't come out as you have stopped smoking. Do you have any other memories of Indira Gandhi?**

Yeah, yeah, a lot of memories. I can tell you the way she was thorough in every respect and she gave a lot of weightage to the views of others, our Cabinet colleagues. At the same time she wouldn't like that somebody would go on rambling. She would expect people to be precise, to the point and confine to the subject.

- **And if anybody started story-telling?**

Then she would immediately say that's not the issue. The issue is something else. It's mainly the Cabinet secretary who introduces the subject in the Cabinet meeting these days but during Indira Gandhi's time — I served twice under her leadership between '74 and '77 and between '80 and '84 till she died — the ministers were to introduce the subject. If the Minister was not prepared or satisfied, then only the departmental secretary was asked to come. The Cabinet Secretary's job was to help the Prime Minister.

- **A genuine clerk of the Cabinet, as the job was defined those days.**

Nowadays the Cabinet Secretary reads every paper, every brief and, primarily, he conducts the business but, of course, under the supervision of the Prime Minister.

- **She was also tough and she could be unforgiving.**

I don't know whether she could be unforgiving but the fact of the matter is that she always expected people to be thoroughly ready and prepared.

- **You saw her lose patience with somebody?**

Of course, a number of times, even with me.

- **Tell us about it.**

In Calcutta Congress, we had a very tight schedule. She asked me to move the economic resolution, I was Finance Minister then. She told me "Pranab, time is very limited, you will have to confine your observations within 25-27 minutes". I told her that "Madam, I would do it" but unfortunately, I couldn't. She did not want to disturb me in the middle of my speech but the moment I finished my speech, I went to her and said "Madam I am sorry, I have exceeded time". Her retort was very cold. She said "yes, you should be sorry because it was not expected of you".

- **Times have changed. From having powerful Prime Ministers who everybody deferred to as a party man too, now the Prime Minister's job is to manage very complex coalitions.**

Of course, a very complex coalition. We do not have a clear majority in the House but here the great advantage Dr Manmohan Singh has is his soothing personality, his vast knowledge of economics, and he is not irritated at all. It's a great quality.

- **Sometimes he is. It takes a lot to irritate him.**

Yes, it takes a lot to irritate him. (laughs) I agree with you on this.

- **You like to quote from Hamlet, I think, to describe Dr Singh.**

Right. Once I told him in Parliament, maybe in Lok Sabha: "Be aware of the fury of a quiet man". He is a quiet man but once he becomes furious... though he has never become furious...

- **But in the last four-and-a-half years, have you ever seen him furious or irritated? Has something got to him?**

Irritated, sometimes maybe, as I sit next to him but he never expressed it, he controls himself.

- **During the days of the nuclear deal?**

No, he was very patient. Sometimes, he used to say when the people were totally irrational and say Parliament was not taken into confidence. One day, he quietly asked me, "Pranabji, how many times this debate has been discussed in Parliament, this issue has been debated in Parliament?" I said four-five times. He asked me if any other foreign policy at any point of time had been debated so many times, as "you remember a lot of history". I said no... that is between him and me in the House.



- **Yet he managed with the Left for almost four years, more than four years. It would tax anybody's patience because you knew their views were so far apart.**

So divergent but I must say that the Left also recognises this fact... they have their compulsions. From the very beginning they could have said no, but they did not... they did not gauge the US Congress and US political establishment.

- **But the fact of the matter is that if they wanted to just withdraw support, they could have done that immediately.**

Apart from nine meetings which we had formally, several times I had an informal chat — almost an equal number or maybe more — with Karat and Yechury.

- **In one of those, you also lost your cool, I remember.**

Yes, that was at a meeting with, I think, an RSP representative.

- **Chandrachuran.**

Yes, Chandrachuran. He wanted that our approach should reflect in the statement. Normally, myself and Sitaram Yechury used to come and brief the media waiting outside my house. Because my house is small, I could not accommodate them inside. Nor was there any room as I have only one drawing room. So, they had to wait outside. After the meeting, we used to draft a small statement. Both of us would come and just read it out. Normally, Sitaram would also speak Hindi as he is good at the language. But on that occasion, he wanted that what we were saying, what was our objection should also come out. That cannot be done, in that case there is no joint statement. If you expect that your thing should come then why not mine.

- **And the other time we thought you were on the verge of losing your cool was in Parliament when you said non-state actors don't come from heaven or from another planet.**

(Laughs) Yeah, I became a bit angry because it was stated repeatedly that these attacks were carried out by the non-state actors. Then I said they were coming from some place after all. They are not coming from a different planet or from heaven.

- **Were you angry those days, following 26/11?**

I was shocked. I must say I was shocked and I felt there would be no end to it. That was my first impression.

- **When you say you thought that this would not end, you thought the terror attack would not end?**

No, what I thought was that these types of terrorist attacks emanating from Pakistan won't end. The information which we got by that time set me thinking, and one after another events started coming to my mind. Vajpayee showed a good gesture when he went to Lahore. After Lahore, Kargil came. Then the relationship was cold. On the sidelines of the SAARC — I think it was January 6, 2004 — President Musharraf made a comment that Pakistani territory won't be allowed to be used by terrorists to attack India. The business resumed, and it was going well. Then again after the attack on Delhi, we had to suspend the composite dialogue. After that, when the Prime Minister went to Havana to join the Non-aligned Movement, President Musharraf suggested that something needed to be done. Then a joint anti-terror mechanism was established... again after sometime, somebody will come and say "let us do something". Where is the end to it? That is the question which went on haunting me.

- **This is a self-perpetuating cycle.**

Yes, and it is on till now. Where is the end to it? It is not that I am not aware of the complexities of Pakistan administration, Pakistan society, their system but my problem is that I am accountable to the people of this country. I am accountable to Indians, to the people of India. What would be my answer to them if they ask how long? Is there any respite from it? So that's the issue.

- **So, what you are saying is that your compulsions we understand, but your compulsions cannot become our compulsions.**

No, every country has its own problems but it should be ensured that those problems are not transferred to the others. That is the responsibility of the state.

- **And it's no explanation, that these are non-state actors.**

Exactly. Non-state actors are coming from certain areas. And nowhere in the world except the artificial no-man's- land, every inch of the arch is divided amongst member states, sovereign states.

- **Right, so this is no excuse. That it is stateless.**

Yes, this is no excuse.

- **So, when you said this time it is serious...**

No, no what I said was that expect Pakistan to do three things. One, the terror camps, infrastructural facilities, and training camps — all these need to be dismantled. No infrastructural facilities should be made available within the territory of Pakistan, or within the territory under the control of Pakistan.

- **That means including Pakistan-occupied Kashmir.**

That is one aspect; the second aspect is that you must give demonstrable punishment to the perpetrators of the terror attacks. These are simple things and I am not asking for anything which they cannot do legally. They have passed an Extradition Act. Though there is no treaty between India and Pakistan, nothing prevents them from handing over the perpetrators to us who have committed a crime in India and have taken shelter there, including Masood Azhar. He was in Indian custody; he was released by the hijackers and we have never said that Pakistan is responsible for the hijacking as it took place in Kathmandu in Nepal. The exchange took place in Kandahar, Afghanistan. But how do I explain to the people of India when these persons are given some sort of hero's welcome in Pakistan and that too is coming on the television screen? And the entire faux pas... first, we are told that he is under house arrest, then we are told that he is not visible. It is not possible for anybody to be under house arrest and at the same time be invisible. Either of the two is correct.

- **So, what is the third thing? You said first, they should stop all camps and all infrastructure. Second, they should punish these people, and third?**

Thirdly, those who have committed crime here and have taken shelter there, starting from Dawood Ibrahim, be handed over.

- **You mean... those are many Indian citizens as well. So, that demand has not been suspended.**

That demand is there.

- **Because Pakistanis respond to it by saying you also have many Balooch leaders in India.**

You tell them “you tell us. We will help you if they have committed any crime”. The type of material, information which we are giving to you, you are also expected to give us, and then there can be a fair trial.

- **When you got the feeling that this is something that will go on, did the Prime Minister share that view?**

The Prime Minister has his own perception on this and he is more disturbed than I am, as he genuinely wants to build good relations with Pakistan. He has invested much more political capital than anyone else. This is definitely a heart breaker.

- **During the first four days, it seemed that Pakistan was responding reasonably well. President Zardari made those statements. Then things started changing. What happened?**

I do not know. I cannot allow myself, holding a constitutional office, to indulge in guess work. But there was an attempt to divert the issue, even during the telephonic conversation that we had with Mr Qureshi. I did not take any chance and spoke to him over the telephone from a written text. Every word was recorded in my telephone. The PM talked to their PM, their President. What puzzles me is that ‘hoax call’. How is it possible that the Foreign Minister of one country directly calls the President of another country and particularly a person whom I have met only once? I have met Mr Zardari only once — when I went to Pakistan after their party came to power. At that time, he was not the President. I met the Prime Minister, the then President Musharraf, Mr Qureshi, my counterpart. I went to Mr Zardari’s house or his party office to pay homage to Benazir Bhutto and had a brief discussion with him. We were never so close that I could just pick up the phone and speak to the President of Pakistan.

- **Moreover, in our country we observe protocols.**

Exactly! For instance, when the PM suddenly became ill, the big question was what to do about certain delegation-level talks, already scheduled. So, for the first time we created a precedent by requesting the President to lead the delegation and her speech was carefully

drafted. This is the position we strictly adhere to. Thus, the 'hoax call' was deliberately designed to divert attention. And here I must make a very small observation that there is no tension.

- **Tension goes up when you say all options are open.** Diplomatic options are there, other options are there too. But I had just said that other options are also open.
- **So you do not see any tension. No troop movement? No activity on the borders?**

No tension and no troop movement from our side. We haven't done anything to cause any tension.

- **Can we divide Pakistan's response in three phases — first phase sounded sincere and that of shock; second phase sounded like diverting attention and being obstinate; in the third phase do we again see them coming around a little bit, particularly in the last few statements?**

I would not like to make any comment on the gradation of their reactions. What Pakistan does ultimately is our sole concern.

- **They are saying less detail to them, more detail to others.**

They said, this is mere information and not evidence. But later they amended it. Earlier, we were hearing their reactions only through the media. Then I said that we have regular diplomatic contact, why is it not being used? It was then that they called our High Commission.

- **Initially, they also said that we heard from the CIA and so we will tell the CIA and we have a relationship with them.**

I am not aware of this.

- **They made a public statement that the CIA has given them a dossier.**

We gave them the dossier first. On January 5, we called the High Commissioner and handed over the dossier.

- **Now, they are saying that we have authorised the Chinese Government to talk on our behalf. When the Chinese Vice-Minister came here, did he say that he was talking on Pakistan's behalf?**

No. Their formulation is that both countries are friendly and we expect them to sort out issues on their own. I had a telephonic conversation with the Chinese Foreign Minister and when the Chinese Vice-Minister came here, I had just a few minutes courtesy call. Substantive talks took place between the Foreign Secretary and the Vice-Minister and it did not appear that they had taken up somebody's case.

- **This was a period of great stress. The PM underwent a major surgery. It must have been very stressful for him over this month.**

Some stress must have been there. I can say that the doctors have done a good job.

- **To round off our discussions on Pakistan, the three points you raised are: They have to close all infrastructure of terrorism. Second, they have to punish the people involved in the Mumbai attacks. Third, they have to hand us over all those who have committed crimes in our country and are sitting there. And those include both Indian and Pakistani citizens — Indian citizens like Dawood Ibrahim and Pakistanis like Masood Azhar. Would you say that Pakistanis should not think that this is business as usual and that an incident happened, India is angry for some time, but with a few concessions we can carry on for the next four-five years until another big one happens.**

The problem is different this time. We started 2008 with a series of attacks. It was not one. There were attacks on Delhi, Jaipur, Ahmedabad, Bangalore and the last one was on Mumbai.

- **But many of those had Indian involvement.**

I am not talking of Malegaon.

- **But Indian Mujahideen are Indian Muslims. Do we have doubts that Indian Mujahideen is not fully Indian?**

Yes, of course.

- **Do we have evidence that Pakistanis could be involved?**

In this case, we have found out that Pakistanis were involved.

- **So Pranabda, Foreign Ministry, Finance Ministry, a lot of PM's responsibilities now, although he is getting better...**

Yes, he is getting better. I think the doctors said that he can attend most of the work after four weeks, some work after two or three weeks and he can completely take over after six weeks.

- **Right. Given the number of GoMs you head, what is the hierarchy of importance in your life? What takes most of your time and attention and thinking time? Is it the foreign policy, the economy, or West Bengal Congress?**

Government business is my top priority. Whether I am in government or not, public issues dominate my life. I have no personal life, even though I am a family man. Days pass, though living under the same roof, I hardly see my wife — this despite the fact that she is sick. I normally leave my work table after 1 am. But before I go to sleep, I just touch her forehead to find her in deep sleep.

- **In foreign policy, we have a situation where somebody is flying his planes low over the cities, or inventing calls from you. On the economy front, we have a global crisis. So what worries you more?**

Issues cannot be compared, as every issue is important. As far as the global meltdown and its impact on India are concerned, the Prime Minister has already taken some measures.

- **Do we expect some more measures?**

No, the basic fundamental strength of the Indian economy is intact. It is not that we are coming down to 2 per cent growth or a negative growth. It may not be 9 per cent, but should be around 7 per cent.

- **You also have to handle your party's politics and alliances.**

One will have to do that always, as they are inter-linked. Whenever I have been in the government, some party responsibility has also been entrusted to me. For instance, I have been drafting the party manifesto since 1977.

- **What is your view of the Left?**

We cannot have an alliance with the Left, pre-election alliance is not possible.

- **In West Bengal?**

No. Out of the 60 Left members, 55 come from West Bengal, Kerala and Tripura. In all the three states, we are their rival — Kerala surely, Tripura yes, and in Bengal, Mamata is emerging as the bigger opposition party.

- **Mamata Banerjee is also Congress by another name.**

Yes.

- **So do you see the likelihood of them again coming back with you in an alliance after the elections?**

That depends on numbers. After all, democracy is nothing but numbers.

- **You don't find it impossible given the ideological divide? Isn't the bitterness after the nuclear deal a deterrent?**

The bitterness is there, so are the political differences, diversions of view, ideological differences.

- **When you were negotiating till the last moment, it must have been frustrating that you were not able to close the deal with the Left.**

But it did not leave any bitter taste in my mouth.

- **Will you tell us something about the last meeting you had with veteran Left leader Jyoti Basu on this?**

I tried my best, but failed. I tried to persuade Jyoti Basu that let the Left walk out. I did not say let them not oppose the government, because it was government policy that they were opposing. I requested them to walk out, but not vote with the BJP.

- **What was his view?**

I should not tell you that. It is already in the media. I would not like to comment on what he said.

- **Have you found the Left more difficult to deal with since Prakash Karat took over?**



No, Prakash is courteous, understanding, and decent. But ideological differences are there.

- **It's not like the Congress and the BJP can never come together. It would be in the interest of India's politics if the two major political parties talk.**

Of course, and it is not as if we have stopped talking. As the leader of the House, every session I talk to Mr Advani and Mr Jaswant Singh. Even after the Mumbai attack, I had an informal discussion with Mr Jaswant Singh.

- **Thank you very much, we had a brilliant conversation. I know you have a million more important things to do, so I am so grateful you found the time.**

Thank you.



**008. Extracts from the Keynote Address by the Defence Minister A. K. Antony at the inauguration of the 11th Asian Security Conference on 'The Changing Face of Conflict and Evolving Strategies in Asia'.**

**New Delhi, February 3, 2009.**

This year's conference is of great significance. It assumes particular salience in the context of the attacks on Mumbai and the systematic use of terrorism and irregular warfare as state policy aimed at India. It is becoming increasingly clear that the nature of war and conflict is changing. All-out wars are no longer the norm for settling political disputes among states. In fact, despite the military modernization underway in Asian countries, few wars have taken place. Afghanistan and Iraq are exceptions, since they are not typical inter-state wars. More Asian states today are not inclined to engage in large-scale conventional warfare, as they are no longer seen as the most effective way to securing political, economic and diplomatic gains.

The rapid globalization of recent years has led to profound changes by creating interdependence amongst states and people. In this backdrop, it does not seem likely that the states would move back to the classical inter-state wars of the bygone era. Liberal economic policies are increasingly connecting Asia to the world economy. Economic growth and prosperity today are dependent on stable ties and cooperation with other nations of the world. Free movement of goods, services and people, cross-border financial flows and Foreign Direct Investment are key drivers of economic growth today. These flourish only in a climate of peace and stability. Nation states, therefore, have high stakes in ensuring peace.

In such a situation, conflicts may occur, only if particular regimes facing internal economic and political problems unleash nationalism and war against an external 'enemy' to rally popular support. Asia, unfortunately, does have a number of unsettled territorial and sovereignty disputes. And these can be manipulated by irresponsible states to ensure regime stability. Both internal and external checks and balances, against such possible abuses of power are, therefore, necessary. Fortunately, many Asian states have wisely agreed to set aside disputes that cannot be resolved immediately and to maintain status quo. They have encouraged a system of dialogue and negotiations to peacefully resolve these disputes. And they are focused on enhancing cooperation. The India - China relationship is a good example of this approach.

Although external wars are no longer in vogue; civil wars, insurgencies, and militancy have become the principal modes of armed conflict today. Many flow from identity movements; others from extremist ideologies; and yet others from social, economic and political inequities that abound in our continent. These have made many Asian states extremely unstable and fragile. Dealing with these complex challenges through efficient and improved governance and effective development strategies must be of the highest importance for Asian nations. These will contribute to minimizing the scope and sources of violence between and within states. Steady democratization of states in Asia is needed for better protection of people's rights, and also for security.

India is committed to build strong, non-discriminatory international norms and institutions, so as to strengthen world peace and stability. We have resolved to work with the international community on global and universal nuclear disarmament and institutions that have legitimacy and enhance the security of all states. India hopes to gain its rightful place in the United Nations Security Council and make significant contribution to global security as a major stakeholder and responsible power.

We are engaged in a major diplomatic effort to construct a new Asian security order through bilateral and multilateral engagements. Our network of strategic defence and security ties with major powers such as the United States, Russia, China, Japan or with neighbouring countries of Southeast Asia, Africa, the Gulf and the Indian Ocean is aimed at creating confidence, enhancing state capacities to contribute to their security and stability and promoting transparency and understanding.

India's capacity building efforts in Afghanistan are particularly significant. The goal of our efforts is to contribute to Asian peace and stability and not undermine them.

India's role in the ASEAN Regional Forum and the East Asia Summit are similarly aimed at building a new architecture of stability and peace with states that are focused on development and regional institution building, that will create conditions for long-term economic growth, interdependence and prosperity in Asia.

The India-specific waiver by the Nuclear Supplier's Group in September 2008 has put aside a major roadblock to India's role and future development. For four decades, India had been subjected to an unfair and discriminatory international nuclear regime that has been brought to

an end. The unique waiver for India - in recognition of its responsible role in non-proliferation - has opened the door for nuclear energy cooperation with the rest of the world. It enables us to play a more significant role in achieving the goals of non-proliferation and energy security. India would seek to ensure that the benefits of peaceful uses of nuclear energy will reach the states in keeping with their international obligations.

I have shared with you my thoughts on security in our times and the efforts we are making for safeguarding it. May I now revert to the important issue that I had raised in the beginning. While the prospects of inter-state armed conflicts are indeed declining, India and the Asian continent continue to face the challenge of terrorism. Pakistan has become the epicenter of international terrorism.

The assault on Mumbai and many previous attacks on Indian cities over the past few years have gravely undermined peace and security. Afghanistan has been a victim of similar acts, as indeed have been other countries.

That the major attacks of large magnitude can be planned and executed by elements in Pakistan totally undermines the solemn commitments to us made by its leadership that territory in its control would not be permitted to be used for terrorism. The positive gains of the past years have been destroyed by the dastardly attack on Mumbai. The onus now is on the Government of Pakistan to act with sincerity and decisiveness against the perpetrators and controllers of such attacks. It is in the interest of this region and the rest of the world that such perpetrators of wanton violence are brought to justice and the infrastructure of terror is eliminated.

There is equally an onus on the international community to act. This Frankenstein is now a threat to democracy, stability and peace in Afghanistan and to Pakistan itself. The international community needs to act decisively and in concert to get rid of this scourge. We sincerely hope that this approach would be the way ahead. As a victim of terrorism, we must remain committed to safeguarding the lives of our nationals and to taking all the necessary steps to enhance and safeguard our security.

The (Asian Security) Conference is being held at a critical juncture when the world is facing the prospects of an economic meltdown. This will have unforeseen implications for the global order and security. How will the Asian countries be affected by the economic crisis? What will be its impact on military modernization projects? Will non-state actors become more

active? These are some of the issues which I hope the experts gathered here today will discuss in this conference. It is a matter of great satisfaction for us that so many leading experts and analysts from around the world have gathered here. Your participation raises the stature of the conference. At the end of your two-day deliberations, you will, I hope, come out with findings which will help policymakers deal with the grave threats presented by the changing nature of war



**009. Speech by Foreign Secretary Shivshankar Menon on India's Foreign Policy at IFRI.**

**Paris, February 4, 2009.**

Please see Document No. 650



**010. Inaugural Statement by External Affairs Minister Pranab Mukherjee at the Research and Information System's (RIS) Silver Jubilee Conference: "Financial Crisis, Global Economic Governance and Development".**

**New Delhi, February 6, 2009.**

**Dr. Arjun Sengupta, Chairman, RIS**

**Your Excellency Mr. Haruhiko Kuroda, President, Asian Development Bank**

**Ambassador K. Kesavapany, Director, Institute of Southeast Asian Studies, Singapore**

**Dr. Junko Chano, Executive Director, Sasakawa Peace Foundation, Tokyo**

**Shri Hardeep Puri, Secretary(ER), Ministry of External Affairs**

**Dr. Nagesh Kumar, Director General, RIS**

### **Distinguished participants of this High Level Conference Ladies and Gentlemen**

I am pleased to be with you this morning to inaugurate this high level conference on 'Financial Crisis, Global Economic Performance and Development: Responses of Asia and the Global South' being organised by RIS in collaboration with a number of eminent think tanks and international organisations. It is entirely appropriate that India's premier policy think tank on international economic issues should mark its silver jubilee with an international conference bringing together leading officials and reputed experts from around the world to deliberate upon the current financial crisis affecting all countries of our planet.

2. On this occasion, I also pay tribute to the late Shri G. Parthasarathy, a distinguished son of India and the founder of RIS. Your organisation has, over these years, acquired a well-deserved reputation of an internationally acclaimed think tank, particularly in the South, which has made significant contribution to policy debates within India and abroad. In areas such as regional economic integration in Asia and multi-lateral negotiations, RIS has done pioneering work. You have, truly, given concrete shape to Shri Parthasarathy's vision. My congratulations to you, the staff and the faculty on your jubilee!

3. The current financial crisis, had its origins in the sub-prime lending sector in the United States and witnessed the collapse of the banking system in the West. It is, as former US Federal Reserve Chairman Greenspan has put it, "a once-in-a-half-century, probably once-in-a-century type of event". Before this crisis which erupted in full fury last year, the major global economic problems requiring urgent attention were rising food, commodity and fuel prices and the attendant complications arising from the growing threat of global warming.

4. The speed and ferocity of this crisis does not indicate any signs of abating. There are still no indications as to how it will progress and as to when it will bottom out. Last week's release of the 'World Economic Outlook' by the IMF predicts that 2009 would see the lowest world growth, since Second World War, of 0.5% which means that the global economy will practically stall; asserting that "uncertainty surrounding the outlook is unusually large", IMF had predicted 2.2% growth for 2009 just three months ago! The World Bank President has stated that the economic crisis has "already pushed an estimated 100 million people back into poverty."

5. As the debate rages about the ways to restore the health of the global economy, the basic tenets of economic theory, as formulated since the 1990s, are being set aside: as a Nobel Prize-winning economist put it, "there was a mystique to the idea that market participants knew the price to put on this or that risk". The conventional pre-suppositions have been undermined by the loss of faith in the banking institutions - particularly in the developed economies. The international community is acutely aware that, whilst maximizing individual national strengths, collective action needs to be taken at the earliest to avoid the horrors of the Great Depression of the late 1920s and the 1930s.

6. The course of the current crisis would, also, profoundly alter the structure of the global economy and have far-reaching implications for the future governance of the world: sovereign wealth funds have injected more capital into the emerging markets than the IMF and the World Bank combined. First, the structure of global economic governance would need to be changed profoundly with major developing economies having a say in it; failure to create a new architecture would lead countries towards competitive monetary policies and new investment barriers, increasing the potential for global market fragmentation. Second, as the G-20 Summit Declaration in Washington states, far greater economic coordination - at regional and global levels - would be needed to be achieved about the movement of capital. Last and not the least important, the aid and trade flows to the developing world must be maintained, as the Prime Minister said in his intervention at the Summit, to help stabilize the situation there where the vast majority of the world population lives.

#### **Distinguished Participants, Ladies & Gentlemen**

7. As this is a watershed moment in the history of the modern world, we need to think hard about the shape of its future. The global financial institutions need to put more resources for the developing countries in the rural economy, build social infrastructure and connectivities and to strengthen local communities. The resources must be put in institutional capacity-building and skills' development. It should be a veritable Marshal Plan for the economic uplift of the poorest sections of societies world-wide. To me, there is a necessity, once again, to revisit Gandhian economics with its emphasis on rural self-help and sustainable economic development. Anything contrary would be disastrous.

8. The current crisis may well accentuate the trends which are already evident. The growth rates, as stated in the recent IMF report, in the

developing world remain positive even if lower than the earlier projections: the developed countries' economies would experience a contraction by 2% - the first annual contraction after 2nd World War. In a decade or so, the South may well account for more than 50% of the world income in purchasing power parity terms and more than 50% of the world trade, savings and investment as well as labour force and capital. According to the US National Intelligence Council (NIC), China and India are expected in 10 years to achieve near parity with the US in two different areas: scientific and human capital (India) and government receptivity to business innovation (China) and that the two countries will narrow significantly but not close the gap with US in all remaining factors.

9. India's per capita income, according to the recent survey, doubled in the last seven years, the sharpest rise being in the last five; inflation adjusted rise in per capita income would be 50%. After an average 9% growth in the last five years, we expect the economy to grow at 7% in the current fiscal despite the global economic downturn. As the next year's outlook is more downbeat, the Government has taken a number of measures to inject liquidity, bring down the cost of borrowing and stimulate demand through fiscal measures; when necessary, the Government will take further steps to ensure that labour intensive sectors are less adversely affected.

10. I find it most difficult to subscribe to the thesis that the current economic crisis is due in part or in its entirety to high savings rate in Asia. The savings rate in US fell from around 10% of the disposable income in the 1970s to 1% after 2005. The current circumstances make it imperative for the developing countries to enhance regional cooperation to mitigate the adverse impact of this crisis. We have the capability to do so and we need to be creative in our cooperation.

11. Asian regional cooperation structures have evolved significantly in recent years with important geo-political portents. India attaches great importance to deepening and diversifying South Asian Cooperation and with ASEAN. SAFTA symbolises the progress in regional free trade area. At the same time, ASEAN has made significant progress in regional economic integration. A regional financial architecture, drawing upon the high currency balances in Asia, would mitigate the severity of the economic crisis for us. The Chiang Mai Initiative is a major step which itself occurred in the wake of 1997-98 Southeast Asian Economic Crisis: several other variants can be thought of. A regional coordination mechanism can also help in better surveillance so as to prevent further crisis by taking timely



action. We, in Asia, have the capacity to undertake significant contra-cyclical steps to drive the economy forward on the strength of the domestic demand by investing more on infra-structure, on labour intensive sectors and on the improvement of the social safety net.

12. Finally, I am confident that this Conference provides an excellent platform for exchange of views and will throw up ideas which would be valuable as inputs to policy makers. I wish your Conference every success.

Thank you!



**011. Address by National Security Advisor M. K. Naraynan at the Munich Conference on Security Policy.**

**Munich, February 6, 2009.**

Non-Proliferation, Arms control and future of nuclear weapons; is zero possible?

It gives me immense pleasure to present before such a distinguished audience India's views on the question - Non-proliferation, Arms control and the future of nuclear weapons; is zero possible?

To share a panel with distinguished personalities such as Dr. Henry Kissinger and Foreign Minister Steinmeier of Germany is indeed a privilege. Dr. Kissinger was the author of forward looking studies in the late 1980s wherein the doctrine of 'Discriminate Deterrence' was propounded. This doctrine in one way or the other has influenced during the decades of the 1980s & 1990s the development of military systems - both conventional and nuclear. It has thus had a significant impact on arms control, disarmament, and non-proliferation per se.

Foreign Minister Steinmeier was our honoured guest in India last year, as was Ambassador Ischinger, and is widely respected in our country. What Foreign Minister Steinmeier has said today was heard with great interest since Germany, though not a nuclear weapon State, had nuclear weapons stationed on its soil for decades. No issue relating to European or global security, or for that matter nuclear disarmament, can be meaningfully addressed without Germany's contribution.

It is, therefore, befitting that Munich, and the Munich Security Conference, should form the setting for a discussion on an issue of a seminal interest. In the past, the Munich Security Conference had played a key role in bringing together two antagonistic entities. If this Conference succeeds in not merely addressing the issue of nuclear reductions, but also devise pathways to their elimination, this might well be the transforming moment for the global community.

For many of us here questions relating to nuclear weapons viz. their control, reduction or elimination, is not a mere matter of academic debate. It involves serious, and vital, questions of national security.

At the outset, however, I would like to spell out how we define the three terms - arms control, disarmament and non-proliferation -which could be at some variance with the views of some other countries. We view disarmament as referring to concrete reductions in nuclear arsenals with the ultimate objective of achieving a nuclear-free world. We do not envisage it as replacing existing arsenals by new categories of nuclear weapon systems. Our perception of arms control is that by addressing the issue piecemeal it merely tends to perpetuate nuclear weapons in the hands of a few chosen nations. Non-proliferation is seen as essentially an extension of the arms control regime.

India's approach to nuclear disarmament, nuclear non-proliferation, and by extension to arms control, is essentially based on the belief that there exists close synergy between all three. Non-proliferation cannot be an end in itself, and has to be linked to effective nuclear disarmament. Nuclear disarmament and non-proliferation should be seen as mutually re-inforcing processes. Effective disarmament must enhance the security of all States and not merely that of a few.

India had set out goals regarding nuclear disarmament as far back as 1988. In June of that year, the then Prime Minister of India, Rajiv Gandhi, had presented to the United Nations an 'Action Plan for ushering in a nuclear weapons-free world and non-violent order', which outlined India's imperatives. It is significant that the Action Plan began with the following words which appear even more relevant to-day:

"Humanity stands at a cross-roads of history. Nuclear weapons threaten to annihilate human civilization and all that mankind has built through millennia of labour and toil. Nuclear weapon states and non-nuclear weapon states alike are threatened by such a holocaust. It is imperative that nuclear weapons be eliminated".

The Action Plan was by far the most comprehensive initiative at the time, on nuclear disarmament, covering issues ranging from nuclear testing and cessation of production of fissile material for nuclear weapons to a time-bound elimination of stockpiles. At the heart of the Action Plan was a commitment to eliminate all nuclear weapons in stages by 2010.

India has been, and still remains, a strong and unwavering advocate of global nuclear disarmament, reflecting the passionate advocacy of nuclear disarmament of its first Prime Minister, Pt. Jawaharlal Nehru. Even to-day, India is perhaps the only nuclear weapons State to express its readiness to negotiate a Nuclear Weapons Convention leading to global, non-discriminatory and verifiable elimination of nuclear weapons.

In October 2006, India put forward a set of proposals at the United Nations General Assembly in a Working Paper which outlined certain steps that could lead to the elimination of nuclear weapons. I might here mention a few of these suggestions here:

- Reaffirm the unequivocal commitment by all nuclear weapon States to the complete elimination of nuclear weapons;
- reduce the salience of nuclear weapons in security doctrines;
- reduce nuclear danger, including the risk of accidental nuclear war, by de-alerting nuclear-weapons to prevent unintentional or accidental use of nuclear weapons;
- negotiate a global agreement among nuclear weapons States on 'no-first-use' of nuclear weapons;
- negotiate a universal and legally-binding agreement on non-use of nuclear weapons against non-nuclear weapon States;
- negotiate a Convention on the complete prohibition of the use or threat of use of nuclear weapons; and
- negotiate a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and on their time-bound destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons.

While awaiting concrete and practical measures for the elimination of nuclear weapons and the means of delivery, and the creation of a legal regime or universal applicability, India welcomes the renewed

interest in and support that nuclear disarmament has received from statesmen as well as experts in the field. India is prepared to engage with the various proponents of nuclear disarmament and to meaningfully contribute to these initiatives. India has taken note of the initiatives in this regard launched by four eminent statesmen - Dr. Kissinger, George Shultz, William Perry and Sam Nunn, whose ideas are now included in the 'Hoover Plan'. India's position was very recently enumerated by India's Prime Minister Dr. Manmohan Singh. First, on June 9, 2008, to mark the 20th anniversary of the presentation of the Action Plan by Shri Rajiv Gandhi at the United Nations, and next, when the Prime Minister addressed the UN General Assembly in September 2008. The running theme of both the speeches was a reiteration of India's support for a Nuclear Weapons Convention and endorsement of a nuclear weapons-free world as enshrined in the Rajiv Gandhi Action Plan of 1988.

The debate on disarmament, specially nuclear disarmament, gives rise to the hope of greater understanding that could lend itself to a firm commitment for action on nuclear disarmament. As concrete steps towards this end, I shall mention the following:

1. Reaffirmation of the unequivocal commitment by all States possessing nuclear weapons to the goal of complete elimination of nuclear weapons. Commitments must be clear and unambiguous and convey some urgency for achieving this goal. This would apply to NPT States as well as non-NPT States.
2. Reduction of the salience of nuclear weapons in security doctrines. It is unfortunate that despite the end of Cold War, there has not been any appreciable change in the centrality of nuclear weapons in the security doctrines of the major nuclear weapon powers.
3. Adoption of measures by States to reduce nuclear dangers, including preventing the unintentional or accidental use of nuclear weapons. Since 1998, India has been sponsoring in the General Assembly a Resolution entitled "Reducing Nuclear Danger". We welcome the fact that more countries are now paying attention to global de-alerting of nuclear weapons.
4. Negotiations on global agreement among the nuclear powers of a 'no first use' of nuclear weapons.

5. Negotiations towards a universal and legally binding agreement on non-use of nuclear weapons against non-nuclear weapon States.
6. Negotiation of a Nuclear Weapons Convention on the prohibition of the use, and threat of use, of nuclear weapons. Since 1982, India has proposed that such a Convention be negotiated in the Conference on Disarmament.
7. Negotiations on a Nuclear Weapons Convention that would prohibit the development, production, stockpiling and use of nuclear weapons and on their destruction leading to a global non-discriminatory and verifiable elimination of nuclear weapons within a specified time-frame.

I would like to conclude by once again recalling Prime Minister Rajiv Gandhi's stark warning when he presented his Action Plan to the UN General Assembly in 1988. He said that the 'alternative to co-existence is co-destruction'. We hope that the message of this Conference will be firmly in favour of humanity's co-existence in a nuclear weapon free world.



**012. Valedictory Address by Secretary (Economic Relations) in the Ministry of External Affairs H.S. Puri at Research and Information System (RIS), Silver Jubilee Conference on the theme: "Financial Crisis, Global Economic Governance & Development: Responses of Asia and the Global South".**

**New Delhi, February 7, 2009.**

**Ambassador Leela Ponnappa, Deputy National Security Adviser & Vice-Chairperson RIS**

**Dr. Nagesh Kumar, Director General of RIS**

**Distinguished Guests, Ladies & Gentlemen**

Thank you for inviting me to address this Conference. Over the past two days some very distinguished and eminent experts from all over the world have made presentations at the Conference on a theme of considerable topical relevance. I believe that this Conference has succeeded in bringing together leading development institutions and thinkers from different countries on one platform to facilitate a policy dialogue on the responses of the South to the international crisis. I must congratulate RIS for conceiving this Conference, as a part of its Silver Jubilee celebrations, by providing a forum for dialogue to assist in evolving a developing country response of the Global South to what is clearly the worst economic crisis since the Great Depression of the 1930s. I hope that this dialogue sustained by RIS and its partners to provide ideas and inputs for policy formulation at different levels.

2. The international financial crisis had its origins in the developed Western world. Starting from the US domestic sub-prime mortgage sector meltdown, it has developed into a crisis of historically unprecedented magnitude and scope. The crisis was a result of "a flaw in the model" comprising of [i] A regulatory and supervisory failure in major developed countries; [ii] A failure in risk management in the private financial institutions; and [iii] A failure in market discipline mechanism. The crisis bearing a 'Made in the US' label had its toxic assets exported to Europe and the rest of the world.

3. In a globalised world with inter-related economies, no continent or country is totally isolated or insulated from the impact of this crisis.

Therefore, it is clear that real economies have been badly affected by the demand compression in the Western world and outflow of resources from all across the developing world. Economies that were highly dependent on exports or foreign investments have been more severely hit than others.

4. At the same time, it is true that Asia has been somewhat immune to the impact of the crisis. The impact on Asia has clearly been limited in comparison with that on USA and Europe. This was due to many factors; I would like to underline a couple of them: Asia did not receive or hold the toxic assets of the West to the extent these were found in the developed world. Secondly, Asia's experience of the financial crisis in the late 1990s helped to cushion the adverse impact to some extent.

5. Despite this, Asian economies facing the ripple effect have taken numerous steps to counter the impact of the global financial crisis. Liquidity packages to shore-up credit availability have been announced. Numerous monetary and fiscal measures are being implemented. Though important, these may not be sufficient. A major constraint remains the lack of demand including for credit and investment. One policy lesson highlighted in the Conference is that generation of domestic demand in developing countries by making the underprivileged sections a part of the mainstream will not only make the growth process more inclusive but also more sustainable. This constitutes an important input for policy formulation in developing countries. The fiscal stimulus packages being evolved by different Governments should be directed at these segments of society where the propensity for consumption is the highest, that is to say, the underprivileged segments of society.

6. The present crisis has demonstrated, apart from other things, that developing countries have a critical stake in the international financial system. Even though India had its prudential norms for the financial sector and our banking system was well regulated, Indian economic growth process has been adversely affected due to the crisis. The failure to implement the long pending proposals for reform of international financial architecture has clearly cost the world dearly. It is now time to urgently take up a comprehensive reform and build a new financial architecture that will be more development friendly and more in tune with the present economic realities, rather than what existed in the 1940s when the Bretton Woods Institutions were crafted. Developing countries need to have their say and weight in the Bretton Woods Institutions. Further, developing countries have to coordinate their positions in these discussions. As

highlighted in the Conference, there is scope to explore ways to evolve regional and broader Southern architectures for monetary and financial cooperation. With such initiatives, developing countries will be able to play their due role in the process of reform.

7. Having learnt the right lessons, the Asian economies are in a better position to take measures to protect themselves from this, still, gathering storm. Asian economies, due to their high savings rate, have better currency reserves and can, therefore, provide structural solutions to the crisis which has left every citizen of the world affected in some measure. Prime Minister, during his intervention at the G20 Summit in Washington, emphasised the critical imperative of ensuring aid and trade flows to the developing countries. The Asian leaderships would need to look within the region and within their own respective countries, without raising protectionist barriers, to generate demand for their goods and services which are, presently, largely driven by demand in the European and US markets. This would entail important alterations in their economic structures. Within the countries, the vulnerable sections of the society, rural populations, agrarian sector, self-help groups etc. would need to be especially catered for to make economic growth inclusive and caring for the members of the local community.

8. This crisis has also altered the dynamics of economic growth in the world dramatically. Presently, growth is taking place primarily in the South. Emergence of the South as a new growth pole is a remarkable phenomenon with considerable potential. It also puts in focus the critical need for South-South cooperation at various levels such as bilateral, sub-regional, regional or inter-regional levels. Given the complexity of the crisis, the Asian response is still evolving. I understand there was a discussion on regional cooperation within the SAARC and BIMSTEC frameworks. In the light of the new trends, it is imperative that we deepen our mutual cooperation and share our dynamism for mutual benefit. The Government attaches very high importance to deepening South Asian economic integration. SAFTA is being implemented in a phased manner. Simultaneously, steps are on to extend the scope of trade liberalization in South Asia to trade in services in the form of a SAARC Agreement on Trade in Services (SATIS), on the basis of an initial draft proposed by RIS. It has been agreed that SATIS will be GATS plus, have a positive list approach and is expected to be finalized by end-2009.



9. As the global economy goes through a churn, it is time to look beyond as to what kind of institutional architecture we would need to create to avoid such cataclysmic events like the current one. G20 leaders are looking at the global architecture but I would like to recall what EAM stated in his inaugural address at this Conference. We should develop a regional financial architecture which is both flexible as well as inclusive and not so doctrinaire as has been the experience with the global financial institutions. Prime Minister, in his intervention at G20 Summit, talked of swap arrangements. The Chiang Mai Initiative and the Latin American Reserve Fund are examples of such regional arrangements which have the potential to develop further. There is even talk, in some academic circles, to have an Asian currency unit or an Asian basket of currencies. One needs to look at these issues more closely as they have the potential to become the building blocks for global structure.

10. India has been an active and productive partner in developing regional cooperation, certainly as far as South Asia and South East Asia are concerned. Whether it is the East Asia Summit, the India-ASEAN Summit mechanism or SAARC, India has made considerable contribution to these regional organisations. In these activities, RIS has played a significant role for policy inputs. It is now engaged in an exercise with its counterpart think tanks in East Asia to develop a blue print for Comprehensive Economic Partnership for East Asia.

11. Thus, South-South Cooperation remains a viable and an increasingly relevant development strategy, pursuant to continued growth in emerging markets and accumulation of valuable development experiences including more appropriate technology and expertise for other developing countries. India attaches importance to South-South Cooperation. The Indian Technical and Economic Cooperation (ITEC) programme has evolved over the past four decades into a sizeable magnitude. A considerable proportion of India's development cooperation effort is devoted to sharing expertise and capacity building. Over 5000 participants from 158 developing partner countries are accepted for ITEC training at 43 institutions offering around 200 vocational courses per annum. India is also assisting other developing countries in development of infrastructure and educational and medical facilities through projects and experts. India is building a pan-African e-network linking 55 educational and medical institutions in African countries with their counterparts in India. Last April, India announced duty free market access for products of least developed countries (LDCs) except for a small negative list.

12. Finally, the financial crisis has also highlighted the importance of Government intervention and regulations. India has always believed in a middle path and followed a mixed economy with co-existence of private and public sectors and development friendly public intervention. In the light of the recent developments, there is need to carefully calibrate the role and importance of Governments and public sector to provide adequate regulation without stymieing private initiative. The Bretton Woods Institutions need to be overhauled in the short-term and comprehensively reformed thereafter. The development experiences of the past fifty years suggest that there is no-one-size-fits-all policy that would be relevant for all the countries at all levels of development. Countries need to constantly fine tune the nature and extent of their public intervention and need the 'policy space' to enable them to do that.

13. I thank RIS for giving me this opportunity and congratulate its members on RIS' Silver Jubilee!

Thank you



**013. Interview of UN Secretary General Ban Ki-moon with the Chief Editor of *The Hindu*, N. Ram.**

**New Delhi, February 7, 2009.**

*[Ban Ki-moon responds to questions on the Mumbai terror attacks, India-Pakistan relations, Afghanistan, Gaza, Iran, and climate change. The United Nations Secretary-General, who was in New Delhi for a day on Thursday following his visit to Afghanistan and Pakistan, gave this half-an-hour interview to The Hindu in his suite at the Ashok Hotel.]*

**Pakistan**

**You have just had discussions with the President and Prime Minister of Pakistan. You have called on Pakistan to have a "full investigation" into the Mumbai terror attacks and to "fully cooperate" with the Indian government in this matter. "Fully cooperate," I take it, means two things: bringing those responsible [for the Mumbai attacks] to justice; and eliminating the terror infrastructure in Pakistan so that future attacks can be ruled out. Are you confident that both will happen given what has happened?**

I would not pre-judge at this time what the Pakistani government will say. But I am convinced that the Pakistani government is also committed to addressing terrorism. Prime Minister [Yousuf Raza] Gilani told me that his government was going to enact the legislation to allow them to punish those Pakistani people who engage in terrorist acts outside Pakistan. It seems that there is no such law by which they can punish those people, as we have seen in the Mumbai terrorist attack.

**The United Nations Security Council has adopted a battery of resolutions against terrorism, requiring a number of actions by state parties. Are you satisfied with the response of the concerned state parties to the terror attacks in Mumbai? And have you had a chance to look at the evidence provided by the Indian and other governments [that the Mumbai terror attacks originated in Pakistan]?**

First of all, it was just totally unacceptable - the terrorist attack [in Mumbai] on the citizens of India and foreigners. Terrorism under whatever reasons and grievances cannot be justified. That should be addressed in the name of humanity and eradicated in the name of humanity. The United Nations has been leading this effort to address and eradicate and fight against international terrorism. Since the early 1960s, member states have had

13 international conventions on different aspects of terrorism. Now they have been discussing the way to adopt a comprehensive convention against international terrorism. Unfortunately, we have not been able to reach there because of some technical - but it seems to be a very sensitive - issue on the definition of terrorism and the scope of terrorism. But I think at this time the political will among the international community is important. When I was working in the office of the President of the [UN] General Assembly eight years ago, 2001-2002 - that was the year 9/11 happened - that was the most appropriate time for the international community to reach a deal on this issue. But we missed the opportunity. Now, as we have seen in Mumbai, this really gives us some resolve, strengthens our resolve to work on this comprehensive international convention against terrorism. I would once again urge this and I will work towards that end.

**The question is being asked here - and let me mention that our newspaper has taken a sober stand in this crisis and said, 'don't be hawkish, this issue has to be resolved through dialogue' and so on - but there are many voices in India which raise the following question. Why should an aggrieved India, not just the government but also the people of India, have faith in Pakistan's investigative and judicial systems when Pakistan itself is expressing its lack of confidence in these systems by asking the UN to inquire into the assassination of Benazir Bhutto? You made an announcement in Islamabad that there would be a three-member inquiry commission and Dawn newspaper has speculated that it will be headed by the Chilean Ambassador to the UN, Heraldo Munoz. But the point is their systems are very fragile.**

We've been discussing the terms of reference and the scope and nature of this Bhutto assassination inquiry commission. This is not going to be the same commission as was established by the mandate [Resolution 1595] of the Security Council on the assassination of the former Lebanese Prime Minister [Rafik] Hariri. This is a fact-finding commission, it's not a criminal investigation. That was the understanding between the United Nations and the Pakistani government after extensive consultation on this matter. I have written to the President of the Security Council who has taken note of my intention to establish this one. I will not at this time say anything about the exact composition but it will be made known very shortly. He [Ambassador Munoz] is one of the candidates.

**The Indian government has made it clear that it relies a good deal on what the Indian press calls "international pressure" to ensure**

**that Pakistan does the right thing to get to the bottom of the Mumbai terror. What are the instruments available in this regard? Diplomats will talk about "persuasion" but whatever it is, there is an international factor here, including the United Nations. Do you think something more could be done? Some people even talked about smart sanctions like a travel ban, freezing of assets and so on. What's your thinking on this?**

In investigating and addressing terrorism, that should be done voluntarily by any member state [of the UN] even before any pressure, so-called pressure, comes. This is, after all, a crime against humanity. It is not some small crime, which may happen anywhere around the world. Terrorism, terrorist activities should be addressed in the name of humanity and there should be active efforts by the whole international community regardless of where it happened. The whole international community should fully cooperate.

**During your visit to Pakistan, you called on Pakistan and India to address and resolve longstanding issues, including Kashmir, peacefully through dialogue. You expressed hope that the composite dialogue will be resumed.**

Yes.

**There is some disquiet in India - I'm not referring to your statement in Pakistan - about this tendency on the part of some western leaders to bring in Kashmir in the context of resolving the issue of cross-border terrorism between Pakistan and India. There is sensitivity here about speaking about cross-border terrorism and Kashmir as proximate issues.**

I'm aware of all the historical and political background of the Kashmir issue. That's one of the longstanding issues in the world. Therefore what I can tell you at this time is that this issue should also be resolved harmoniously through dialogue. Now it was very encouraging that India and Pakistan have initiated a composite dialogue. There were many high-profile exchanges between the two countries. That I hope will continue and proceed. When you are having such serious problems in addressing the terrorist attack in Mumbai, that is a particular case, though it is a very serious crime which must be punished. But that should not be an obstacle in strengthening your [relationship] in a comprehensive dimension between the two countries. India, Pakistan - they are the largest countries,

democratic countries, and countries of great potentialities. If the two countries have full cooperation, there can be much greater synergy.

### **Afghanistan**

**You have just made what the press calls a "surprise visit" to Afghanistan where you declared that Afghanistan would be a priority area for the UN in 2009 and pledged strong UN support to help deliver peace and stabilise democracy, especially in the context of the elections due in August 2009. But everyone knows the security situation in Afghanistan is deteriorating in the face of a resurgent Taliban. So how do you propose to go about helping deliver peace, democracy, and development in what looks like a very grim situation?**

That is exactly the source of deep concern for me as a Secretary-General and for the international community. That with such massive support - political, economic, and military support - the security situation has been deteriorating. Now there should be a political consensus, a political process. This is exactly what I urged President [Hamid] Karzai, to further engage in inclusive political dialogue. The military option can be a very effective tool. But that cannot be the sole option. A military option should always be complemented by a political solution. Afghanistan is going through a very crucial period this year. Now depending upon how they, and how the international community, do, it may be very crucial. They may be standing at a crossroads. They are going to have a presidential election this year, on August 20. That can be a very important occasion to bring Afghanistan into a fuller democracy and a participatory democracy. The United Nations stands ready to provide technical assistance to make this election a fair and democratic and objective one.

**UN reports have noted the high number of civilian casualties caused by the U.S. and allied international forces in Afghanistan. But now President [Barack] Obama is promising a surge of new troops. The military component seems to be getting greater weightage in Afghanistan. Doesn't that concern you?**

Civilian casualties have been a concern for me for long, particularly since 2007 when I became the Secretary-General. I have raised this issue with the ISAF [International Security Assistance Forces] commander and also the Secretary-General of NATO and I have of course discussed it with senior American authorities - not to have any civilian casualties. In the

course of military operations, it may be the case that civilians become victimised. But what we have seen has been very tragic and therefore it is absolutely necessary that the military commanders, when engaging in military operations, must ensure that they avoid civilian casualties. For that I have urged the strengthening of these civil-military coordination systems. My Special Representative [for Afghanistan], Mr. Kai Eide, is now coordinating with all international actors, including ISAF.

### **Sri Lanka**

**Closer home (to where our newspaper is based), in Sri Lanka, you have one combatant, which is banned or designated as terrorist in 31 countries, boxed in a very narrow territory with about 120,000 civilians. What is your reading of this? You must have got many reports.**

Again, the situation in Sri Lanka has been a source of concern and I discussed this recently with Sri Lankan leaders. Even today I am going to speak with President [Mahinda] Rajapaksa [They spoke over the telephone and the Sri Lankan President assured Mr. Ban that "military operations to defeat terrorism in Sri Lanka would be carried out without harassment to the civilian population" in the north]. First of all, evaluating this situation and expressing my concern about the humanitarian situation, the civilian casualties. About ten days ago, before my departure, I received the Special Envoy of President Rajapaksa in New York and we discussed this issue. I have asked, through our Special Envoy to President Rajapaksa and his government to ensure that there should be no civilian casualties. There should be full guarantee of the security and safety of United Nations staff and humanitarian workers. And I was assured by President Rajapaksa that he would ensure this. There are very serious humanitarian concerns. I am considering dispatching a humanitarian assessment team.

### **Gaza**

**What do you say to a young Palestinian in Gaza who feels the failure of the United Nations to get the Israelis to stop their aggression proves the ineffectiveness of the world body? Or is it expecting too much of the U.N.?**

I won't agree to the so-called failure of the United Nations. This Middle East situation has been there for six decades. It is the United Nations that has been leading this Middle East peace process during the last six decades. Largely because of the lack of political will on the part of the

parties concerned, peace has not been established. Genuine peace. During the last six decades, we have seen many wars. It is almost unprecedented in history. So that's very tragic and unfortunate.

Now, if we talk about this Gazan situation, it was the United Nations together with major leaders, powers, in the region and elsewhere that has brought this ceasefire. And I travelled to many countries, I met so many leaders in the region and outside the region to bring about this ceasefire. I think the United Nations played a pivotal role this time, a key role. Now Egypt has also been playing a key role and there are many other leaders (I don't mention their names because there are so many). It is not one country or individual leaders. It has been a joint diplomatic effort.

This ceasefire is very fragile, as we have already seen through several cases of exchanging rockets and bombings. This ceasefire must be turned into a durable and sustainable one. That's what I am doing. The United Nations is now mobilising humanitarian assistance, immediate and only recovery assistance. I have appealed Monday last week for urgent humanitarian assistance, made an urgent appeal for \$ 613 million [to help people affected by Israel's three-week military offensive in the Gaza Strip], and there is going to be an international donors conference in the first week of March in Cairo. I am going to be the co-sponsor of this international conference. Now I know the frustrations and challenges to the pride of Palestinian people in Gaza, particularly young people who have been victimised, women and children. I'd like to give them some hope, a sense of hope. They have the full support of the international community, the United Nations. We are working very hard to help them overcome this humanitarian suffering and also meet their long-term socio-economic rehabilitation.

### Iran

**President Obama has promised a new approach to Iran but the clock of UNSC sanctions continues to tick. Do you think suspending or holding sanctions in abeyance till Washington and Tehran get a chance to have a better relationship and resume a bilateral dialogue could be one way to proceed?**

With a new administration in the United States, there is hope that the dynamics of negotiation may change. That is what I would also hope and expect. Before everything, it is important for Iran to fully comply with the



relevant Security Council resolutions. That is, first and foremost, important. [As for] the rest of the issues, I hope with the change of administration and change in the political dynamics, there will be very in-depth negotiations so that we can be free from those nuclear concerns.

### **Climate Change**

**On climate change. First, congratulations on your award [the Sustainable Development Leadership Award 2009, presented at the Delhi Sustainable Summit on February 5]. You've said climate change was a priority for the United Nations. There are many priorities. How high, how important a priority is this?**

My top priority and target is to have an international agreement by the end of December this year in Copenhagen. An international agreement that is comprehensive and balanced and effective. A ratifiable one that will be a successor regime of the Kyoto Protocol. India can play a very important, crucially important role. That's why I am here. I am going to meet with senior Indian government officials. Everybody is looking at India, what India will do. Now President Obama and his administration are very positively engaged, unlike the previous, Bush administration. This is a very good sign. While I fully understand the challenges of India, when it comes to greenhouse emissions in per capita terms the level of these greenhouse gas emissions by India, Indian industry is far less than those [the levels] of industrialised countries. But at this time, when this is by far the most urgent and serious existential threat for all humanity and planet Earth, the whole international community must act together. Now is the time to act. Therefore I would sincerely urge and appeal to the Indian government to really engage in in-depth negotiations. This year we have only ten months left.



**014. Extracts from the Address by the President Smt. Prtibha Devisingh Patil to the joint session of the Lok Sabha and Rajya Sabha**

**New Delhi, February 12, 2009.**

Honourable Members,

1. I convey my good wishes to you and to all our people. On behalf of all of us, let me greet Prime Minister Dr. Manmohan Singh. We are happy that he is recuperating fast. We wish him a speedy recovery for continuing with his onerous responsibilities. I also convey my special greetings to members of our security forces keeping vigil to protect us. We have been through an eventful year--a year that challenged our open society and our open economy. A year that tested by fire the principles that our country has always lived by- communal amity, tolerance, compassion, justice and peaceful coexistence.

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57. The nation faced multiple internal security challenges. The country witnessed terrorist attacks in several cities with growing levels of sophistication and assistance from outside the country. Several innocent lives have been lost. The terrorist attack in Mumbai as well as the terrorist incidents in Delhi, Ahmedabad, Hyderabad, Jaipur, Bengaluru and Assam and before that on our Embassy in Kabul, were an assault on all the values that our country stands for. The attack in Mumbai was deliberately planned to retard our economic progress. My government is heartened by the international support it has received after these attacks. There is greater appreciation in the international community of the threat that exists to the region and the world from the terrorism emanating from Pakistan.

58. I salute the members of our security forces, including members of State police forces, who face grave challenges from terrorists, left wing extremist and insurgent groups and resolutely defend the integrity and sovereignty of our country. Many of them have made the supreme sacrifice and laid down their lives, most recently in the attacks in Mumbai. We share the grief of their families, and my Government will ensure that they are adequately compensated so that they can lead normal lives.

59. My government has strengthened the country's internal security to protect people from such mindless acts of violence. A National Investigation Agency has been established to deal with terrorism. The Unlawful Activities

(Prevention) Act has been amended to deal with terrorist offences and terrorist organizations. These measures have strengthened the legal and investigative framework to tackle terrorist forces. While arming the internal security apparatus with these powers, all care would be taken to uphold legal procedures and prevent any misuse of such powers. A comprehensive plan has been drawn up to strengthen maritime and coastal security against threats from the sea.

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63. The protection of India's security and territorial integrity has received the highest attention of my Government. Our Armed Forces have made the country proud with their sense of commitment, sacrifice and professionalism. They have time and again come to the aid of civil authority in natural disasters, as well as to combat insurgency in affected areas.

64. Our long borders encompassing different geographical and climate conditions and terrains make it imperative to keep the Armed Forces in a state of full preparedness to face diverse challenges at all times. The modernization programme of the Armed Forces is focused on state-of-the-art technology, network centric warfare, and includes an Integrated Space Cell to deal with the challenges posed by the militarization of space. Government stands committed to give financial support for modernization to the required extent. The actions taken by the Indian Navy to deal with threats of piracy in the Gulf of Aden and to secure our sea-lanes of communication have demonstrated our capacity and willingness to protect our interests.

65. Our research and development efforts in the area of defence technology showed concrete results through launches of the Agni-I and Agni-III and other missiles. The main battle tank Arjun was productionised. Defence procurement procedures were continually reviewed and updated to ensure maximum transparency, economy of resources and support for our indigenization efforts.

66. India has the second largest diaspora in the world. The overseas Indian community estimated at over 25 million is spread across every major region in the globe. My government has taken a series of measures to improve the welfare of overseas Indians, particularly in West Asia and the Gulf, and to create mechanisms to facilitate their participation in nation building activities. These have included scholarship programmes, the creation of the India Development Foundation, the establishment of a

Council for Promotion of Overseas Employment and an Overseas Workers Resource Centre and a People of Indian Origin/Non Resident Indian University. In recognition of the importance attached to the role of overseas Indians, a Prime Minister's Global Advisory Council of Persons of Indian Origin has been set up to catalyse ideas for national development.

67. My government has accorded highest priority to fostering close political, economic, social and cultural relations with all countries, on the basis of sovereign equality and mutual respect, to help promote a friendly and peaceful external environment, to safeguard our national security and ensure rapid socio-economic development for our people. We have also consistently endeavoured to promote a stable and prosperous South Asia in the recognition of the fact that we are bound by strong ties of history, culture and ethnicity.

68. The conduct of our foreign policy has enhanced India's stature in the world. My government's foreign policy has been imbued with the values that our nation rests upon - of independence of thought and action, ensuring a democratic, just and equitable world order and the rule of law. India's views on the major international issues of our times are not just heard, but are now being actively sought.

69. My Government worked actively with the international community to address key global challenges of terrorism, energy and food security, climate change and sustainable development, the global economic and financial crisis, and the reform of international institutions, including of the United Nations, to reflect contemporary realities.

70. The conclusion of an India Specific Safeguards Agreement with the International Atomic Energy Agency and the decision of the Nuclear Suppliers' Group in 2008 to allow its members to enter into full civil nuclear cooperation and trade with India in nuclear material and technology marks the beginning of the end of thirty four years of nuclear isolation and the technology denial regime that India was being subjected to. This has opened the way for our indigenous nuclear power generation programme to be reinforced by additionalities through international civil nuclear energy cooperation, thereby also contributing to the global fight against climate change. The opening of such cooperation with India is a vindication of India's impeccable record on non-proliferation and our long-standing commitment to universal, non-discriminatory and comprehensive nuclear disarmament.

71. India discharged her responsibilities in South Asian Association for Regional Cooperation to promote economic re-integration in our neighbourhood. During India's Chairmanship of the SAARC and thereafter, several regional initiatives, including the decision to establish the South Asian University in India, were launched which transformed SAARC from a declaratory to an implementation phase.

72. We consolidated our relations with Afghanistan, and remained closely involved with its economic reconstruction and development efforts. We wish to see a stable, pluralistic and democratic Afghanistan. The terrorist attack on our Embassy in Kabul in 2008 was a matter of deep concern and reinforced our determination to fulfill our commitments to the people of Afghanistan. We welcome the return of multi-party democratic politics in Bangladesh and remain committed to working closely with the newly elected Government. The visit of the Prime Minister to Bhutan and my own visit to represent India at the Coronation of His Majesty Jigme Khesar Wangchuck further consolidated our multi-faceted relations with our closest neighbour. India and the Maldives continue to enjoy traditional bonds of friendship and close cooperation. With Myanmar we have conducted our relations in a manner that reflects our shared history and mutual desire to promote peace and tranquility along the border. Government extended its full support to the people of Nepal in their historic transition to a multi-party democracy, and we wish them well.

73. We are concerned at the plight of civilians internally displaced in Sri Lanka on account of escalation of the military conflict. We continue to support a negotiated political settlement in Sri Lanka within the framework of an undivided Sri Lanka acceptable to all the communities, including the Tamil community. I would appeal to the Government of Sri Lanka and to the LTTE to return to the negotiating table. This can be achieved if, simultaneously, the Government of Sri Lanka suspends its military operations and the LTTE declares its willingness to lay down arms and to begin talks with the government.

74. Our relations with Pakistan have made considerable progress since 2004, but, regrettably, terrorism from Pakistan has eroded the achievements of the bilateral dialogue process and has caused a grave setback to our relations. Despite solemn commitments given by Pakistan at the highest level that it would not allow territory under its control to be used for terrorism in any manner against India, terrorists from Pakistan

have continued to attack India. We expect Pakistan to honour the commitments made to us, and to take decisive and credible action against all terrorist groups that are based in, and operate from, its territory.

75. Our relations with the People's Republic of China have witnessed regular high-level exchanges, growing economic and trade ties, increased defence contacts and enhanced people-to-people exchanges. Our Strategic and Cooperative Partnership with China is progressively acquiring a more regional and international perspective. Both sides are also engaged in efforts at resolving outstanding issues including the boundary question through dialogue, while maintaining peace and tranquility in the border areas.

76. The signing of the Agreement on Cooperation on Peaceful Uses of Nuclear Energy with USA was one of the manifestations of the transformation in our relationship with the United States of America. Our relations with the USA cover a broad canvas of sectors ranging from science and technology, agriculture, education, health to trade and investment. We look forward to working with the new Administration to mutual benefit in the bilateral field as well as on the major challenges of our time. India's strategic partnership and long standing relations with Russia have been strengthened and diversified. Russia remains our valued partner in meeting our defence and nuclear energy needs, and in the area of science and technology, including cooperation in the field of space. Our interaction with the European Union and other countries in Europe in the fields of defence and security, science and technology, trade and investment, agriculture, culture and education has significantly deepened. Agreements on civil nuclear cooperation were signed with Russia and France, and negotiations to conclude similar agreements with other friendly countries were initiated.

77. Our Strategic and Global Partnership with Japan was consolidated and our relations are marked by a strong mutual desire to harness our complementarities. Our engagement with East Asia was a manifestation of our belief that the twenty-first century belongs to Asia, and that India has a role to play in the Asian resurgence. My visits to Vietnam and Indonesia, and India's participation for the first time in the Summit meeting of the ASEM countries provided a major impetus to our "Look East Policy".

78. We paid special attention to the intensification of our traditional and historic relations with the Gulf. The visit of the Prime Minister to Oman and Qatar opened new avenues of cooperation in the areas of energy

security, investment and welfare of Indians working in the Gulf. Our ties with West Asia were reinforced through the visits of the Presidents of Egypt, Syria and the Palestinian Authority. The most tragic loss of lives and acute suffering surrounding the recent incursions into Gaza highlight the urgent need for a comprehensive resolution of the Palestinian issue. We remain steadfast in our support to the Palestinian cause, and in our desire to see peace and stability in West Asia. The government worked towards building a contemporary relationship with Iran. The visit by the President of Kazakhstan as the Chief Guest for our Republic Day symbolized the importance attached by Government to our extended neighbourhood in Central Asia.

79. My Government opened a new chapter in our relations with the great continent of Africa. The first ever India-Africa Forum Summit held in India established a blueprint for our relations with Africa for the future. We will share our resources and technical know-how to assist Africa in its development efforts. My first overseas visit as President was to Brazil, Mexico and Chile. Several steps have been taken to tap the vast potential that exists in our relations with Latin America and the Caribbean countries.

80. India's participation in the Summit meeting of the G-20 countries, and the hosting of the third IBSA Summit and second BIMSTEC Summit in India were utilized to forge new, and strengthen existing, economic linkages at a time of turmoil in the international economic and financial system.

81. Honourable Members, the efforts of my government were singularly focused on enhancing the prosperity of our people through the sharing of opportunity. My government believes that its programmes for inclusive development have created those opportunities that help share the benefits of progress more equitably. When a child in a remote tribal village has access to a local school that has come up in her habitation, when her health care needs are attended to, when her parents do not have to migrate for work but find employment locally through the National Rural Employment Guarantee Act, when they have rights on their land, and when they are empowered to make the government accountable to them for these actions through the Right to Information we have moved closer to meeting the goals that Pandit Jawaharlal Nehru flagged for the nation. At the turn of our independence his clarion call in these very hallowed precincts was that collectively we must act to "remove poverty, ignorance,

disease and the inequality of opportunity". Even while acknowledging that the move towards an inclusive society with equal opportunities for all our citizens is still work in progress, on the basis of the record of its performance, it is my government's belief that we have moved much closer to realizing this agenda.

82. My government has steadfastly sought to accelerate the pace of growth to enable our youth to access global opportunities. Young India has the power to dream big. Our economic progress has enabled such global aspirations. Our investments in knowledge will get us closer to our goals. Our young people have never been more confident about the future. Let our reach exceed our grasp. Jai Hind.



**015. Address by External Affairs Minister Pranab Mukherjee at the inauguration of 81st Annual General Meeting of Federation of Indian Chambers of Commerce and Industry.**

**New Delhi, February 12, 2009.**

**Shri Rajeev Chandrasekhar, MP and President, FICCI**

**Shri Harsh Pati Singhanian, President Elect, FICCI**

**Shri Rajan Bharati Mittal, Vice President, FICCI**

**Dr. Amit Mitra, Secretary General, FICCI**

**Excellencies and Delegates**

**Captains of Indian Business**

**Ladies and Gentlemen**

It is my great pleasure to inaugurate the 81st AGM of the Federation of Indian Chambers of Commerce and Industry (FICCI). I have enjoyed my interactions with FICCI over the years and I see many friends and familiar faces present here. And this is all the more reason for me to be here.

The theme of your 81st Annual General Meeting - 'Security, Governance and Global Economic Crisis - Challenges for India' - is most appropriate. There is



no doubt that we stand at a watershed particularly after 26/11 and the global economic meltdown. The UPA Government has sought to address both the issues of security and growth. I am also happy to state that our Government appointed the Veerappa Moily Committee to address the governance issue. The challenges before India are certainly those of security, governance and how to convert global adversity into a major opportunity for our nation.

**Ladies and Gentlemen,**

Security has long been a matter of serious concern for India, though the nature of threat keeps changing from time to time. This has involved our land and sea borders, political and military establishments, industrial and oil installations, financial centres and economic assets, sea routes and shipping lanes, aviation and maritime security, infrastructure hubs and "iconic targets", security against cyber crimes, etc. In recent decades, India has been a victim of terrorism, including cross-border terrorism. The Mumbai attack of 26/11 was only the most recent and the most gruesome example of this scourge of terrorism that needs to be tackled in a resolute manner. As our Prime Minister has said, "We will spare no effort to deal with terrorist and insurgent groups operating from neighbouring countries. We are determined to put an end to terrorism sponsored from across the border with all the means at our command." Thus, a comprehensive approach needs to be taken to counter this multi-dimensional challenge.

The Government is fully aware and seized of the fact that security is not only of paramount importance in the life of the nation, but is also deeply intertwined with the running of business in our country and that is why the terrorists from Pakistan chose targets that included centres of business and global corporate visitors in Mumbai.

Our Government has, over the past few years, taken a large number of measures, and significant steps to strengthen the apparatus for dealing with the multiple and emerging challenges to our national and internal security. Following the Mumbai terrorist attacks our government has taken a number of immediate steps to address the security issues forthrightly. These include amendments in the law to deal with terrorism while taking care to ensure against any possible misuse; the enactment of a legislation and setting up of a National Investigation Agency (NIA); a decision to establish regional hubs of the NSG in four major metros of the country in a time-bound manner, just to name a few. After a detailed and careful review, strengthening of the mechanism for gathering analysis and real-time sharing of intelligence and coordination among different agencies of the Centre and the States is being effected.

The Prime Minister has chaired a meeting of the State Chief Ministers on Internal Security, with a view to devising measures to integrate the fight against all forms of terror, including the problem of naxalites and insurgency in the North Eastern region. The issue of Police Reforms is being pursued in right earnest. The objective of all these initiatives is to integrate and strengthen the different elements comprising the overall apparatus to fight terrorism and other threats to our internal security.

We are taking a holistic approach in the matter of security and I am glad that FICCI too is focusing on this subject. Our Government seeks a partnership with organizations like FICCI and with the civil society to contain the problem of militancy and stamp out terror.

**Ladies and Gentlemen,**

Let me now move on to the issue of corporate governance. In the recent past, we have seen one most unfortunate case of failure which has attracted considerable attention. We need to ensure that this one single aberration does not undermine either the standing and reputation of our IT industry or India's standing as an emerging trillion dollar economy with the second highest growth rate amongst the major developing countries. The country is an attractive economic partner for the entire world with external trade of approximately US \$350 billion and FDI of around US \$25 billion per annum. India's IT industry is built on solid fundamentals of our comparative advantage and competitive edge. The adverse fallout of the misdoings in a single company cannot be allowed to cast its shadow on the entire Indian IT industry worth US \$ 60 billion or IT exports of around US \$ 40 billion.

We sincerely believe that this was a one-off case. I would like to take this opportunity at the FICCI AGM to urge the captains of business and industry sitting in this auditorium and all other corporates across the country to undertake special precautions and due diligence. The Government is committed to providing adequate space or freedom to the corporates for doing business in a healthy and competitive environment. At the same time, it is important that corporates function strictly within the regulatory framework devised and apply the highest standards of ethics in all their working. This would be fully consistent with the norms of corporate best practices and social responsibility. In short, there should never be a repeat of this most unfortunate failure of corporate governance. I firmly believe that even a single such incident is one too many.

All of you are aware that our Government acted swiftly and is doing everything in the domain of investigations, salvaging the livelihoods of

thousands of employees, and restoring confidence among clients. We will spare no effort on getting to the bottom of this terrible scam and will take whatever measures are necessary on the basis of the findings. I urge our apex Chambers, including FICCI, to take a leadership role to underscore the imperative need for sound practices and confidence in the functioning of corporates in India.

In this context, I am glad to note that FICCI organized a Conference on the theme 'Administrative Reforms and Ethics in Governance', where my colleague Shri Veerappa Moily presented the findings of the Second Administrative Reforms Commission. In his report - which runs into 11 volumes - he has made some revolutionary suggestions that could bring about a paradigm shift in the way we govern our nation. I am hopeful that this Report will be implemented in letter and spirit. I believe that after implementation of this Report, we would have turned a corner towards a much better structure and governance.

You are also aware that our Government introduced the path-breaking Right to Information (RTI) Act which has empowered common people to seek transparency in governance. FICCI may consider creating a cell that can work as a constructive guide to all businesses and perhaps civil society, to use the RTI Act for enhancing transparency, accountability and finding solutions to problems of governance at the operational level.

**Ladies and Gentlemen,**

The IMF's latest projections for growth show that the advanced economies of the world would shrink by 2% in 2009. While the US economy will contract by 1.6%, the Euro zone economy will decline by 2% and Japan by 2.6% in 2009. I am proud to say that in 2008-09, India will still grow by around 7%.

At the same time, India faces a special challenge from the international financial crisis. In a globalised economy, while India cannot be immune to the impact of the crisis, we have to address this on many fronts. There is a need to sustain our foreign trade, revive foreign investments and generate domestic demand in order to maintain our growth rates which are essential for the uplift of the multitudes below the poverty line. This unprecedented crisis also calls for crafting a new international economic order to put the global economy on a sound footing. India remains committed to working with our foreign partners, including in the G-20 framework, for devising the required comprehensive reforms for a new financial architecture.

As we stand out in the world as one of the key growth centres, I remain confident that we will be able to attract more FDI and that FII flows will return to our markets because this is where growth is happening and this is where profits can be made.

I would like to conclude by saying that there are challenges, formidable challenges, that we face today. But as history has shown, when faced with adversity, India and Indians have risen to the occasion and come out winners. We have the will, the capacity, the resilience - in short the required wherewithal - to convert these challenges into opportunities. We are again in one of those difficult situations, but as always our spirits are high and we will continue to march on the road towards progress and prosperity.

I wish FICCI a great year ahead.

Thank you.



**016. Inaugural Address by External Affairs Minister Pranab Mukherjee at National Academy of Statistical Administration (NASA).**

**New Delhi, February 13, 2009.**

Shri G. K. Vasan, Hon'ble Minister of State for Statistics & Programme Implementation

Shri Oscar Fernandes, Minister of State for Labour and Employment

Dr. C Rangarajan, Member of Parliament;

Prof. S. Tendulkar, Chairman of the Prime Minister's Economic Advisory Council and Chairman of the National Statistical Commission;

Dr. Pronab Sen, Chief Statistician of India and Secretary, Ministry of Statistics and Programme Implementation;

Shri S. K. Das, DG, CSO;

Officers and Dignitaries;

Ladies and Gentlemen

At the outset, let me express my gratitude for giving me the privilege to dedicate the National Academy of Statistical Administration (NASA) to the Nation. This institution will be responsible for imparting training and undertaking research in official Statistics, an objective, so important and critical to the improvement of the vital statistical system in the country.

India has a long history of evolution of statistics, not only as a pure science but also as an applied science. The history dates back to Kautilya's Arthashastra, one of the oldest treatises on economics, referencing to system of census and data collection way back in 4th century BC. Its evolution went on with vigour and in its march, contributed significantly to the development of India's post independence development and planning processes. As I stand here, on this occasion of dedicating NASA to the nation, it would be in fitness to remember the great statisticians which this country has produced. Foremost among them is perhaps Prof P C Mahalanobis.

Statistics is all about measurement. At this juncture, when the country is taking rapid strides towards economic development, need for a reliable statistical system to measure its impact on the millions cannot be over emphasized. It is well known that which cannot be measured cannot be managed well. The size of our country, its economy and the complex socio-economic diversities make all activities relating to measurement a daunting task; and also an expensive exercise. It is in this context that the national and the sub-national statistical systems use a judicious mix of administrative data, censuses and nation wide sample surveys, the three components of the statistical system, to evaluate the progress of the country vis-à-vis the goals. The last one in particular - the regular and periodical National Sample Surveys - was an Indian innovation, pioneered by the architect of the existing statistical system in the country, Professor P C Mahalanobis. The beginning made by Prof Mahalanobis, continues to produce reliable national aggregates in a cost effective way, facilitating national planning.

The official statistics provide crucial indicators of the society's overall socio-economic development and hence it acts as an important instrument of measuring good governance. Official Statistics is certainly a powerful tool which empowers the common man, to participate in public scrutiny and debate on the functioning of the governments and facilitates in taking decisions about its success and failures. He uses this to translate his right of choice into a vote - democratic process to which we all are committed to. As it is said, statistics is an estimation of truth, within the specified limits of uncertainty. Thus, it is our responsibility to keep the statistical system strong and vibrant with new techniques and methodologies, strategies, plan and programmes.

Today, almost all over the world, Governments are resorting to evidence based planning for the economic development. In order that planning is successful in meeting its objectives, it must be based on sound analysis of the complex statistical data using appropriate statistical techniques. In these times, administrative statistics is not confined to only the affairs of the State and to the government functionaries. Modern statistical techniques are making way into diversified areas, thereby engaging attention of private sector entities. For this reason it is important to engage ourselves in ensuring credibility of the government statistics, generated from the decentralized statistical system at the national and sub-national level.

Ladies & Gentlemen,

The national economy has been witnessing impressive growth rates and the social sector has been rapidly expanding in all dimensions. During this period, there have been clearly discernible paradigm shifts in the manner in which public policy, schemes and programmes based thereon, have been formulated, implemented, reviewed, monitored and evaluated in India. There are two key dimensions relating to economic and social data that are critical at this juncture. The first relates the degree of aggregation and the second relates to the timeliness.

The recent developments in the global economy underline the importance of ensuring that data on key economic indicators are made available in a timely manner at varying levels of disaggregation. This calls for rethink on the strategy for data collection, compilation and its dissemination that is useful to policy makers so that they are able to base their decisions on data and evidence that is current rather than extrapolating from the past. At the same time, valuable information and insights that could be derived from data that is collected often gets irretrievably lost by virtue of aggregation. Timely dissemination of data at greater levels of disaggregation, no doubt, within the bounds of propriety, needs to be explored so that information at a more detailed level may be meaningfully used for policy making, research and also by those responsible for implementing programmes in the field.

The ongoing financial crisis that originated in the US and transmitted to the rest of the World, with amazing swiftness and intensity has highlighted the criticality of ensuring that data on key economic variables are collected, disseminated, interpreted and monitored with greater frequency. This is not only true of financial and monetary variables, but also of variables like

savings, consumption, employment, that are conventionally thought to possess huge inertia with respect to change. Time lags in their collection and dissemination lead to unreliable estimates, approximations and questionable extension of available time series. Such a situation also gives room to anecdotal evidence, incomprehensive sample studies and perhaps incorrect guidance for making mid-course policy corrections.

Therefore, it is important to urgently institute mechanisms to generate statistically acceptable short-frequency data, consistent at different tiers of collection and aggregation, for the regular use of economic administrators. We also need to equip economic administrators to appropriately interpret the data at hand. Addressing these issues necessitates immense efforts at capacity creation, harnessing private abilities and lead roles to be performed by national agencies such as NASA.

Like the federal governance, the National Statistical System, in a major way has a similar responsibility to take along with it the state level statistical systems, meeting their training requirements for all those involved in management of their system. The National Government is committed towards this end and would be ready to take further steps. I am confident that NASA will play a pivotal role towards creating professionally trained statistical manpower to manage the field level challenges of data collection, timely collation, and dissemination. I am also convinced that NASA will fill the gaps which our educational institutions are unable to bridge, that is exposing young students of statistics to the practical application of statistical methods. This will not only capture the innovative minds of the young but would also help create a pool of talent to meet the increasing demand for statistical persons, not only in the government but also in the private sector.

The setting up of NASA and its full fledged operationalisation from today are important initiatives of the Ministry of Statistics and Programme Implementation and a positive contribution towards the development of our country for which I deeply appreciate my colleague Shri Vasan.

In conclusion, I hope that the Academy would transform the experience of training - for the trainees as well as the trainers, in a manner that when they walk out of the Academy, they are not only enriched in statistical tools and techniques, but also develop a unique outlook of life. An outlook that uses the facts only to be subservient to the truth. It is only then that we can say to have served statistics and served through statistics in the true sense.

Thank you.



**017. Interview of the Minister of State for External Affairs Anand Sharma with the journalists of the *Indian Express*.**

**New Delhi, February 15, 2009.**

- **Seema Chishti: You have your hands full juggling two key ministries\*. Can you tell us a bit about that?**

**Anand Sharma:** The last few years and in particular, the last few months, have been interesting and challenging. We have been able to articulate with clarity India's position on many issues which are of global interest. We have also been able to make an impact as a country which has a rightful aspiration for a global leadership position in this century. It was Indian diplomacy which helped us to convince the world about India's impeccable credentials and commitment to non-proliferation when we first carried along the IAEA and later the Nuclear Suppliers' Group. That was one of the most hectic periods for us. Another was when we took the initiative to commemorate the centenary of the Satyagraha in 2006-7. We held the biggest conference that independent India ever hosted though it was outside the government ambit. One integral component of that declaration was to ask the United Nations to declare Mahatma Gandhi's birthday as the International Day of Non-Violence. The convening of a special UN session was one of the great moments, a humbling experience but a very proud one too as I moved the resolution.

At the Information and Broadcasting ministry; I stepped in because of Priya Ranjan Dasmunsi's grave illness four months ago. Major decisions have been made, many of the pending issues resolved, including the problems of Prasar Bharati employees which hadn't been resolved for 12 years.

- **Saubhik Chakrabarti: Would it be fair to say at this point, that whatever Pakistan does now on the Mumbai attack issue, we will not get a resolution satisfactory to the Indian government?**

There cannot be two solutions. There can be only one solution—that Pakistan comes across openly and honestly to deliver on the commitments and assurances that it has given to India

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\* Mr. Anand Sharma was holding dual charge as Minister of State in the Ministry of External Affairs and Ministry of Information and Broadcasting.



bilaterally and also to the international community. The satisfactory solution could have been the handing over of the masterminds who have been identified and named not only by us but by other countries including USA, UK, Germany, by the UN Security Council itself. And that raises a question mark over whether they have the will and seriousness to dismantle the terror syndicate that operates from Pakistan, which, eventually, threatens this entire region and the world.

- **Saubhik Chakrabarti: From the point of view of your government and from the point of view of the country, is there any reason to assume that the pattern might change given what we are seeing from Islamabad?**

The organisations which were banned, proscribed by the United Nations, whether it is the Jamat-ud-Dawa, Lashkar-e-Toiba, Jaish-e-Mohammad, all these organisations are banned but they have a free run. It's about changing the signboards, locking the front gate and opening the side door. That is truly disturbing and disappointing.

- **Dhiraj Nayyar: One of the big stories in international diplomacy in the last 10-15 years has been China's aggressive foray into Africa. Do you think we have been a bit slow off the mark in reaching out to Africa?**

India's engagement with Africa is time-tested, it is rooted in history. There is a better understanding about India in Africa. And if I can just use one word, India is trusted. India has identified itself with the struggle of Africa, we have been there acting in solidarity when they were in pain, right from the days of Mahatma Gandhi. We have been a partner in Africa's progress and development, open and willing to share our resources, our experience, our technology. India's engagement, therefore, is distinct and different from the engagement of any country with Africa, including China or for that matter the countries in Europe and in Americas.

India started sharing its resources, we started scholarship schemes, the IT programme and in these last four-five decades, tens of thousands of students from Africa have come to India. That was the wisdom of our leadership which invested in human resources in Africa. There are 50,000 African students studying in India even now, there are scholarships at even IITs and IIMs.

In addition, we have encouraged both the public sector and the private sector to go there. The Indian private sector has followed ethical practices and that is the difference. If you see an Indian project coming up, the executing company would be the local companies. Employment is generated for the local people, they are enabled and they are trained. Companies have picked up raw graduates from the universities, brought them to India, trained them and taken them back. So it is truly empowering the local people. And also it generates income. Another important area where India took the initiative was in pharmaceuticals in Africa. The suffocating stranglehold of the multinationals was broken by the Indians and the battleground was again Africa, where a patient's anti-retroviral drug would cost about \$11-12000 dollars a year. It is now close to \$ 600.

Pan African e-network project is a shining example of India's partnership with Africa. It is an Indian satellite to help sub-Saharan Africa bridge the digital divide for e-connectivity. Institutions, hospitals in seven distinct regions in Africa have been linked with super-specialty hospitals of India, universities of Africa have been linked with the major universities of India.

- **Dheeraj Nayyar: India's policy towards Myanmar has changed. We supported Aung San Su Kyi but due to China's exploitation of commercial interests in Myanmar, we had to engage with the military leadership. Is China's aggression eventually going to force us to be not so nice to Africa?**

I don't think so. Look at our neighbourhood. We do not have the luxury and comfort of a quiet, benign neighbourhood. Our problem is that we cannot afford to be prescriptive to one neighbour and not to the other. We had a military dictatorship in Pakistan until recently. Similarly, there was the military in Bangladesh until the elections were held. As far as India is concerned, we will support democracy. In Myanmar, we have been impressing upon having an inclusive regime and taking forward the processes of reform by taking everyone along. Every country's foreign policy takes into account its own security, its own strategic national interests. When we say we engage with the world, our engagement with one country is not at the cost of the other. A country like India, given our profile, has to conduct a foreign policy which reaches out to the world, influences important events. That is what India is seeking to do.

- **Anubhuti Vishnoi: The I&B ministry wasn't happy with the media coverage of the Mumbai attacks. Do you think the self-regulatory authority of the broadcasters would be an effective watchdog in situations similar to Mumbai?**

When the Mumbai attacks were going on, the coverage was 24x7. There were mistakes made by the administration. There should have been standard protocols, authorised spokespersons, areas should have been sanitised as it is done elsewhere in the world.

But there were sharp reactions from the civil society on the media coverage and equally strong reactions from the judiciary and a public statement from the Chief Justice of India. On November 27, after we received a written communication from the security agencies, we called in the captains of the electronic media, and stakeholders from the government-from security to intelligence agencies. That helped in sensitising both the sides to each other's concerns. The broadcasters' association said they would make amends.

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- **Alia Allana: In the UAE, 20,000 people have been fired following the recession. They have no laws, no guidelines on how to treat people from India. We have done nothing for our people.**

We have to look at the larger, global picture. There are mounting job losses in the USA. The number is now closer to perhaps what it was during the Great Depression. It's the same in Europe. So it's not just in the Gulf that it is happening to the Indians. But we are worried-the Ministry of Overseas Indian Affairs has already created a special fund to deal with these eventualities. We hope that the situation improves but in the foreseeable future, it does not look like that. But Indians are not being singled out and sent back. It is worrisome, however, since we have a large number of Indian citizens in the Gulf and their remittances are huge.

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- **Seema Chishti: After the Mumbai incident and in our current problems with Pakistan, how constrained are you by the fact that we are heading into a general election? Does that influence the handling of this matter?**

As far as we are concerned, India has been attacked, India has been assaulted, it is the dignity of the Indian nation that has been assaulted but India has acted with remarkable restraint and maturity. At the same time, what has been said by the leadership is that our restraint must not be misconstrued for India's weakness or inability. What we have done is to inform the entire international community. We have never used a threatening word but we are saying: don't mistake this as a weakness. Any government has a duty to protect its citizens and to reassure its citizens. So it is a message being given with clarity. India did not walk into the trap when Pakistan wanted to deflect the world's attention by creating a war hype.

- **Seema Chishti: Has the mysterious telephone call to President Zardari been solved?**

I think it is absolutely absurd for anybody to suggest that such a call could be made. That too, to the President of a country by the senior-most minister in the Indian government. Even if a call is to be made by me or to me, it is pre-arranged by our mission in that country and the foreign office here. A time is given and the time is tallied. It is very clear who will be on the line in my office and who will be on the other side. It is unthinkable that you can pick up the phone and dial the President of another country.

So many things were said in Pakistan: that India has moved its forces, etc. This was to create global panic. They shouldn't have done it. They should have said right in the beginning that we condemn the Mumbai attack-which they said-and that we will take action. Why did they go into denial mode? This flip-flop is hurting. They already have very poor credibility. Instead of restoring it they are eroding it further.

(This programme was held before Pakistan responded to India's 26/11 dossier)



**018. Speech of the External Affairs Minister in the Lok Sabha while replying to the debate on the President's address.**

**New Delhi, February 18, 2009.**

**The Minister of External Affairs and Minister of Finance (Shri Pranab Mukherjee):** Mr. Speaker Sir, at the very outset, I would like to express my gratitude to all the hon. Members including the Leader of the Opposition who have participated in this discussion on the Motion of Thanks on the President's Address. I would also like to join them to express our gratitude to the hon. President of India for her inspiring Address.

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Mr. Speaker, Sir, I would not like to take much more time of the House but on certain things, for which I am directly responsible for the last three years, which has been discussed in details, in the President's Address, as is customary about the foreign policy. It has been criticized that India's foreign policy has lost its independence. What are the criteria? "We are not supporting the Non-Aligned Movement. We are not supporting the Palestinian cause. We are under the influence of a particular country." Most respectfully, I would like to submit, Mr. Speaker, Sir, on every occasion, I repeat, on every occasion, whenever there has been an attack on innocent Palestinian people at Gaza by the Israeli armed forces, India's voice was first to launch protest. We believed that many years ago we committed that Palestinians must have their homelands within a definitive territory and there should not be any encroachment. We have supported all the peace process - four important Resolutions of the United Nations Security Council, Arab League Initiatives, Initiatives recently taken by the Kingdom of Saudi Arabia, Qatar Initiative. India has fully supported all these initiatives and India is fully committed. It is our declared policy. ... (Interruptions)

**Shri Basu Deb Acharia:** Why has Israeli not been mentioned in the Address? ... (Interruptions)

**Shri Pranab Mukherjee:** That is not the point. What have you said? You said that we have not criticized, we have forgotten.

About Non-Aligned Movement, Shri Salim is present, though it was widely covered in the Indian media. ... (Interruptions) In the Foreign Ministers' Conference of Non-Aligned Movement at Teheran, I have made observations. I would be glad to share with Shri Salim and other friends, including Left friends.

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So, coming back to the foreign policy, it is independent. Yes, we have our interest to promote; we are interested to promote not the interest of anybody else, but our own national interest. That means, foreign policy is nothing, but the extension of the national interest and promotion of national interest in the context of the external atmosphere and external environment.

Today, exactly we are doing so. The attention which we are getting is not because of the gratitude of somebody or because some countries are favouring us. From day one, when Pandit Jawaharlal Nehru enunciated the foreign policy of this great country which is based on our civilisation and which is based on our tradition, we are pursuing the policies of non-alignment. We are pursuing the policies of friendly relations with each and every country. We are pursuing the policies of persuasion and not coercion. In the 1983-84, Non-Aligned Summit, late Shrimati Indiraji said that we have no interest either in exporting our ideology or we have no interest in the territory of others and the basis of our foreign policy is to protect our own interest and to protect the interest of the down-trodden all over the world. We have never deviated from that. It may be that the great leaders like Pandit Jawaharlal Nehru or Indiraji or Rajiv Gandhiji, the way they could have articulated, the way they could have listened... (Interruptions). Today also we are listened to in our own respect... (Interruptions). It is not past. It is the present and it will also be the future... (Interruptions)

How much time we can give to Pakistan? Pakistan has admitted this. When we said that non-State actors are not coming from Heavens, they had to admit it. They have admitted it. Most respectfully I would say that diplomacy has played and diplomacy has not failed. At least, we know that and all the Members sitting here know that we did not mobilize a single soldier. We did not press the panic button. We did not lay mines all along the border but we said that we expect Pakistan to fulfil its commitment. We said it on 28th November when I had my telephonic conversation with Pakistan Foreign Minister, Mr. Qureshi and the following day it was sent in the form of a Speaking Note to their High Commissioner. We have not deviated and they have informed us in the month of February that they admit it. Their Home Minister said it in his Press Conference and many of you must have heard it. But that does not mean that I have to rub them on the wrong side. I understand the complexity of the Pakistan situation, as many people do. The Leader of the Opposition comes from that part

of the world. He knows it much better... (Interruptions). I am not yielding. I am making my observation. You may have your own views.... (Interruptions)

Kindly go through what I stated in Parliament. My memory is not short. When you asked why do you not attack Pakistan, I replied that it is not the solution and that it would not solve the problem. I am repeating it. On the very first day when I made the statement I said it.

I mentioned this when this issue was debated and in response to his query, I stated this. It is on the record of Parliament. Then why is he getting unnecessarily agitated and why is he putting words into my mouth? We shall have to try and unless the perpetrators, I am repeating what I said, unless the perpetrators of this terror attack are brought to justice; unless the infrastructure available to the terror actors in Pakistan are completely dismantled which will be verifiable and credible not only to us but to the international community, we will continue to demand that from Pakistan. It is the responsibility of the incumbent Government, however compulsive it may be, to respond to it.

Infiltration of people from Bangladesh, the Leader of the Opposition mentioned about it, yes, it is true that infiltrations are taking place. There is porous border. There is a 4096 kilometres of land border and the partition was based on the Radcliff Award which the Leader of the Opposition is fully aware of this. It was so unscientific that sometimes villages were divided between two countries and over the last 60 years, there have been major demographic changes in many areas and there is no land available to make the distinction. Therefore, the fencing work is getting disturbed. But we are carrying on the fencing work. These initiatives had been taken earlier and we are taking it to its logical conclusion. Construction of border roads, floodlighting those areas, enhancing the number of border posts is some of the preventive measures that are being taken to prevent infiltration. Very recently, we have handed over about 100,000 people to the BSF, not at one go but in different phases, to send them back to Bangladesh. But sometimes it is happening. It is also a major human problem. We are pushing them back in one way and after some time they are coming back in some other way and again infiltration is taking place. But I do not minimise the importance of this problem but at the same time I would not like to just over-emphasise this issue. Some observations have been made. I would not like to repeat it. I mentioned it when I replied to the debate initiated by the Leader of the Opposition in respect of the

IMDT Act. But what have we to do? It does not mean that if we amend the Constitution, if we amend the law in conformity with the observations of the Supreme Court, it is perfectly constitutional. How was the first amendment to the Indian Constitution brought about? Shri Chidambaram is a constitutional lawyer and he will bear with me, the first amendment was brought in to nullify a court judgement. The first amendment took place and again somebody challenged the validity of that amendment because even Council of States, the Rajya Sabha was not constituted then. It was constituted, I think, either in the late 1950 or early 1951. I do not remember the exact year. These are the parts and these are the processes and are perfectly legal and constitutional. But the Election Commission, the Supreme Court, the Members of Parliament, the Comptroller and Auditor General when they are appointed, they are just Civil Servants, but the moment they assume office, they enjoy the special constitutional powers.





**019. Interview of External Affairs Minister Pranab Mukherjee  
With the *Khaleej Times*.**

**February 25, 2009.**

**Q1.** *India has termed encouraging Islamabad's response to Mumbai terror attack dossier. Do you think Pakistan is doing enough to cooperate with New Delhi in Mumbai attacks? How do you respond to Islamabad's reply? What do you expect consequently from Pakistan?*

**Ans:** Pakistani authorities have admitted that elements in Pakistan were involved in the terrorist attacks on Mumbai. They have arrested some persons and filed an FIR. This is a positive first step. Pakistan has also sought further information and material relating to the investigation. We will share whatever we can with Pakistan. However, the process should not be allowed to become an end in itself. We expect Pakistan to act against the perpetrators of the Mumbai attack on the basis of evidence shared with her.

The wider issue is dismantling the infrastructure of terrorism in Pakistan. Several questions arise in the aftermath of the Mumbai attacks. How did an already banned terrorist group (LeT alias JUD) carry out such an attack? Why did it have the latitude to do so? Are there other such groups? It is for the Government of Pakistan to answer these questions and act on them.

In general, I would like to reaffirm that this issue should not be looked through the prism of India-Pakistan relations. Terrorism is a global issue. It affects not only India, but the entire world. Terrorists have no ideology or religion. Terrorism is the biggest threat to world peace and security in the post-Cold War era. It needs to be countered firmly by the entire international community.

**Q2.** *India for long has been calling on Pakistan to close terror camps in the country. You have also called on for Islamabad to deliver on its commitment to prevent terrorism directed at India from its territory. But your government says this belief has not lead to any tangible results so far. Where and how do you see India's relations going with Pakistan?*

**Ans:** Pakistan had committed to us on 6th January 2004 and on 24th September 2008, at the highest level, that it would not permit territory under its control to be used for terrorism in any manner. Our Composite Dialogue process, started in 2004, was premised on this commitment. Clearly Pakistan has not kept its word. The Composite

Dialogue process with Pakistan has been paused. No meeting has taken place and neither are any scheduled. Substantial gains, made during the last four or five years, in normalizing our relations, are at risk. Future progress in our bilateral relations depends on Pakistan's response not only in words but also through substantive actions.

**Q3:** *Your Army Chief, the National Security Advisor, and most importantly even the Prime Minister Dr Manmohan Singh, have said that Pakistan's official agencies –ISI and other state actors were linked up in the Mumbai terror attacks. Do you think Pakistan must take actions against these state actors? What do you mean when you say that the case must be brought to a 'logical conclusion'?*

**Ans:** For us "logical conclusion" means perpetrators of terrorist acts are brought to book. Terror network and infrastructure should be dismantled completely to prevent the repetition of attacks in future. Fugitives from Indian law who are in Pakistan should be handed over. I need not repeat what has been said earlier. Surely terrorist groups cannot be allowed to flourish while we are given 'solemn' commitments against terrorism.

**Q4:** *When India's Kabul embassy was attacked, New Delhi affirmed having sufficient evidence against ISI's involvement in the commencement of hostilities carried out by Taliban. Do you really think Pakistan establishment is in a position to crack down against ISI or any of their state actors, who may have been involved against such attacks directed at India? What is your assessment?*

**Ans:** After the attack on our Embassy in Kabul, the Pakistan Prime Minister promised to the Prime Minister of India that he would have an independent investigation conducted into the attack. To date we have not received any response from Pakistan. I have been saying that I am not unaware of the internal complexities of Pakistan. But we cannot bear the brunt of their internal situation. It is the sovereign duty of that Government to act against those on its territory who commit terrorist acts elsewhere. That responsibility cannot be wished away.

**Q5:** *Pakistan President Asif Ali Zardari has said that Pakistan is 'fighting its battle for survival'. Don't you think Pakistan should be given some more time, and also international community should be more sympathetic to Pakistan that is seemingly battling against the rise of radical Islamic fundamentalism, and militancy?*

**Ans:** We have shown immense patience and exercised utmost restraint in our response despite tremendous outrage amongst our people. The issue is not of more time or of sympathy. Those factors come into play after a certain policy direction is taken. The issue is of the direction of change in Pakistan. If banned groups are not just tolerated, but allowed to flourish and if even today agreements are being reached with other banned groups, can we take it as an unambiguous position against terrorism?

**Q6:** *There is a strong belief that international pressure, and also diplomatic compulsion against Pakistan has worked in India's advantage. It is felt that Pakistan has responded to the dossier only under the pressure of the United States. How much of this is due to American influence really, sir?*

**Ans:** Pakistani leaders have been saying that Pakistan is taking action not under any external pressure but in its own interest. It is not for me to comment on their sovereign decisions, or on what is triggering action there.

However, we are grateful for the tremendous outpouring of support from our friends in international community, including the United States. After the attacks, I have personally spoken to my counterparts in over 25 countries, and have sent a dossier of evidence to all my counterparts. We have also kept open the channel of communication with Pakistan, through our respective High Commissioners. Our approach is constructive, and is showing results.

As I have said earlier, the attacks were a cold blooded act of terrorism. Such terrorism is a global menace. If it is tackled purposefully, the entire world including Pakistan would gain.

**Q7:** *India's opposition parties say New Delhi has outsourced diplomacy to America. Don't you think this could be the result of an impression being created that India is totally dependent on Washington given its strong and ever expanding bilateral ties with the US, especially post Indo-US civilian nuclear deal?*

**Ans:** We have an independent foreign policy, based on our national interests. Our relations with the USA, as with other countries in the world, are determined by our national interests. The US is our largest trading and investment partner. The Indo-US nuclear deal is a result of the trust and confidence that the two countries repose

in each other. Indian IT industry exports 60% of its services to the United States. We have a 2.5 million strong Indian community in the United States.

There is no question of dependence on any one country. However, it is in the common interest of the international community, to purposefully and collectively deal with pressing global issues – international terrorism, food and energy security, climate change, global financial reforms and UN reforms.

**Q8:** *What is your thought about US President Barack Obama's policy on the region so far? The US seems to be mounting enough pressure on Pakistan to seek their support in their global war against terrorism. Are you satisfied with Washington's approach towards this?*

**Ans:** President Obama's focus on Afghanistan and Pakistan in its fight against international terrorism converges in many ways with India's own belief that elements operating from Pakistan and the Taliban-controlled areas of Afghanistan are the biggest source of international terrorism, which threatens the civilized world. We hope that US policies in Pakistan would be directed at the elimination of terrorist elements that have taken root in territories under Pakistan's control and have been allowed unfettered growth over many years. We hope Pakistan will act decisively before it is too late.

**Q9:** *Some sections within your government were apprehensive about President Obama's policy. The very fact that President Obama equated Kashmir issue, and considered it as the root of all problems in South Asia made your government diffident. Why do you think Kashmir issue cannot be associated or linked with the issue of terrorism?*

**Ans:** Kashmir is an integral part of India. It is a bilateral issue between India and Pakistan, to be resolved through direct dialogue. There is no place for any third party involvement in India-Pakistan ties.

In the last few years, the Government of India has taken several initiatives including confidence building measures like facilitation of cross-border movement of people, trade, improved connectivity between Jammu & Kashmir and Pakistan occupied Kashmir (PoK) - and between India and Pakistan - with a view to creating a conducive atmosphere for the composite dialogue with Pakistan - to resolve the pending issues.

Recently, we held successful, free and fair elections in Jammu & Kashmir, where the voter turn-out was over 60%. The people of Kashmir did not heed to the boycott calls given by separatist elements. They spoke loud and clear through the ballot box, giving the separatists elements a fitting reply. They voted for peace, security and development in a democratic framework.

**Q10:** *Kashmir remained the core issue, even when India and Pakistan decided to go ahead with their composite dialogue process. Many of the Confidence Building Measures (CBMs) are centric to Kashmir. The Indo-Pak peace process did achieve its purpose to an extent in bringing people from both the sides together. How do you think the negativity, and hostility, is affecting the Indo-Pak ties, post Mumbai attacks?*

**Ans:** During the past four and half years with the Composite Dialogue process, more was achieved than in the preceding fifty years of India-Pakistan relations. We are with the people of Pakistan and we want the democratic government of Pakistan to succeed. Post Mumbai, we have deliberately not thought it fit to curtail people to people contacts or trains and road links. Nevertheless the dialogue and normalization process has suffered a setback. Our dialogue process was proceeding well because it was popular. But if Pakistan does not take credible action against terrorist groups whose sole aim is wanton destruction, it cannot be hidden from people. A negative approach cannot but lead to erosion in popular support for a dialogue process.

**Q11:** *India under its fairly independent and non-aligned foreign policy has had exceptionally good ties with Iran and Afghanistan. The US says their focus is on Afghanistan, while India feels it is Pakistan that needs attention first. What are India's agenda in the given situation, and why do you think the region is so important for India?*

**Ans:** We cherish our relations with Iran and Afghanistan. They face today the same kinds of threat from terrorism as we do. It has been and it will be our endeavor to have good-neighbourly relations with all our neighbors for peaceful coexistence. The situation in the Pakistan Afghanistan border regions is a matter of great concern for us, as it is for other members of the international community. In our view the issue is of facing the threat in a united manner with as broad a unity amongst all countries as can be achieved.

**Q12:** *Israel's massive offence in Gaza didn't get much attention in India. As long as Yasser Arafat was alive, he frequently visited India, and*

*inevitably returned with the country's unflinching support to the Palestine cause. Do you see India's growing ties with Israel affecting its relations with the Arab world? What is your view?*

**Ans:** Chairman Arafat is always remembered by us as a great leader of his people and a friend of India. A well-established tradition of high-level exchanges with Palestine has continued with the State visit of President Mahmoud Abbas four months ago.

Our support for the Palestinian cause has been consistent, dating back to our pre-independence days. India has always supported the peaceful resolution of the conflict in West Asia resulting in a sovereign, independent, viable and united State of Palestine, living within secure and recognized borders, side by side and at peace with Israel. India supports the Arab Peace Initiative. India has also called for an end to the expansion of Israeli settlements in occupied Palestinian territories and for an early and significant easing of restrictions on the free movement of persons and goods.

During the recent conflict in the Gaza Strip, we called for an immediate end to the disproportionate and condemnable use of force, particularly against civilians, and for the restoration of peace. In response to a 'Flash Appeal' from the United Nations Relief and Works Agency, the Government of India contributed US\$ 1 million for humanitarian relief. At various international fora, including NAM, the United Nations Human Rights Commission, etc., India has strongly and consistently supported the Palestinian cause. We have also been in touch with our friends in the Arab world on the Palestinian issue.

I also wish to emphasize that our bilateral relations with no country is conducted at the expense of our relations with any other country. It has always been our endeavour to maintain and develop good relations with all.

**Q13:** *India has joined hands with United Arab Emirates in counter terrorism. What makes you think that UAE can be a decisive ally of India in its fight against terrorism, and intercontinental crime?*

**Ans:** India has close relationship with all the GCC countries, with which we hold regular consultations at the official and political levels. Counter-terrorism is one of the major issues which has been figuring during these consultations. UAE is a key transit country for international trade and travel in our region; therefore it has and is playing, a critical role in combating international terrorism. We are currently holding discussions,

with UAE, to conclude an agreement/MOU for cooperation on combating terrorism, to put in place an institutional mechanism.

**Q14:** *How do you see India's relationship with Sri Lanka, especially in view of what has been happening in the country, where scores of civilians from Tamil origin are caught up in the gun battle... of Sri Lanka's war against the LTTE rebels?*

**Ans:** Sri Lanka is a close and friendly neighbour. Relationship between our two countries is multi dimensional and cuts across a range of areas and issues such as trade, culture, tourism, science & technology, people-to-people exchanges and development projects etc.

As far as the humanitarian situation in Northern Sri Lanka is concerned, the fact that civilians and internally displaced persons are caught up with the conflict is a matter of serious concern for us. I visited Sri Lanka last month to take up this matter, and indeed other issues as well, with the Sri Lankan Government. I stressed the need to ensure the safety and security of the civilians, including giving them an opportunity to come out to safe areas, expanding and respecting safe zones in the area of conflict, and ensuring that there was no shelling into the safe zones. You would recollect that after my visit, President Rajapaksa announced a 48-hour period where he had given an opportunity for these civilians to come out to safer areas.

We continue to maintain the need for a negotiated political settlement of the issues acceptable to all communities in Sri Lanka, including the Tamil community. We have urged the Sri Lankan Government to work towards this end and start the political process urgently. We also stand ready to contribute towards the reconstruction and rehabilitation of northern Sri Lanka.

**Q15:** *You are the senior most leader in the Congress party. Parliamentary elections in India are to be held soon. Seeing your admirable relations with the Left leaders, there is a talk that a beginning has been made to woo the Left to support the next Congress led coalition. What do you have to say?*

**Ans:** My answer is simple. What will happen in post election scenario will depend on how the numbers add up. It is too early to speculate on this. Along with other UPA partners we are hopeful of a comfortable majority.



**020. Inaugural Address by External Affairs Minister at the International Conference on Cooperative Development, Peace and Security in South & Central Asia.**

**Kolkata, March 1, 2009.**

**Prof. Pradip Narayan Ghosh, Vice-Chancellor, Jadavpur University,  
Shri Rashpal Malhotra, Director General, Centre for Research in  
Rural and Industrial Development,**

**Prof. Jayanta K. Ray, Chairman, Maulana Azad Institute of Asian  
Studies,**

**Prof. Hari Vasudevan, Director, Maulana Azad Institute of Asian  
Studies,**

**Prof. Omprakash Mishra, Member Secretary, Global India Foundation  
and**

**Pro Vice Chancellor, Indira Gandhi National Open University,**

**Ambassador P.S.Sahai, Centre for Research in Rural and Industrial  
Development,**

**Mrs. Parbati Sen Vyas, Special Secretary, Ministry of External Affairs,**

**Distinguished guests,**

**Ladies and Gentlemen,**

It gives me great pleasure to deliver this inaugural address at the International Conference on "Cooperative Development, Peace and Security in South and Central Asia", organized by the Centre for Research in Rural and Industrial Development (CRRID), Chandigarh, The Global India Foundation and the Maulana Abul Kalam Azad Institute of Asian Studies, Kolkata. Jadavpur University has very graciously made available the premises for holding the conference. I would also like to acknowledge the presence of the distinguished Indian and foreign participants, who are attending this seminar. I am sure your contributions will be valuable inputs in the deliberations of this conference.

At the outset, let me congratulate the organizers for selecting this critically important theme. If the countries of South Asia form India's immediate neighbourhood, Central Asia is part of our extended neighbourhood. The



region is an enormous landmass. Bonds of geography, history, culture and values tie the peoples of this region together. All through the region, efforts are underway to achieve the common good through greater exchanges at multiple levels - Governmental, Parliamentary, academic, cultural and most importantly at the level of peoples through the promotion of tourism, commerce and cooperation in the field of education. These efforts have to be accelerated for the region to confront its common challenges - poverty alleviation, health, education and industrialization. It is also our firm conviction that internal stability and economic progress in all our neighbouring countries is in India's interest. It is only through shared economic development that we can achieve our objectives of lasting peace and security.

Growth and development are closely intertwined with peace and security. Pandit Jawahar Lal Nehru had once said "without peace, all other dreams vanish and are reduced to ashes". Terrorism, extremism and fundamentalism are posing a serious threat to peace and security in our region, be it India, Afghanistan, Uzbekistan or Tajikistan. The propagation of intolerance and hatred, and the resultant terrorism, is the greatest threat to world peace and security in the post-Cold War era. The terrorist attacks in Mumbai were one more manifestation of terrorism in our region. It is imperative that all governments of the region take urgent, proactive measures to eliminate terrorism in all its forms and manifestations so that these forces do not derail the processes of progress and prosperity. Pakistan in particular should fully cooperate to bring those guilty of the conspiracy behind Mumbai attacks to justice. It is essential that Pakistan takes decisive action to effectively root out terrorism from territories under its control.

**Ladies and gentlemen,**

Let me now touch upon some of the overarching complementarities among the countries of this region. Firstly, food security has been recognized as an important challenge for our region and the world. South Asia has some of the most densely populated areas in the world while Central Asia has some very sparsely populated areas. The Conference could look at joint efforts between the countries of this region to bolster mutual goals for their food security.

Secondly, energy security is another big challenge of modern times. The hydropower surplus of Central Asia in summer months fits in smoothly with the shortages in those periods in South Asian states. Of course, the

production and transmission capacities would need to be built and feasibility of the investments required would need expert assessment. The Asian Development Bank has done some work in this field. In the area of hydrocarbons, there is a meshing of interests between India and other countries of South Asia as consumers and countries such as Turkmenistan, Uzbekistan and Kazakhstan as suppliers.

Thirdly, India has gained entrepreneurial experience over the years in many areas which are of relevance to the development of Central Asia. These include mining, metallurgy, engineering, automobiles and consumer goods. There have been some success stories of Indian investments in the region in the textile, metals and construction sectors, which could be replicated. Cooperation in such sectors as leather, chemicals, pharmaceuticals, finance, capital markets and services can be explored. Besides, India offers a large market for all our neighbours. We need to identify ways of enhancing trade flows, which depend on physical connectivities, banking linkages, governmental regulation and administrative procedures. It would be in the common interest of all our countries to promote these connectivities and interlinkages amongst us. I hope that you would evaluate opportunities existing for intra-regional trade through expanding transport routes and simplifying transit processes among countries of South and Central Asia.

Lastly, human resource development is vital for the progress of any country. India's ITEC programme offers short-term training programmes in the fields of IT, management, entrepreneurship, English language, finance and others to about 500 candidates from Central Asia. India has undertaken several small-scale developmental and human resource projects in the region and we would be pleased to further share our knowledge with our neighbors. Several countries in the region have attained notable progress in education and science, and greater cooperation in these areas would be in our common interest. We need to find mechanisms to promote this process through greater exchange of students, scholars and cooperative programmes.

**Ladies and gentlemen,**

I will now touch upon our relations with individual countries of the region, as also some important regional structures. In South Asia, we have continued to strengthen our bilateral relations with our neighbours. I believe we have been generally successful in this endeavour, with the exception of Pakistan, though we do not, in any way, discount the potential of close and friendly relations with them in future.

We remain committed to support the people and the Government of Nepal in consolidating the democratic transition and in its developmental efforts. With Nepal, we see immense long-term mutual benefits in the areas of greater linkages and connectivity, better border infrastructure and mutually beneficial cooperation in the area of hydro-power. With Sri Lanka, our relations are marked by a broad-based improvement across all sectors including trade and investment, education, tourism and people-to-people exchanges. As regards the ethnic conflict, we believe that the Sri Lankan military success should be quickly followed by a political solution involving a credible devolution that will meet the legitimate aspirations of all communities, including the Tamils, within the framework of a united Sri Lanka. In the interim, we have appealed to the Sri Lankan government to work out appropriate and credible procedures for the evacuation of Internally Displaced Persons (IDPs) to safety. We are providing all necessary help including humanitarian relief and medical care.

We welcomed the successful elections in Bangladesh, as a resounding victory of democracy. The people of Bangladesh have given a clear mandate and reposed full faith in the newly elected government under the leadership of Prime Minister Sheikh Hasina. During my visit to Dhaka last month, I discussed the whole gamut of our bilateral relations, including issues related to security, border management, connectivity and promoting trade, investment and people-to-people level contacts.

We have welcomed the voluntary and peaceful transition to democracy in Bhutan. Our relations with Bhutan are truly a model of bilateral cooperation, which will strengthen even further in the years ahead.

As regards Afghanistan, despite the serious deterioration in the internal security situation, which impinge directly on India, we have continued our reconstruction and development assistance programmes. With over US\$ 1.2 billion assistance, we are the 6th largest bilateral donor in that country. I recently inaugurated the Zaranj-Delaram road which will provide better access to the country through Iran.

With Pakistan, notwithstanding important achievements in the Composite Dialogue Process over the last four years, their non-implementation of solemn commitments given to us, i.e., not to permit territory under their control to support terrorism, has placed our dialogue process under stress. Pakistan's response of February 12, admitting that elements in Pakistan were involved in the Mumbai attacks, is a positive first step. At the same time, they need to do more. The perpetrators of the attacks should be brought to justice and Pakistan must dismantle the infrastructure of

terrorism in its territory in order to prevent recurrence of such attacks. Until these actions are taken, the threat of terrorism from Pakistan will remain a major challenge to India and the region. However, I would like to also underline here that we have consciously decided not to discontinue people-to-people level contacts and road and rail links, and have kept open the channel of communication with them.

Coming to Central Asia, I am happy to state that India has excellent relations with all the five countries of the region. Bilateral institutional mechanisms by way of Inter-Governmental Commissions and Foreign Office Consultations exist with all Central Asian countries. Building on our strong historical and civilizational links with these countries, today we have friendly, cooperative and more contemporary ties with them. The importance we attach to Central Asia is reflected in the visit of President Nazarbayev of Kazakhstan who was the Chief Guest at the Republic Day celebrations this year. After the independence of their respective countries, President Nazarbayev and President Karimov of Uzbekistan visited India on their first official visits abroad highlighting the importance attached to India by the Central Asian leadership. Although there has been steady increase in bilateral trade with this region, the volume of trade remains unsatisfactory. There are enormous possibilities for increasing bilateral trade and investments and for greater economic cooperation generally. India's experience in boosting food production, including milk production and modernizing agro-techniques could also be relevant for Central Asia. Absence of direct surface transportation routes with this landlocked region has been a constraint in further developing economic and trade ties.

Trade through the Iranian port of Bandar Abbas under the framework of International North-South Transport Corridor (set up jointly by India, Russia and Iran) is under discussion. There is air connectivity with Kazakhstan, Uzbekistan and Turkmenistan through direct flights with Indian cities. However, the existing flight connections have the potential for expansion in terms of capacity and frequency. Unfortunately, there is no Indian carrier flying into the region though we are trying to encourage such flights. We also have cooperation with some Central Asian countries in the field of defence, primarily for training of military personnel in India.

At the regional level, regional organizations provide useful structures for promoting joint endeavours. SAARC has made notable progress in bringing South Asian countries together over the last twenty-three years. The SAARC development fund has made a promising beginning. We have agreed on moving towards a South Asian Customs Union and Economic Union;

established a SAARC Food Bank; are improving physical connectivity; and are establishing a South Asian university. On their part, the Central Asian countries are working together under the rubric of Shanghai Cooperation Organization and Eurasian Economic Community. The Conference on Interactions and Confidence building measures in Asia (CICA) brings most South and Central Asian countries together into a mechanism for expanding cooperation and development. Thus, requisite institutional structures are in place to give an impetus to cooperation across the region.

**Ladies and gentlemen,**

In conclusion, I would like to say that secularism and tolerance, which are concomitant with peace and progress of our pluralistic societies, have been the hallmark of South and Central Asia for a long time. These norms and customs have come under considerable pressure from extremist and fundamentalist forces. I believe that apart from the government, scholars and think tanks have a crucial role to play to promote prevalence of reason and rationale over distortion and misinformation undertaken by the negative forces in our region. I am confident that this Conference is a right step in that direction.

I convey my best wishes for the success of this conference. I hope that the participants can make concrete suggestions which could be examined and acted upon by the Governments of India and South and Central Asian countries, as well as by their corporate sectors.

Thank you.



**021. Address by Secretary (ER) in the Ministry of External Affairs Hardip Singh Puri at Confederation of Indian Industry (CII) Conference on "India-China: Drivers of the Asian Century in a Post-Crisis World."**

**New Delhi, March 4, 2009.**

Please see Document No. 439



**022. Keynote Address by the External Affairs Minister Pranab Mukherjee at the India Today Conclave on the theme of 'Government: Is it a hindrance or facilitator of change'.**

**New Delhi, March 6, 2009.**

**Mr. Chairperson,**

**Excellencies,**

**Ladies and Gentlemen,**

I am very pleased to be here at the 2009 India Today Conclave with such a distinguished audience. Over the years, the India Today Conclaves, bring together a diverse range of public figures, business persons and policy makers for discussions on the critical issues of the day.

The theme of the 2009 India Today Conclave, 'Challenges of Change', has been wisely chosen. To my mind, change is a multi-dimensional concept. Some aspects of change can be measured by indices like growth rates, per capita income, human development index etc; and the others which relate to the ethos and psyche of a nation and its cultural heritage cannot be quantified in exact terms but affect the way change is initiated and assimilated. We also have to recognize the cyclical nature of change from initiation to management to assimilation and back to initiation. There is always resistance to change because we all suffer from 'neophobia' to some extent and yet, for the development and growth of a nation or for that matter any organization, "change" is essential and its permanence has to be accepted.

Political scientists and philosophers alike have reflected on the processes, the dynamics and the meaning of change. And the focus of their enquiry - as indeed of the distinguished participants of this conclave - necessarily revolves around the management of change. Mainstream discourse, as opposed to revolutionary literature, must view change in evolutionary terms. Change should not be sudden and cataclysmic resulting in disruption in society but should lead to its sublimation.

**Friends,**

The current phase of globalization has shrunk the world and made boundaries between countries irrelevant. At one level, it has reduced us to a single entity, such that developments in one part of this global entity have implications on the other part, and often pronounced one at that.

The process of change is not linear, nor are the outcomes, and there are always concerns, uncertainties and choices to be exercised from competing alternatives and objectives. The process is indeed challenging. This could not have been better demonstrated than by the unfolding of the on-going global financial crisis. We are suddenly faced with the pitfalls of an unquestioning dependence on the functioning of liberal markets to sustain and enhance human well-being. Yet we have also seen how these very markets have been the means to bring unprecedented prosperity to a large part of the World over an extended period of time. They have opened up real possibilities for many of us in the developing World to make genuine progress in addressing some of our persistent problems of poverty, livelihood, health, education and security.

In my speech I have been asked to address a part of this larger issue - the question whether the government is a hindrance or facilitator of change. For me it is not easy to answer. As a person who has spent a better part of his life in public service and in the government, I would like to believe that the government is, more often, a facilitator and, at times, a regulator of change. Indeed it should be so in any democratic society.

Who could have imagined, even a few months ago, that Western governments would be nationalizing banks as they find themselves facing stark choices in the midst of deepening uncertainties? The public in the West cannot reconcile itself to the fact that the Governments, which swear by free market principles, are today unlearning the meaning of the expression 'free market'.

### **Friends,**

Let me now turn to the factors that make a Government a facilitator of change. The three main factors in my view are: leadership, vision and expertise. History tells us that all momentous changes in the world have come from exercise of decisive leadership by individuals who have been associated with the State or have led governments in their societies. These have also been individuals who have either seized the opportunity to usher in change or have enjoyed broad based mandate to undertake change. I would identify the role played by Mr. Rajiv Gandhi who enjoyed a massive mandate to prepare the country for the 21st Century and with his leadership and vision helped India emerge as an IT powerhouse within a span of a decade or so. Invariably vision goes hand in hand with good leadership. Unless there is a coherent vision, the process of change may not bring the rewards that it seeks for the society and its people. More

importantly, availability of expertise and knowledge is vital for guiding the process of change towards the desired social goal. There are many instances in history where the process of change and reforms that were underway failed to deliver the expected results or had to be shelved for want of expertise to guide the process.

### **Friends,**

Permit me to take the liberty of introducing a personal note. I was born in pre-independence India. I have witnessed at close quarters the ravages of economic exploitation resulting from colonialism. In 1947, India was a poor, under-developed, agrarian society steeped in gross poverty, near total illiteracy, stark social inequality with very little infrastructure. The colonized Indian economy was characterized, according to historians, by four features. First, the integration of India's economy with the world economy in a subservient position. Second, a peculiar structure of production and international division of labour based on subservient nature of economic relationship with UK. Third, the small size of net savings (2.75% of GNP) and finally, unproductive consumption of social surplus/savings by the state and intermediaries. There was overwhelming support for the government taking a lead in creating the economic framework of a modern state which it did with great success and with results evident to every one at home and abroad.

This transformation, for which the foundation was laid by Mahatma Gandhi through his mass mobilization of people and the creation of an alternate vision of our future, could not have been achieved without the government of independent India implementing a comprehensive and vigorous agenda of change. The leaders of modern India did not sweep away the colonial administrative structure but infused it with a new spirit of purpose and direction reflecting the symbiotic spirit between the government and the broader community referred to earlier in my speech. The management of change and societal transformation in a peaceful, cohesive manner helped our young country survive the communal holocaust, partition and administrative meltdown. Thanks to the strong democratic institutional framework, which was created in that process, India has successfully managed change within the country and faced challenges from external sources. This enlightened audience will remember very well the early anxieties amongst our business community about economic liberalization. There was certainly a basis for these anxieties as evident from the example of several countries which could not withstand the resurgent tide of globalization following the end of the cold war.



This has been possible because India is, today, less socio-economically unequal than many of the western developed countries, as reflected in the Gini co-efficient, an index used by the World Bank to measure it. A high rate of growth and developed institutional and physical infrastructure prepares a vast and diverse society like ours better, than other countries, to face the current financial crisis, even though we should remain alert to its future course. Not wearing ideological goggles - of whatever colour - India does not suffer any lack of self-confidence in this crisis but feels that it can turn it into an opportunity. With an investment rate which has until recently been close to 40%, and a savings rate close to 38% of the GDP, I feel that India can face external factors with reasonable confidence.

**Friends,**

The current crisis is increasingly being recognized as the result of a flaw in the ideology and model of growth, which were considered sacrosanct. This failure in the West is of such a magnitude that governments cannot wish away their own responsibility. With a crisis in the financial sector, the role of the governments in the developed countries and elsewhere will only increase.

Government intervention should be to re-orient the direction and the complexion of economic growth. My broad prescription would be to make it more inclusive. This calls for a shift in paradigm at the national and international levels.

**Friends,**

Let me now turn to the current context in India and make a brief assessment of the role of government in India. The Government has to play the role of initiator, regulator and facilitator of change in varying degrees depending upon the internal and external environment. If I look at our post-independence experience, I am of the view that for most part of this period the government, by and large, did well in terms of managing the process of change in the society and the economy, given our initial conditions and the context. A good indicator for that is the roots that democratic institutions have taken in the country and the unity of our nation, amidst the vast social, cultural, economic and ethnic diversity of our people. There have been shortfalls in some areas and perhaps some measures by the government may not have been timely, but we have moved ahead.

Now, when we are at the threshold of a promising period, when change is more visible than ever before in all aspects of our lives, the performance

of government is also being viewed with new benchmarks. The expectations from the government are much higher and rightfully so.

With many sectors of the Indian economy becoming globally competitive, the contrast in performance between the corporate and government sectors and between the State Governments in India and the State/provincial governments in other fast-growing economies such as China is becoming more visible. As substantial resources, both public and private, are being mobilised to fuel the growth of the economy and make it more inclusive in character, there is a legitimate concern that every bit of the public effort should count and yield better results.

In a broad sense, governance can be broken into two levels. At an aggregative level, the purpose of governance is to provide an environment that supports and encourages private initiative in a non-discriminatory and inclusive manner. It is concerned, for instance, with laws governing markets, protection of constitutional rights and systems guaranteeing territorial integrity. At an individual level, it is concerned with provision of basic services universally to all citizens with a view to build individual capabilities to harness opportunities. The fact that these services must be provided universally often translates into a much greater government involvement as they may not be easily managed and incentivized through the market mechanism. Initiatives such as the NREGS, Bharat Nirman and the Right to Information Act have to be viewed in this light. Notwithstanding the criticism directed at the implementation gaps that these initiatives suffer from - and all of them have great scope for improvement - doing away with them or transferring their implementation to market mechanisms are not responsible alternatives, at least not at the current juncture of India's development.

For these programmes to be successful, it is necessary that ground level implementation is efficient. For this, local authorities have to play a very large role; indeed, the efficiency of these programmes is completely determined by the activities of the "last mile". The Central Government can do two things - conceptualize the programmes and commit resources, both of which they have already done. In addition to this, given that the implementation is with the local authorities, the Central Government can play an additional role, viz., that of ensuring that local authorities have enough incentives to implement the programmes.

The enactment of the Right to Information Act at the Centre and in many States has bridged a critical gap in the public decision-making process,

ushering in greater accountability of the public servants. This move towards greater transparency and right to access public information has been greatly aided by developments in information technology and e-governance.

**Friends,**

At the international level too, we need to re-orient the growth paradigm to be followed by the international institutions and the donor countries. It is all the more critical because the developing countries still have positive growth rates and can provide the basis for global economic recovery. A well directed aid and trade effort can help in generating domestic economic demand and green growth.

In these difficult times, it will be short-sighted to go into protectionist mode. In fact, this was the key message of the Washington Summit of G20 countries on 15 November, 2008. I quote, "we underscore the critical importance of rejecting protectionism and not turning inward in times of financial uncertainty". That the biggest economy in the world, the United States, where this global financial Tsunami originated, should be resorting to trade-restrictive practices is particularly disturbing. The US Government's stimulus package imposing restrictions on public procurement or discouraging US firms from outsourcing or restricting hiring of foreign workers is not in keeping with the spirit of global cooperation. It also runs counter to the current efforts to stem the sharp decline in economic growth world wide, especially in the US and other developed markets. This is a negative trend and is likely to have a cascading effect in other major economies and, thereby, undermine the global efforts to overcome the current crisis in the shortest possible time-frame.

**Friends,**

Of the many challenges of change today, which the governments have to manage, one of the most important is terrorism. The world at large is slowly but surely moving in the direction of reaching the threshold of zero tolerance of terrorism. States that have used terror as an instrument of state policy should be left with no choice but to dismantle their infrastructure of terrorism and actively cooperate with the international community to eliminate this scourge.

As this week's reprehensible attack on Sri Lankan cricketers in Lahore shows, government's lack of will or capability in tackling this menace becomes a major hindrance in the smooth process of change. This threat needs the efforts of the international community at large to ensure that it is eliminated on an urgent basis. Otherwise, no part of the world would

remain immune to the flames being ignited there. These developments are most disturbing for every right thinking person in the world and, without doubt, for us Indians.

It stands to reason that the Government's ability to manage and facilitate change in the interest of its people is possible only when the Government itself is responsive to its citizens' aspirations. The manipulation of popular opinion through spin or by the undermining of the institutions crucial role for democratic functioning can only result in short-term gains and long-term failures.

In conclusion, I could do no better but to state that India's own historical experience as a modern nation demonstrates that the government has played a critical and pivotal role in the management of change. This has been possible, also, due to the nature of relationship which has been established between the civil society and the government. A responsive government has defined its role - interventionist or non-interventionist - as required at different times in our independent history. Today as we move ahead on a high growth rate trajectory, I can confidently say that we are sure about the efficacy of the Indian model of economic growth: unique in world history. Our socially equitable economic growth has taken place within a democratic framework which was used not only for wealth creation, but also for wealth distribution. The concern for "Aam Admi" is central to this philosophy of inclusive growth.

Thank you.



**023. Address by Secretary (ER) Hardip Singh Puri in the Ministry of External Affairs on "Ensuring India's Energy Security: Domestic Measures and External Approaches".**

**New Delhi, March 9, 2009.**

**Dr. Bhartia**

**Dr. Parekh,**

**Mr. Banerjee**

**Ladies and Gentlemen,**

Thank you for inviting me to address the National Conference on "Ensuring India's Energy Security: Domestic Measures and External Policy Approaches." It stands to reason that when there is a Guest of Honour, it should not be necessary for others to address the same session. But, since I am here, let me say a few words.

2. Twenty First century global realities have altered the concept of national security. While national security is a holistic concept, energy security is one of its major components. The latter essentially involves ensuring uninterrupted supply of energy to support the economic and commercial activities necessary for sustained economic growth.

3. Energy consumption is both a necessary condition for economic growth and a consequence of it. Need of the hour, therefore, is to acknowledge the important challenges to India's energy security, which are both internal and external in nature. Internally, India has a limited resource base and lacks adequate infrastructure. The external challenge lies in getting a continuous supply of energy at reasonable prices as domestic production is low but the demand is high.

4. In a 2004 report, the International Energy Agency (IEA) estimated that by 2030 the world would be consuming around 121 million barrels per day and, to achieve this, the global oil industry requires an investment of approximately \$3 trillion. In a 2006 report, the agency revised the estimated investment volume upwards to \$4.3 trillion to produce a little less quantum of oil, 116 million barrels per day, by 2030. This rise of 43% in investment volume to produce 5 million barrels

less per day for the same period has been attributed to the end of 'cheap oil era'. This in turn is a result of the ageing existing "giant and super giant" oil fields as well as the need to drill for oil in new and small sized wells, whose marginal cost would be much higher than that of existing giant and super giant fields.

5. The recent drop in crude oil prices from a peak of US \$147 a barrel to below \$40 has evidently provided relief to oil importing countries such as India, which have been triply inflicted by huge oil pool deficits, growing food prices and global economic downturn. But based on current oil market fundamentals and past experience, there is no reason to believe that the current fall in oil prices is indicative of any future trend. Sooner or later prices will rise.

6. According to the Integrated Energy Policy India needs to sustain an economic growth rate of 8-10% over the next 25 years, in order to eradicate poverty and meet its human development needs. This would require augmentation of primary energy supplies by 4-5 times by 2030-31. At present, India consumes approximately 3.1 million barrels of oil a day and this is expected to grow to a couple of million barrels more, making India the third largest consuming country in Asia and the fourth largest in the world. Expenditure-wise, year-on-year basis, a rise in the price of oil by a single dollar costs the economy approximately Rs.17.7 million. Besides, it would trigger oil-induced cascading effects, including inflation, unemployment, and social unrest.

7. India aspires to a medium-to-long term strategy of implementing a strategic shift from fossil fuels to non-fossil fuels, from non-renewable to renewable sources of energy, and from conventional to non-conventional sources of energy. Our energy mix currently is 51% based on coal, 36% on oil, 9% on natural gas and only 2% from hydropower and nuclear energy respectively. It is estimated that by 2030-31, we would have to import 66% of our coal, 90% of our oil and 60% of our natural gas. Presently, we depend to the extent of 70% on imported oil which makes us vulnerable to external shocks.

8. Ensuring continuous availability of commercial energy at competitive prices to support economic growth and meet our energy needs with safe, clean and convenient forms of energy is vital for the continued growth of the economy. We need to adopt a multi-pronged and coordinated energy strategy which requires: increasing the domestic supply of crude oil and gas by fast-tracking upstream activities; substituting oil consumption by

gas and clean coal (keeping in view the relative energy yields in dollar terms of various fuel options); increasing reliance on renewable sources of energy such as nuclear energy, solar energy, wind energy and bio-fuels; increasing our own hydro-electricity production and developing mutually beneficial models to tap the hydro-electricity potential in neighboring countries; improving energy efficiency; diversifying our supply sources and acquiring energy assets abroad.

9. Let me elaborate on some of the key elements of our energy security today:

- i. The Government has been trying to increase domestic exploration and production with efforts aimed at encouraging investment in the exploration of hydrocarbons, development of fields and production and marketing, strengthening of National Oil Companies and improved recovery of domestic hydrocarbon resources.
- ii. Diversification of sources of oil and gas supply is the key to the promotion of our energy security. While maintaining our traditional supply lines from the Middle East, we must augment our energy supplies from countries in Africa, Latin America and South-East Asia. In 2007-08, India actually sourced nearly 18% of its oil from Africa. We are also seriously looking at the CIS region for oil, natural gas, hydropower and uranium resources. Latin America is another attractive energy supply source for India. In South Asia, a network of gas pipelines and power grids will enhance energy security in the region, essentially of India, and also significantly benefit its smaller neighbors, reduce cost of fuel transportation and help in an optimal and efficient harnessing of energy resources.
- iii. Obtaining equity oil and gas abroad would also help in augmenting our energy reserves. Since the early 1980s, Indian oil companies both public and private have been investing in overseas oil and gas projects, with activities covering 20 countries today. OVL's total equity oil production is currently around 9 million tones a year.
- iv. Creation of a Strategic Petroleum Reserve (SPR), though expensive to create and maintain, would reduce the country's vulnerability to short-term oil shocks and soothe price fluctuations. Apart from the creation of SPR, co-operation with other Asian countries, which maintain strategic reserves, is required. For instance, mutually beneficial co-operation with Japan, South Korea, Taiwan and

Singapore is possible in areas such as joint identification and storage of reserves at low-cost locations, co-coordinated response to global and regional energy crisis and short-term lending and borrowing facility in the event of temporary shortage.

- v. India has promising potential of renewables, nuclear energy and non-conventional hydrocarbon resources such as Gas Hydrates and Shale Oil. Exploitation of these resources would require development of appropriate technologies through indigenous R&D, involvement of global energy majors and creation of a sound regulatory and policy framework to encourage investment in these sources of energy.
  - vi. On the renewable energy front, India has a strong manufacturing and R&D orientation and is emerging as a hub of wind, solar, biomass related manufacturing and exports. Over 11,200 MW of renewable based capacity has already been installed. Numerous fiscal and financial incentives are being given for the promotion and exploitation of renewable energy.
  - vii. Nuclear energy is another potential source to ensure India's energy security in the medium and long term. Nuclear power development is essential not only in the context of energy security but also in terms of its environmental advantages. With the Indo-US nuclear cooperation agreement we can hope to secure the required supplies of nuclear fuel for enhancing our nuclear power generation.
  - viii. Improving energy efficiency through technology and innovative approaches constitutes an important aspect of our multi-pronged strategy. Increasing energy efficiency can lead to reducing energy requirement for the same level of economic output.
10. As part of its growing emphasis on energy security, a new Energy Security Division has been created in the MEA to facilitate our multifaceted global engagement in pursuit of India's interests in the energy sector.
11. I believe that the current economic downturn provides both oil producing countries and oil consuming countries a perfect opportunity to enhance cooperation on mutually agreed terms and conditions and enter into long-term contracts. Oil exporting countries faced with falling revenues are anxious to manage the volatility of oil markets and stabilize their oil incomes. According to the International Monetary Fund,



a decline of \$1 in the price of crude would translate into a loss in revenues of \$3.5 billion for Saudi Arabia, \$300 million for Qatar, \$1 billion for the United Arab Emirates (UAE) and \$960 million for Kuwait. The recent drop in demand has drastically reduced prices leading oil refineries to build up huge stocks, both stable and mobile. According to the Wall Street Journal, oil supplies are now building at such a rate that over 40 million barrels are being held in idle supertankers around the world. Thus, it is obvious that the present situation is opportune for both oil producing and consuming countries to enter into 'contracts' to hedge their losses from unforeseen shocks and spikes.

12. Ladies and Gentlemen, as we grow as a nation, our energy needs are bound to grow concurrently. With depleting reserves, energy security takes on a serious connotation. If we are to meet India's overall growth objectives, ensuring energy security of the country is of critical importance. It is imperative that all stakeholders strive towards reducing our dependence on fossil fuels in the medium to long term by increasing the share of renewables in our overall energy mix. The challenge before us is to augment our domestic supplies while consolidating and diversifying our external resources so as to achieve a more rational and sustainable energy matrix over the next 10-15 years. We strongly support efforts to develop a cooperative framework through intensive consumer-producer dialogue, transparent exchange of data and information and cooperation in R&D in conventional and non-conventional energy resources. The current slump will not in any way dampen India's investment thrust in the field of energy. The need of the hour is to plan ahead and secure the future of our younger generation.

13. Before I conclude, let me respond positively and enthusiastically to the suggestion made by Mr. Bhartia to establish an Energy Think Tank funded jointly by the Government and the public and private sector. This is a suggestion that has been made earlier and I can confirm that the Ministry of External Affairs would be happy to look at such a proposal.

14. I would like to congratulate CII for taking the initiative in organizing this Conference and inviting experts from various fields to discuss an important topic as Energy Security.



## **024. Interview of Foreign Secretary Shivshankar Menon with Kalyani Shankar for the All India Radio.**

**New Delhi, March 19, 2009.**

**KS:** Mr. Menon you had extensive talks with the US Secretary of State Hillary Clinton on various things.

**FS:** Now this time when I met her she showed great familiarity with all the details of the relationship and also a great willingness to carry this forward. That it was high of her when she spoke of the stand alone strategic partnership between India and the US and in building on that partnership she also said that she wished to take the relationship to a new level. She is looking forward to visiting India.

**KS:** Mr. Menon what about the Mumbai terror attack?

**FS:** I discussed that certainly. I informed US friends. This is an issue. Since the attack came from Pakistan we had made it clear from the beginning that we would like to see two outcomes. One is the perpetrators are brought to justice and secondly that Pakistan take credible steps to dismantle the infrastructure of terrorism in Pakistan which has led to these attacks and to other attacks as well in India and elsewhere in the world. Pakistan has taken the first step towards the first goal. In other words, she has arrested some people, undertaken some investigations and she had then shared with us some of the results of that investigation. The US has its own legal responsibilities and we have associated the FBI with the investigation and given them access and so on. So they also informed us what they will do

I think it is clear. This sort of terrorism out of Pakistan is a global menace. It is not only a threat to India or a threat only to the US, threat to the entire globe. So we also discussed what we could be doing in terms of international action, whether in terms of listing more entities and individuals in the UN Security Council's list of terrorist organizations and their supporters, like we listed Jammah-ud-Dawah last December, or whether the comprehensive convention on international terrorism, whether we can make progress on that in the UN. We discussed those kinds of steps also. So I think the determination is very strong on both sides to see that we carry this through so that we can ultimately hope to eliminate the scourge. Both the Americans and we have said that is the first step in the right direction, but there is more to be done. And I think the Americans have said this also in public.

**KS:** Mrs. Clinton wanted more cooperation in bilateral and global issues. Was there anything specific in this regard ?

**FS:** Well, we went though. In fact she showed great knowledge all the specific aspects in which we are cooperating and on what we could be doing. We agreed. Say, in education that we need to increase the exchanges in each of these areas. She was very knowledgeable about what we have done, on climate change and energy security and on the thing we could do. We also discussed some regional issues. She mentioned Sri Lanka and the situation of civilians in Sri Lanka and what we could do. I told her yes we would do whatever could. We have set up a hospital now in Sri Lanka to care of the internally displaced persons and civilians who come out of the conflict zone and how we would try and work together. Also for the rehabilitation of the areas so that normal democratic life can return as soon as possible for the Tamil civilian population in northern Sri Lanka. I think that is very important because after 23 years of civil war this is a society which has been traumatized- all size and all communities. And we really need to bring them back to normalcy in some way. And that is how we can do that. I told her about that. So in a sense we discussed regional issue, we discussed bilateral relations, how to carry it forward and also larger global issues, we mentioned on proliferation, we mentioned climate change, we mentioned energy security. So we covered quite a few issues.

**KS:** Mr. Menon, Obama's when special envoy Richard Halbrooke, when he came here and met you and you also met him there and he sought you views on how to deal with Afghanistan.

**FS:** Our experience is that what you really need is to do an integrated strategy, where you provide security and where in the secure areas we must be able to do development with the communities themselves. Some of our most successful projects in Afghanistan, we do the big ones, the infrastructure, the roads, power transmissions and so on. If we can integrate both security and the development part of it, then I think we would be making progress in Afghanistan. First one is to build this secure, development area and that actually is very important. That Pakistan decides stop using these elements as instruments of state policy abroad, in Afghanistan or in India. All these extremists group and that is crucial.

**KS:** Mr. Menon in your meeting with the US National Security Advisor, Gen. James Jones, was there any discussion about how to take forward the Indo-US nuclear deal?

**FS:** I think, in a sense that is the point we have been making, that will be an integrated development strategy and a security strategy, a military strategy which ensures peace within which you can do the development, that is true for Afghanistan. On the civil nuclear side not only with Gen. Jones but with the others also. We are happy at the progress we are making. We have now done the additional protocol with the IAEA for the safeguards, we are working with the US side, directly to see that we can start talking with the US companies. We are separately doing our internal processes for civil nuclear liabilities so that, you know, US companies are able to operate in India. We will take this forward to commercialization. Separately, now that we have done the civil nuclear initiative we think it is possible now to move on to larger and bigger things and to work together to eliminate many of the restrictions, technology and other restrictions that applied to India from the past. So we will start that exercise together with US.

**KS:** You also went to Pentagon and did you have discussions about the military cooperation?

**FS:** We had a little bit on the military-to-military cooperation, the Star talks and so on which are very useful to both sides. We did that also. We reviewed that cooperation. We also had an exchange, of course, some regional situation, as part of the strategic review that US is doing. One is the part of that was done by Gen Petraeus, who was there in the meeting.

**KS:** You were talking about Pakistan and there is much instability there with the United States also concerned because they are putting pressure on President Zardari?

**FS:** We want and we made this clear for several years in our behaviour in what we say and in action. We really require and what we need for our own interest is a stable, peaceful Pakistan. US shares this goal. For obviously the internal affairs of Pakistan, it is for the Pakistan to settle. It is not for us to prescribe how we, as democrats think this is the best system and we would hope to see that democracy in Pakistan is strengthened. We will work with all those in Pakistan who are ready to work for better India-Pakistan relations. We will not interfere in their internal affairs.

**KS:** Mr. Menon, Prime Minister is going to London for the G-20 meeting. What is going to be the agenda? What kind of economic issues will come up?

**FS:** Well, the core agenda is to restore financial system, the global financial system to help and to overcome the global economic crisis. Because there is a crisis in the real economy in the world, which is in

recession actually and by most measures and to try and overcome that to restore growth. We, in India, are relatively lucky but frankly we also have been affected, our export markets are affected and our economy could be growing faster but want for the global situation. Essentially, our Prime Minister will be addressing both these questions. These questions naturally lead to questions of global economy, governance of global economy, monitoring and regulation are also to the kinds of stimulus that is required and the kinds of financial structures that you need to try and fix what happens so that it never happens again and that we can restore the economy to growth. The global economy is actually coming of its most extended period of growth ever historically. It has never actually done as well before this. But the idea is to get it back on track. So the first task really is to do that in London and to fix the structures so that this kind of thing does not happen again. In some sense, the institutions were working which no longer reflect the current realities. So, we need to bring them in line with current realities. So that is a big agenda. And let us see, the preparation so far going well. You would have seen in G-20 finance ministers' statement. But there is much more work to be done before April 22nd when the G-20 leaders meet in London.

**KS:** Do you have any special...?

**FS:** Well, we will work across the board on all these issues to try and increase the international economic system capability, both to overcome the recession and also to deal with the financial crisis.

**KS:** In your talks with the Mrs. Clinton, did you bring this question of protectionism?

**FS:** I mentioned it not only in the State Department but also with many other Senators and Congressmen because it is a matter which really concerns us. Frankly, the world in the 1930s, during depression turned to protectionism and we don't think protectionism is the answer even though it might be attractive to some leaders, some economies. So we in fact raised it across the board and I was heartened to see that most people understood that protectionism is no solution. And if anything makes a solution harder but we will have to see how this develops. It is one of the issues that will come up at the G-20 leaders meeting as well.

**KS:** Is our Prime Minister going to meet Obama for the first time, I mean, since President Obama has taken charge?

**FS:** It is likely. We are still we are working on that schedule. One of the big issues will be the economy, will be our bilateral relationship, all the things that we are doing and that we hope to do together.

**KS:** Visas?

**FS:** Frankly, Visas are a matter of sovereign right. But we do feel that the free movement of people those who have trade must be allowed because it permits trade and economic cooperation. And unless these things are open, it becomes much harder for services, for various, which is why they are part of the WTO negotiations, are also part of the discussions between States. But ultimately, the issue of Visas for any country is a matter of its sovereign decision. But it will balance out the considerations and it will see how it works.

**KS:** Is the PM likely to talk about outsourcing also?

**FS:** As of now these are all issue still need to be seen through. There are many fears, I think, that protectionism is rising that something is happening. But I think we still need to see how we deal with these issues, whatever actually does. More important is that everybody must be convinced that protectionism doesn't work. And, in fact, it is a wrong way to go. That is more important.

**KS:** Thank you very much.



**025. Press interaction of External Affairs Minister S.M. Krishna on assumption of office.**

**New Delhi, May 23, 2009.**

I am deeply honoured to assume charge of the high office of the Minister of External Affairs. We are at a moment in history when the world situation is rapidly changing and India, as a responsible power, must engage actively with the world. I am deeply conscious of the opportunities available to us and the difficulties that we face as we continue to pursue our independent foreign policy of peace and development, and strengthen our strategic autonomy.

2. In the coming years under the stewardship of PM Shri Manmohan Singh, it will be my endeavour to further advance our interest in the international arena. Our primary objective is to sustain high rates of economic growth in the range of 9 to 10% during the coming decades. For that, we require peace and tranquility in our extended neighbourhood and a supportive international environment.

3. I accord highest priority to strengthen our political, economic and cultural relations with our neighbours and look forward to visiting them soon.

4. To strengthen our policy and developmental options we will consolidate further our existing strategic partnership with major powers like USA, Russia, China, Japan and EU. Our strong and traditional ties with countries in Africa, West Asia and Latin America will be furthered and our Look East Policy strengthened.

I look forward to these challenging task in the pursuit of India's non-aligned foreign policy.

Thank you.

**Question:** Since the Sri Lankan claims that the ethnic war is over in Northern Sri Lanka, now India has a most significant role to play to protect the rights and create basic infrastructure for the affected people. What kind of plan the Government of India is having in addition to providing regular relief material?

**EAM:** India will work with the people and Government of Sri Lanka to provide relief to those effected by the tragic conflict, as also to rapidly rehabilitate all those who have been displaced in order to bring their lives to normalcy as soon as possible.

With the conventional conflict in Sri Lanka coming to an end, this is the moment when the root causes of conflict in Sri Lanka can be addressed. This would include political steps towards the effective devolution of power within the Sri Lankan Constitution so that Sri Lankans of all communities, including the Tamils, can feel at home and lead lives of dignity of their own free will.

**Question:** This is on Pakistan. Do you think it is a good time for India to pull back troops from the border? What do you think about America increasing aid for Pakistan without making it conditional on stopping cross border terrorism against India?

**EAM:** We can change our friends, but not our neighbours. In general, we desire to live with all our neighbours in peace and to create a tension free situation with all our neighbours. We stand ready to extend our hand of partnership to Pakistan, if they take determined and credible action to dismantle the infrastructure of terrorism operating from there territory.





**026. Address of Admiral Suresh Mehta, Chairman of the Chiefs of Staff Committee and Chief of Naval Staff at the 8th Shangri La Dialogue organised by the International Institute of Strategic Studies on the theme: The Major Powers and Asian Security: Cooperation or Conflict?**

**Singapore, May 30, 2009.**

Dr John Chipman,

Excellencies, ladies and gentlemen,

It is indeed a singular privilege to be able to share a few thoughts with you at the eighth IISS Asia Summit. I would like to thank the organisers, the state of Singapore and the IISS for this opportunity.

Let me start by stating that change is upon us in many parts of the world, but perhaps nowhere more so than in the oceanic expanses and the littoral regions of the Indian and Pacific Oceans. This changed security environment is characterised by two apparently opposite strains: on the one hand, the individual security strategy of each individual nation is increasingly enmeshed with that of the collective – a theme that has been spoken about this morning, and also last evening; on the other hand, the quest for human security is coming into sharper focus. As such, the term 'security' has now assumed increasingly dominant political, economic, societal and environmental dimensions. It jostles for space with the traditional military one and, yet, the two strains are linked, since human security transcends both national borders and the Westphalian constructs of sovereignty.

As a consequence of these changes we stand today at a fork in our journey through space and time. One path leads to cooperation and the other to conflict. As these paths meander along, they often run very close abreast and sometimes even overlap. These proximities and overlaps bring many questions in their wake. For instance, how can economic competition for finite resources in geographically coincident areas be prevented from transforming itself into conflict? What degree of relevance should we attach to a historical review of Japan in the period leading up to the Second World War, vis-à-vis the present day competition for energy and minerals by major powers within the Indian and the Pacific littoral? Does economic interdependence increase or decrease the probability of armed conflict? The liberal school argues that it does,

because nations would rather trade than invade and, yet, the realist school dismisses this theory by highlighting historical evidence of the First World War when major European powers, particularly Great Britain and Germany, had reached unprecedented levels of interdependence and, yet, went to war. Which is truer of our regions and our times? Is the form of government necessarily an indicator of the external behaviour of a nation? These are some of the questions that confront us, the answers to which will determine our future.

As I said a little while ago, the individual security strategy of each nation is today increasingly enmeshed with that of the collective. It is here that the role of major powers assumes importance. Firstly, let me broach yet another facet of change by suggesting that the expression 'major power' is no longer limited to a single nation state entity alone. The Association of Southeast Asian Nations (ASEAN) is a prime example of a major power of the newer kind, as is the European Union. In some cases, major military blocs such as NATO have either already taken over roles and functions that would characteristically be performed by individual nation states or show a marked tendency to do so.

Today, we have come to live in an era characterised by the rise of insidious and malignant forces that have redefined security responses the world over. Here, I refer to the rise of the malevolent non state actor. Even more ominously, the occasional coursing of the state with the malevolent non state entities has created an evil hybrid that we might describe as 'state sponsored non state actor'. It is this hybrid that lies at the heart of our current security dilemma, which, for India, has been made all the more pressing by the tragic events in Mumbai in November 2008.

Should our preventive, curative and punitive security efforts be directed principally towards the state sponsor or the non state entity? How are the linkages between the two to be laid bare for the world to see? These changes are altering the geo strategies of our aid in a fundamental manner.

Can a contextually specific case therefore be made out, whereby cooperation among nation states is used to combat malevolent non state entities, terrorists and pirates? What then should be the legitimate and most responsible role that major state powers should play? What organisational constructs would be the most apt for such a goal to be realised?

Perhaps the foremost issue for any organisational construct that seeks to address the demands of such a holistic security paradigm is acceptability. I do believe that region specific acceptability is a *sine qua non* for any meaningful progress towards cooperation. The cultural and societal context of Asia is very different from that of, say, the Americas or Europe. Cultural sensitivities in Asia must be acknowledged, understood and respected. This is a complex business because Asia is heterogeneous in the extreme. Newer powers, often imbued with both the exuberant energy and the impatience of youth, need to resist the temptation of simply extrapolating what works for them upon the entirely different civilisational paradigm of Asia. Regional issues are best tackled by regional sensitivity. This is precisely why we look upon regionally focused structures, such as the Western Pacific Naval Symposium (WPNS) or the Indian Ocean Naval Symposium (IONS), with so much hope and expectation, even though they are basically navy specific constructs.

Having said that, I must emphasise that for any security construct in Asia to succeed its architecture must be evolved in a manner that reduces friction and reassures smaller states of their rightful place within such a construct, without prejudice to size, economic stature or any other consideration. The onus for this clearly lies with the larger economically stable and militarily stronger states of the region. Regional and extra regional powers, whether established or emerging, of course have a crucial role to play. No cooperative, consultative or constructive endeavour can succeed in the face of opposition from major state powers, yet no meaningful conflict can be waged against malignant non state powers without state powers joining hands in cooperative endeavour. For major state powers, there is actually no choice but to support and participate in cooperative, consultative and constructive endeavours to defeat such forces. I might quote here Martin Luther King Jr, who once said, 'We may all have come on different ships, but we are in the same boat now.'

Asia today is witnessing the historical and simultaneous rise of at least four major powers, namely China, Japan, India and the 10 countries of ASEAN.

These Asian powers are witnessing unprecedented economic activity and, even in these recessionary times, the economic performance of India, China and Indonesia is indeed impressive. On the other hand, Asia is also the crucible from which many of the world's most obscurantist and malevolent forces are taking frightening form and substance. The

challenge, therefore, is to keep the engines of growth running through trade, commerce and every other form of human endeavour, while at the same time keeping disruptive forces at bay.

This is no mean challenge and no country, however large or powerful, has the wherewithal to insulate itself from the omnipresent threats of which terrorism is the newest and most grotesque manifestation. Other universal concerns that nation states face today include: threats from nefarious traffickers of drugs, arms and human beings; organised poachers; ships that clandestinely discharge oil and toxic cargo into the sea or onto the shores of unsuspecting and ill informed states; mercenaries; and modern day pirates. There are also non traditional security threats encompassing a wide range of potential crises, including environmental degradation, infectious diseases and illegal migration. While these challenges are not within the purview of the more traditional military concerns, they may nonetheless pose a challenge to national security and regional stability. Put together, they constitute a deadly cocktail that constitutes a common challenge that can only be faced through common resolve.

This will require many overlapping and interlocking structures, multiple opportunities and mechanisms for constructive engagement. It will need a transformation in the way we think and the way we look at one another. It will also require those nations that have the necessary resources and the wherewithal to pick up the burden of public good, in ensuring all forms of security to life, trade and property to ensure the wellbeing of the region.

Concerted efforts at capability enhancement and capacity building of the smaller countries of the region, through active assistance of larger neighbours, would be crucial to such efforts in the long term. Many of us – and that includes India – have some ongoing programmes in this direction, and they have also been referred to by Secretary Gates this morning, but I think we could do with some fillip over here.

India is indeed committed to building a secure environment, in which trade and economic development can proceed unhindered. We see the Indian Navy as a significant stabilising force in the Indian Ocean region, which safeguards traffic bound not only for our own ports, but also the flow of hydrocarbons and strategically important cargo to and from the rest of the world across the strategic waterways close to our shores. As Asian economies, including that of India, are expected to grow at higher than world averages in the decade to come, so will our vulnerabilities, which arise from the disruption of sea trade.

And so, the safety of SLOCS will always remain a priority for India in the foreseeable future. The Indian Navy has been a trendsetter in anti piracy efforts off the Gulf of Aden and, while there has been a reduction in piracy incidents, much remains to be done to optimise global efforts in that fragile region.

Benign operations comprise one of the cornerstones of India's reasonable engagement. The tsunami relief operations of 2004, the non combatant evacuation operations from Lebanon in 2006 and the more recent responses to cyclones *Nargis* and *Sidr*, which struck Myanmar and Bangladesh respectively, as well as medical relief to Sri Lanka in the wake of the recently unfolded humanitarian crisis, are examples of our commitment to our neighbours and the safety of our diaspora.

We have also been mindful of the need to assist our smaller neighbours to help themselves. Our capability enhancement and capacity building initiatives with Sri Lanka, Seychelles, Maldives and Mauritius have adequately enabled them to deal with many of their security concerns on their own. I am convinced that, as India grows in economic and military stature, it would have to take upon itself the role of further equipping its neighbours in ways that would not only enhance their own security but contribute positively to regional stability as well. On the navy to navy level, IONS [Indian Ocean Naval Symposium], which was launched in February last year, is a significant military construct to bring together regional navies aimed at addressing common concerns. We hope that, in the due course of time, this will shake hands with other such constructs across into the other oceans.

Let me conclude therefore by stating, quite emphatically, that my vote, whether for cooperation or conflict, would go definitely for the former. The future of this planet hinges on how Asia conducts itself in world affairs in the next few decades. Our rise to eminence or fading away to insignificance would depend on whether we choose to cooperate or confront each other. I firmly believe that there is room for everyone to grow without being confrontationalist in our approaches. On this note, let me end with the words of Benjamin Franklin: 'If we do not hang together, we will hang separately.'

Thank you for your attention.

**Answering questions about terrorism during the Question-Answer session Admiral Mehta said:**

There were two queries. The first was what gives us sleepless nights. The answer to that is fairly easy: in more recent times, it has been the rise of non state actors. The asymmetric threat that comes in front of armed forces bothers us most of all. The rise of phenomenal; it is across the board. Many countries are affected by it. I am sure they all have to face this threat head on, but it is a very difficult threat to face, because you are dealing with somebody who is either not visible, not seen too clearly, or the force that you wish to apply needs to be tempered somewhat. That bothers us most of all and goes on to the specific question that was asked to me; this one was asked of the whole panel.

The specific query pertained to the state sponsored terrorism I was referring to. Let me put it like this: there are of course disparate groups that enter into this kind of activity. There is no doubt about that. In the specific context you raised, the Mumbai attacks, one sees a certain amount of professionalism and precision, and a considerable amount of specific planning, which has gone into the manoeuvre that was undertaken. This certainly makes us believe there is covert support for such elements. Be that as it may, the end point would be that states from whose territory such acts emanate, be they from non state actors or state supported non state actors, themselves have a certain moral obligation to ensure that these kinds of acts are not permitted in their territories. To that extent, the countries concerned themselves need to take a certain kind of action to prevent these kinds of things from happening.



**027. Extracts from the Speech of President Smt. Pratibha Devisingh Patil while addressing the Joint Session of 15th Lok Sabha.**

**New Delhi, June 3, 2009.**

"Honourable Members,

1. I am extremely happy to address the first session of both Houses of Parliament after the elections to the 15th Lok Sabha. My greetings to all members, especially the newly elected members of the Lok Sabha. They are here having spent the last few months in the scorching heat trying to persuade their voters on how they could best represent the aspirations of their electorate. They now have the mandate and the opportunity to translate the hopes and aspirations of the people of India into change in the everyday lives of the people. It is indeed a unique privilege given to a chosen few to represent the hopes of over a billion people, a sixth of humanity.

2. I am sure that their anxieties, hopes and dreams will weigh on you as you commence your work. I urge you to use each day of the next five years in giving substance to those aspirations and in doing so, find greater meaning in your own lives. My good wishes are with you.

\* \* \* \*

9. My Government will maintain utmost vigil in the area of internal security. A policy of zero-tolerance towards terrorism, from whatever source it originates, will be pursued. Stern measures to handle insurgency and left wing extremism will be taken. Government has already prepared a detailed plan to address internal security challenges to be implemented in a time-bound manner. The Multi-Agency Centre will be strengthened to ensure effective intelligence sharing and processing and Subsidiary Multi-Agency Centres will be activated in all States. The National Investigation Agency has become operational and will be empowered to handle terror-related offences. Central and State police forces and intelligence agencies will be expanded and fully equipped with the best technology. A national counter-terrorism centre will be established to take pro-active anti-terrorism measures. Special Forces and Quick Response Teams will be raised and deployed in vulnerable areas. Enhanced information and intelligence sharing on a real time basis, would be made possible by the creation of a net-centric information command structure.

10. My Government will actively pursue police reform and in order to ensure the active participation of the citizenry in internal security, community policing will be promoted. At the same time government will continue to constructively engage with all groups that abjure violence in the Northeast, Jammu and Kashmir and other parts of the country.

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12. Our armed forces are the nation's pride, a symbol of our values of sacrifice, valour and the spirit of national integration. India's defence forces stand committed to the task of defending the territorial integrity of the country. They will be fully enabled with modern technology to repel any threat from land, sea or air. To enhance combat efficiency as also to address the requirements of modern day warfare, a number of steps are under way. The welfare of ex-servicemen will continue to be accorded high priority. The Committee headed by the Cabinet Secretary, to look into the issue of One Rank One Pension has already commenced its work and expects to complete it by the end of June 2009.

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40. My Government is proactively addressing issues of climate change through eight national missions. Of these the National Solar Mission, the National Water Mission, the National Mission on Energy Efficiency, the National Mission on Sustainable Agriculture and the National Mission on Sustainable Habitat will be launched by the end of this year. The National Ganga River Basin Authority, set up recently will evolve a new action plan for cleaning and beautifying the river in partnership with the basin states.

41. My Government's foreign policy will continue to pursue India's enlightened national interest, maintaining the strategic autonomy and independent decision-making that has been its hallmark. India has a vital interest in the stability and prosperity of our neighbours. The highest priority will be accorded to working with our friends in SAARC to promote stability, development and prosperity in the region. Government will sincerely work with our neighbours to ensure that outstanding issues are addressed and the full potential of our region is realized.

42. My Government will seek to reshape our relationship with Pakistan depending on the sincerity of Pakistan's actions to confront groups who launch terrorist attacks against India from its territory. We will support initiatives in Sri Lanka, which can lead to a permanent political solution of the conflict there and ensure that all Sri Lankan communities, especially



the Tamils, feel secure and enjoy equal rights so that they can lead a life of dignity and self-respect. India will make appropriate contribution to rehabilitate those affected by the conflict. In Nepal and Bangladesh, where multi-party democracy has returned, India will work closely with both countries to continue expanding bilateral ties for mutual benefit. Government will strengthen our close and vibrant partnerships with Bhutan and Maldives and continue to assist in the reconstruction of Afghanistan.

43. The momentum of improvement of our relations with the major powers will be maintained. The transformation of our partnership with the United States of America will be taken forward. Our strategic partnership with Russia has grown over the years, and we will seek to further consolidate it. With countries of Europe and Japan my Government will continue the sustained diplomatic efforts, which have produced qualitative changes in our relations since 2004. The multi-faceted partnership with China will be expanded.

44. My Government will continue to work with other developing nations. It will contribute to all efforts at peace in West Asia through the establishment of a viable Palestinian State at the earliest. The traditionally close ties with countries in the Gulf will be strengthened. The process of engagement with Africa reenergized with the first Indo-Africa Summit organized by my Government will be further expanded. The multi-dimensional partnerships with countries in South-East Asia and the Pacific as well as Central Asia and the Latin American region will be consolidated.

45. The Indian diaspora estimated at over twenty-five million across the world is an important economic, social and cultural force and my Government will deepen its engagement with it. Our ties and kinship with the diaspora make us acutely conscious of their well-being and to be sensitive to their concerns. As a responsible member of the international community, India will work with other countries in tackling issues of common concern such as international terrorism, the global economic crisis, climate change, energy security and reform of multilateral institutions to reflect contemporary realities.



**028. Address by the External Affairs Minister S. M. Krishna to members of Diplomatic Corps based in New Delhi.**

**New Delhi, June 8, 2009.**

**Excellencies,**

It gives me great pleasure to have this opportunity to meet all of you today.

Your presence today is evidence of the friendship and partnership between India and the international community. Our Government is committed to working with each of your countries for shared peace, prosperity and security.

Excellencies, India has changed significantly since the launch of bold economic reforms to unleash her economic potential. India is today the fourth largest economy in the world in terms of purchasing power parity. Despite the global impact of the recent economic crisis, India remains among the fastest growing economies of the world.

Our Government is committed to all-round, inclusive growth. To achieve this, a peaceful extended neighbourhood and a supportive international environment remains our fundamental foreign policy objective. India, as a responsible power, does and will engage actively with the world, while pursuing an independent and non-aligned foreign policy of peace and development, as well as strengthening her strategic autonomy.

As we do so, we will continue to focus on addressing the challenges of technological self-reliance, food and energy security. We will engage more closely with the global community and all our partners to deal with international terrorism which threatens us all.

India has an abiding interest in the stability and prosperity of our neighbours. We also believe that a prosperous and economically vibrant India is an asset and opportunity for our region. In this new term of our Government, we look forward to further strengthening our relationship with the neighbours. Our relations are further strengthened by the bonds of history, cultural affinities and geography. South Asia has always prospered when it has been interconnected. We therefore hope to continue to work towards reestablishing these links and towards greater economic integration. We will make every effort to take the SAARC agenda forward through deeper cooperation in South Asia that focuses on the primary

task of reducing poverty and improving the quality of life of the common people. We will also work with our neighbours to ensure that outstanding issues are addressed and the full potential of our region is realized.

We attach great importance to taking forward our political, economic and cultural relations with countries in West Asia and the Gulf region with whom we share historical and cultural ties spanning over two millennia. Today, our cooperation has extended to several contemporary domains that include cooperation in the peaceful uses of outer space, including the use of Indian launch vehicles. This vast region, taken broadly, is also home to nearly five million Indian expatriates whose endeavours have had a significant impact on your economies and ours. Our common security concerns also call for mutually beneficial cooperation in the protection of sea lanes of commerce against the scourge of piracy. In this regard, we appreciate the cooperation extended to us by various countries in the region.

India has consistently supported the peaceful resolution of the conflict in West Asia in a manner that would result in a sovereign, independent, viable and united State of Palestine, living within secure and recognized borders, side by side and at peace with Israel.

Our efforts to cultivate stronger bonds with countries of the Latin American and Caribbean region have borne impressive results in recent years, with cross-sectoral dialogue at various levels and a framework of institutionalized mechanisms for mutually beneficial cooperation. We will work towards bringing the region closer to us politically, with even more intensified contact. We are pleased that our trade and economic interaction with the region has been substantially enhanced. There are still enormous opportunities waiting to be explored and utilized.

We wish to further consolidate our relations with our friends in North America, with whom we share many commonalities and complementarities. We look forward to forging a new, higher level of strategic partnership with them.

Given our strong historical and cultural links with them, Russia and Central Asian countries occupy an important place in India's foreign policy. Cooperation in energy, science and technology, and space has witnessed concrete developments in recent years. We wish to engage more closely with that region by ensuring that our cooperation with Central Asia receives even greater substance and diversification.

The India-Africa Forum Summit held in New Delhi last year has created a new architecture for the India-Africa partnership in the 21st century. The new road map, built on the firm foundations of historical and people-to-people contacts that have existed between India and Africa for centuries, will bring greater substance by unlocking the latent potential in India's engagement with Africa. Our support to Africa's economic well-being and to peace and security in the continent will remain unflinching and will be further intensified.

With our friends in Europe, we will pursue with greater vigour the process of qualitative transformation of our engagement that has been achieved in the recent years. Our friendship draws upon our rich cultural and historic heritage.

We have maintained and intensified our engagement with EU, a strategic partner, as well as individual countries in Europe in diverse fields such as defense & security, nuclear and space, trade and investment, energy, climate change, science and technology, culture and education. EU is today our largest trading partner. It is also one of our major sources of investment. We will continue this process of qualitative transformation of our engagement with EU and other European countries with greater vigour. India and the EU are indispensable poles in the emerging multipolar world.

In our strides towards economic progress, Asia in general and East and Southeast Asia in particular, continues to be a natural partner for enabling complementarities.

We see cooperation between India and ASEAN, as well as countries in the Asia Pacific, as an important dimension of our diplomacy in the 21st century as reflected in our "Look East" policy, which is built on a strong economic foundation and a cooperative paradigm of converging security interests.

Excellencies, this is our first interaction since I took over as India's External Affairs Minister a week ago. With this beginning, I hope we will have many more opportunities to meet in the future. I look forward to working closely with you to realize our shared vision of mutually beneficial partnership and common prosperity.

Thank you!



**029 . Extracts from the Speech of the Prime Minister Dr. Manmohan Singh replying to the debate in the Lok Sabha on the Motion of Thanks to the President for her Address to the Parliament.**

**New Delhi, June 9, 2009.**

**Madam Speaker,** I join all other Members of this august House in conveying our very sincere thanks to the Respected Rashtrapatiji for a very thought-provoking Address. I would also like to take this opportunity to thank the Leader of the Opposition, Shri L. K. Advani, other senior Leaders including Shri Mulayam Singh Yadav, Shri Lalu Prasad and many other distinguished personalities who have spoken on the Address of the hon. President. I sense an underlying sense of unity is what our Republic is about. What are the tasks that lie ahead and how we should go about in achieving those objectives?

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In his speech, the hon. Leader of the Opposition, Shri L.K. Advani, mentioned that the Centre has been blamed for certain lapses by the Commission of Inquiry set up by the Maharashtra Government in connection with the terrorist attack in Mumbai on November 26. As Members of Parliament are aware, the Government of Maharashtra had set up a Two-member Commission of Inquiry to inquire into the events of that day and the manner in which the State Government had responded to the attack. I understand that the Commission of Inquiry has submitted its Report to the State Government. The State Government would, no doubt, be tabling the Report in the Maharashtra Legislature, together possibly with an Action Taken Report. It is not possible, therefore, to comment at this stage on the contents of the Report of the Commission of Inquiry before the Report is formally tabled on the floor of the State Legislature. I shall, therefore, refrain from commenting on the inferences drawn by the hon. Leader of the Opposition about a Report that is yet to be placed on the floor of the State Assembly.

I would, however, like to inform the House about the several steps that have been taken since November 2008 to further tighten the vigil against future terrorist attacks of this nature. As Members are aware, the perpetrators of the November 26 attack came by sea. We were all aware of our vulnerability to such attacks from this quarter and had taken already a number of steps, but obviously these were inadequate. A massive effort

has hence been taken to streamline our maritime security which included the setting up of a Maritime Command under the Coast Guard with overall responsibility vested with our Navy.

I am sure we have increased the number of Marine Police Stations to supplement the efforts of the Coast Guard and the Navy. There have been several other steps that have been taken. But I shall enumerate only a few. Improvements in intelligence sharing is one. The Multi Agency Centre has been fully energised and Subsidiary Multi Agency Centres constituted in more States. The process will be completed shortly. The Net564 Centric Information Command structure is being put in place to achieve online transfer of all actionable intelligence in a streamlined manner. Generation of actionable intelligence has simultaneously been given priority and measures put in place for this purpose. Technical innovation and technical support to intelligence production has been given the highest priority. Steps have also been taken to improve the quality of intelligence analysis. Investigation into serious terrorist offences will, from now on, be the responsibility of the newly-constituted National Investigation Agency.

Additional legal measures taken include - apart from the new National NIA Act - significant amendments to the Unlawful Activities (Prevention) Act. The Home Minister is in constant dialogue with Chief Ministers of States keeping them informed of the specific aspects of the two new pieces of legislation. Madam, following the terrorist attacks in Mumbai on 26th November, 2008, the imperative necessity to have dedicated counter terrorist forces has been further reinforced.

The National Security Guard is the principal counter terrorist force in the country. A major effort has been made to improve its capability, improving better mobility and state-of-the-art equipment. At least, four new NSG hubs have been set up in different parts of the country. In addition, certain other dedicated counter terrorist forces are sought to be created.

**Madam**, it goes without saying that both the challenges of the troubled times that we live in terms of security of our nation and the unique opportunities within our reach for the well being of our people, enjoin us to work together for common goals. I am grateful to the hon. leaders of the Opposition who offered their support on both these counts. I consider it the duty of my Government to build further unity of purpose. I have always felt that our differences will melt away when we consider the overwhelming nature of the challenge that our country faces.

**Madam,** I would like to say a few words about our relations with our neighbours. We are living in a neighbourhood of great turbulence. I have believed India cannot realize its ambitions unless there is peace and prosperity in South Asia as a whole and if our neighbourhood is suffering from instability, turbulence that has direct bearing on our own evolution as a democratic polity committed to sustained growth and development. I have, therefore, a vision for a transformed South Asia where, with the cooperation of all our neighbours, we move from poverty to prosperity, from ignorance to knowledge society and from insecurity to lasting peace. What is at stake is the future of one-and-a-half billion people living in South Asia. I sincerely believe it is in our vital interest therefore to try again to make peace with Pakistan. I recognise, it takes two hands to clap. There are some disturbing trends, but I do hope that the Government of Pakistan will create an atmosphere in which we can realize this vision. I expect the Government of Pakistan to take strong, effective and sustained action to prevent the use of their territory for the commission of acts of terrorism in India, or against Indian interests, and use every means at their disposal to bring to justice those who have committed these crimes in the past, including the attack on Mumbai. I believe that such actions will be welcomed by the peoples of both countries. If the leaders of Pakistan have the courage, the determination and statesmanship to take this road to peace, I wish to assure them that we will meet them more than half way.

I should say a few words about Sri Lanka. We have centuries-old ties with the people of Sri Lanka and we have a deep and abiding interest in the well-being of the Tamil people in that country. The Tamil problem is larger than the LTTE and I sincerely hope that the Sri Lankan Government will show imagination and courage in meeting the legitimate concerns and aspirations of the Tamil people to live their lives as equal citizens and with dignity and self-respect. We have been taking an active part in the relief and rehabilitation of the Internally Displaced Persons in Sri Lanka and I have already earmarked Rs.500 crore for this purpose. We are willing to do more to restore normalcy and to return such people to their rightful homes and occupations.

In this House as well as in the other House, Members have expressed concerns about the developments in Australia. Madam, Australia has emerged as a major destination for Indian students. Like many other Members who have spoken in this House, I have been appalled by the senseless violence and crime, some of it racially motivated against our students in Australia. I propose to engage the authorities in Australia in a

high level dialogue with a view to taking stock of the situation and to providing adequate security for Indian students.

**Madam,** I have already spoken to Prime Minister Rudd of Australia on this subject. He assured me that any racist attacks on Indian students would be strongly dealt with. He made a Statement in Parliament in which he condemned and deplored the attacks and said that they were unacceptable. He emphasised that Australia is a multicultural nation which respects and embraces diversity. He said that these would be countered with the full force of the law.

**Madam,** I do not wish to under-play the anxiety of the parents of our students, but I wish to request the media to be mindful of the fact that there are over 200,000 Australian citizens of Indian origin. We should be mindful of their interests and avoid willy-nilly creating a situation where these citizens of Australia of Indian origin become the targets of racist intolerance. India and Australia have very good relations and it has been our effort to widen and deepen these ties in the last five years.

**Madam,** I should say a few words about our relations with China. Hon. Members have raised the issue of our relations with China and I should say that China is our strategic partner. We have a multi-faceted relationship with China. There is enough space- I have said so often - for both China and India to develop and contribute to global peace, stability and prosperity. We do not see our relations with China in antagonistic terms. We have a large trading relationship, we consult each other on global issues, whether in the G-20 process on climate change or terrorism, and we share a common commitment to maintain peace and tranquility on our border.

There are, of course, issues which are complex such as the boundary question. But we have agreed upon a mechanism to address this matter. We wish to build a strong and stable relationship with China. This is in the mutual interest of both our countries. I have been assured by the Chinese leadership - I have interacted with them extensively in the last five years - that they also subscribe to the views I have expressed just now. But whether it is China or any country, we will ensure the territorial integrity and unity of our country and protect the security in every manner necessary. The House should have no misgiving on that score.

**Madam,** the President's Address has covered a vast territory. I could not do justice to all the points that have been raised. But as I listened to the debate, I was struck by an underlying sense of unity on all sides that India



should move forward as a united nation to achieve its coveted place in the comity of nations. That is the mandate, a mandate for change, a mandate for inclusive development, a mandate to strengthen the secular foundations of our magnificent republic. It is to these tasks that I commit our Government and I invite all hon. Members to join me in passing this Motion of Thanks unanimously.

Thank you.



**030. Extracts from the Speech of Prime Minister Dr. Manmohan Singh replying to the debate in the Rajya Sabha on the Motion of Thanks to the President for her address to the Parliament.**

**New Delhi, June 9, 2009.**

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Coming to the issues of foreign policy, I think Shri Arun Jaitley drew my attention to the non-mention of the problems that are emerging in Australia. In this context, I would like to point out that I do agree that our students have been subject matter of unacceptable attacks in some parts of Australia.

Australia today has emerged as a major destination for Indian students. I have been appalled by the senseless violence and crime, some of it is racially motivated against our students in Australia. I propose to engage the authorities in Australia in a high-level dialogue with a view to taking stock of the situation and to provide adequate security for our students.

In this context, I would like to mention to the hon. House that I have already spoken to the Prime Minister Kevin Rudd on this subject. He assured me that any racist attacks on Indian students would be strongly dealt with. He made a statement in the Parliament in which he condemned and deplored the attacks and said that they were unacceptable. He emphasized that Australia is a multi-cultural nation, which respects and embraces diversity. He said that these would be countered with the full force of the law. I do not wish to underplay or minimise the anxieties of the parents of our students but I wish to request the media to be mindful of

the fact that there are over 2,00,000 Australian citizens of Indian origin. We should be mindful of their interests and avoid creating a situation where they become the target of racist intolerance.

India and Australia have very good relations and it has been our effort to widen and deepen these ties in the last five years. Sir, Shri Arun Shourie referred to the problems that we have with Pakistan. He questioned our understanding of the nature of the Pakistan State, whether it is sufficiently embedded into our thinking or not. Let me mention to him respectfully that Pakistan is our neighbour. We can choose our friends but we have to live with neighbours as we got. When I look at the history of the modern world, I look at the relations between the United States and Iran. I think, they have gone through difficult periods extending over last thirty years, but, ultimately, even the mighty power like the United States have found that it is necessary to come to terms with the reality of the Iranian situation, and, therefore, there is no other alternative but to pursue the path of dialogue.

It is in the same context, Sir, that I would say that I have a vision for a transformed South Asia where with the cooperation of all our neighbours, we move from poverty to prosperity, from ignorance to a knowledge-society, and, from security to lasting peace. I sincerely believe that India cannot realise its development ambition or its ambition of being a great power, if our neighbourhood remains disturbed as it is, and, therefore, it is in our interest to work with all neighbouring countries to ensure a peaceful neighbourhood.

What is at stake, Sir, is the future of one and a half billion people of humanity. I sincerely believe that it is in our vital interest, therefore, to try again to make peace with Pakistan. But I recognize that it takes two hands to clap. I sincerely hope that the Government of Pakistan will create an atmosphere in which we can realise this vision. I expect the Government of Pakistan to take strong, effective and sustained actions to prevent the use of their territory for the commission of acts of terrorism in India or against Indian interest, and, use every means at their disposal to bring to justice those who have committed these crimes in the past including the attack on Mumbai. I believe that such actions will be welcomed by the people of both countries. If the leaders of Pakistan have the courage, the determination and statesmanship to take this road to peace, I wish to assure them that we will meet them more than half-way.

**Sir**, in this House references were made to the Tamil problem in Sri Lanka. We have been grappling with that problem for the last five years. And, I

know what is at stake with all of us. We have centuries old ties with the people of Sri Lanka and we have an abiding interest in the well being of the Tamil population in that country. The Tamil problem is much bigger and much larger than the LTTE problem, and I sincerely hope that the Sri Lankan Government will show due imagination and courage in meeting the legitimate concerns and aspirations of the Tamil people to live their lives as equal citizens and with dignity and self-respect. We have been taking an active part in the release and rehabilitation of the internally-displaced persons in Sri Lanka. We have already earmarked Rs. 500 crores for this purpose. We are willing to do more to restore normalcy and to return such people to their rightful homes and occupations.

**Sir**, there has been concern about internal security, the menace of terrorism, the menace of Left Wing Extremism. I would be the last one to say that if these activities are not under control, our economic vision can also get affected. If terrorism is not under control and if some important parts of our country in Central India are the victims of Left Wing Extremism, I think that can have a serious adverse effect on the climate for investment or the climate for development. Therefore, we will do all that we can to deal with these menaces of terrorism, aided and abetted from abroad as well as Left Wing Extremism.

I should like to inform the House about the several steps that have been taken since November 2008 to further tighten our vigilance against future terrorist attacks of this nature. As Members are aware, the perpetrators of November 26 attack came by sea. We were well aware of our vulnerability to such attacks from this quarter and had already taken a number of steps, but obviously these steps were not adequate. A massive effort has hence been undertaken to streamline our maritime security, which included the setting up of a Maritime Command under the Coastal Guard with overall responsibility vested in our name. I am sure we have increased the number of marine police stations to supplement the efforts of the Coast Guard and the Navy.

Sir, there have been several other steps that have been taken, but I shall enumerate only a few. Improvement in intelligence sharing is one. The multi agency centre has been fully energized and subsidiary multi agency centres constituted in more States. The process will be completed shortly. A net-centric information command structure is being set up in place to achieve online transfer of all actionable intelligence in a streamlined manner. I take note of the problem that arises with the institution of this net-centric information centre. Shri Arun Shourie pointed out to some drawbacks and vulnerability. I am sure our security agencies will take

note of the comments that he has made. Generation of actionable intelligence has simultaneously been given priority and measures put in place for this purpose. Technical innovation and technical support to intelligence production have been given the highest priority. Steps have also been taken to improve the quality of intelligence analysis. Investigation into serious terrorist offences will from now on be the responsibility of the newly constituted National Investigation Agency. Additional legal measures taken include, apart from the new NIA Act, significant amendments to the Unlawful Activities (Prevention) Act. The Home Minister is in constant dialogue with the Chief Ministers of States keeping them informed of specific aspect of the two new pieces of legislation.

Following the terrorist attack in Mumbai on 26th November, the imperative necessity to have dedicated counter-terrorist forces has been further enforced. The National Security Guard is the principal counterterrorist force in the country. A major effort has been made to improve its capabilities, including better mobility and state-of-the-art equipment. At least, four new NSG hubs are being set up in different parts of the country. In addition, other dedicated counter-terrorist forces are sought to be created.

Similarly, Sir, with regard to Left Wing Extremism, I should briefly mention the strategy that is being adopted. While appreciating that many of the crimes committed by Left Wing Extremism fall into the domain of the State Government, the Central Government will orchestrate coordinated action. Extremist movements feed on the disaffection of tribes and forest dwellers who still often face denial of access to natural resources and equal development opportunities. I had mentioned in the other House and I would like to repeat it here. We have several programmes of tribal development. But they do not seem to have made the desired impact and this whole area, therefore, calls for a fresh review to end centuries old inequity that I think has been the inevitable lot of a large number of tribal communities over the years. We will undertake a thorough review of the development programme and see how they can be revitalized and also ensure that we put some of the best motivated officials in charge of development programme in the tribal areas.

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**031. Interview of the External Affairs Minister S. M. Krishna with Pranay Sharma of the Weekly *Outlook*.**

**New Delhi, June 22, 2009.**

*[Dressed nattily in kurta-pyjama and waistcoat, and readily agreeing to pose for the camera, Union minister for external affairs S.M. Krishna lacks the inhibition and self-consciousness typical of those inducted into the Union cabinet for the first time. A surprise choice to fashion India's foreign policy for the next five years, the suave and urbane minister spoke to Pranay Sharma on a range of issues with the elan of a man born to diplomacy. His furious pace of work over the next few weeks, as he noted with some regret, will deprive him of a chance to visit Wimbledon to watch the tennis matches there later this month].:*

**What will it take for the India-Pakistan dialogue to restart?**

We are all for the dialogue to be restarted. Pakistan has assured us a number of times before that terror directed against India will not be allowed to emanate from its soil. But those assurances have remained only on paper. 26/11 was an assault on India directed from Pakistani soil. Unfortunately, the attack on India prompted us to call off the dialogue which had been taking place—and which had made considerable progress.

**So, what kind of signal are we looking for before restarting the dialogue?**

We want Pakistan to act against those responsible for the attack on India. They need to be tried under Pakistani laws and punished. We also want a categorical assurance that such incidents will not be repeated from Pakistani soil. Unfortunately, they (the 26/11 masterminds) have not been punished. Consequently, much as we may like to go ahead with the dialogue, these are obstacles that are there before us.

**Does India still regard Pakistan as a state sponsor of terrorism?** Most of the terrorist attacks against India have emanated from Pakistani soil. And that's a fact we will have to bear in mind.

**And so far, there's nothing to prove otherwise?**

Offers for dialogue have been coming from Pakistan at regular intervals. But certain conditions will have to be met for a meaningful dialogue to take place. Dialogue for the sake of dialogue helps no party. A dialogue has to be meaningful; if it has to be meaningful, it has to have commitments

from both sides. And as long as there are no commitments from Pakistan on how they plan to tackle the terrorist attacks that are directed against India, any dialogue will not be meaningful.

**Pakistan has witnessed a number of terrorist attacks and has taken several steps to fight terrorism. Given this, can India push Pakistan to take action against those involved in the Mumbai attacks?!**

India has been trying repeatedly to bring to the notice of the Pakistani government that terror is something all of us will have to fight and we have to do it together. Terror is abominable, terror knows no boundary. We will have to wait and watch for Pakistan's response to that.

**But are there encouraging signs to make India think that Pakistan is doing something about terror?**

I haven't seen anything concrete to say that attempts are being made against the terror instruments that have roots in Pakistani soil.

**The Pakistani government has been taking steps to fight terrorists in some parts of its country. But if it fails to take action against those responsible for Mumbai, can India convince the world about the lack of sincerity on Islamabad's part to fight terror?**

The world will be watching with concern the repeated attacks on India from Pakistani soil. And they can draw their own conclusion about the Pakistani government's seriousness to tackle terror.

**Following Pakistani action in Swat, there's a perception that it's serious about dismantling the terror structure. Since that is India's demand too, are you satisfied with their action?**

What's happening in Pakistan is certainly its concern. For terrorist activities that are directed against the Pakistani Government, they will naturally have to take necessary action. But what we are interested in is to see that Pakistan comes out forcefully against all those who are conspiring against India. Pakistan should take a determined stance against all those forces and that's what we are looking forward to.

**Do we think Pakistan is also a victim of terrorism?**

Yes, there has been attacks in recent months in different cities in Pakistan. And therefore, Pakistan should take a lesson that terrorisms directed against India today may be directed against them tomorrow. So they need

to fight those forces with a strong degree of commitment. Unfortunately that's yet to be seen from Pakistan.

**President Asif Ali Zardari said that Pakistan no longer considers India as its main threat. Does India also think that Pakistan is not a threat to it?**

We always wanted to have good relations with Pakistan. I'm happy that President Zardari said so. At no point of time were we a threat to Pakistan. We want to tell Pakistan that we want it to develop and grow as good neighbours. It's in our interest to see a stable Pakistan.

**Have the Americans ever asked us to restart the dialogue with Pakistan? You met US under-secretary of state William Burns as well...**

It didn't come up during my meeting with William Burns. But ours is a responsible government. We certainly listen to whatever suggestion is given to us. Ultimately, though, it's India's national interest which dictates our foreign policy.

**Do we see the recent attacks against Indian students in Australia as racist?**

Some of those attacks are racially motivated and the Australian government itself has said so. We have an excellent relationship with Australia. There are about 90,000 Indian students who are pursuing their studies in Australia. There are 2,00,000 Indian families settled in Australia and are now its citizens. We have been assured by the highest authorities—the Australian prime minister himself—that the welfare of the students will be taken care of.

**The military campaign in Sri Lanka is now over. How can India now ensure that the Sri Lankan government remains committed to taking urgent steps to address the aspirations of the Tamil minority in the island?**

As had been spelt out by the prime minister in Parliament, the resettlement of the displaced Tamilians will have to take place on an urgent basis. Thousands of people have been displaced and they will have to be resettled in their own land, their hamlets, their own towns. The Indian government has promised monetary support to help the resettlement of these displaced Tamilians. We hope the Sri Lankan government will give due priority to this settlement question.

**Some feel that Indo-US relations now will not enjoy the same importance as they did under the George Bush presidency...**

Our relationship with the US is very good. We'd like to engage the US on various subjects—on space technology, civil nuclear energy, the energy

sector. I don't share the perception that it will now become less important. Our relationship has not altered. The opportunity for these two democracies to work closely together is very much there.

**US Secretary of State Hillary Clinton is due to come here next month. What's expected from the visit?**

It has now been confirmed that she will be visiting India in the third week of July. I personally will be very happy to receive Secretary Clinton. She has been here as the First Lady of the US. We should be able to forge a good understanding and relationship with her and I look forward to the visit.



**032. Keynote Address by Minister of State Dr. Shashi Tharoor at the Annual General Meeting of Global Compact Society on the theme of 'Making a Business Case for Ethical and Transparent Corporate Culture'.**

**New Delhi, June 29, 2009.**

**Mr. R.S. Sharma, President of the Global Compact Society,**

**Admiral R.H. Tahilani, Chairman, Transparency International India**

**Ms. Christina Albertin, South Asia Regional Representative, UNODC**

**Mr. Uddesh Kohli Distinguished Guests**

**Ladies & Gentlemen**

**Friends:**

It's a privilege for me to join you at the Annual General Meeting of the Global Compact Society. As Mr. Sharma has told you, in my previous hat at the United Nations, I was privileged to be "present at the creation" when Secretary General Kofi Annan made his historic call at Davos for a Global Compact that would bring business in line with the labour, environmental and human rights standards already agreed by Governments. It is therefore with particular pleasure that I accepted this invitation to address you today. But George Kell's words that you read aloud this evening are far too generous for what was truly a collective effort – and please tell him I said so.



2. The theme of today's workshop - "Making a Business Case for Ethical and Transparent Corporate Conduct" is not only topical but a reflection of the scale of the challenge that governments, corporates and civil society are confronted with. The idea that business should be conducted ethically is not a new one. Neither is the idea that business should be conducted in a socially responsible manner. For most of the last century, the responsibility for setting standards for the conduct of business and ensuring that economic wealth was shared across all segments of society was assumed by governments either acting individually or collectively. International organizations such as the United Nations of course, and the ILO and governments around the world have set international human and labour rights standards, which were proclaimed as having universal applicability. By assuming primary responsibility for social concerns and environmental standards, governments left businesses free to focus attention on the production of goods and services and the maximization of profits.

3. Now this division of responsibilities has had significant implications for the perceived role of business ethics and corporate social responsibility. It has tended to encourage corporations to define their social and ethical responsibilities narrowly. In most countries the belief that the primary purpose of business was to enrich owners and shareholders has provided companies and their managers with a justification for not getting involved in broader social issues touching on human rights or working conditions, or the quality of life of the people in the communities in which they generated their profits. In an effort to retain shareholder interest, managements in many places have become slaves to the stock market. Misplaced faith in efficient markets that are self-regulating have left some corporates unabashedly pursuing profits, giving short-shrift to good corporate governance practices. The practice of quarterly and half-yearly reporting has worsened matters as corporates feel obliged to report stellar growth during every reporting period. This obligation has thrown open the doors to the wizardry of financial engineering and the result is what has led to some of the world's worst corporate frauds.

4. The collapse of Satyam, India's fourth largest IT firm, raised questions about corporate governance in India, the scope and scale of corporate corruption, the causes, and underlying trends. With globalization and the sudden surge of India on the world stage, several domestic companies which wanted to list on bourses overseas, to attract foreign capital and to establish a global footprint found it prudent to adopt sound corporate global governance practices. The Securities Exchange Board of India, taking a cue from the Sarbanes-Oxley Act of 2002 in the US

introduced Clause 49 in 2005 which required listed companies to seat more independent directors on boards and audit committees; a code of conduct for board members; a larger role for the audit committee; and mandatory risk assessments and certification by the CEO and CFO of the effectiveness of internal accounting controls. The Satyam catastrophe happened not due to lack of corporate governance laws in India, but despite India instituting corporate governance reforms, consisting of some of the best practices in leading equity markets around the world. In fact, just last year, Satyam won the “Golden Peacock” Award for Corporate Governance from the London-based World Council for Corporate Governance. In other words, the appearance of good corporate governance is one thing, and adherence to ethical norms at the decision-making level is another. One can sign a global compact in public and make a compact with the devil in private.

5. The fall of many leading corporates such as Enron, WorldCom, and Parmalat in recent years has brought one clear message to the fore: ethics matter in business. In early 2004 the first ever European Conference for ethics and compliance practitioners called “*Sharing Ideas and Best Practices in Business Ethics*,” was held in Paris, and around 100 corporate ethics practitioners from nine countries attended it. The main takeaway from the conference was that the sooner companies begin discussing and enacting processes for managing integrity standards within their organizations, the better. In India senior business leaders have to start giving more thought to this area of organizational behavior, start framing their beliefs on integrity standards, circulate these among their employees and get their views and affirmation on adherence to these standards. More important, senior leaders must create communication platforms that encourage employees (and other associates of the company) to raise concerns related to possible or actual deviations from integrity standards especially those that could damage the reputation of the organization. All such platforms and processes must become institutionalized in due course.

6. Kenneth Goodpaster, professor of business ethics at the University of St. Thomas, Minneapolis in the US emphasizes that “business leaders are the principal architects of corporate conscience. They are the ones who must manage the challenges associated with pursuing profit while maintaining integrity. They are the ones most responsible for delivering on the moral agenda of the corporation. That agenda includes three broad imperatives: orienting, institutionalizing and sustaining ethical values within the corporate culture.” Given the high competitive pressures, it is easy for business leaders to say that enforcing ethical conduct is difficult, but

this is not an excuse they can use. As my friend, Jeffrey Garten, the former Dean of the Yale School of Management, wrote in his book – *The Politics of Fortune: A New Agenda for Business Leaders*, “the more complex the markets become, the more the integrity of its leaders matters”.

7. Our own country's timeless epic the Bhagavad Gita, which, as you know, is a record of the conversation between the Supreme Deity Krishna and prince Arjuna, struggling with a moral crisis before a crucial battle, prescribes that enlightened leaders should master all impulses or emotions that cloud sound judgment. Good leaders are selfless, they take initiative, and they focus on their duty rather than obsessing over outcomes or financial gains. The Gita espouses the doctrine of *nishkama karma* or pure action untainted by hankering after the fruits resulting from that action. The seemingly transcendent world view that's reflected in Indian philosophy is surprisingly well attuned to the needs of companies trying to survive in an increasingly interconnected and more and more ethically conscious business world.

8. The late Sumantra Ghoshal, founding Dean of the Indian School of Business, Hyderabad was of the view that executives should be motivated by a broader purpose than mere profit making. Companies should take a more holistic approach to business – one that takes into account the needs of the shareholders, the employees, customers, society and the environment. There is an urgent need today for the development of a management theory that replaces the shareholder-driven agenda with a more stakeholder-focused approach. Management Guru C.K. Prahalad, another good friend, describes such a theory as “inclusive capitalism” – the idea that corporations can simultaneously create value and promote social justice.

9. The best practices in corporate governance can emerge when informed by an established set of business principles and a defined approach towards organizational behavior. Without such business ethics, governance stands bereft of a well-reasoned rationale. Left to itself, corporate governance runs the real risk of becoming a mere form-filling exercise, dedicated to observing the appearance of social responsibility. The roadmap, therefore, has to be based on substance, which means adhering to a dedicated code of behavioural norms in its spirit.

10. The American Management Association in its study entitled “The Ethical Enterprise, A Global Study of Business Ethics” reported that the number one factor likely to cause people to compromise ethical standards

was pressure to meet unrealistic business objectives and deadlines. Managements must therefore strive to balance business objectives with the reality of their resources and must continually remind employees that ethics are sacrosanct. Corporates also need to cultivate a transparent business culture and institute a corporate code of ethics, the value of which would be significantly enhanced if consistently enforced.

11. Since 1991, economic liberalization in India has reduced red tape and bureaucracy and has supported our nation's transition towards a market economy achieving record growth rates in excess of 8% in each of the last five years – well last year was slightly less but you know why. Though in PPP terms India ranks among the top five economies in the world, the fruits of economic growth have been unevenly distributed across the social spectrum. Corruption to an extent has contributed to this uneven distribution of wealth and has undermined government efforts to reduce poverty and to promote economic growth. Though there have been a number of reports and studies that emphasize that corruption and bribery are endemic in the country and pose a grave challenge to the government, and given the rousing call given by Mr. Tahiliani a few minutes ago, India's performance on the 2008 Global Integrity Index has been relatively positive. India is ranked 11th among 55 countries for governance and anti-corruption standards. The report confirmed the good quality of the legal framework against corruption in India, with existing legislation in line with most of the requirements of the UN Convention against Corruption. The challenge before the government is to ensure the successful implementation of existing legislation.

12. Now, the fight against corruption has been declared a high priority by Prime Minister Manmohan Singh. The Right to Information Act – the RTI Act – passed in 2005 represents one of the country's most critical achievements in the fight against corruption in recent years. The law aims to ingrain accountability and transparency in public functioning, as it specifically provides for hefty fines and disciplinary action against erring officials. In terms of international norms, India has signed the UN Convention against Corruption and the UN Convention against Transnational Organized Crime. There are various bodies in place for implementing anti-corruption policies and raising awareness on corruption issues such as, of course, the Supreme Court itself, the Central Vigilance Commission (CVC), the Central Bureau of Investigation (CBI), the Office of the Controller and Auditor General of India (CAG), and the Chief Information Commissioner (CIC). Moreover, government initiative in the area of e-governance has considerably increased the speed of

government services in a number of areas and reduced opportunities for bribery. A wide range of public services have been digitized such as obtaining licenses, paying taxes, and clearing goods. The National Portal of India, a single window access to information on digitized services provided by various Indian Government entities, has also been created.

13. India, and you are all evidence of it, enjoys a vigorous and vibrant civil society and enjoys arguably the freest media in Asia. Both have played an important role in placing corruption on the national agenda. Freedom of Association is fully guaranteed and the formation of interested groups is both permitted and encouraged, contributing to a proliferation of civil society organizations such as the Indian chapter of Transparency International India, the Centre for Media Studies, *Parivartan*, and other examples. The Centre for Media Studies is a non-profit multi-disciplinary research agency which has undertaken corruption tracking surveys since 2000. *Parivartan* was established around that time at the turn of the millennium as an attempt to expose irregularities within the Income Tax Department in New Delhi. The movement now focuses on using the RTI Act to promote transparency and accountability in public services. The RTI Act has opened up critical opportunities for civil society involvement in the fight against corruption. It has allowed civil society organizations to participate in debates on public spending and helped them to uncover corrupt practices in many states and projects.

14. Today many corporations are revising quite dramatically their conception of their social responsibilities. Though India has one of the world's richest traditions of corporate social responsibility (CSR), there is a need, I believe, to raise awareness across the country that CSR is a business imperative, not just a window-dressing. A number of Indian companies have realized that there is a strong business case for pursuing CSR strategies. The idea behind the Global Compact - that what is good for the environment, workers, and for the community is also good for the financial performance of business - is gaining ground. With the retreat of the state in economic activity in India, the imperative for business to take up wider social responsibilities is growing. While business cannot be expected to take on the role of the government, in a country like India where a considerable proportion of the population lives below the poverty line and the government is faced with a multitude of challenges, CSR itself has a potential for becoming an instrument of change.

15. For many companies in India, being a good corporate citizen is a vital aspect of their identity, their values and their vision. For Industrial

houses such as the Tatas and Birlas concepts of nation-building and trusteeship have been an intrinsic part of their business model long before the CSR term came into vogue and became a popular cause. At public sector enterprises such as BHEL, HDFC, NTPC and ONGC (our public sector is alas, beset by acronyms) but anyway, social obligations remain an integral part of their business. Over 200 Indian companies have already joined the UN Global Compact Initiative, which provides an extremely relevant vehicle for Indian business, academic institutions and civil society organizations to join hands towards strengthening responsible business initiatives in India and abroad. More and more corporations in India are coming up with “ethics codes”, which encompass guidelines on human rights, child labor, working conditions, and obligations to a wide variety of stakeholders. Equally striking is the appearance of ethics officers in the private sector whose primary responsibility is ensuring that ethical responsibilities are respected throughout their company’s operations. I shall try to conclude quickly. For we are all like Egyptian mummies, strapped for time.

16. I believe that there is a strong business case for ethical and transparent corporate conduct. In today’s global marketplace, companies will no longer be able to get away with treating corruption and bribery as “business as usual” or brush it away as a cultural phenomenon. The public outcry against corrupt and bribe paying corporates has become as loud as it has for environmental issues. Increasingly consumers are punishing unethical corporates by either avoiding the company’s products or speaking, writing or campaigning against such companies.

17. There are several factors that are driving the anti-corruption sentiment in both the public and the business community. The phenomenon of globalization has itself become a driving force for corporate social responsibility. The borderless global marketplace is bringing national economies and corporations into greater interdependence and businesses are increasingly realizing that corruption in one region can affect the entire global market. Publication of statistics such as the Bribe Payers Index (BPI) by Transparency International (covering 22 countries which account for over 75% of the global trade) has been a powerful tool for change. Globalization has called for replacing the traditional top-down supervision style with a more flattened system, where there is greater emphasis on shared understanding of responsibilities and rights. Many companies have concluded that if they are to be successful in very competitive environments, they must decentralize responsibility.

18. Another factor that has played a crucial role in changing business perceptions is the growth of technology that has transformed the global business environment. The activities of corporations are subject to greater global scrutiny and criticism wherever they are engaged in business. Unethical behavior no longer waits for investigation. We live in a world of citizen journalists armed with the new age WMD or Weapons of Mass Democracy such as the Youtube, or Twitter, the Blogs and even the mobile phone, where every voice irrespective of race, age, color or gender is heard, is welcome and is influential. 19. The global financial crisis has adequately demonstrated the negative effects of unbridled capitalism. This is not to say- not even to imply- that free markets are bad and that one has to rein the free spirit. Far from it. The answer is to arrive at a healthy balance between promulgating corporate governance regulations and promoting entrepreneurial initiatives. The need of the hour is to wed "capitalism" with "compassion" and set the stage for a new era where business respects transparency and accountability, and society takes precedence over profit making. I wish you a fruitful discussion and a successful workshop.



**033. Vision of Prime Minister Manmohan Singh: 'How the world is governed in the 21st century'.**

**New Delhi, July 7, 2009.**

Italy as President of the G-8 has brought out a compendium on contemporary global issues with contributions from world leaders on the occasion of the G-8 summit. Prime Minister Dr. Manmohan Singh is among the leaders whose views form part of the compendium. The PM's vision in the compendium are as follows:

**Chapter 1: How the world is governed in the 21st Century**

**The Vision of Emerging Powers - India**

**Manmohan Singh**

**Prime Minister of India**

As we near the end of the first decade of the 21st century, the challenges of global governance in an increasingly inter-connected and multi-polar world are truly formidable. Our institutions of global governance, centred on what may be called the UN system, were designed for the most part at the end of the Second World War and reflected the politico-economic realities of that age. The world was then dominantly bipolar, in the political and military sense, international trade and international capital flows were low, the developing countries were not economically important, indeed most of them were not even independent.

There has been a sea change since then. Bipolarity has given way to multipolarity, the developing countries are not only sovereign states but some group of developing countries have gained in relative economic importance and this trend will only gain momentum. The world has also become much more interconnected through the expansion of trade in goods and services and expansion of financial flows generated by capital account liberalisation. Interconnection has in turn greatly increased problems of contagion and vulnerability especially through financial linkages.

Our established institutions of global governance have evolved to some extent in response to these changes, but much less than they should have and the pace of evolution is likely to remain well behind the rate at which the world is changing. The centre piece of the post-war global architecture is the United Nations, conceived originally as the Parliament of the nations with the Security Council at its apex. The size of the



international parliament has of course expanded and while there is occasional cynicism about how effectively the General Assembly can reflect global opinion, and especially evolve workable solutions on key issues, there is no doubt that it serves a valuable purpose in giving voice to every country.

However, this is not the same thing as saying that we have a structure which is functionally efficient and capable of dealing with the complex challenges the world faces today. The Security Council has not changed at all and its present structure poses serious problems of legitimacy. The system of two-tiered membership, which gives a veto to the five permanent members i.e. the nations that emerged victorious after the Second World War, is clearly anachronistic. Germany and Japan, which have significantly larger economies than Britain and France, both permanent members, are excluded. China is the only developing country in the P-5 and it is there for historical reasons, not as a large and economically important developing country. It is obvious that if the system was being designed today it would be very different. However, while the problems have long been recognised, efforts to reform the system have made little headway.

The unworkability of the existing structures has led to greater reliance on plurilateral groupings. Some of these such as the G-7, later expanded to the G-8, are to be seen as a group of countries with common interest, not necessarily representative of the global community. The original rationale of the G-7 was the belief that it would evolve more effective consultation among the more powerful countries on one side of the bipolar world of the 1970s and 1980s. Its expansion to the G-8 reflects the disappearance of that particular faultline by the collapse of the Soviet Union. However, while the Group includes many of the economically powerful nations, it is obviously not representative as it does not include any developing country.

Some years ago the G-8 has been expanded into the G-8 + 5 by adding China, India, Brazil, Mexico and South Africa. More recently, the group has been expanded even further to include a handful of countries in the name of achieving additional outreach. While these ad hoc expansions are a useful way of broadening the range of consultation undertaken by the G-8, it suffers from two limitations. The expanded group is not cohesive since the countries included for purposes of outreach do not participate fully in the proceedings, or the preparations, and the expanded group therefore does not have a composite identity. Second, these groupings do not have any special legitimacy within the UN System.

The deficiencies of the existing system of governance have been dramatically brought home during the recent international financial and economic crisis. The crisis has highlighted the fact that all economies are now highly inter connected and problems originating in one part of the world economy can quickly snowball into a global crisis. It has forcefully exposed fundamental weaknesses in the approach to financial regulation which emphasised light regulation and greater reliance on inhouse controls and market discipline to control risk. This approach gained popularity in the 1990s and is now perceived to have been overdone. The issue has revealed the inadequacies in the existing domestic regulatory systems in the industrialised countries and also in the international institutions set up to police these areas and to take remedial action when needed.

Whatever the causes and specific failures underlying the crisis, the world was quick to realise that a global crisis requires a global solution. It was also realised that the existing institutions of global governance did not permit effective coordination of a global response. The world therefore responded not by working within the existing system, but by convening a meeting of the G-20 at the level of leaders. The G-20 was established in 1999 at the suggestion of Paul Martin of Canada and has a composition which is somewhat different from the IMFC which meets regularly at Finance Ministers level. The G-20 has been meeting at the level of Finance Ministers since 1999. Recognising the seriousness of the crisis, the United States convened a meeting of the leaders of the Group of 20 in Washington D.C. in November 2008. The Group met again in London in April 2009. Unlike the G-8+5, this group has a composite identity since all member countries participate on equal terms including in the preparatory process. However, the selection of countries remains arbitrary and can be questioned as to its representativeness, especially since it departs from the composition of the IMFC which reflects the representation on the Board of the IMF.

The G-20 meeting in London certainly achieved a great deal more than normal meetings of this type, especially in two respects. First, it succeeded in expanding the perimeter of financial regulation and endorsing the establishment of global standards to which national standards can be aligned. These standards will be developed by the Financial Stability Forum (now renamed the Financial Stability Board) which has been expanded to include all G-20 countries that were not members earlier. Second it achieved a significant expansion in funding for the Bretton Woods Institutions. However, it did not achieve any significant reform of the

international financial institutions. The Group has decided to meet again in September and it remains to be seen whether it will be able to evolve some ideas for making significant reforms by then.

The problems faced by the institutions of governance charged with handling the financial system are also relevant for other international institutions dealing with political and security issues, trade, climate change, etc. They need to update structures and upgrade work methods; reform decision-making and ensure effective delivery. They need to adapt, adjust and accommodate to adequately reflect ground realities, contemporary aspirations, and pressing requirements of developing countries including emerging economies.

India, as the largest democracy in the world and an emerging economy that has achieved the ability to grow rapidly, remains deeply committed to multilateralism. It has been an active member in global institutions - the United Nations, Bretton Woods Institutions, World Trade Organization, International Atomic Energy Agency and so on. It will continue to be so in the decades ahead, based on commitment to principles and values that define these institutions. India will seek its due place, play its destined role and share its assigned responsibility, giving voice to the hopes and aspirations of a billion people in South Asia. It will continue to strive for the reform of the United Nations to make it more democratic; to fight against the scourge of terrorism and dismantling its infrastructures on the basis of zero tolerance; to fight piracy on the high seas; to restructure the Bretton Woods Institutions to create a new financial architecture; to achieve an early conclusion of the Doha Round of trade negotiations, with its development dimension, and to address climate change issues, guided by the principle of common but differentiated responsibility and respective capability.

India's view of the world has always been guided by the wisdom of that ancient Indian saying - *Vasudhaiva Kutumbakam* - 'the whole world is one family'. This idea found expression in Jawaharlal Nehru's very first address as Prime Minister: "Those dreams are for India, but they are also for the world, for all the nations and peoples are too closely knit together today for any of them to imagine that it can live apart. Peace has been said to be indivisible; so is freedom, so is prosperity now and so also is disaster in this One World that can no longer be split into isolated fragments." That eternal message of the Indian people will guide us in our attempt to seek inclusive global solutions to intractable global problems, and give new hope to humanity.



**034. Suo Motu Statement by External Affairs Minister S. M. Krishna in Parliament (Lok Sabha & Rajya Sabha) on "Significant developments in our neighbourhood."**

**New Delhi, July 9, 2009.**

I rise to inform the House of significant developments in our relations with three important neighbours - Pakistan, Sri Lanka and Nepal.

2. Hon'ble Members will recall the Prime Minister's remarks in this House on June 9, 2009. He had said then that it is in our vital interest to make peace with Pakistan. In our vision of a cooperative and harmonious sub-continent, the relationship between India and Pakistan can be a critical building block. The Prime Minister had also referred to our intention of meeting Pakistan more than half way, if its leaders have the courage, determination and statesmanship to take the high road to peace. These sentiments encapsulate our approach. We also recognize the importance and salience of a continued dialogue with Pakistan. However, dialogue addressing mutual concerns is premised on an atmosphere free of the threat of violence. It was with this explicit premise that the Composite Dialogue Process was restarted in 2004. Despite achievements, the dialogue and our very relationship with Pakistan have come under stress recurrently because of the license which terrorist groups have had in Pakistan to carry out attacks on India.

3. Hon'ble Members are aware of the Government of Pakistan's assurances to us at the very highest level that it would not let territories under its control to be used for attacks against India. Notwithstanding these assurances, we have been repeatedly and severely hit by a series of terrorist attacks emanating from Pakistan. It is the responsibility of the Government of Pakistan to take all such steps as are necessary to address this issue and expose and take action against the conspiracies and conspirators responsible for such attacks. Unfortunately, terrorists in Pakistan continue attacks against India.

4. When the Prime Minister met President Asif Ali Zardari of Pakistan at the margins of the SCO Summit in Russia last month, the President of Pakistan told us of Pakistan's efforts to deal with the menace of terrorism and the difficulties that they face. It was agreed that the Foreign Secretaries of India and Pakistan will discuss what Pakistan is doing and can do to prevent terrorism from Pakistan against India and to bring to justice those responsible for these attacks, including the horrendous crime of the attacks

in Mumbai. After the Foreign Secretaries report, we will be able to take stock of the situation at Sharm-el-Sheikh where, at the margins of the Non-Aligned Summit, Prime Minister will be meeting the Pakistani leadership.

### **Sri Lanka**

5. Permit me now to briefly apprise the House of recent developments in Sri Lanka. As Hon'ble Members are aware, after more than two decades of conflict involving the Sri Lankan Government and the Liberation Tigers of Tamil Eelam (LTTE), a terrorist organisation proscribed in India, the Sri Lankan Government in mid-May 2009 proclaimed the end of military operations after wresting back all the territory held by the LTTE. The death of several LTTE leaders was also announced, including that of Velupillai Prabhakaran, who is a proclaimed offender in India. This is a significant conclusion to the military conflict in Northern Sri Lanka.

6. The end of military operations in northern and eastern Sri Lanka is an opportunity to rebuild the country after the ravages of conflict. In the immediate post-conflict situation, the most pressing concern is to ensure the early resettlement and rehabilitation of the nearly three lakh Tamil civilians displaced by the conflict in the last year. The early return of the Internally Displaced Persons (IDPs) to their homes is a crucial first step towards reclaiming their lives and restoring normalcy. We have been assured by the Sri Lankan Government and President of their intention to proceed quickly with the task of resettlement. Mr. Basil Rajapaksa, Senior Adviser to the President of Sri Lanka, led a high-level delegation to India on June 24, 2009 when we studied the resettlement and rehabilitation issue in great detail. The Sri Lankan Government have committed themselves to resettling most IDPs in 180 days.

7. India will provide every possible assistance in the task of rehabilitation, resettlement and reconstruction. Hon'ble Members will recall that Prime Minister himself announced in this august House, India's firm commitment to engage with the process of relief and rehabilitation in Sri Lanka in keeping with our abiding interest in the well being of the Tamil people in that country. The Government has earmarked Rs. 500 crores for this purpose and we are willing to do more.

8. The immediate focus of the projects that will be taken up as part of this effort include deployment of four demining teams, which is a pre-

requisite for IDPs to return to their homes, reconstruction of houses and supply of shelter material, medical assistance, and provision and repair of civil infrastructure.

9. Since November 2008, India has shipped 1.7 lakh family relief packs from Tamil Nadu for IDPs and civilians affected by the conflict. The packs included essential items such as dry rations, personal hygiene items, clothes, utensils etc. and were distributed to the beneficiaries by the ICRC. Another consignment of family packs will be dispatched from Tamil Nadu shortly. India has also been operating a full-fledged 60-member field hospital in Sri Lanka since March 2009. Since moving to its new location near Vavuniya after the end of military operations, more than 14,000 patients have been treated by the facility which is equipped with modern equipment and amenities and they have done commendable work. Further, two consignments of medicines have also been gifted to Sri Lanka in view of the urgent requirement for civilians and IDPs.

10. The cessation of hostilities gives Sri Lanka an opportunity to make a new beginning and to build a better future for all her peoples and, therefore, for the region as a whole. We are convinced that a closure to the cycle of violence and terrorism that has plagued Sri Lanka requires an inclusive political process of dialogue and devolution. Such a process must address the legitimate aspirations of the minorities, including the Tamil community, within the democratic framework of a united Sri Lanka.

11. We have been assured by the Sri Lankan Government of their intention to pursue a political process that envisages a broader dialogue with all parties including the Tamil parties, the full implementation of the 13th Amendment to the Sri Lankan Constitution and to go beyond, so as to achieve meaningful devolution of powers. We will remain engaged with them through this process.

12. I would also like to take this opportunity to mention that the Government continues to closely monitor incidents affecting the safety of our fishermen in the waters between India and Sri Lanka. We have reiterated to Sri Lanka the need to ensure strict compliance with the understanding on fishing arrangements reached between the two countries in October 2008.

13. As a close neighbour with whom our security and prosperity are inescapably intertwined, the Government attaches utmost importance to

the future course of events in Sri Lanka and has an interest in ensuring that a lasting political settlement is reached.

### **Nepal**

14. Finally, I wish to inform the House of recent developments in Nepal. As Hon'ble Members are aware, the peace process in Nepal after the Constituent Assembly elections last year has gone through many ups and downs.

15. Due to the nature of our relations and the open border, developments in Nepal have a direct impact on us. We are therefore concerned at the lack of progress on peace process issues and fraying of the political consensus that was critical to the peace process. The task of constitution making has also not progressed as per agreed schedule, and it remains to be seen whether it can be completed by the stipulated timeframe of April 2010.

16. There are also significant differences between political parties as to the structure of governance, issues like federalism etc., which they need to resolve. The Army Integration Special Committee, with the mandate to supervise, integrate and rehabilitate the combatants of the Maoist Army, was constituted in January 2009 along with a Technical Committee. No tangible progress has been achieved by it on the issue, too. Over 19,600 combatants of the People's Liberation Army (PLA) of the Maoists and over 4000 cadres disqualified by the UN Mission in Nepal (UNMIN), which include minors, continue to stay in cantonments with their upkeep paid for by the Government of Nepal and international donors.

17. Prime Minister Prachanda resigned on May 4, 2009, after a political crisis brought about by his insistence on removal of the Chief of Army Staff of Nepal Army in spite of opposition from major political parties, including the main coalition partner CPN-UML, and advice of the President.

18. Following his resignation, a new coalition Government has been formed under the leadership of Prime Minister Madhav Kumar Nepal of CPN-UML. The coalition Government is supported by 22 political parties and enjoys a majority in the 601 member Constituent Assembly, which also acts as Legislature-Parliament.

19. On her part, India has provided full support to the ongoing peace process in Nepal, including material assistance to strengthen the civil security forces and law enforcement machinery, and support for elections

to the Constituent Assembly. We hope that the new government would be able to move expeditiously on the tasks of constitution making and conclusion of peace process on the basis of widest possible consensus. We have conveyed our commitment to assist the Government and people of Nepal in their endeavour of transition to multi-party democracy and conclusion of peace process, in any manner and to the extent Nepal would like us to.

20. The open border between India and Nepal offers opportunities, as well as challenges. Recently, there were allegations in the Nepalese media of encroachments on the border by Sashastra Seema Bal (SSB), which were found to be false. Strip maps covering about ninety six percent of the India-Nepal boundary have been jointly finalized and initialed. We have also agreed to establish local level mechanisms across the border to address issues related to border management.

21. Closure of the breach in the embankment of the Kosi river that occurred in August 2008 in Nepal has been carried out. We are also carrying out additional anti-erosion and protection works.

22. Our relations with Nepal are unique, and will continue to be a matter of highest priority for India. We do not view our fraternal ties with Nepal through the prism of its relations with any other country. A peaceful democratic Nepal is in the interest of the people of Nepal, of India and of our region. India will continue to support Nepal in its democratic transition and economic development in any manner and to the extent it would like us to.

23. Thank you!





**035. Address by Minister of State Dr Shashi Tharoor at the inauguration of Fifth Ministerial Conference of the Community of Democracies.**

**Lisbon, July 12, 2009.**

H.E. Mr Jaime Gama, President of the Assembly of the Republic of Portugal,

H.E. Mr Luis Amado, Foreign Minister of Portugal,

Honourable Ministers in the podium and in the hall,

Excellencies, Distinguished Guests, especially our "matriarch" Secretary Madeline Albright,

Ladies and Gentlemen.

I would like to begin by congratulating our hosts, His Excellency the President of the Parliament and His Excellency the Foreign Minister and their staffs for the excellent arrangements made to host this major Ministerial meeting and for the warm hospitality of the Government of Portugal.

2. It is a particular pleasure to address this Inaugural Ceremony. India's is a culture which values modesty in conduct and speech, but one boast we have not been shy of making is that we are proud of being the world's largest democracy. It is India's conviction, from its experience in maintaining this distinction, that democracy is the only form of governance that gives each citizen of a country a strong sense that her destiny and that of her nation is determined only with full respect for her own wishes.

3. India is also proud of being able to demonstrate, in a world riven by ethnic conflict and notions of clashing civilizations, that democracy is not only compatible with diversity, but preserves and protects it. No other country in the world, after all, embraces the extraordinary mixture of ethnic groups, the profusion of mutually incomprehensible languages, the varieties of topography and climate, the diversity of religions and cultural practices, and the range of levels of economic development that India does. Yet Indian democracy, rooted in the constitutional rule of law and free elections, has managed the processes of political change and economic transformation necessary to develop our country.

4. India is united not by a common ethnicity, language, or religion, but by the experience of a common history within a shared geographical space, reified in a liberal constitution and the repeated exercise of democratic self-governance in a pluralist polity. India's founding fathers

wrote a constitution for this dream; we in India have given passports to their ideals. Instead of what is sometimes known as the "narcissism of minor differences," in India we celebrate the commonality of major differences. To stand the famous phrase on its head, India is a land of belonging rather than of blood.

5. So the idea of India is of one land embracing many. It is the idea that a nation may endure differences of caste, creed, colour, culture, conviction, cuisine, costume, and custom, and still rally around a democratic consensus. That consensus is about the simple principle that in a democracy you do not really need to agree all the time- except on the ground rules of how you will disagree. Indians are comfortable with the idea of multiple identities and multiple loyalties, all coming together in allegiance to a larger idea of India.

6. In my country, the largest electoral exercise in the history of humanity, the 15th General Election for our Parliament, was completed on May 16, 2009. It was a mammoth election, with over 460 million voters, out of 734 million eligible to do so, casting their votes in 830,000 polling booths over a period of four weeks. Though as a victor myself, I can celebrate the results, I can say with great pride and satisfaction that the exercise itself, and not just the outcome, demonstrated the vital strength of democracy. As President Gama said today, democracy is also about how to lose, and that is something Indians have repeatedly learned, as multiple changes of governments have confirmed. Democracy is a process and not just an event; it is the product of the exchange of hopes and promises, commitments and compromises which underpins the sacred compact between governments and the governed that we are all here to uphold.

Mr. Chairman

7. As we approach the 10th Anniversary of the Community of Democracies, I must compliment member countries and the civil society organizations present for their abiding interest and commitment to the principles of our Community. Since the first meeting in Warsaw in 2000, our Community has grown in strength. The principles enshrined in the Warsaw declaration, the Seoul Plan of action, the Santiago commitment and the Bamako consensus are a reaffirmation of our democratic ideals and values.

Mr. Chairman

8. Several challenges have emerged or been reinforced in the last decade that have a bearing on democracy. I would like briefly to touch upon three of them.

9. The first challenge, also evoked by the foreign ministers of Mali and Brazil, is the international financial crisis and the danger that poses to the fulfillment of the Millennium Development Goals, the MDGs.

10. Two reports were recently issued at the United Nations. The first was an Outcome Document of the high level General Assembly Summit on the Global Financial Crisis. The second was a report launched at the margins of the UN- ECOSOC high level segment meeting in Geneva earlier this month. Both have sharply underscored the serious negative impact of the financial crisis, also vividly described today by the foreign minister of the Republic of Korea. The second report indelibly and starkly brings out the clear signs of regression in regard to the MDGs as a result of the global financial crisis. In 2009, it states that an estimated 90 million more people will be living in extreme poverty than was anticipated before the crisis. In fact, before the crisis the number of people living on less than \$ 1.25 a day was showing a downward trend.

11. In India we are conscious of the huge challenge of poverty alleviation and of the impact of the financial crisis. We have weathered the initial phase of the crisis ourselves due to our strong institutions. Our banks are well regulated, capitalized, and resourced. We have taken steps to maintain an adequate liquidity position while ensuring that delivery of credit remains on track. India's public spending has been enhanced significantly. These measures have helped India to maintain an estimated 7% rate of growth despite the current crisis.

12. But we are conscious that many other democracies could be vulnerable to the societal pressures arising from the economic setbacks caused by the global financial crisis. This is a time for solidarity amongst democracies, developed and developing.

13. Which leads us to our second challenge. Democratic governance is imperative not only at the national level but equally at the international level. We are a community of nations which believes and practices democratic governance at home. We are unified in these values. However, in the larger international arena, the governance relationship between developed and developing countries remains skewed. The global governance architecture has elements of non-inclusiveness and less than fully participatory institutions. Such a democracy deficit is visible in almost every multilateral institution, including in the United Nations. This is why India and other countries present here have called for urgent reform of the United Nations, including in the Security Council. Reform of the international financial architecture is also an immediate imperative. We hope that our common ideals of democratic inclusiveness and a level

playing field will guide members of this community in supporting reform of the international governance system.

14. **Third:** Terrorism is a serious threat to democracy. I need not dwell on this subject at this forum, since all of us know that terrorism and those who practice terror have scant respect for democratic values, norms, institutions or governance. In fact, the very fabric of democracy is a target for the merchants of terror. Pluralism, diversity, human rights and freedoms are anathema to the agents of hatred and fanaticism. As a Community of Democracies we must stand boldly against terrorism and its perpetrators. Terrorism is, after all, an assault on the common bonds of humanity and civility that tie us all together. Our commitment to democracy should make us stronger in the face of terror and we should not relent till this scourge is extinguished effectively. A united and universal response is needed, which is why we should cooperate to adopt international agreements against terror, notably the Comprehensive Convention on International Terrorism which has been pending for the last eight years. On the broader issue of promoting understanding across Cultures, I am pleased to see President Jorge Sampaio here on behalf of the 'Alliance of Civilizations', a cause my government strongly supports.

Mr. Chairman

15. I have spoken of a few major challenges that face democracies today. What can and should be done to face them would be part of the debate in the three round table thematic sessions today. I look forward to hearing your ideas and approaches in addressing these and other challenges.

16. As we embark on our deliberations today, I would like to thank the current Chair, Portugal, for its leadership in the Community of Democracies, and to welcome Lithuania as the incoming Chair. Let me also take this opportunity to reaffirm India's commitment to work with our partners in the Community of Democracies. Let us cherish and value what we have in common as democracies, but let us also respect what makes us different from each other, and appreciate that it is in the nature of democracies to be responsive to the very different preoccupations of their own internal constituencies. The last century has, despite many horrors along the way, given us, in the famous phrase, a "world safe for democracy". Let us also work, in the 21st century, to establish a world safe for diversity.

Thank you.



**036. Press Release issued by the Ministry of External Affairs on the visit of Minister of State Dr. Shashi Tharoor to Lisbon for attending the 5th Ministerial Conference of the Community of Democracies.**

**New Delhi, July 13, 2009.**

Minister of State for External Affairs Dr. Shashi Tharoor attended the 5th Ministerial Conference of the Community of Democracies (CoD) in Lisbon on July 11-12, 2009. The Minister of State spoke at the inaugural session along with the Foreign Ministers of Mali, Brazil, the Republic of Korea and the US Deputy Secretary of State which was chaired by Foreign Minister Luis Amado of Portugal and opened by Speaker of the Portuguese Parliament. The two day conference commenced with a workshop with civil society on Democratic Governance and Inter cultural Dialogue and held three thematic sessions on "Implications of the Current Financial and Economic Crisis in Democratic Governance, Democratic Governance and Development and Future Challenges for the Community of Democracies".

On the sidelines of the conference the Minister of State met and exchanged views with other Ministers present including Celso Amorim, Foreign Minister of Brazil; Dipu Moni, Foreign Minister of Bangladesh; Radoslaw Sikorski, Foreign Minister of Poland; Ebrahim Ismail Ebrahim, Deputy Foreign Minister of South Africa; Minister Sujata Koirala of Nepal; Moctar Ouane, Foreign Minister of Mali; James Steinberg, US Deputy Secretary of State and Portuguese Deputy Minister Joao Cravinho. He also met Jorge Sampaio, former President of Portugal and High Representative of the Alliance of Civilizations and Madeleine Albright, former US Secretary of State, who was instrumental in the formation of the CoD in 2000.

India is a member of the Convening Group of the CoD, a forum of democratic countries involved in an ongoing dialogue among countries wedded to and practicing democracy. Its objective is to promote strengthening of the democratic form of governance throughout the world. Portugal as the present Chair of the Group hosted the 5th Ministerial CoD. Earlier Ministerials have been held in Warsaw in 2000, in Seoul in 2002, in Santiago, Chile in 2005 and in Bamako, Mali in 2007. The next ministerial will be held in Lithuania which has taken over the Chairmanship of the CoD. Lithuania will be followed by Mongolia. The 10th Anniversary of the founding of the CoD will be held in Poland in 2010. Representatives from over 100 countries attended the meeting in addition to some 80 non-governmental organizations.



**0037. Address by Minister of State Dr. Shashi Tharoor at All India Annual Conference for Haj 2009.**

**New Delhi, July 14, 2009.**

Mr. Hasan Ahmed, Vice-Chairman and Members of Haj Committee of India,

Shri N. Ravi, Secretary, Ministry of External Affairs

Shri M.OH. Farook, Ambassador of India to the Kingdom of Saudi Arabia

Honorable Members of Parliament,

Shri Mohammed Owais, CEO, Haj Committee of India,

Chairmen and Members of the State Haj Committees, former Chairman  
Shri Iqbal Ahmed Saradgi,

Distinguished Religious Scholars,

Members of the Media and

Dear Brothers & Sisters,

It is my great pleasure and privilege to welcome you to the All India Annual Conference for Haj 2009. It's a matter of personal satisfaction for me to be associated for the first time with Haj arrangements of the Indian pilgrims from this year as Minister of State for External Affairs, in-charge of Haj matters.

I would also take this opportunity to congratulate all the agencies involved in the Haj management i.e. Ministry of External Affairs, Ministry of Civil Aviation, the Haj Committee of India, State Haj Committees, Air India, Indian Airlines, Consulate General of India in Jeddah and others for the successful completion of the Haj 2008.

On behalf of all pilgrims from India, we have requested and would again urge His Majesty King Abdullah bin Abdul Aziz Al-Saud, Custodian of the two Holy Mosques, not only to maintain the same quota as last year, but also increase it, so that more Indian pilgrims who desire to perform Haj could do so without any hindrance. We have been assured of positive consideration, but are awaiting a response. We thank and felicitate the Saudi Government whose hospitality and arrangement year after year, have become more extensive and pilgrim-friendly.

Dear Friends, the Annual Haj Conference is an institutionalized platform for all stakeholders in the Haj, including the political leadership, the Haj

Committees, the Government departments including the Consulate General of India, Jeddah, the Ministry of Civil Aviation, Air India, Members of Parliament and, of course, learned religious scholars to air their views through transparent discussions, frank exchange of opinions and brainstorming on all Haj-related matters. The deliberations in this forum have brought to the forefront many useful suggestions and ideas in the past, I am told, which had enabled the Government to further improve and strengthen the overall arrangements of the Haj.

Mr. Hasan Ahmed has already started the ball rolling. We have already taken note of them and I want to assure you that we would seriously consider the suggestions and recommendations. I would like to urge various States to depute sufficient number of Khadimul Hujjaj and to give them proper orientation so that they can be of use to the pilgrims. These Khadimul Hujjaj are supplemented and supported by community volunteers mobilized by the Consulate General of India hailing from different parts of India. Some States have not taken a proactive role in sending the Khadimul Hujjaj that tends to put further strain on the limited human resources available to us in Jeddah. I would, therefore, urge all State Haj Committees to make every possible effort so that Hajjis from their States could be further assisted during the Haj.

This year we have had a particularly challenging task as the Saudi Government wanted us to comply with the requirement of travel by Hajjis only on international passports. I am happy to inform you that this challenge is being successfully met with the cooperation of Ministries, the Regional Passport Offices, Central and State Haj Committees. If any difficulties are being faced, these should be addressed to the Gulf & CPV Divisions of the Ministry of External Affairs. I would also be happy to intervene, if necessary, so that no pilgrim is inconvenienced.

The Government has also taken a number of decisions to streamline the functioning of Private Tour Operators so that they can provide proper services and facilities for the pilgrims. It is a matter of satisfaction that over the years the Indian Private Tour Operators have been contributing significantly in providing necessary services to the Indian pilgrims. These pilgrims also benefit from the arrangements, for medical and general assistance, put in place by the Haj Mission in Jeddah.

I know it is the cherished desire of every Muslim brother and sister to perform Haj. However, as a result of the incidence of some communicable

diseases like Swine-flu, the Saudi authorities have been advising the elderly, the pregnant women and children to refrain from undertaking the Haj this year. This is not mandatory but I would request you to at least inform our pilgrims of the inherent health risks, and take suitable precautions. In any case, we must ensure that all pilgrims are properly inoculated with all prescribed vaccines including H1N1 (Swine Flu). I could suggest that Hajis would need to be medically screened at embarkation points to avoid their being quarantined on arrival.

I would also like to request the Haj Committee of India and the State Haj Committees and all others who are concerned with Haj affairs to give the highest priority to the pre-departure counselling and orientation of the prospective Haj pilgrims so that they embark on their journey of a lifetime with greater confidence and perform their rituals in a safe and spiritually satisfying manner. I am happy to note that tomorrow and the day after, the first such training sessions are being started.

Although I am a new Member of Parliament and Minister, and have not yet visited Saudi Arabia in either capacity (I have visited privately for 1 day this year), I do look forward to my visit to interact with Saudi authorities especially His Excellency the Haj Minister and other senior dignitaries, who are committed to this holy task.

The Government and the Haj Committee of India constantly strive to make the Haj affordable and comfortable. While all possible measures are taken to cater to the diverse requirements of all our Haj pilgrims, considering the magnitude of the logistics of movement, accommodation and air transport, it is not always easy to satisfy all the pilgrims. I would, therefore, request the pilgrims to show patience and understanding. I do, of course, appreciate that most of the pilgrims have been cooperative and appreciative of the government authorities.

I would request all the participants at this conference to air their valuable views and suggestions so that useful policy decisions could be taken up as a follow-up to this Conference.

I thank all of you for your gracious presence and extend my best wishes for a very successful All India Haj Conference, and consequently a most rewarding experience to all our Haj pilgrims.





**038. Keynote Address by Minister of State Dr. Shashi Tharoor at the 18th AMIC Annual Conference on the subject of "Media, Democracy and Governance: Emerging Paradigms in a Digital Age".**

**New Delhi, July 16, 2009.**

**Chair of the session H.E Dr Abdul Waheed Khan, Assistant Director General of UNESCO,**

**Prof Binod Agrawal, Vice Chancellor, Himgiri Nabh Vishwavidyalaya**

**Dr Ang Peng Hwa, Chairman, AMIC**

**Dr Indrajit Banerjee, Secretary-General, AMIC**

**Distinguished experts and guests,**

**Representatives of media both from India and abroad,**

**Ladies and Gentlemen, Friends I hope that covers everyone**

It is indeed a great honour for me to be here with you this afternoon. I would like to thank the Asian Media Information and Communication Centre, AMIC, for extending the invitation to me and bestowing on me the honour to speak to this distinguished gathering. I would like to compliment AMIC, Professor Ang Peng Hwa and in particular my friend Dr. Indrajit Banerjee on organizing this Conference in New Delhi on a very topical issue. On what we all know is a valedictory occasion for Indrajit, I would like to take this opportunity to warmly felicitate and compliment your outgoing Secretary-General for his enthusiasm, his dynamism and his commitment to the cause of Media and Communications in Asia. The AMIC we see today in many ways bears his personal stamp. I know I speak for you all when I wish him well in his new career at UNESCO.

2. I have been very impressed by the array of speakers and participants at this Conference. I am confident that the various plenary and parallel sessions of the Conference over the last few days have produced papers and discussions with rich substance and high relevance on topics of interest to academics and practitioners alike - including media and democracy, media and gender, media and cultural identity, and current trends in the international media industry. I am sure that the Conference has also provided a valuable opportunity for all of you to interact informally.

**Mr. Chairman,**

3. I am conscious that I am addressing you as your Conference draws to a close on its fourth day today. I would have personally much preferred to learn from the renowned experts representing a multitude of disciplines gathered here rather than inflict another lecture on you. Unfortunately the tyranny of my schedule did not permit me to listen to you all and I am therefore speaking without the benefit of having heard the learned views of some of the best known experts and professionals in the spheres of media, government and development. I feel rather like a fisherman rising to deliver a lecture on the whale and discovering that Jonah is in the audience - and what's more, has already spoken! I know there are many Jonahs in this audience and I apologize to them in advance.

4. But now to say that media occupy a significant place in our lives, especially in a democracy, would be an understatement. Many of us are aware of Thomas Carlyle's reference to Edmund Burke turning his head to the press gallery in Parliament and saying: "...in the Reporters' Gallery yonder, there sat a Fourth Estate more important [by] far than they all." And the "they all" stood for the other three Estates! If media commanded that level of prominence when Edmund Burke spoke of it in the 18th century - when the wheels of the industrial revolution had just turned and when there was no television, no internet, no twitter, neither landlines nor mobile phones, and when the total circulation of newspapers in Britain, printed probably only in one language, would have been insignificant compared to today's - then one can well imagine the impact media has in our lives now when large chunks of the human population are literally just a click away from one another. Any doubt that I might have had about the reach and influence of global mass communications was dispelled for years ago in my UN days when I happened to be in St. Petersburg, Russia, for a conference and was approached by a Tibetan Buddhist monk in his saffron robes, thumping a cymbal and chanting his mantras, who paused in his chanting to say: "I've seen you on BBC!" New communications technology has clearly shrunk the world, and in the real sense made it all one.

5. The most significant aspect of the media from the point of view of the subject of this Conference is its relation with, and contribution to, democracy. Simply put, democracy is impossible without free media. Press freedom is both the mortar that binds together the bricks of democracy and it's also an open window embedded in those bricks. Democracy and free media constitute two sides of the same coin. It is this centrality which

led Thomas Jefferson to say famously, and I quote: "Were it left to me to decide whether we should have a government without newspapers or newspapers without government, I should not hesitate to prefer the latter." Unquote. I am not sure how solidly I agree with that, but

6. This Jeffersonian view of the criticality of free media for the existence of democracy is something India can attest to from our experience. Our national movement, our freedom struggle, itself saw several publications, such as Mahatma Gandhi's Young India and Harijan, and the Jugantar of Shri Aurobindo, inspiring millions to join the struggle for independence. Moreover, these and other similar publications inculcated and fostered the democratic values and principles which independent India has come to champion. It is on this foundation which rests the edifice of the freedom of expression, guaranteed as a fundamental right in our Constitution, and zealously protected by its practitioners and guardians.

7. The idea of freedom of expression, which includes freedom of press and other media, did not come to us in India as a mere import from the West. Freedom of expression had been integral to Indian civilization and to the ever ongoing synthesis amongst its various traditions. Our Constitution codified what had been the essence of the Indian civilization: the freedom to express life in all its diverse manifestations. Diversity is central to the Indian experience; and diversity cannot be preserved without the freedom to say this is who we are, this is what matters to us, this is what we want to be. Freedom of expression and therefore of media is therefore fundamental to India's constitutional democracy.

**Mr. Chairman,**

8. It is the diversity of India which expresses itself through an almost mind-boggling array of publications and audio-visual media today. In independent India, the soil has been fertile and the climate propitious for the media to play a key role in nurturing and buttressing both democracy and development, and at the same time to bloom in the form of more than a thousand flowers. At a time when media around the world is in a state of contraction amidst the financial crisis, India is a rare exception where all forms of media are growing. Newspapers are fading in the West but flourishing in India; television and radio are extending their broadcast reach; and the internet is slowly penetrating a growing percentage of Indian households. Today, more than 65,000 newspapers and periodicals are registered for publication in 123 languages and dialects. The total circulation of just about 8,500 of the largest of these 65,000 was more than 180 million.

There are some states (such as Orissa and Maharashtra) which publish newspapers in more than one dozen of the twenty two languages listed in the Eight Schedule of the Constitution. While there are more than one hundred private TV channels, the widest reach is with Doordarshan, which has five national and eleven regional language channels. Now, in 1947, when we won our independence All India Radio, or AIR, had six stations covering 2.5% of the country's area and 11% of its population. Today, it has 225 broadcast centres covering over 99% of the population through its programmes in 22 Indian languages. And its broadcasts also reach over 100 countries in 15 foreign languages.

9. Now, while these numbers give some indication of the high status and prominence enjoyed by media in Indian democracy, the real and full facts of its centrality lie behind these figures. Many of you are familiar with the metaphor of the media as the canary in the mine-shaft - the bird lowered into the depths to test the levels of oxygen at the bottom of the coalmine. Our canary continues to breathe and even to sing, so perhaps I could instead use a different medical metaphor. We in India have seen media, in different contexts, as a doctor's mirror in which the patient sees a reflection of reality; as a diagnostic tool - a sort of MRI scan which, in the hands of an expert professional, has the potential to lay bare a hidden problem; and also, occasionally, as a scalpel - as if the radiologist sometimes decides to assume the role of a surgeon as well.

10. Apart from being a watchdog of public interest, the media acts as a two-way conduit between the people and those who have the responsibility for their governance and development. This is, arguably, the most important role of one media in a democratic developing country like ours. Media keeps the citizens engaged in governance by disseminating information, educating and mobilizing public opinion, and thus facilitating the active participation of citizens in democracy. But it should be remembered that media does not just reflect public opinion, it shapes it. When the media is engaged, the public is engaged. The media shapes our awareness of events and, by so doing, sometimes shapes events themselves. Events that the media ignores find it difficult to obtain traction in the modern world; events that the media focuses on, on the other hand, become impossible even for powerful Governments to ignore.

11. A complementary role of media is to act as a channel for feedback or information for the policy makers and administrators on the need for action in a particular sphere. To borrow the term used by our great Nobel laureate Prof Amartya Sen, the media acts as "the best early warning system" bringing

out information that can have a significant impact on policies and programmes. "Information and critical public discussion are an inescapably important requirement of good public policy," he writes. It is this role of the media which has made government more responsive and accountable in many countries and I am proud to say in my own. While free media is essential for all countries, we in India think it is even more important in developing countries because the challenge of development requires challenges from the public through the media. In India, the persistence of an inquisitive press has also made public servants more accustomed, and more open, to their presence, thereby promoting the notion of a partnership for the greater common good.

12. Press freedom is also a precondition for economic and social progress. Many of you are familiar with Amartya Sen's famous argument that there has never been a famine in a democracy with a free press. Famines are the result of a lack of access to food, and Sen has proved, with extensive research, that they occur only when the media is not free to draw attention to the problem. Press freedom is also essential to generating awareness about development, about the environment, about education and about critical health issues like HIV/AIDS. And it continues to be a major building block in constructing governance that is people-centered, inclusive and progressive.

13. The new hallmarks of development are the ability to receive, download and send information through electronic networks, and the capacity to share information - including not only newspapers and journals, but also on-line web sites - without restriction. This is why censorship is so unwise; indeed, it is anti-development. For developing countries need to open up to the outside world, liberalize their mass media, and resist government control and censorship of information, if they are to be able to take advantage of the opportunities that the information revolution has made available to the world.

14. A corollary to the media's role in good governance is its advocacy of inclusiveness. The media has and usually discharges the responsibility to bring the marginalized and the issues of their concern into the mainstream of public debate. A byproduct of this focus is the role media can and do perform in either building or promoting a consensus on key social and economic issues, or in highlighting a basic common denominator, where there is discord and conflict.

15. Now, so far I have been speaking about the news media. But even entertainment television educates people - children and adults - through the values it espouses in its popular shows. Television entertainment

teaches about culture, about society, about history, about interpersonal relationships. It helps a society define itself.

16. It may surprise some that I speak of mass entertainment television as an educational medium. Groucho Marx once said that he found television enormously educational, because whenever anyone turned on a TV set, he went into another room and read a book. Now, doubtless there are people who imagine that educational entertainment television is an oxymoron. I suspect these are the same people who say that the reason television is called a medium is because it is neither rare nor well done.

17. And yet there is no escaping television's reach and influence in every democracy. The question isn't whether TV teaches, it's what it teaches. Media can reinforce existing stereotypes, or build new positive ones. You can denigrate and dismiss cultures that are different from the mainstream. Or it can celebrate diversity.

18. To the broadcasters in this room, let me say this: As the custodians of the airwaves, you can choose to be purveyors of weapons of mass distraction. Or you can choose to be builders of a better world.

**Mr. Chairman,**

19. Our topic speaks of the media, democracy and governance in a digital age, and I haven't yet mentioned the Internet. There is no doubt that the internet can be a democratizing tool. In some parts of the world, certainly in most of the West, it has already become one, since large amounts of information are now accessible to almost anyone.

20. But a person's means of access to information has long served as a way by which you could determine his or her wealth - perhaps merely by glancing at the watch on their wrist. That is a source of information about a person. And the stark reality of the world today is that you can tell the rich from the poor by their Internet connections.

21. Today, the poverty line is linked to the high-speed digital line, the fibre optic line.... all the lines that exclude those who are literally not plugged in to the possibilities of our new world. There is a marked gap between the technological haves and have-nots - between those who know, and those who don't - both between cultures and within them. This gap has come to be called the digital divide.

22. To put it simply, thus far, the information revolution, unlike the French Revolution, is a revolution with a lot of liberty, some fraternity, and no equality.

23. I am sure that in the deliberations over the last four days, the distinguished participants in this Conference have discussed and delineated the contours of the emerging paradigms relating to media, democracy and governance. As a person associated with governance, and often coming into interaction with media, may I say that the role of media in democracy and development, which I have briefly touched upon, leads me to surmise that it is the common man, the aam aadmi, as my Party likes to call them who holds the touchstone for the relevance, correctness and utility of any evolving paradigm in this area. Success of media both as a commercial venture and as a tool capable of moulding public discourse and policies, in my view, hinges and will continue to hinge on how it touches the life of the aam aadmi, the common man.

24. It is this belief, which brings me, Mr. Chairman, to the last of the points I wanted to make. I am sure the Conference has already addressed and discussed issues such as the inclusiveness issue implications of the competitive market and excessive commercialization on the quality and type of content and focus of media. This is particularly relevant for audio-visual media, which has real time reach. It may be due to this that all the time something is "breaking" on the airwaves in my country (in the form of 'breaking news'), turn on the TV in India you cannot go 5 mins. without seeing something 'breaking', making us almost believe that something earth-shattering is happening somewhere all the time. All too often, the sensational prevails over the substantial; after all, in the US, it is said, "if it bleeds, its leads". But we have to pause and ask: Does so much focus on 'breaking' leave enough space for 'constructing' through deeper and wider coverage and analysis? What serves the aam admi better: bits of information which may not be relevant or retainable the minute after, or a full picture on the issues of his concern? Should dramatizing or "dumbing down" the news in a quest for ratings points carry a premium over serious reporting? Should tight purses, particularly in difficult economic times, necessarily lead to "infotainment", driving a shift in the focus away from what matters to the common man? Is there a danger that the media, in its quest to attract eyeballs, can drive public policy in a dangerous direction, for instance by stoking national chauvinism or jingoism on international questions where a more measured approach might be wiser? Or is there a middle ground, a way out, perhaps a harder way?

**Ladies and Gentlemen,**

25. Like all good and important questions, these may not have simple and straightforward answers and I am not going to venture any to you today. I would merely point out what India's first Prime Minister Pandit Nehru had said,

and I quote, "Freedom brings responsibilities...and we have to face them in the spirit of a free and disciplined people." Unquote. I am sure that the Conference has discussed such issues. I am also hopeful that the deliberations of the Conference will point to the best possible answers. Meanwhile, let me reiterate that democracy, development and government on one hand and the media on the other continue to benefit in India from their symbiotic relationship. On our part, we in the government are committed to upholding the highest ideals and guarantees of freedom of expression that our Constitution enshrines.

**Mr. Chairman,**

26. The prospective benefits of the information age are clear; in a nutshell, we now have a powerful tool to address the disadvantages of under-development, of isolation, of poverty and of the lack of political accountability and political freedom.

27. But these benefits will only be made manifest when the entrances and exits to the digital information superhighway are open to everyone, when they are mapped and signposted in such a way as to allow everyone to know where they need to go, and when the road itself is suitable for all manner of vehicles, from sports cars to trams, and from rickshaws to bicycles. Access to information, in other words, is of paramount importance in a democracy.

28. Pandit Nehru had once said, "We live in a wonderful world that is full of beauty, charm and adventure. There is no end to the adventures that we can have if only we seek them with our eyes open." Unquote. I would wish and pray that media remain our eyes for leading us from falsehood to truth, and from darkness to light - asato ma sadgamay, tamaso ma jyotirgamaya. After all the human mind is like a parachute - it functions effectively only when it is open.

29. So with these parting words, I would like to once again thank the Asian Media Information and Communication Centre for giving me the honour and privilege of speak in this distinguished gathering today. And I hope you have all had a wonderful Conference.

I thank you all for your attention.

Thank you.





**039. Statement by Prime Minister Dr. Manmohan Singh in the Rajya Sabha on his visit to Italy, France and Egypt.**

**New Delhi, July 17, 2009.**

Mr. Deputy Chairman, Sir, I returned earlier today from visits to France and Egypt. Before that I had visited Italy for the G-8/G-5 Summit meetings. Meetings of the G-8 and G-5 countries have become an annual feature. The agenda for this year's meetings was wide ranging, but the main focus was on the ongoing global economic and financial slowdown. The developing countries have been the most affected by the global financial and economic crisis. I stressed the importance of a concerted and well-coordinated global response to address systemic failures and to stimulate the real economy. There is a need to maintain adequate flow of finance to the developing countries and to keep markets open by resisting protectionist pressures.

As a responsible member of the international community, I conveyed to the G-8 and G-5 countries that we recognise our obligation to preserve and protect our environment but climate change cannot be addressed by perpetuating the poverty of the developing countries. I presented India's Action Plan on Climate Change and the eight National

Missions which we have set up in this regard. We are willing to do more provided there are credible arrangements to provide both additional financial support as well as technological transfers from developed to developing countries.

India's participation as guest of honour at the French National Day was an honour and a matter of pride for us all. I wish to share with the hon. Members the pride I felt to see the brave men of our Armed Forces from all three services leading the French National Day parade. We have a strategic partnership with France. In this spirit, in our discussions, President Sarkozy and I reviewed the entire range of our bilateral cooperation including counter-terrorism and defence cooperation. President Sarkozy was categorical in asserting that France is ready for full civilian nuclear cooperation with India.

In Egypt, I participated in the 15th Summit of the Non-Aligned Movement. NAM is the powerful voice of almost two-third of the world's nations. I recalled what Pandit Nehru had said about NAM being a moral force in global affairs. The Summit called for bringing decision-making processes

in the international system, including the UN and international financial institutions, in tune with contemporary realities. I am glad that our views found widespread resonance and that the Summit heeded our call to strongly condemn international terrorism.

On the sidelines of the Summit, I met with the Presidents of Egypt, Sri Lanka, Vietnam and the Palestinian National Authority, and the Prime Minister of Bangladesh, Malaysia, Nepal and Pakistan. I found a uniform desire among all these countries to further enhance their relations with India.

During my meeting with Prime Minister Gilani of Pakistan yesterday, we discussed the present condition of India-Pakistan relations, its future potential and the steps that are necessary to enable us to realise the potential. I conveyed to him the strong sentiments of the people of India over the issue of terrorism, especially the terrorist attacks in Mumbai.

We are reviewing the dossier of investigations into these attacks which Pakistan has provided to us. I also conveyed to Prime Minister Gilani that sustained, effective and credible action needs to be taken not only to bring the perpetrators of the Mumbai attack to justice, but also to shut down the operations of terrorist groups so as to prevent any future attacks. It has been and remains our consistent position that the starting point of any meaningful dialogue with Pakistan is a fulfilment of their commitment, in letter and spirit, not to allow their territory to be used in any manner for terrorist activities against India. Prime Minister Gilani assured me that Pakistan will do everything in its power to bring the perpetrators of the Mumbai attacks to justice. He also told me that there is consensus in Pakistan against the activities of these terrorist groups, that strong action is being taken and that this is in Pakistan's own interest. The distinguished parliamentarians from different parties who accompanied the Pakistan Prime Minister also said to me that there was political consensus in Pakistan on this issue.

As the Joint Statement says, action on terrorism should not be linked to the composite dialogue process, and, therefore, cannot await other developments. It was agreed that the two countries will share real time, credible and actionable information on any future terrorist threats. Whether, when and in what form we broaden the dialogue with Pakistan will depend on future developments. For the present, we have agreed that the Foreign Secretaries will meet as often as necessary and report to the two Foreign Ministers who will meet on the sidelines of the United Nations General Assembly.

As I have said before in this House, India seeks cooperative relations with Pakistan, and engagement is the only way forward to realise the vision of a stable and prosperous South Asia living in peace and amity. We are willing to go more than half way provided Pakistan creates the conditions for a meaningful dialogue. I hope that there is forward movement in the coming months.

I have returned home convinced that these interactions with world leaders have served to further advance India's interests.

**Shri Arun Jaitley (The Leader of the Opposition):** Mr. Deputy Chairman, Sir, I am sure the Prime Minister on both his visits had a very fruitful discussion with various heads of Government and the multilateral meetings that he attended. I note that in the Statement of the Prime Minister which was made in the House today, the hon. Prime Minister has said and I am just quoting two sentences from the statement, "I also conveyed to Prime Minister Gilani that sustained, effective and credible action needs to be taken not only to bring the perpetrators of the Mumbai attack to justice, but also to shut down the operations of terrorist groups so as to prevent any future attacks."

The Prime Minister correctly notes, and I say correctly notes, "it has been and remains our consistent position that the starting point of any meaningful dialogue with Pakistan is the fulfilment of their commitment in letter and spirit not to allow their territory to be used in any manner for terrorist activities against India." We have in the past, Sir, taken a position that our national stand is against cross border terrorism emanating from Pakistan. We have used expressions like State sponsored terrorism. We have said that we will not expect terrorism to become an instrument of State policy or that Pakistani soil is used by either State actors or non-State actors for engineering any form of terrorist attacks on India. That has been our national concern.

Now, all this appears somewhat inconsistent with what is stated in the Indo-Pak Joint Statement where it is mentioned and I quote it from the Statement, "Both Prime Ministers recognise that the dialogue is the only way forward. Action on terrorism should not be linked to a composite dialogue process and these should not be bracketed." Are we, therefore, to expect, in view of this Joint Statement that this de-bracketing of terrorism or action on terrorism, which has been done from the composite dialogue process, even if non-cooperation in the matter of action against terrorism is to continue, even if the non-co-operation in the matter of bringing the

perpetrators of the crime on 26/11 in Mumbai is to continue, even if the State actors or non-State actors in Pakistan continue to misuse Pakistani soil for perpetrating terrorist attacks on India, all this is going to be now delinked from the composite dialogue process? The explanation which the hon. Prime Minister has given to the House today seems directly in the face of what is in the Declaration.

The two seem patently inconsistent with each other. After all, India's national commitment is not going to be a statement made internally in India. But, after all, it is also going to be a Joint Declaration which India and Pakistan made. So, which of these two appears to be correct?

**Shri Sitaram Yechury (CPI-M):** Sir, I have two points of clarification from the hon. Prime Minister's Statement. Sir, the first one concerns the remarks he made on his participation as the Guest of Honour in the French National Day. Not only all of us, but the whole of India proud of the recognition that was granted to India. We are all proud because, I think, modern democracy owes a lot to the French Revolution. In that sense also, it has been very nice to see our Prime Minister there. In that context, at the end of the paragraph, he said, "President Sarkozy was categorical in asserting that France is ready for full civil nuclear co-operation with India." Sir, it is very good. But, we have heard the reports that emanated at the G8 Summit that the G8 has put very stringent rules and conditions for transfer of technologies and equipment connected with nuclear reprocessing and enrichment technologies. And this, somehow, runs completely in contradiction with the assurances that the hon. Prime Minister himself gave to both the Houses of Parliament and to the country with regard to the Indo-US Nuclear Deal. We were promised that the Indo-US Nuclear Deal will give us full civilian nuclear cooperation. But the G8 reports suggest the contrary. So, our apprehensions from the Left are now proving correct as we had told you that it will not happen. And, these are now not happening. If that is the case, we also heard a very disturbing reports that the G8 is going to take up this matter with the NSG, so that it draft new rules to make it conditional that only signatories to the NPT and the US's view that only the signatories to both the NPT and the CTBT as well as the FMCT be given or allowed this transfer of technology. If that is the case, Sir, the entire basis or the foundations of the Indo-US Nuclear Deal just collapses. So, we would like to have an assurance from the hon. Prime Minister on this. The second point -- the hon. Leader of the Opposition has also raised this -- is this. I would like to read out three references to the discussions that the hon. Prime Minister has had with the Prime Minister

of Pakistan. The first point is the second last paragraph of the Statement which I quote. I fully agree with this. It says, "India seeks co-operative relations with Pakistan, and engagement is the only way forward to realize the vision of a stable and prosperous South Asia living in peace and amity." I agree with this observation. But, this observation is preceded by two other observations which I find them in contradiction and a clarification would be beneficial to all of us and for the country. In paragraph 3 at page 2 of the Statement, Sir, the hon. Prime Minister says and I quote, "It has been and remains our consistent position that the starting point of any meaningful dialogue with Pakistan is a fulfillment of their commitment, in letter and spirit, not to allow their territory to be used in any manner for terrorist activities against India."

Underline the words 'the starting point of any meaningful dialogue'. Now, compare it to two paragraphs below. It says, "Action on terrorism should not be linked to the composite dialogue process and, therefore, cannot await other developments". Now, the starting point is a meaningful dialogue on the banning or elimination of cross-border terrorism. If the objective is to seek cooperative relations with Pakistan, then, to say that it should not be linked with the composite dialogue process, gives rise to a lot of conflicting or contradictory position. So, I would like to request the hon. Prime Minister on these points.

**Shri D. Raja (D. M. K.):** Sir, at the outset, I would like to congratulate the hon. Prime Minister for his successful visit. Since the nuclear issue has been raised, I reiterate what has been asked by my colleague. But, coming to Pakistan, I do appreciate that India and Pakistan will have to engage themselves in a meaningful dialogue. For me, it appears mutual accommodation of concerns on terrorism. The 'composite dialogue' should not become a conditional one. It should continue. Resumption of composite dialogue process, that way, is a positive thing to maintain relations with Pakistan. But, since the Prime Minister had talks with several Heads of the States, particularly with the President of Sri Lanka, I would like to seek one clarification. I don't know whether the Sri Lankan Tamils will be able to get any political solution to their problem; I do not know whether they will have, in the near future, a peaceful co-existence on the basis of equality in the island nation. I would like to know whether the Prime Minister raised these concerns with the President of Sri Lanka.

**Dr. Manmohan Singh:** Mr. Deputy Chairman, Sir, I am very grateful to the hon. Leader of the Opposition for his intervention as well as the intervention of Shri Sitaram Yechury and Shri D. Raja. Let me be very

clear and I repeat what is there in my statement, "It has been and remains our consistent position that the starting point of any meaningful dialogue with Pakistan is a fulfilment of their commitment, in letter and spirit, not to allow their territory to be used, in any manner, for terrorist activities against India." From that point, the hon. Leader of the Opposition has gone on to question the intent and what is stated on page 9, where I have stated that the joint statement says, "Action on terrorism should not be linked to the composite dialogue process, and, therefore, cannot await other developments." This only strengthens our commitment that meaningful process of engagement cannot move forward unless and until Pakistan takes effective measures to control terrorism. It does not mean any dilution of our stand. It only strengthens our stand that we would like Pakistan not to wait for the resumption of the composite dialogue, as and when it takes place. But take action against terrorist elements regardless of these processes that may lead to the resumption of the dialogue.

Sir, Shri Sitaram Yechury raised the issue of full civil nuclear cooperation. I believe, in my absence, Shri Pranab Mukherjee had made a statement either in this House or in the other House.

**Mr. Deputy Chairman:** Sir, he made a Statement in this House.

**Dr. Manmohan Singh:** Well, if there is an opportunity, I will clarify that position in great detail. I did raise this issue with President Sarkozy and the President Sarkozy was, absolutely, in fact, emphatic that France is eager to enter into full civil nuclear cooperation with India, meaning to emphasize the word 'full' to include ENR technologies. So, therefore, as far as the French position is concerned, I was very reassured by what President Sarkozy told me. I have a Statement regarding what is purported to be the decision taken at the G-8 meeting; maybe, I think, it is too late in the day, on another occasion, I will be very happy to clarify that.

Now, with regard to what Shri Raja has said, I spent a very considerable amount of my time in my meeting with His Excellency President Rajapakse, discussing the Tamil problem. I expressed to him our concern about the plight of Sri Lankan Tamils. There are nearly three lakhs people who are internally displaced persons living in 33 camps and I emphasised to him that he must take all effective measures to provide meaningful relief and rehabilitation, but that is only the beginning of the process. Sri Lankan Government has to create conditions whereby the Tamil people's legitimate political aspirations for a life of dignity and self-respect can be met and the successful process of devolution as envisaged in 1987 Statement

with India can be implemented. So, I can assure you, Mr. Raja, that bulk of my time with the President of Sri Lanka was spent in discussing the plight of Sri Lankan Tamils. We are very deeply concerned. I explained to him that we have a legitimate concern about the well being of Sri Lankan Tamils. It has a bearing on Sri Lanka's relations with India, and, therefore, I urged him to do all that he can to satisfy the legitimate political aspirations of the Sri Lankan Tamil community. I thank you, Sir.



**040. Address by Foreign Secretary Shivshankar Menon at the Bureau of Parliamentary Studies and Training on 'Indian Foreign Policy: Opportunities and Challenges'.**

**New Delhi, July 21, 2009.**

**Hon'ble Members of Parliament**

**Secretary General, Lok Sabha**

Thank you for asking me to speak to you on the challenges and opportunities that face our foreign policy today. It is an honour to speak to such a distinguished group. In the foreign policy it is normal to list individual relationship with countries or groups. Rather than attempting such a catalogue, which in India's case would take a very long time, I will try to describe the particular purposes which motivate and guide our foreign policy. I thought I would briefly describe the tasks of our foreign policy, how we have gone about them as the world and we have changed, take stock of the present situation and then suggest where we may be going.

**The Task**

The basic task of India's foreign policy is to enable the domestic transformation of India. By this we mean making possible the transformation of India's economy and society while promoting our values of pluralism, democracy and secularism. This requires us to work for a supportive external environment that is peaceful, thus permitting us to concentrate on our domestic tasks. At the broadest level our foreign policy seeks security and support as we build and change our society and economy.

It was natural that right from the beginning of our independent foreign policy in 1946 we should choose to define our foreign policy in these

domestic terms, and not in terms of external dominion, or influence, or "living space", or empire, or other such 19th century power political concepts. It was natural to do so because of the condition that we found our country in after two centuries of colonialism. One of the richest and most industrial economies of the world, which together with China accounted for almost 75% of world industrial output in 1750, had been transformed by the White Man's Burden into one of the poorest, most backward, illiterate and diseased societies on earth by 1947. From 1900 to 1947 the rate of growth of the Indian economy was not even 1%, while population grew steadily at well over 3.5%. The impoverishment of India was continuing. It was therefore natural that our domestic transformation should be the overriding, almost the only, priority.

### **First Principles**

The question of course was how to go about it. We often forget how brave and farsighted our first generation of leaders were. The easy foreign policy choice would have been to join one of the two Cold War alliances, who promised us everything to tempt us to do so. There were those in India whose faith in ourselves was weak who advocated this. But instead we chose non-alignment, which Prime Minister Jawaharlal Nehru described as the pursuit of our enlightened self interest. This was a decision to stay away from entangling alliances, (and therefore out of other people's fights), and to judge each issue on its merits. This was not a policy of neutrality, autarky or autochthony. We were not cutting ourselves off from the world or abdicating our international responsibilities. We chose sides on the issues, not automatically or due to alliance politics, but on the merits of the issues as we saw them and on the basis of what was in India's interest. This was the beginning of our attempt at strategic autonomy, which we have always seen as essential if we are to have a chance to develop India as we wish to.

### **In practice, this meant that:**

- we followed a neighborhood policy which sought to ensure a peaceful periphery, and an immediate neighborhood free of great power politics, (which Pakistan broke by joining the Baghdad Pact and Cento);
- we tried to have good relations with all the major powers irrespective of ideology, (thus opening up to China and the Soviet Union and provoking Western anger for doing what they did twenty years later);
- we built economic links wherever we could to serve our development, (building the Bokaro steel plant with the Soviet Union



when the West refused to help, but also getting PL-480 wheat and Green Revolution technology from the USA); and,

- we engaged in an active peace diplomacy on disarmament and decolonization to minimize the risks of conflict as a result of the Cold War bipolar world, (but not disarming or weakening India in the process).

Taken together these actions sought to build the material basis for our strategic autonomy. This was when our atomic energy and space programmes and modern industry and education began in India. (Both the atomic energy and space programmes first began with foreign collaborations, but aimed at building autonomous national capabilities in India). It is easy to forget the constraints within which this policy operated. The bipolar world was one of unforgiving superpowers. The means available to us in our foreign policy were extremely limited. And we lacked the traditional sources of international power in terms of military capability or raw materials or geostrategic leverage.

The results of these policies were quite remarkable and laid the foundations of our diversified industrial base, of our independent strategic capabilities, and of the over 6% GDP growth that we have enjoyed for the last twenty-six years.

### **Accelerated Change/The Last Twenty Years**

On the basis of what was achieved in the first forty years after independence, it was possible for Indian foreign policy to use the favorable international situation after 1990 to take major steps in furthering our basic tasks. The reform and opening up of our economy in 1991 coincided with the end of the bi-polar Cold War world. In the nineties and early part of this decade, the world economy and world trade grew at a pace that was unprecedented in human history, creating favourable external conditions for India's growth. And India was well placed to take advantage of the situation, thanks to the economic basis laid by our earlier policies, and thanks to the foreign policy of non-alignment, which enabled us to work with all the major powers without exception, from each according to their capacity and according to our need. Our relationship with each of the major powers grew rapidly, and China is now our single largest trading partner. With the USA it was possible for us to undertake the civil nuclear initiative, removing the limitations that had been placed on us after the 1974 Pokhran tests. Today we are more connected to the world than we have been

for several centuries, and our links with the world are one reason for the highest ever growth rates that we enjoyed between 2003-8.

This is not to say that the international political situation was not complicated in this period. This was a time when the world polity was moving towards the system that obtains today of "many major powers and one superpower". But while the world was making this shift, the changes were patchy and unevenly distributed. As the world moved steadily towards economic multi-polarity, politically it remained largely unipolar, and militarily US dominance was overwhelming. This was also a period of social polarization in international society, (the other side of globalization), and of the emergence of international terrorism using religion as a pretext, bringing fundamental social changes. The end of the Cold War created strategic space for local powers like Pakistan to foster terrorism as an instrument of state policy, to install regimes like the Taliban Emirate in Afghanistan, and to attempt changing the status quo in J&K at Kargil. Repeated attempts by Indian Prime Ministers from Gujral to Vajpayee to Dr. Manmohan Singh to build a peaceful and cooperative subcontinent were repeatedly obstructed by one or two of our neighbours.

Overall, one might say that the international environment from 1991 to 2007 was supportive of our main foreign policy effort and several positive steps forward towards our economic development and strategic autonomy were achieved in this period despite the political complexity. The clearest symbol of this was the civil nuclear initiative culminating in the September 2008 decision by the NSG to resume civil nuclear cooperation with India without affecting India's strategic nuclear programme in any way. Besides, relationships within the subcontinent, (apart from India-Pakistan relations), certainly improved during this period, and we are today more connected and trade and travel much more than before with our immediate neighbours. Our interdependence with the world economy has increased manifold, with international trade and foreign investment accounting for a steadily increasing share of our GDP. (It is now about 42% of GDP.) Relations with each of the major powers have improved. Today India's participation in the international system is at a level that we have not seen in history since the Mughals.

### **The Present Situation/Taking Stock**

Since 2007, however, the external situation has changed considerably. A combination of factors suggests that the supportive and enabling environment that we enjoyed since 1990 is worsening.

The world economic crisis, which started as a financial crisis at the heart of the Western capitalist system, is still to end. While the world may have dodged a depression like that of the thirties, the world economy is still in a deep recession. Fortunately, while India has been affected, it has been one of the few economies that continue to show growth, of 6.8% in 2008-9. Nor is it clear that the world economy will return to an expansionary phase any time soon. Stimulus packages could accentuate the imbalances that contributed to causing the present crisis. There is a real risk of a period of stagflation following the present recession in the industrialized countries. Our search for markets, technology and resources will be more complicated than it has been in the recent past. We will have to rely to a far greater extent on domestic sources of growth.

Politically as well, we are entering a period of transition from dominance by a single power to a more balanced distribution of power in the international system, short of pure multi-polarity. New alliances are forming, and we are witnessing the rise of a new global power in China. Challenges in our immediate neighborhood, particularly in Pakistan and Afghanistan also test the international system's ability to adjust to changes.

### **Challenges and opportunities**

It is therefore a time of great and unprecedented challenges and opportunities for Indian foreign policy. Our strategic goals must remain the same, to enable the domestic transformation of India by accelerated growth and strategic autonomy. These goals will not change for a long time as we will need time to achieve them. But achieving them in the present economic climate will be a challenge to our skill and ingenuity. There are some opportunities for India in the present crisis to access technologies and resources, but probably not markets. Equally, the crisis also presents an opportunity to improve our relative position in the international balance of power.

The other challenge will be to maintain the remarkable degree of domestic consensus on foreign policy that we have enjoyed over sixty years, even in times of great stress like 1971 or 1998. As protectionism grows and closes markets, and as credit is sucked back into developed economies for their own stimulus and recovery, we will have to rely much more on our own domestic market. This is an opportunity to make the poor bankable, and to bring growth to all of our countrymen, making it truly inclusive.

Politically, as the world transitions to something more like real multi-polarity, existing power holders can hardly be expected to voluntarily or easily cede power to rising powers, whomsoever they may be. We will need to meet

the various challenges that are raised in that process. Present power holders will seek to freeze and continue the existing inequities in the international order. Equally, there is an opportunity to work with other rising powers and other countries to build new coalitions to shape the new international architecture that will arise. Global governance is an issue that can no longer be ignored after the economic crisis. The crisis has already provoked agreement, (but not yet action), on redistributing power in the international financial institutions like the IMF and World Bank. This needs to be extended to the political organs of global governance such as the UN Security Council.

The biggest challenge and also the greatest opportunity that I can see for us is in our own neighbourhood. Relations with Pakistan are clearly under severe stress and will require very careful management if the effects of what is happening in Pakistan are not to spill over into India. In Sri Lanka we have just entered an entirely new phase in internal developments where we can hope to rebuild normal lives in Northern and Southern Sri Lanka, working especially with the Sri Lankan Tamils who are the primary victims of 23 years of civil war and of LTTE terrorism.

The world economic crisis also gives us an opportunity to take the lead in economic integration with our neighbours in the subcontinent who look to the growing Indian market to sell their goods and maintain their own growth. A South Asian Economic Recovery Initiative could build on our strengths and help to develop the cooperative relationships that we need in our periphery.

### **Conclusion**

Thank you for the patient hearing. I have tried to give you a broad brush picture of the sort of larger themes which affect and determine our foreign policy, but seldom find their way into our headlines and newspapers. It is a measure of the wisdom of our early leaders that the goals and principles that they set for our foreign policy are still valid and relevant and remain as good a guide to our daily foreign policy choices. And they must remain so, as long as some Indians are poor or excluded from the fruits of the growth and modernization of India.



**041. Interview of External Affairs Minister S. M. Krishna with the Managing Editor Raj Chengappa of the weekly *India Today*.**

**New Delhi, July 23, 2009.**

**Q.** Your government is being accused of capitulating to Pakistan at the talks at Sharm el-Sheikh.

**Ans.** We have not capitulated. India is too big and mature a country for these situations.

**Q.** What was the reasoning behind India's approach?

**Ans.** India's approach is that we can never afford to take a position where we refuse to talk to a nation. Our immediate reaction after the Mumbai terror strike was that we were suspending the composite dialogue till Pakistan brought to justice those who were the perpetrators of the attacks. That remains our position even today and we have not relented on that stand at Sharm el-Sheikh. Pakistan's Prime Minister Yousaf Raza Gilani had assured our prime minister that they were very serious in going after those responsible for Mumbai 26/11. This assurance prompted the issuance of the joint statement.

**Q.** Why did you delink the composite dialogue from the terror issue?

**Ans.** While we may have delinked the composite dialogue from terror, we continued to impress on Pakistan the need to take steps on terror. We told them that there could be no repetition of the kind of terror attack. It was also impressed on Gilani that the terror instrumentality that had been created in Pakistan has to be destroyed.

We told them that terror knows no boundary and can manifest itself anywhere; that terror cannot be fought on a selective basis but across the board; that we are looking forward to more decisive steps to fight terror because it is in Pakistan's own interest that they do so. We have asked Pakistan to show the same kind of commitment to fighting militants targeting India as they have done in fighting terror in the Swat region. As has been reiterated by Prime Minister Manmohan Singh in Parliament, we stick to our stand that the composite dialogue can wait till the terror-related issues are settled.

**Q.** But the prime minister had told the Pakistan President that his mandate for talks was limited to how Pakistan handled terror. So what changed in the interim?

**Ans.** We wanted to give Pakistan a chance to prove or disprove that they are in control of the machinery in Pakistan. Here is an opportunity for Pakistan to prove they are in total control; that they are going after the terrorists. There are a chain of events that have happened subsequently. After we came back, I think, certain steps have been initiated by Pakistan in terms of follow-up action they propose to take. They have arrested five people responsible for the Mumbai attacks and have filed chargesheets against them and their trial is to start soon in Pakistan. We also received a dossier from them which we are studying. Now there is Mohammed Ajmal Kasab's confession. So we are going stage by stage. Let's wait and watch on how things unfold.

**Q.** There are experts who believe it is futile to talk to Pakistan. So why talk to Pakistan at all?

**Ans.** Because they are our neighbour and we have outstanding issues with them. We have to make an effort to resolve these issues as neighbours. So we will have to continue to talk to Pakistan. There is no alternative. We have to keep them engaged so that we know what they are planning and what they are up to. If you want to focus on development of India, we need to have peace on our borders. It is in India's national interest.

**Q.** The joint statement also mentions Pakistan's concerns about India's alleged involvement in Balochistan. Why was it included?

**Ans.** The Indian position is that our conscience is clear and as a nation we don't do anything nefarious and that's why if you want to mention Balochistan, do it by all means. It is an open book as far as India is concerned as we have nothing to hide.

**Q.** Coming to the visit of US Secretary of State Hillary Clinton, what's the reason she had so many engagements in Mumbai and Delhi as compared to the time spent talking bilateral issues with you?

**Ans.** Perhaps Clinton wanted to disabuse the kind of impression that was gaining ground in India that the Barack Obama administration was lukewarm towards India. I think right throughout her visit, her

pronouncements have all been very positive towards India. Then in our bilateral talks, she sounded positive, sounded decisive at times. So we feel that we can continue to depend on the Obama administration. And the fact that Manmohan Singh has been bestowed the honour of being the first visiting statesman to the White House in November is further indication of the fact that contrary to the whispers we hear, we are on the right note with the United States.

**Q.** There were some concerns about the recent G8 proposal to restrict sales of nuclear enrichment and reprocessing technology to non-signatories of NPT including India. Will this alter America's approach while dealing with India?

**Ans.** No. On India's civil nuclear treaty with the US, Clinton said they are very serious and will continue to make headway according to the agreement. Nothing is going to change.

**Q.** Finally, there seems to be a sense of drift in India's foreign policy whether in relations with Pakistan or the United States or other countries.

**Ans.** I disagree. There is a thread of continuity in India's foreign policy. Our response or degree of emphasis may vary from time to time but the thread is visible. There is absolutely no drift or ambivalence.



## **042. Remarks by Prime Minister Dr. Manmohan Singh on the launch of the Advanced Technology Vehicle.**

**Visakhapatnam, July 26, 2009.**

I am honoured to be present here today on the occasion of the launch of India's first indigenous nuclear powered submarine.

I congratulate the ATV Programme and all personnel associated with it for achieving a historic milestone in the country's defence preparedness. Today's launch is a reflection of the immense technical expertise that exists in our country and the strength of our research and development organisations. More importantly, the launch represents the determination and patriotism of our technologists, scientists and defence personnel who have overcome several hurdles and barriers to enable the country to acquire self-reliance in the most advanced areas of defence technology\*.

The construction of a submarine is a highly demanding task by itself. For the country to develop its first nuclear submarine is a special achievement. Today we join a select group of five nations who possess the capability to build a nuclear powered submarine.

I am particularly glad that this submarine is the outcome of a productive public-private partnership. Private industry in India has evolved considerably during the last few decades and we should leverage its strengths to achieve our defence goals. I would also like to express our appreciation to our Russian friends for their consistent and invaluable cooperation, which symbolizes the close strategic partnership that we enjoy with Russia.

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\* Pakistan Foreign Ministry reacting to the launch of the submarine said on July 27 that the "continued induction of new lethal weapon systems" by India was detrimental to regional peace and stability. "Without entering into an arms race with India, Pakistan will take all appropriate steps to safeguard its security and maintain strategic balance in South Asia," a Foreign Ministry statement said, calling for the "maintenance of strategic balance" in the interests of peace and security in the region. Pakistan Navy spokesman Captain Asif Majeed Butt was quoted by *Dawn News* as saying the addition of the submarine to the Indian Navy was a "destabilising step which would jeopardise the security paradigm of the entire Indian Ocean region." Captain Majeed said the induction of the new submarine could trigger a nuclear arms race and all littoral states, including Pakistan, would take steps to safeguard themselves. Another spokesman for the Navy, Salman Ali, was reported by Aaj TV as saying the new Indian Navy acquisition was "dangerous for regional peace and balance." Defence Minister Ahmed Mukhtar said Pakistan was fully capable of defending itself. "We don't want war but the Government of Pakistan is fully aware of the issue and we are fully prepared to defend ourselves," he said in reply to a question.



The sea is increasingly becoming relevant in the context of India's security interests and we must re-adjust our military preparedness to this changing environment. Our Navy has a huge responsibility in this regard.

The Government is fully committed to ensuring the defence of our national interests and the protection of our territorial integrity. We will continue to render all support to the constant modernization of our armed forces and to ensuring that they remain at the cutting edge of technology.

We do not have any aggressive designs nor do we seek to threaten anyone. We seek an external environment in our region and beyond that is conducive to our peaceful development and the protection of our value systems. Nevertheless it is incumbent upon us to take all measures necessary to safeguard our country and to keep pace with technological advancements worldwide. It has rightly been said that eternal vigilance is the price of liberty.

The years of hard work, dedication and perseverance that have gone into today's launch are an example worthy of emulation. They show that no task is difficult and that there is no greater power than the power of self-belief. I am confident that the lessons learnt this launch will enable the ATV Programme to achieve even better results in the coming years.

With these few words, I once again congratulate all the organisations and personnel who have been involved in the ATV Programme and on behalf of the country, wish them continued success in the future.



**043. Discussions in the Lok Sabha on the issues arising out of Prime Minister Dr. Manmohan Singh's visits abroad.**

**New Delhi, July 29 and 30, 2009.**

**July 29, 2009.**

**Note: the text in italics is free translation of the original Hindi text.**

*Shri Yashwant Sinha (Bharatiya Janata Party) – Madam Chairperson, I am grateful to you that you have allotted time for this discussion. I am also grateful to you that you have given me an opportunity to speak. I am also grateful to my leader for choosing me to put forth the views of my party on this important issue. Recently we have been hearing of quite a few pillars of the Delhi Metro cracking and some have fallen as well. The enquiry for that is going on separately but during the Prime Minister's recent visit to foreign countries, quite a few cracks have developed in the pillars of India's foreign policy and some have fallen as well. The country's foreign policy has always run on national consensus. Irrespective of who is in government, they always take the opposition parties into confidence on important issues, discuss with representatives of the other political parties and then decide on the plan of action so that the national consensus is maintained. It is with great regret that I have to say that in the last few years this national consensus has almost finished as the tradition of taking everybody into confidence on the way ahead has been done away with. In our traditional foreign policy in respect of Pakistan, our national consensus has always been our basis and strength.*

*Madam Chairperson, I feel for the first time that on such an important issue, the national consensus not only floundered; it cracked and then collapsed totally. This has been the first time. Madam chairperson, through your good office I would like to take the house into confidence. I would like to state that the attacks on Mumbai was not an ordinary terrorist attack, it was an attack of Pakistan on India. After the attacks, the Honourable Prime Minister had made the following comments in this House which I am quoting.*

*"Firstly, we have to galvanize the international community into dealing with sternly and effectively with the epicentre of terrorism which is located in Pakistan."*

The infrastructure of terrorism has to be dismantled permanently. The Prime Minister also informed the House that he had told several Heads of State and Government who had called him up that India would not be

satisfied with only assurances. He said “the use of terrorism as an instrument of State policy is no longer acceptable.”

These are not my words, Madam; these are the words of the Prime Minister of India. *After that* on July 16, the Prime Minister met the President of Pakistan, President Zardari, in Yekaterinburg and admonished him in the hearing of the whole world. He told him:

“I am happy to meet you, but my mandate is limited to telling you that the territory of Pakistan must not be allowed to be used for terrorism against India.”

Strong words; we all felt very proud of our Prime Minister; here was our Prime Minister, fresh from his victory at the polls, confident, assertive, ready to tell Pakistan and the rest of the world, “Do not mess around with us”.

That was the message that he had conveyed, and we felt proud that the Prime Minister had conveyed this message on behalf of the whole country. ... (*Interruptions*)

**Shri J.M. Aaron Rashid (Congress):** It is a feather in the cap of the hon. Prime Minister.

**Shri Yashwant Sinha:** I will praise him whenever he deserves praise. In less than a month, at Sharm-el-Sheikh, there was a complete turnaround from this stated position, and a Joint Statement was issued. In the Joint Statement, there are many points, and I would like to take them one by one which stand out. What are these points,”

They considered the entire gamut of bilateral relations with a view to charting the way forward in India-Pakistan relations. [I emphasize the words ***entire gamut of bilateral relations.***]

Second, both leaders agreed that terrorism is the main threat to both countries.

Third, Prime Minister Singh reiterated the need to bring the perpetrators of the Mumbai attack to justice. Prime Minister Gilani assured that Pakistan will do everything in this regard.

Fourth, Prime Minister Gilani mentioned that Pakistan has some information on threats in Balochistan and other areas.

Fifth, both Prime Ministers recognized that dialogue is the only way forward. Action on terrorism should not be linked to the composite dialogue process and these should not be bracketed.”

The sixth point is, the Prime Minister Singh said that India was ready to discuss all issues with Pakistan including all outstanding issues. Seventh point is, the Prime Minister Singh reiterated India's interest. Please note that the Prime Minister Singh reiterated India's interest in a stable, democratic, Islamic, Republic of Pakistan. And finally, both leaders agreed that the two countries will share real time-credible, actionable information on any future threats. Both Foreign Secretaries will meet as often as necessary and report to the Foreign Ministers who will meet on the sidelines of the forthcoming UN General Assembly.

Now, let us take up these issues from the Joint Statement that I have just placed before you. The first is, the two Prime Ministers discussed the entire gamut of bilateral relations. It was not merely confined to cross border terrorism. It was not merely confined to holding Pakistan guilty of the acts of terrorism that it has unleashed on our sacred soil. We discussed, the Prime Minister discussed the whole gamut of bilateral relations. So, the whole thing was expanded. Secondly, when we say that both leaders agreed that terrorism is the main threat to both countries, then they put India and Pakistan at par. The distinction between the aggressor and the victim was obliterated, completely obliterated because we are both victims of terrorism. So, where is the question of being the perpetrator of terrorism and where is the question of being the victim of terrorism? Then Pakistan gave the assurance that it would do all within its power to bring the perpetrators of the Mumbai attacks to justice. We know that the Home Minister of Pakistan has said that they have absolutely no evidence against Hafiz Saeed of Jammata-ud-Dawa. I heard our own distinguished Home Minister tell the television channels today that we have given enough evidence to Pakistan to prosecute Hafiz Saeed and yet the Pakistan Home Minister says that India has given no evidence, they have freed Hafiz Saeed, there is nothing pending against Hafiz Saeed. The mastermind of the Mumbai attack has been let loose by Pakistan. No action is being taken against him. And we say that we will take all the action which is necessary.

Now I come to Balochistan. Now why on earth was Balochistan included? We have nothing to hide. Yes, of course, we have nothing to hide. We have nothing to hide, Madam, on many other issues. So, shall we put all those issues in a bilateral document where we have nothing to hide? Is this an argument that if we have nothing to hide, we will put it in the bilateral document? I was going through some of the newspaper reports just now because the Pakistanis now, at the official level, at the level of their Home Minister and the Prime Minister started talking about Balochistan no sooner

did the ink dry on this joint statement. And today, the Pakistani Home Minister has said that Pakistan will use the Balochistan reference to the hilt. He said that evidence of Indian involvement in Balochistan would be presented at international forums at the appropriate time. And they have seriously accused India of supplying arms to the Baluchs. They have accused India of using our Consulates in Afghanistan to train them and give the money and arms. This is the allegation, Madam, that Pakistan has been raising ever since those Consulates in Afghanistan were established.

My distinguished colleague the former Foreign Minister Mr. Jaswant Singh is here. It was during his time that decision was taken that we would establish these four Consulates in Afghanistan. Since then Pakistan has been uncomfortable. I would like to tell the House, through you Madam, as Foreign Minister of India I travelled to Afghanistan and spent not two hours but two days in Afghanistan, and saw with my own eyes the kind of respect that the people of Afghanistan have for India. You have to go there to see this very palpable respect and love. *There is a lot of love and affection for the Indian people there. Wherever I went, they showed me a lot of respect and that is why we do not need to depend on anybody. The friendship between India and Afghanistan is time tested, it has been there for centuries. Nobody can end this friendship and definitely not Pakistan. Pakistan has put in its best efforts to see that India closed all its consulates there. They complained to the Afghanistan government but President Karzai did not accept and refused them. Then they went to the Americans, they too did not accept and refused them. After that when they were defeated in their attempts, they organised a terrorist attack on our embassy in Kabul in which there were a lot of casualties, diplomats died, our defence attaché was killed in addition to others. There was a worldwide discussion on this because Pakistan's ISI was behind this. The CIA had intercepts to this effect. They shared this with the Indian government in which it was proved that Haqqani's, Pakistan's terrorist's, hand was there in it. The ISI had got him to attack our embassy. Now Baluchistan has been brought into this joint statement and so this matter is not going to die down. If I have any experience in foreign affairs, then I would like to caution that Baluchistan is going to give a lot of headache to India in the coming days. We will go to international conventions and the Pakistani representative will stand up against us and bring up the topic of Baluchistan and we will feel ashamed and bow our heads. Just today in the BBC I saw, a Pakistani journalist Ahmed Rasheed has written something to which a lot of people have pointed to, he has clearly written –*

When Pakistani and Indian leaders met in Egypt on 16th July, Prime Minister Yusuf Raza Gilani handed over an intelligence dossier to his Indian counterpart Manmohan Singh outlining India's alleged role in destabilising Pakistan from Afghanistan. This included funding and training of Balooch militants for the separatist insurgency in Balochistan province, and providing support for the Pakistan Taliban, in particular its leader Baitulla Mehsud."

*I would like to request to the Prime Minister that when he intervenes in this discussion, then he should definitely take the house into confidence as to whether he received such a dossier or not.*

**Prime Minister (Dr. Manmohan Singh):** I can categorically say no such dossier was ever given to me.

**Shri Yashwant Sinha:** I am happy. We will rather believe our own Prime Minister than any journalist. I raised this issue only because I wanted the Prime Minister to get up and state in this House that no such dossier has been given and we will say that the issue stands settled for the time being here.

**Shri Pinaki Misra (Biju Janata Dal):** Indeed, no such dossier exists. That is the point.

**Shri Yashwant Sinha:** *there has been a lot of discussion as to why our Prime Minister agreed to the proposal that terrorism and composite dialogue process will not be linked. In fact, the joint Statement says that they will not be linked and goes on to emphasise that they will not be bracketed. Almost as if the same thing had not been said that ' all issues and all outstanding issues' in the same way that They will not be linked and they will not be bracketed. Now, I have heard, because the spin doctors of the Government had been at work and there have been selective leaks in the media. A lot of things have come through the media but I want to ask that if it has been delinked and they will not be bracketed, then you will study it in what context? Because in the joint statement that the Prime Minister had issued with President Musharraf in 2005, it was clearly mentioned that terrorism will not be allowed to impede the peace process. We at the Bharatiya Janata Party had issued our statement on that day itself that that in this way you are reassuring the terrorists that they can keep on with their terrorist activities but we will keep on talking with each other. It is a different issue that they could not toe that line themselves. It will not be delinked. It will get delinked because what we are saying is all issues, including all outstanding issues, when you are saying all issues, then why isn't all outstanding issues included. What is the meaning of all*

*outstanding issues and if I have any knowledge of this, Madam, I would like to say that in the India-Pakistan context when you talk of all outstanding issues, then automatically Jammu-Kashmir gets included and the Pakistanis have made this very clear. The Pakistani Prime Minister himself has said that all outstanding issues means Jammu and Kashmir. I have not problem, in the composite dialogue Jammu and Kashmir is also an issue. Let us talk. We have nothing to hide on Jammu and Kashmir also. But hiding that the spin doctors are telling the government that we have had some big achievement that the 'K' word did not occur. If it was such a major achievement, then why has all outstanding issues been written. With all humility I would like to ask the prime Minister of India, Prime Minister of the democratic, socialist secular Republic of India, why did he agree to call Pakistan, the Islamic Republic of Pakistan? Is India committed to Islamisation of Pakistan? Tomorrow if the Pakistani people themselves decide that, we will become secular.....(Interruption)*

*.....(Interruptions)*

*Is India committed; is India interested in Pakistan remaining Islamic all the time? What does that mean? And this is a statement, this sentence is not a joint statement, coming from the Prime Minister of India. This point has been made by the Prime Minister of India. There are a lot of documents between India and Pakistan where we just say Pakistan. If we go into detail, then we say Republic of Pakistan but we never say Islamic republic of Pakistan from our side. Let them say, we don't have to say it.....(Interruption)*

*.....(Interruptions)*

*Madam Chairperson, Pakistan information sharing is that we will share real time credible information on terrorism with each other. I would like to ask the prime Minister that this was the motive when we said in Havana that we will make a joint terror mechanism. Terrorism is an issue in the composite dialogue with Pakistan. The Home Secretaries of both the countries have been meeting and have been having dialogues on this. Not satisfied with this, the Prime Minister in Havana in 2006 made a separate joint terror mechanism between the two countries. Now when we are talking from 2006 to 2009, in these three years, have the two countries not been able to have real time credible information sharing? We have American documents in which Americans have said that they are playing the role of the umpire in this, they are bringing the intelligence agencies of these two countries together and when they have difference of opinion,*

*they act as judge. With this they are ensuring that the intelligence agencies of the two countries work together. In September when there will be the session of the UN General Assembly, the foreign ministers of the two countries will meet. But before this itself we are saying that – the foreign Secretaries will meet as often as necessary. It is now the end of July, we still have one month in August. In September the foreign ministers of both countries will meet but as often as necessary how many times will they meet. Five times? Ten times? What will they talk?*

*Madam, with a lot of seriousness I wish to say that the joint statement that was issued in Sharm El-Sheikh, the ink had not even dried on that statement when both the prime minister had torn and thrown the statement to pieces. I doubt that there exists a joint statement between two countries in which the interpretation of the two countries is so wide apart as Prime Minister Gilani and Prime Minister Manmohan Singh have done. Prime Minister Gilani on coming out said –*

*“It is a great diplomatic victory for Pakistan.”*

*I heard it with my own ears. He came out and said that it was a great diplomatic victory for Pakistan. He interpreted the joint statement to mean that India had agreed to revive the composite dialogue process. And what did our Prime Minister say in Sharm el-sheikh when he met the media. Maybe somebody went and told him that the Pakistanis had taken a lead and that he should also meet the media. He met the media after an hour and said –*

*“Unless and until the terrorism is tackled and terror infrastructure dismantled, I will not be able to carry public opinion with me.”*

*You are absolutely right Mr. Prime Minister. The public opinion in India will not be with you unless you hold Pakistan to these two issues – terrorism must end and the infrastructure of terrorism must be destroyed in Pakistan forever. All this finished and then what happened? When the discussion started in our country as to what the Prime Minister had done in Sharm-el- sheikh, the government’s spin doctors became active. ....(Interruption)*

*Our minister of state for foreign affairs is sitting here, he is very experienced. Who will have more experience in diplomacy than him? He has worked in the United Nations. There is only diplomacy in the United Nations. What did he say –*



“No, no. This is only a diplomatic paper and not a legal document. Dismiss it as a diplomatic paper.”

This was a Joint statement. *This government had forgotten previously but suddenly it now gives reference to the statement of January 6, 2004 which had been issued during Prime Minister Atal Behari Vajpayee's term when he had gone for the SAARC Summit in Islamabad.* Let me remind him that this was only a Joint Press statement. It was not even a Joint statement. What was issue in Islamabad on January 06, 2004 was a Joint Press statement *and today it is referred to by your own government, when I quoted the Prime Minister when he said Pakistan's territory should not be allowed to be used. What was the language? That language was in that January 06, 2004 statement. It saddens me to say that again no official stood up and said that this is bad drafting and the matter did not stop there, they said it is bad drafting, these things will happen. Bad drafting and these things will happen; it is not a legal document; it is only a diplomatic paper. I would like somebody from the government to stand up in this house and say that we do not accept that that is bad drafting.*

*Now whatever happened, whatever the circumstances but from whatever experience I have on foreign affairs, I would like to definitely say that when drafting happen and especially of summit meetings, drafts don't happen just like that. A lot of time is spent in making the drafts. Each word, comma, full stop and its placement is seen and scrutinised and only then the finalisation takes place. Then how did this draft happen. I read in a newspaper somewhere, again courtesy the spin doctors, that no, no, the two Prime Ministers met for some time, then the foreign secretaries of the two countries were called and told that this is what they had discussed and were asked to make a draft based on that. Then the foreign secretaries sat for two hours and were drafting. Where were the foreign ministers I do not know. But both the Secretaries made the draft and showed it to their principals and then the draft must have got approved. I also have some experience of the draft of 2004 and with full responsibility I would like to state in this House that when such a final draft came before Shri Atal Behari Vajpayee, he read each line and each word and then suggested some amendments in that. Bring this line before this line and the people who were discussing said, if they did not agree, then what? It was time for us to leave Islamabad and Prime Minister Vajpayee said if they agree, we will issue the statement and if they do not agree, we will go home. It is not necessary that after every meeting a statement is issued. If it does not suit us, we will not issue a statement. We did not issue a statement in Agra. If it did not happen, it did*

*not happen. We had a dialogue, there was no result, there will be no statement, then the Prime Minister said I am prepared to walk more than half the distance. I am saying that he has walked all the way. He has gone to the Pakistani camp and acted exactly as they said. Where is the half-way?.....(Interruption)*

Madam speaker, I would like to say that.....

*(Interruption).....*

**Shri Adhir Chowdhury:** Madam Speaker, I would like to quote Rule 353 of the Rules of Procedure and Conduct of Business in Lok Sabha. It says:

“No allegation of a defamatory or incriminatory nature shall be made by a Member against any person unless the Member has given (adequate advance notice) to the Speaker and also to the Minister concerned so that he Minister may be able to make an investigation into the matter for the purpose of a reply:”

*Madam, he is saying that he has gone to Pakistan, who has gone to Pakistan? It should be deleted.*

Madam Speaker: Hon. Member, I will look into it. You have made your point. ... *(Interruptions)*

... *(Interruptions)*

**Shri Yashwant Sinha:** Madam chairperson, I would like to ask the Prime Minister some questions..... *(Interruptions)*

.....*(Interruptions)*

**Shri Yashwant Sinha:** I want to put some questions to the hon. Prime Minister and I hope he will be good enough to answer them. The first question is this. Firstly, has the trust deficit between India and Pakistan, after the Joint Statement and meeting, widened or narrowed? Secondly, what changed between 16th June, when he met President Zardari, and 16th July, when he met Prime Minister Gilani at Sharm El Sheik? What has brought about this complete change of heart? What has happened? Thirdly, Pakistan has already gone to town on Baluchistan. But the Prime Minister has said that there was no dossier given. So, I am not asking that question. Then, what are the achievements of the anti-terror mechanism set up after 2006 in Havana? The Prime Minister has said it in his Joint Statement of 4th April, 2005. It was a ringing statement saying

that the peace process between India and Pakistan was now irreversible. Does he stand by it now, that the peace process between India and Pakistan is irreversible and that they will go on doing what they like? *Still this will go on? On the matter of Pakistan I would humbly tell the Prime Minister that history did not start in 2004 on the day he became Prime minister. India-Pakistan relations have a long history. My submission is that whosoever ignores this long historical journey, its paths, the pauses, the goals, his journey or way forward will never be successful.*

*Madam Chairperson, the prime Minister spoke to Shri Musharraf, we also did. When Shri Musharraf was the president, he wrote a book – “In the Line of Fire” Please read this book. As President of Pakistan, he is writing that book and let me tell you, when I went through that book, the feeling that he has about India. India is an enemy country. He has repeated that almost 50 times that India is an enemy country I gave them a bloody nose here; Kargil was a great success. You are dealing with such kind of people.....(Interruption)*

*...(Interruptions)*

**Shri Yashwant Sinha:** *Madam chairperson, I would like to tell the Prime minister that what happened in Sharm El-Sheikh, we need to literally drown ourselves in the collective waters of the seven oceans and even that won't be enough for washing away our shame. All the waters of Neptune will not wash away the shame of Sharm El-Sheikh.... (Interruptions) Madam chairperson, so many people have written in India Today. But India Today has supported this government so much that people like us were totally at wit's end when it came to the question of the nuclear deal.*

*In issue after issue they wrote in support of the government for the nuclear deal. But India Today in their latest issues have in their front page headlined 'Timid India'. Inside they have written “As a result of the surrender at Sharm-el-Sheikh, the impression has gone out that India is negotiated.” This is what they have said.*

*Madam, after this the prime Minister went to L'Aquila in Italy. In this there are two issues, one of climate change, I was listening during the question hour and Shri Jairam Ramesh said we will not accept quantitative restrictions, we will not accept caps. I would like that the 2 degree Celsius reduction that has been talked about, there has been talk of a limit up to that point and the other issue is that of peaking. It must peak.*

*Madam, I would like to bring out some terms in front of the house that today per capita emission of green house gases in the US is 20 tonnes. India's position in per capita emission is 137<sup>th</sup>. If we accept restriction or caps above this under that peaking formula, we will be limited to only three tonnes.*

*That is why I would like the Prime Minister to stand in the house and assure the house that India will not accept restrictions under any circumstances. I would like to enlighten the house that in respect of the scheduled Copenhagen conference on climate change, America has already passed relevant laws in its House of Representatives in this respect under which any country which does not adhere to its standards, there will be punitive tariff on products imported from that country to the United States. US State Representatives have been given the power, the Bill will be passed in the senate and after that it will become law. Today using this medium, I would like to warn the house that if the government decides to bow down on this issue, we will take on the government on this issue.*

*Madam, after this in the nuclear deal it has come up whether ENR - Enrichment and Reprocessing Technology will be made available to us or not. Some honourable members who are sitting here have given statements in the other house that we are not totally concerned and when a journalist asked "Are you mildly concerned? Are you casually concerned if you are not totally concerned? Are you moderately concerned?" But I would like to say that we had a lot of debate after July 2008 when in this same house the last government underwent the vote of confidence, as if we people had forgotten the nuclear deal. There was no discussion on the nuclear deal. The Prime Minister said that he will come before the parliament, he did not come. None of us asked for a discussion and we forgot that the 123 Agreement which we had with the US, when that became law in the United states, in section 204 it is clearly written that America will not give India the enrichment and Reprocessing Technology. It is also written that they will work with the NSF, nuclear suppliers group so that no other country also gives that technology or equipment to India. Now here what the spin doctors are saying is that no, we will reprocess. The Prime Minister went to France, it was published that President Sarkozy has assured that the fuel that we buy from France, that we can reprocess, we can do it from Russia. It is not a question of reprocessing but a question of technology and equipment for the reprocessing. Till now whatever fuel we use, we are reprocessing that also.*

*America has only put a condition that whatever we buy from America, we have to make a special plant. We have to make with our own equipment, our own money, our own technology and after that whether they will give us permission or not, is for us to wonder in the future. It is absolutely clear that non-NPT countries of which India is one, those countries will not be given under any circumstances. In this he himself has said when he went to America and he had his last meeting with the then President, Bush, the house will remember, he said, "The people of India love you, Mr. Bush." The same president Bush when on 10<sup>th</sup> September sent his presidential recommendation, he said in that – we will not give India sensitive technology. Condoleeza Rice assured the Chief of the House Committee for Foreign affairs of the House of Representatives, Howard Berman that - There is not only no question of transferring the technology to India, but we will work with the NSG to make sure that the NSG puts a ban. Of the 45 members of the NSG, leaving out China, only these 8 countries have the capability to give the technology and equipment. They have refused. NSG hasn't come to a consensus as yet but the statement that they gave in L' Aquila, Italy, they have refused in that. Should we hold America responsible? No. Because America has repeatedly clarified and we have also repeatedly clarified. The Prime Minister who has stood in both the houses and said – full civil nuclear cooperation and trade, he has said we will not agree if they impose restrictions. I have before me all the statements that he has given in both houses. What can I say? I can only say that with regret that he has broken all the pledges that he has given in both the houses, he has not been able to keep those promises.....(Interruption)*

*Madam, the last point that I would like to take up, I had raised in the house the agreement that we have made with NDU. It is not yet clear as to why we have made the agreement with NDU. That day the foreign minister came to the house. The statement that he gave, there are only two sentences in that on the NDU agreement, on the monitoring agreement. We are in the same state of darkness that we were before. . I would like the prime minister and the foreign minister to give an answer to the house as to under the NDU agreement what have we done with America. In the meantime the spin doctors of the government have started working. So the answer that they came up with was that when the NDA government was in power, even we bought weapon locating radars from America. It was even publicized that in that the NDU agreement is attached. It was also said that American inspectors came here and inspected it as well. Here I would like to say that, I don't have government*

*files, you have government files, please stand up and clarify that when we bought weapons locating radar in 2002 from America then at that time was there an agreement with NDU. As per my information, there was no agreement. You are misguiding the house and I have a copy of that agreement. I will tell what is written. Understood.....(Interruption) That is why please do not cause confusion here.....(Interruption) That is why I say whatever you do, please take the house into confidence, what is the meaning of the agreement with NDU?*

*End use agreement, Climate change, nuclear deal and Pakistan, four pillars on which our foreign policy is balancing, and has collapsed like the metro. A concrete pillar can still be made to lift the metro but the pillars on which the foreign policy is balancing, if they fall, our prestige can collapse. ... (Interruption).....*

*Madam, I would like to say that such frightening mistakes in such a short time have perhaps rarely happened in India's history that within such a short period of time, we have piled up one State after another. I do not know where the foreign policy of India today is. Thank you.*

**Shri P.C. Chacko (Congress):** Madam Speaker, we have been waiting with great attention and interest that the senior leader of the main Opposition Party, an experienced foreign policy expert and former External Affairs Minister, will throw some light on the issue which we are discussing.

Madam, I must say that Yashwant Sinha Ji, with all his experience and information in his hands and the articulation, could not prove the point which he was arguing. He has been always an expert in arguing weak cases but today he has miserably failed in his attempt.

I feel that, at least, he will justify his own Party's programme of *Padyatra* from Parliament to Rashtrapati Bhavan yesterday. We thought that he would be able to justify that *Padyatra*. Not only that Yashwant Sinha Ji has disappointed this whole House but he has disappointed his own Party men. I have been watching the faces of his colleagues sitting at the back and the pale of gloom on the faces of his colleagues is an ample proof that Yashwant Sinha Ji could not even convince his own Party colleagues.

Madam, I legitimately expected that like Mr. Jaswant Singh, the other day, had complimented our Finance Minister, after these allegations which they have to do as a ritual to justify their stand, finally he will come out with, at least, a word of compliment to our hon. Prime Minister. Even that he did not do. I am really sorry about it.

Madam, he has seen some cracks in the pillars on the Metro Rail here, which we have all seen. He has seen some cracks in our foreign policy pillars also, which none of us are able to see those cracks in the foreign policy pillars... (*Interruptions*) Madam, there was something which also I will tell them and if they are interested they should patiently listen to it.

Madam, the foreign policy pillars of this country were not shaken when the hon. Prime Minister went to Sharm-el-Sheikh but when the former Prime Minister went in a bus from here to Lahore. When he reached Lahore, at that point of time, our foreign policy pillars were shaking because in Kargil the Pakistani soldiers were infiltrating into India.

Madam, he has rightly said that Mumbai Attack was an attack on the sovereignty of India. Yes, we do agree. That was reiterated in clear terms by the Prime Minister in this Joint Statement – I will read that wording later. But Madam, there was another attack, which we, sitting here in this House, cannot forget. This happened in 2001 when Shri Atal Behari Vajpayee was the Prime Minister of this country.

Hon. Advani *ji* was the Home Minister of this country. This very citadel of the Indian Parliament was attacked. ... (*Interruptions*) It is good to remember Bombay. We will always remember Bombay... (*Interruptions*)

... (*Interruptions*)

**Shri P.C. Chacko:** But, when this Parliament was attacked... (*Interruptions*)

... (*Interruptions*)

**Shri P.C. Chacko:** As once said by our hon. Prime Minister, the *lohpurush*, the strong man of BJP, was sleeping when he was the Home Minister and when this Parliament was attacked. It was an eye ball to eye ball fight. It was almost a war on India.

What happened after the Parliament attack? Then happened the Agra Summit. Yashwant Sinha *ji* is against any dialogue with Pakistan. Is that the position of India? Is that the position of this country that we will not talk to Pakistan, we will not talk to any other country? Sorry, Yashwant Sinha *ji*, that is not the position of this country. We are for the dialogue in the country and your Prime Minister with all fanfare went to Agra for discussion. What happened there? President Musharraf came to Agra. You hosted him and he was taken around Taj Mahal. The whole country was watching. He went back without signing a joint declaration. He went back accusing India. That

is what happened there. The Agra conclave was held in the background of the attack on the Parliament. Please do not forget this. You may be quoting many instances; there are umpteen instances we can quote that you never had the self-respect when you raised the issue with Pakistan. You were never bold enough to speak to them in the language in which the Prime Minister is speaking. I would like to quote:

“Prime Minister Singh reiterated the need to bring the perpetrators of the Mumbai attacks to justice. Prime Minister Gilani assured that Pakistan will do everything in its power in this regard.

“ Has Pakistan ever agreed or ever come to these terms in the past? Can Yashwant Sinha *ji* tell us? Pakistan was always saying that we have nothing to do with the Bombay attack. Pakistan was always saying that Kasab is not a citizen of Pakistan. Pakistan was always saying: “Why should we bother about it? We have nothing; we are not going to do any inquiry.” When our Prime Minister said that the perpetrators of that crime should be brought to book, what was the reaction of Mr. Gilani? Yashwant Sinha *ji*, you please accept, when the Prime Minister of this country talked in unmistakable terms, what is the sentiment of this country? ... *(Interruptions)*

.....*(Interruption)*

**Shri P.C. Chacko:** Madam Chairman, it is all the more interesting. They are speaking in the name of the people... *(Interruptions)* Hon. Yashwant Sinha *ji*, the Spokesperson of the principal Opposition Party, I request the BJP Members to at least see how they pick up courage to speak on behalf of the people. It is a party which even elected a Prime Minister before the election. No other party has ever elected a Prime Minister before the election. But they were outright rejected by the people. Such a party is coming and is today speaking on behalf of the people. Here a Prime Minister is sitting who was elected by the people.... *(Interruptions)*

I am not yielding. Here a Prime Minister is sitting who has got the support of the people of this country. There is a person who spoke on behalf of the BJP which is a party rejected by the people. With what courage you are speaking on behalf of the people?

So, please do not speak on behalf of the people; speak on behalf of you.

Madam, there were some instances. I am not going into the details. When the BJP Government went to discuss with the President Musharraf in



Agra, those days there was an interesting inside story in the BJP. Madam Chairperson, you may also be knowing about that. The Home Minister of this country was not aware of what was going to happen in Agra. That was the talk in those days. Shri Advani's view was that he was not aware of what was happening in Agra. Finally, insulting this country, Musharraf went from Agra issuing a statement against this country. These are all facts. ... *(Interruptions)*

**Shri Yashwant Sinha:** Shri Advani was present in Agra at that time. *What are you saying.....(Interruption)*

... *(Interruptions)*

**Shri P.C. Chacko:** Madam, please tell them not to disturb me. Even senior Members are disturbing me. What to do? ... *(Interruptions)*

I now come to the point about the composite dialogue; that is the main point which Shri Yashwant Sinha was explaining. About the dialogue, our position is that we are for the dialogue. As to when the composite dialogue should start, we have made it very clear. It should not be linked to the composite dialogue; that is what they have complained. Linked to the composite dialogue means what? Madam, one can have a simple reading and even a reading between the lines It is not that Shri Yashwant Sinha ji cannot understand this. He is distorting and misleading this House. Madam, what is happening is that whether there is dialogue or no dialogue, we want Pakistan to take action. That is the meaning of this sentence. We want Pakistan immediately to proceed with anti-terrorism actions. Against terrorism, any action cannot wait. Pakistan should take action against terrorism. So, we want Pakistan to take action against terrorism. India and Pakistan have jointly declared that every step will be taken by both the countries against terrorism. That means, the composite dialogue will take place at some point of time. We will decide the time; we have to decide and we will decide when we start the dialogue. At the same time, we are for the dialogue. This is made very clear.

Madam, you see the action taken by Pakistan. Pakistan initially refused to admit that it is their citizen who created the problem in Mumbai. Now, you see what they have done. Madam, there is a diplomatic success of the Prime Minister and the Foreign Minister of this country. Why do they not admit that? Shri Yashwant Sinha is a former External Affairs Minister and also a former bureaucrat.

Madam, what is happening in this field? Pakistan has arrested five terrorists who had links with the Mumbai incident. Those terrorists are going to put to trial in Pakistan. We are not happy and we are not satisfied with that. Our Prime Minister has told Pakistan in unambiguous terms that you book everyone with this incident of Mumbai, until then we are not happy. Now, the process has started. Pakistan is on the defensive. Till now, they were saying that Pakistan has nothing to do with that. Now, they have admitted and said: "Yes, Kasab is a citizen of Pakistan. We have booked five of them. We are continuing with the inquiry." Whose success it is? Shri Yashwant Sinha should say that.

Madam, the then BJP Government could not even achieve one-tenth of what this Government is achieving today. Madam, at the same time, I still want to reiterate that India has got a position; India has got a very firm position. For your information, I want to say that India will go for the composite dialogue only when Pakistan is taking concrete action to book all the culprits behind the incident in Mumbai to the satisfaction of this country. It is our prerogative to fix the time for the composite dialogue, and we will decide that. Madam, there is some very interesting reference that is being made; a reference about Baluchistan. Shri Yashwant Sinha has said that a reference about Baluchistan has never been mentioned in the Statement in the history of this country. He said that after the discussion, the Statement has mentioned about Baluchistan, and this he said as if the whole sky is going to fall down; he wanted to know why Baluchistan has been mentioned in that.

Madam, Baluchistan is an internal affair of Pakistan. If Pakistan wants to mention about Baluchistan, why should we oppose it? I do not understand the logic of his argument. He also said that Kashmir should not be a part of an international dialogue and discussion.

It is our internal affair. We fought it like anything. I think, Yashwant Sinhaji also might have taken that line when he was holding responsible positions, that Pakistan cannot be mentioned in an international document. We did not allow Kashmir to be mentioned in this document. But Balochistan is mentioned in this document. Okay; it is Pakistan's internal affair. If it is brought into the text, it is not going to affect us in anyway. We have not contributed; we have not talked with them. It is not binding on us. If the Pakistani Prime Minister feels that he has some information about Balochistan, okay, let him give us the information. Let whatever information may come. We condemned terrorism in any form, in any part of the world perpetuated by anybody in unmistakable terms. That is the message of this text.

At the same time, merely mentioning Balochistan is not everything. Who is teaching us lessons on patriotism? I am sorry – before also I said it in this House – that the then External Affairs Minister of the BJP-led Government escorted a dreaded terrorist in a special flight to Kandahar... (*Interruptions*)

How soon do you forget this? Shahnawaz Hussainji, how can you forget it?... (*Interruptions*) The people would never forget it... (*Interruptions*) After the attack on our Parliament, you were celebrating in Agra! After you escorted a dreaded terrorist to Kandahar, now you are blaming the Congress! Please, we do not need any lesson from the BJP on patriotism.

Madam, it was raised as to why the hon. Prime Minister has agreed that Pakistan is an Islamic country. It is very interesting. According to the Constitution of Pakistan, Pakistan is an Islamic Republic... (*Interruptions*) You may agree; you may not agree but that is part of the history.

Yashwant Sinhaji, do not find fault with anything and everything. You are a senior person. We still respect you for certain things. Only you are a convert to BJP; you are not originally a BJP man... (*Interruptions*) How can you find fault with each and everything?

Madam, what is happening in the neighbourhood? Our relations with Bangladesh, our relations with Bhutan, our relations with Nepal, our relations with China, our relations with Sri Lanka are cordial. In and around — you were also sitting in that Chair — what is the position today? What we achieved in the last 365 days, you would not have achieved even one-tenth of that in 10 years time – I can challenge you... (*Interruptions*)

About the Statement, I am happy and I am thankful to you that you have raised this issue. You made an exercise in vain, doing a *Padyatra* from here to Rashtrapati Bhavan. Hon. Rashtrapatiji might be very much amused that you had made this representation. But you cannot befool the people of this country. You may try. You may still go on trying ... (*Interruptions*)

**Shri Yashwant Sinha:** Please, do not bring Rashtrapatiji here... (*Interruptions*)

**Shri P.C. Chacko:** But in the recent General Elections also, after having this verdict, if you are not convinced, nobody can help you. Even God cannot help you because you do not know the psychology of the people of this country... (*Interruptions*)

Madam, the core issue is that we want to see that Pakistan behaves as a responsible nation. We have made it very clear to Pakistan that Pakistan should behave properly. I cannot think of a better wording. They said about poor drafting, good drafting, etc. Those who were good draftsmen in the past can say that, but today, this is containing the exact warning that India should give to our neighbours when they are misbehaving. We want them to behave. That is the message given to them.

This Statement is only a routine thing. Indeed, in such international meetings, joint statements are being issued. There is nothing new in it. But we are happy that a Statement has come out. We are happy that Pakistan has agreed to their responsibility. We are happy that Pakistan has agreed—whether they would do it or not, is a matter to be seen... *(Interruptions)* Composite dialogue is an agenda for the future. We would decide the timing.

Action against terrorism is an immediate issue, which we have already said. They are making a hill out of a mole. They are trying to create a wrong impression. They are trying to distort. They are trying to create a misunderstanding among the people. I think, at this late hour, the BJP would realize their folly and they would withdraw from this kind of misleading campaign.

With these words, I conclude. Thank you.

**Shri Mulayam Singh Yadav (Samajwadi Party):** *Madam speaker, thank you very much for allowing me to speak. Every country has its own foreign policy and supreme is national interest. The second point is that our foreign policy's success can be gauged by the number of countries we can count as friends. When the Honourable Prime Minister gives his statement, the truth will get clarified. But a message has gone across the country and to the common people and I would like to caution the Honourable Prime Minister that irrespective of the clarification he gives, a wrong message has gone to the people of the country that our dialogue with Pakistan was under pressure .....(interruption) I wanted to say some other word but okay, it was under pressure. We would definitely like to say that you have definitely deviated from the established foreign policy. Because either you should not have taken such a stiff stand when you said that there will be no dialogue till the terrorists who came to Indian, who were responsible for the Mumbai attacks on innocent people, till Pakistan does not punish those people responsible or catches them and hands them over to India. This is the demand of the entire country and of yourself as well.*

*The first question is why did the dialogue happen? When there was no action against the terrorists as it should have happened, when they were not handed over to you, then your statement in the first place should have been after clear thought. You have definitely reversed your stand. You have reversed your stand, the opposite has happened, the dialogue with Pakistan has happened. Why did this dialogue happen and on what condition has it happened?*

*The second point is how many mistakes will happen? Aren't we making a mistake in respect of our relations with Iran? Today we wish to caution you. Please go into history and see when Iran has not stood by India. When we were isolated in UNO, it was only Iran which stood by India. But did you talk with that Iran? In foreign policy, there are a lot of reasons which qualify for countries to become our friends. In your dialogue with America, did you have any discussion on Iran. America is waiting to attack Iran as it did with Iraq. Hence you are not less guilty. With respect to Iraq, we were very much in this house and we were strongly standing by them. Many leaders and opposition leaders had a discussion in Dada Somnath Chatterjee's chamber. At that time you could not criticise. You could not do anything else, but you could not criticise as well. Then you decided to use the term 'criticise' in Hindi and the lighter word 'deplore' in the English interpretation. You did not have the courage to say criticise. ....(Interruption) Sushma ji is not here, what can we say..... (interruption).....the word was interpreted*

*.....(Interruption)*

*It is right that in the foreign policy the national interest is supreme but mistakes have happened. We would definitely like to say that these mistakes should not happen again and again. A big mistake has happened. That kind of mistake, whatever it is, however it is, as in Tashkent, we will not be able to tolerate. We lost our great Prime Minister. In what circumstances because of what illness, what shock he received, what apprehensions, what news went about the country, what wrong he could not tolerate or it was a natural mistake. In the same way, one thing I would like to say about Pakistan that if there is a war, India wins and if a dialogue happens, then India loses. We accept that in the dialogue which has got concluded, in that we have not won.*

*We should win in dialogue also. In the dialogue we did not win, we were left behind. You were left behind because in your previous foreign tour you had already said, committing in the G8 meeting of completion by the*

*Doha round of 2010 is against our established foreign policy. Our foreign policy which we keep repeating again and again that we are going away from our policy of non-alignment. The policy of non-alignment was decided after independence and was proposed by Nehru ji and a lot of prominent leaders had a hand in it. Our non-alignment policy had given a lot of confidence and hope to many countries of the world that were backward, poor, small, that India's non-alignment policy will only help them. This had resulted in a kind of secure feeling among the small and weak countries of the world. Honourable prime Minister, we definitely have to think about where we are standing today and where do we want to go. Where are we standing now and where do we want to go. You have to give a serious thought to it. We all know that you have a lot of experience on foreign policy. You have worked on many aspects of foreign policy. You have also been a foreign minister. Apart from this you have many other experiences which I would not like to enumerate now but based on that experience, you have some weakness somewhere as well. How you will put right this message that has been sent out to the Indian population is for you to see. . we are also not satisfied. We would like to say that before this Shri Kamal Nath's and Shri Jaitley's stand was correct in some ways. It must be accepted Shri Jaswant Singh who was a foreign minister he is with us. The stand taken by Shri Jaitley and Shri Kamal Nath, why wasn't a stand like that taken, what was the reason for the foreign minister to go. The good work that has been done by Shri Kamal Nath, I will not give a long talk about that.....(Interruption) I am talking about both of them, Shri Arun Jaitley and Shri Kamal Nath, their stand was good. But you also did not allow a stand to be taken. ....(Interruption) DMK's Foreign minister Shri Maran is not here now. He had taken a strong stand and then it became known that he received a telephone call from your office.....(Interruption) Honourable Mr. Joshi, you were a minister. The stand taken by Mr. Maran was a good stand, for farmers, for farming, for production but then a telephone call was made from here and he had to soften his stand. Mistakes are happening but then mistakes made by people in power are more costly. It is right that foreign policy works only with consensus. It is in the interest of the country and national interest is supreme. Relations are not supreme, country is supreme. We can have good relations with anybody but when it comes to country, the country comes first. The public announcements made by Pakistan President Shri Zardari have come out in the media. You had taken a clear stand that until Pakistan takes action on terrorism, until they dismantle the terrorist camps on their soil, we will not have any dialogue*

*with Pakistan. Then why did we have dialogue with Pakistan. What was the reason. It will be wonderful if you can clarify this. In the recent meeting of non-aligned countries in sharm al-Sheikh, the joint statement that was issued, there have been two mistakes from our side. In the interest of our country, I accept two mistakes because terrorism has been delinked from your dialogue. The straight interpretation is that whatever terrorist activities Pakistan pursues, no dialogue happens.*

*Terrorism was the first issue. Our country has suffered the biggest insult in the form of terrorism. Pakistani terrorists come and attack Mumbai. Out of that one terrorist is caught, you have got all the secrets from him, what bigger proof can you get and what bigger and clearer picture can you get. When one terrorist has been caught, you have got all the information, then you should tell this house, what you have done. The plan was made where? Who were the conspirationalists? Where else did they want to attack? How much more of loss did they want to inflict on India? The Parliament has been attacked, where else did they want to attack? But Pakistan has not learnt its lesson. How much ever socialist we maybe, we have to maintain friendships with our neighbours and other countries, friendship is necessary. As I said before friendship is necessary, we must have the maximum number of friends, less enemies, that shows the success of politics as well as our foreign policy. So how many friends have we made? I said that day as well, friendship is separate and relationship is separate. You must keep this in mind. How many friends do you have in your neighbours? You please tell me how many of our neighbours are our friends, Pakistan there is no question, china is not your friend, our dependent neighbour Nepal is also not. I had recently gone for four days to Nepal, the Nepalese population is with us but still we are not able to count them as friends. Sri Lanka was with us during our worst times, it stood with us during the 1962 war. But today can we count it as among our friends. It is not a friend, relations can be good. Please understand the difference between friendship and good relations. I would like the Prime minister or the Foreign Minister to name one country in the whole world whom we can count as a friend and whom we can understand. We are also in politics, we have to speak, we have to go places, our party is also asked questions, we should also be able to answer that this country is our friend. We have reached a position today where India does not have any friend. Relations can be good for how long and how much, that is a separate issue but today India doesn't have any friends. So that is why I would like to say that to make our foreign policy successful we should make more and more friends. If India does not make*

*friends now, when will she make. During Indira Gandhi's times, America threatened us by sending their fleet but Indiraji did not bow down. She refused them even though India was not so strong then. Today India is strong in every way, stronger than 1970-71, many times stronger, but why don't we have the courage today? Honourable Prime Minister, if we have to save the country's respect and pride, make our country strong, then will power, determination and courage are the three things required. But none of these three qualities are visible today. The resolve used to be there but now that has also gone. Will power is also not visible and so has the courage disappeared. How can Pakistan dare to trouble us. We want Pakistan's friendship, we consider them our younger brother but Pakistan is crossing its limits. We are bigger than them in many ways, our army is bigger, territory is bigger and our economic conditions are also better, and still terrorists from there dare to come and attack Mumbai. They dare to attack our parliament, they can attack us anywhere they want? How dare they? What is the reason for this? Capture Kargil, go and sit there for one year, make arrangements for their food, how can they dare to this, why are they not scared of us? From where are our neighbouring countries getting the strength to attack us, to become our enemies, and have enmity with us, how are they daring to do these things? Why aren't they scared? And for this I have said we need, will power, determination and courage. You have to give serious thought to this. This is in the country's interest.*

*As far as signing is concerned, it is right that Pakistan has benefited from this worldwide discussion and India is at a loss. If you do not take the opposition into confidence, then what will happen? When Bangladesh separated from Pakistan to become an independent country, then who was sent to keep India's perspective in front of the world. At that time Jaiprakash ji was sent to present India's point of view that so many people are coming to India from Bangladesh as refugees. How do we feed them, where do we put them up? At that time Mr. Jaiprakash had presented India's point of view to the world. We had a lot of differences with Jaiprakash ji at that time. We had been troubled a lot and the emergency had also been declared. Everything Mrs. Indira Gandhi did but on this issue, I praise Mrs. Gandhi, I remember that on this issue, Mrs. Gandhi sent Jaiprakash ji to the world forum. In this respect, she was unparalleled. Jaiprakash ji made the world opinion in our favour and then Indira Gandhi attacked Pakistan. And it was then that Bangladesh became a separate country. If Pakistan broke up, will Pakistan forget it easily. You broke up Pakistan, they can never forget it. If you become its friend, we will immediately garland you. That is the right thing, it is the question of the country. We can keep on*



*playing politics, but who will have the big name in politics, the person who does some big work, something magical. You say that we gave our support but support we gave because of you. You were continuously fighting with us. Just now honourable sister fought with me saying that we supported. I said that if you bring down the government, then today also we will support, we will not let the government fall. But I have not compromised with any of my policies and ideals. If you had changed your policies, then the circumstances would not be like this. Your leader is still talking about Mandir-Masjid, where is hunger, where is employment, where is farming, where is the farmer, where is trade, industry, what is the plan of action, is the foreign policy being discussed, where is India but you are still seeing mandir-masjid. Who is bothered about Mandir-Masjid? We both did not have a fight on mandir-Masjid, we were spectators. Here everybody was a spectator, it must be remembered, and Joshi ji and me were fighting. We remember those days. I am remembering those days because for 11 days I was not allowed to sleep even for one hour, only then we could protect the masjid. But you are not thinking beyond the mandir-masjid. There is no will power or determination at all.*

*Our army is strong, our agriculture is strong, we are strong in all fields. I salute the people of Punjab, today they are playing a good role in the border. There is no disturbance of any kind there. There is disturbance and hatred in the borders of many other states but the Punjab border is peaceful. This is a positive sign for the country and for us. Whenever there is an attack on us or there is some disturbance, the effect is borne by Punjab. But today Punjab is peaceful and this is good for us. I don't want to name those provinces, they will feel bad, they have differences amongst themselves.....(Interruption) There are some things I wanted to say and I have said them. The points raised by Shri Yashwant Sinha, I do not want to repeat them. But I do want to say the Honourable Prime Minister, you are an experienced man, I have said that before, but with confidence I would like to say one thing that with your pressure nobody will be able to do anything, the people are with you, the army is strong, nobody has the courage, this signature that you have gone and done, throw it in the garbage, I don't have anything else to say.*

**Shri Sharad Yadav (Janata Dal - United):** *Madam, after the 26/11 attacks, there have been statements on that from both sides whether it was from the Home Minister, Defence Minister or the Foreign Minister. The number of statements that have been given from this side, an equal number of*

*statements have come from the Pakistan as well. In these there is the statement of the Prime Minister as well. Under the circumstances, you had taken your position that we will not have any dialogue till cross-border terrorism is ended. This we did not decide, this was decided by your council of ministers. I would like to point out that it is now 62 years and this sequence continues. And I do not agree that it is in the hands of the government. The way history divided the countries, excluding Mahatma Gandhi, we do not need to go into history, the way we are standing, I am not saying that there should be a war between India and Pakistan. The situation was first under your control but now it is not. When it was the traditional army, we used to win, the same situation does not prevail today. There have been so many statements on 26/11, and they have not been given by one person. From your government side, a lot of officers have given, the prime minister has given. From the statement of Mr. Gilani and our prime minister, it has been decided that terrorism and dialogue can both go along side by side. You agreed and he agreed, the question is not that. You bring out a state of insanity in the country, sometimes I say insanity should be there followed by a well thought out agitation. Events happen and we flow with those events. Today the situation is that you statement, it is a joint statement. Nuclear deal does not seem far away, the nuclear deal has been enumerated in great detail, I will not give my views on that since I have very less time. Not only the government but everybody excluding the communist parties have given their statements. In the end even Mulayam Singh Yadav held a convention in Lucknow against the nuclear deal and after that support was also given.*

**Shri Mulayam Singh Yadav:** *We will reply on Monday*

**Madam Chairperson:** *Please do not talk amongst yourselves.*

**Shri Sharad Yadav:** *There was a promise to give electricity. I do not know what was decided between the two of you but according to the nuclear deal, the ministers of your government as well as your government were united.*

*More than you, your full party was engaged in war. The leader of the Congress Party was also a participant. With full confidence like you both play volleyball, you were scoring goals. But in this matter I am not saying that the congress Party and you.....(interruption).. I cannot hear what you are saying.....(interruption)....Football has goal.....(Interruption) I changed the word. I am not such a big player.....(interruption)*

*Hockey has goals and so the party and the government were repeatedly scoring goals and after this statement, the party spokesman, I see Doordarshan, I see less of other channels but in Doordarshan I saw that all your spokesmen were hiding instead of giving replies. That is the difference, this speaks for itself that your statement has put you also in a quandary at some level. You also feel that the step that you have taken is not right for the country. Now Baluchistan, in our childhood we had read the story of kabuliwallah, and Baluchistan, Frontier Gandhi was from there. The thing that we facing singlehandedly, there was one man with Mahatma Gandhi, Frontier Gandhi, Abdul Ghaffar Khan. When I came into this world, when I was university president, if there was a place where he was welcomed the most, it was in our university. He was one man from Baluchistan who during India's independence struggle, it is confirmed by people from both sides, that after Gandhi he was one of the couple of people who could be named for giving shape to India's independence and that was Frontier Gandhi. He was against the partition of the country, he said you are throwing Baluchistan to the wolves.....(Interruption) Faluchistan is bordering Baluchistan.....(Interruption) He had his influence there as well. The people who participated in the agitation were from here. If you meddle with the geography, then I am not the only one talking about geography.....(Interruption) Baluchistan, Aktulistan, they are all intermingled areas and Frontier Gandhi had his influence in all these areas, the whole frontier, the whole of north east. You mentioned it. You were saying, P.C.Chacko was saying that this is not such a big issue. That is a strange statement to make. In 60 years it has not been mentioned and now that it has been mentioned it is a straight issue that our feelings in this country and those of the people in Faluchistan or Baluchistan or the whole afghan area, there are some natural human feelings that are exchanged between us. Without mention, without clarifying, they feel that we are their friends and we feel that they are our friends. It is never mentioned. We have mentioned it now. Even if the mention is purely namesake, after this mention, your government's officers, we are not saying this, Yashwant Sinha is not saying this, Mulayam Singh Yadav is not saying this, your government's officers who were at Sharm-el-sheikh, they are saying that the statement, there has been some bad drafting.*

*The best part is that they are getting salaries from the government for this only, for this only you are officers and when the drafting took place, you are coming and telling that the drafting was wrong, bad drafting. That is shocking.....(Interruption) Foreign minister is there, foreign secretary is there. The foreign secretary can come and say such a thing and he is*

*still continuing? Either you are right or they are right. India has a right to know whether it was bad drafting or right drafting, whether it was right or wrong. The Indian government cannot have two tongues. One which the officers speak and one which the prime minister speaks, in this way two mouths are not acceptable. You are quiet, you have not taken any action on this. The country is in two mind. The country can feel that something wrong has happened. You cannot feel it but the country can feel it. The country can feel it because the statement has two voices, two tongues. Shri Mulayam Singh Yadav, till the country has two tongues or two voices, it cannot stand up to anybody. India's helplessness is going to increase. Poverty and bankruptcy will be staring at us. There will be plundering everywhere till the country becomes strong, till two voices speak .....(interruption) you were saying that the minister of state is a big diplomat. Who listens to the UNO? I remember that when they were coming to India, I was a minister in Atal Behari Vajpayee's government. UNO's Secretary, South Africa or Ghana's Kofi Annan wanted to come here and the government here was indifferent. I should not say this. I said that he wants to come, the United Nations was standing and Iraq and Afghanistan got attacked. The minister has been in the UNO and after being there, he lost and has come here. I don't accept, he is saying this is no treaty between two countries, it is not an agreement. Yes, I agree there is weakness on the part of Pakistan as they cannot make out whether President Zardari is stronger or Prime Minister Gilani. But I accept Mr. Gilani's cleverness that he was able to go to sharm-el-sheikh and get a statement like this with you and go back to Pakistan and shout, we have won, we have won. Here we have UPA, Congress Party, you are definitely standing but there is no coordination of language or content between the two. Between the two of you, there is no common perception, common objective and then you say there is no problem. The way statements were being given after 26/11 from all sides, it is a wonder that whoever was a minister was giving a statement, the defence minister was speaking, the foreign minister was speaking and were trying for some kind of balance. You are giving one statement after another and then you say that terrorism and dialogue have no linkage. It is a wonder. I agree there is a linkage. If only you had said with conviction that till terrorism is not stopped, we will not have any dialogue with you. But you have reversed your stand. It is not long since 26/11, not much time has passed. The situation there, discussions will go on and terrorism medley from there to here will also continue. On this subject Shri Yashwant Sinha and other honourable members have already spoken .....(Interruption)*

**Shri Jagdambika Pal:** *After 13 December 2001, the bus service was stopped, the train service was stopped, the high commissioner was called back but then how did the dialogue start again? .....(Interruption)*

**Madam Chairperson:** *Please sit down  
(Interruption)*

**Madam Chairperson:** *Except for Shri Sharad Yadav, no other person's comments will go on record. ....(interruption) (Proceedings not included in narrative)*

**Madam Chairperson :** *Please sit down  
(Interruption)*

**Shri Sharad Yadav:** *Shri Jagdambika Pal, I have understood your point. You are saying that after the attack on parliament we had stopped the bus service.....(Interruption)*

**Shri Jagdambika Pal (Congress):** *You called back the High Commissioner and then you started talks, what was the reason for that?*

**Shri Sharad Yadav (Janata Dal – United):** *Madam Chairperson, I do not want to comment at length on his point because if we are sitting here, then why are you sitting there. Till when will you hide your own mistakes by talking about past history. ....(Interruption) Till when will you hide your own wrongdoings and mistakes? Today every minister stands up....(Interruption) I have understood your point. Today every minister stands up and says what happened in the last NDA government, NDA government did this mistake, NDA government did that mistake. Okay brother, it is okay, if we made a mistake, that is why we are sitting here. We have made some mistake. We are sitting here, it does not mean that we should go away from the House. What you are saying means that after the attack on the parliament, if we reopened the bus service, the context was different. If you want to debate on that issue, please bring it up, we will definitely debate the issue. We are also saying that if some mistake was made, then a person like us will also accept it. The question is simple, I am saying that the environment that you had created after 26/11 in the country and then suddenly you went totally in reverse gear. I am saying that the whole country is disillusioned. Whether anybody tells you or not, but I am telling you that all those people who after 26/11 were singing your praises or singing songs, ringing bells, playing the tabla or the harmonium, that stage has gone out of tune now. Each one is playing a separate tune now. Somebody is playing the tabla, somebody is playing*

*the sarangi and somebody is playing the mridang. The tone of each person is different. All the people who were before playing together in a synchronised manner are all playing now in different tones. Each person's tone has become different. It did not happen just there, not in the country, not in the media, not in the papers, even in your government, the tones are all different. The party is silent, the party says the government will speak, give the right answer. But they spoke after a very long time. The Prime Minister must have said what is this happening and the back and forth statements reached this point. I do not want to go into it in detail, I don't go into the problem of end user. I don't want to go into the details of the status of India-Pakistan relations. But we partitioned our country and after dividing it up, we spend almost 30-40% of our money on the army and so do they. And then after that we take a stand in front of the public with conviction, position ourselves and then move from that position. We take a stand but that stand does not have any meaning because we are not trying to do anything in moving towards that resolve.*

*Madam, I would like to reiterate that in making the present India-Pakistan relations, the government has not changed. It was your government before and the same government remains. When the circumstances have not changed, when the Mumbai attack happened, you had taken the entire country into confidence through the government. That day in Mumbai when candles were being lit, I wish somebody had been writing down what was being said, they wanted the resignation of the chief minister. I think those people would not have been even going for voting, all those people who had congregated there with whom you added your voice as well. You must have seen and judged the situation. You are saying that without dialogue nothing can happen. If there is truth in this, then the situation you had created in the country after 26/11, we were against that then and we are against it now.*

*You were in the government, it was your party, then why did you create this agitation. And then after the agitation, why are you starting this dialogue. Pakistan is continuing with its terrorist activities, there is no let up on that. I am requesting the Prime Minister to make the foreign policy of the country stronger. I have met the Prime Minister with regard to the Nepal condition two times. We have not gone much to any foreign countries. I myself have been here for 35 years. I do not want to go to foreign countries because our own country has a lot of problems and I don't get time from the problems in our own country. The poor of our country are in discomfort and in problems but they are also sleeping. I did not go*

anywhere. I only know that a country's foreign policy is okay only when.....(Interruption) Lal Singh ji, why did you sit at the back and talk. Why don't you say what you want, I will reply. Please don't do this.

**Madam Chairperson:** – Shri Yadav, Please address the chair

**Shri Sharad Yadav:** Madam chairperson, I am requesting that they should not do such a thing. Teasing is allowed in parliament. I was only asking Shri Jagadambika pal ji that if he wanted to ask anything.

**Madam Chairperson** – Please maintain the peace.

**Shri Sharad Yadav:** Madam chairperson, this is not right. When they speak from the back, it resounds in the whole hall. If somebody speaks like this, then there is confusion and we get derailed. Madam Chairperson, I am submitting that the foreign policy of this country has been going forward with a national consensus for the last 62 years. It might be so in our talks, in our debates we either disagree with you or agree with you but you finish up everything and then come to the house. For the last 15-20 years, the world economy is open. The world has changed. I am not saying that you are so strong. A country is only as strong as its people. A Chinese wherever he goes, his foreign policy is strong. They don't have poverty like ours as we are having daylight robbery. There is a difference in their poverty and ours. The straight point is that there should be consensus on foreign policy. If you so wanted, you could have called the leader of the opposition, Shri Advani and talked to him, did you? Congress has got the people's support, that should have increased your courage, your mind and heart should have been much larger. The foreign policy of a country is always by consensus. I am saying this because after the Mumbai attacks, there was a national consensus which had been formed in the country that after the attack we should not have a dialogue with Pakistan will terrorist activities are not stopped in our country. It would have been okay if you had said this before or even now. Hence my humble request is that foreign policy should be by consensus whether it is your Prime Minister or from our party. Even our party was there for 10-11 months and then for five years. Congress Party has been in power for a longer period. Congress Party has had a bigger contribution to foreign policy. The national consensus that existed previously has now been split. The consensus is getting converted to an argument now. Today, whether it is Yashwant Sinha or Mulayam Singh Yadav or me, we are all telling you the same thing that the national consensus is breaking down. And if foreign policy gets split, then you feel bad whether it is your party or ours.

*You feel bad because presently we are facing all kinds of problems and situations. Shri Mulayam Singh Yadav said the right thing when he said that we don't have friendly relations with any of our neighbouring countries. We had relations but they are not that of friendship, not from the heart and if relations are not from the heart, it does not grow or go ahead. When we got independence, we were hiding behind Russia's sleeve. And now America. I am not saying that we should not be friendly with America but we have to be careful that this friendship should be keeping our national interest in mind and not under pressure. We can do many things and seeing our country's population, we are not in such a bad state, we are not lagging behind too much. China has gone ahead by 7-8 times but our situation is not bad. If you chart a path with conviction, we are not separate from you, we are with you but on this point, madam, I wish to reiterate that I am not in agreement with the government. I am not against dialogue but what use is dialogue when it is always our poor people who keep dying from terrorist activities inflicted on them. One more point that I would like to add is that the whole world opinion had been formed, the whole world had felt the Mumbai attack and it was gut wrenching to the whole world. You had also taken the world opinion a little way ahead but then your joint statement in Sharm-el-sheikh has hurt that opinion. The world opinion that had formed in our favour is now floundering. America's interest is connected with this. Pakistan's army and their area of the SWAT valley where the Radio Mullah stays. Swat valley is the place where American and Pakistani forces are fighting together.*

*They will talk only in their own interest. I would like to tell you that America will talk and act not keeping our interest in mind but their own interest. Our leaning towards America, I am saying this after taking a lot of things into consideration, when Mr. Bush came, then his sniffer dogs went even to Mahatma Gandhi's memorial.*

*Madam, the we feel that America is putting pressure on us because of their own interests. The foreign policy that we had with national consensus, the consensus with which we have been running our country's foreign policy for 62 years in which there is no separate government, treasury bench or opposition. Please get back this consensus again and this will take our country forward again in the right direction. We feel that the work is half-done and that is why the national consensus has got broken or split. Thank you.*

**The Prime Minister (Dr. Manmohan Singh):** Madam, Speaker, I am very grateful to Shri Yashwant Sinha, Shri Mulayam Singhji, Shri Sharad Yadavji



for their comments on the Joint Statement that was issued after Sharm-el-Sheikh and also for what I said in the G-8 meetings in Italy. I will cover all the points and clarify all the issues. Madam Speaker, as I have said many times before, we cannot wish away the fact that Pakistan is our neighbour. We should be good neighbours. If we live in peace, as good neighbours do, both of us can focus our energies on many problems that confront our people, our acute poverty which afflicts millions and millions of people in South Asia. If there is cooperation between us, and not conflict, vast opportunities will open up for trade, travel and development that will create prosperity in both countries. It is, therefore, in our vital interest to make sincere efforts to live in peace with Pakistan. But despite the best of intentions, we cannot move forward if terrorist attacks launched from Pakistani soil continue to kill and injure our citizens, here and abroad. That is the national position and I stand by that. Madam, I have said time and again and I repeat it right now again. It is impossible for any Government in India to work towards full normalisation of relations with Pakistan unless the Government of Pakistan fulfils, in letter and spirit, its commitment not to allow its territory to be used in any manner for terrorist activities against India. This was a commitment, as my friend, Shri Yashwant Sinha mentioned, made to my distinguished predecessor, Shri Atal Behari Vajpayee, and it has been repeated to me in every meeting I have had with the Pakistani leadership. The people of India expect these assurances to be honoured and this Government recognises that as the common national consensus.

Madam, the attack on Mumbai last November outraged our nation and cast a deep shadow over our relation with Pakistan. The reality and the horror of it were brought into Indian homes over three traumatic days that still haunt us. The people of India demand that this must never happen again. Over the past seven months, we followed a policy, using all effective bilateral and multilateral instruments at our command, to ensure that Pakistan acts, with credibility and sincerity, as we would expect of any civilized nation. Soon after the attacks, the United Nations Security Council imposed sanctions on Lashkar-e-Toiba and its front organisations, including the Jamaat-ud-Dawa. It also imposed sanctions on four individuals connected with the organisation, including one of the masterminds behind the Mumbai attacks, Zaki-ur-Rehman Lakhvi.

We exercised great restraint under very difficult circumstances but made it clear that Pakistan must act. On 5th January, 2009, we handed over to Pakistan the details of the links to Pakistan that were revealed by our investigators. Some action followed and Pakistan formally responded to

us on two occasions regarding the progress of their own investigations in February 2009 and then two days before my departure for Paris and Sharm-El-Sheikh.

The latest dossier is a 34-page document that gives the details of the planning and sequence of events, details of the investigations carried out by the Special Federal Investigation Agency Team of Pakistan, a copy of the FIR lodged, and the details and photographs of the accused in custody and those declared as proclaimed offenders. It provides details of the communication networks used, financing of the operation and seizures made in Pakistan, including maps, life boats, literatures on navigational training, intelligence manuals, back packs, etc. This is Pakistan's dossier supplied to us. It states that the investigation has established beyond doubt that Lashkar-e-taiba activists conspired, financed and executed the attacks. Five of the accused have been arrested, including Zaki-ur- Rehman Lakhvi and Zarar Shah; and thirteen others have been declared proclaimed offenders. A charge sheet has since been filed against them under Pakistan's Anti Terrorist Act, and other relevant laws. We have been told that the investigations are nearly complete and that a trial will now proceed. We have also been asked for some further information and we will provide this shortly. This, Madam Speaker, is the first time that Pakistan has ever formally briefed us on the results of the investigation into a terrorist attack in India. It has never happened before. This, I repeat, is the first time. It is also the first time that they have admitted that their nationals and a terrorist organisation based in Pakistan carried out a ghastly terrorist attack in India. Madam Speaker, the reality is that this is far more than the NDA Government was ever able to extract from Pakistan, despite all their tall talks. This is true of the entire duration of the NDA regime. They were never able to get Pakistan to admit what they have admitted now. So, I say with all respect to Shri Yashwant Sinha, that the UPA Government needs no lessons from the Opposition on how to conduct foreign affairs or secure our nation against terrorist threats. Madam Speaker, while noting the steps Pakistan has taken, I have to say that, they do not go far enough. We hope that the trial will make quick progress and that exemplary punishment will be meted out to those who committed this horrific crime against humanity. We need evidence that action is being taken to outlaw, disarm, and shut down the terrorist groups and their front organisations that still operate on Pakistani soil and which continue to pose a grave threat to our country.

Madam Speaker, in the final analysis the reality is that despite all the friends that we may have – and we wish to make as many friends, as Shri Mulayam Singh ji said, as possible – the harsh reality of the modern world power structure is such that when it comes to matters relating to our internal security and defence, we will have to depend on ourselves. Self-help is the best help. There is no substitute to strengthening our defence capabilities, our national security structure and our emergency response mechanism. I wish to assure the House that the Government is giving these matters the highest priority and attention.

Several important steps have been taken to modernise, rationalise and strengthen our Defence security and intelligence apparatus. A detailed plan to address internal security challenges is being implemented in a time-bound manner. The Government is maintaining utmost vigilance in the area of internal security. Measures have been taken to ensure enhanced information and intelligence sharing on a real time basis. The policy of zero tolerance towards terrorism, from whatever sources it originates, has been put in place. Madam, in the area of Defence, steps are underway to substantially improve our coastal and maritime security. Large acquisitions of major weapon systems and platforms have been approved for the modernisation of our Army, Navy and Air Force. There has been a special focus to improve the welfare of the Armed Forces personnel. We will spare no effort and no expense to defend our nation against any threat to our sovereignty, unity and integrity. This is the sacred and bounden duty of any Government in this great country.

Madam, Speaker, but we do not dilute our positions or our resolve to defeat terrorism by talking to any country. Other major powers affected by Pakistan based terrorism are also engaging with Pakistan. Unless we talk directly to Pakistan, we will have to rely on third parties to do so. This I submit to this august House that particular route has very severe limitations as to its effectiveness and for the longer term view of what South Asia should be, the growing involvement of our foreign powers in the affairs of South Asia is not something to our liking. I say, therefore, with strength and conviction that dialogue and engagement is the best way forward. This has been the history of our relations with Pakistan over the last decade.

Shri Atal Behari Vajpayee took a decision of political courage to visit Lahore in 1999. Then came Kargil and the hijacking of an Indian Airlines plane to Kandahar. Yet, he invited General Musharraf to Agra and again tried to make peace. The nation witnessed the terrible attack on Parliament in

2001. There followed an extremely difficult phase in our relationship. The Armed Forces of the two countries stood fully mobilized. But to his great credit, Shri Vajpayee was not deterred, as a statesman should not be. In 2004, he went to Islamabad, where a Joint Statement was issued that set out a vision for a cooperative relationship. I must remind the House that the Opposition Parties supported those bold steps. I for one share Shri Vajpayee's vision and I have also felt his frustration in dealing with Pakistan.

In my meetings with the President Zardari in Yekaterinburg and with the Prime Minister Gilani in Sharm-El-Sheikh, I conveyed in the strongest possible terms our concerns and expectations. I conveyed to them the deep anger and hurt of the people of India due to the persistence of terrorist attacks on our people. I told them that the operations of all terrorist groups that threaten India must end permanently. I urged them to make no distinctions between different terrorists organisations.

I said that it was not enough to say that Pakistan is itself a victim of terrorism. They must show the same political will and take the same strong and sustained action against terrorist the groups operating on their eastern border as they now seem to be taking against the groups on their western border. Both President Zardari and Prime Minister Gilani assured me that the Pakistan Government was serious and that effective action would be taken against the perpetrators of the Mumbai carnage.

Shri Yashwant Sinha asked me what was the change between my meeting with President Zardari and later my meeting with Prime Minister Gilani. In-between came the dossier which showed progress was not adequate progress of the type that I had already indicated. He asked me: "Will you trust Pakistan?" Let me say that in the affairs of two neighbours, the best approach is, what the late President Reagan once said: "trust but verify." We have no other way of moving forward unless we want to go to war. I was told by both President Zardari and Prime Minister Gilani that Mumbai was the work of non-State actors. I said that this gave little satisfaction to us and that it was the duty of their Government to ensure that such acts were not perpetrated from their territory. I told them that another attack of this kind would put an intolerable strain on our relationship and that they must take all possible measures to prevent a recurrence. Madam Speaker, after I returned from Sharm-el-Sheikh, I made a Statement in Parliament which clarified and elaborated not just the Joint Statement issued following my meeting with Prime Minister Gilani but also what we discussed. I wish to reiterate that the President and the Prime Minister of Pakistan know, after our recent meetings, that we can have a meaningful dialogue with

Pakistan only if they fulfil their commitment, in letter and spirit, not to allow their territory to be used in any manner for terrorist activities against India. This message was repeated when the Foreign Ministers and the Foreign Secretaries met. I stand by what I have said in Parliament - that there has been no dilution of our position in this regard.

An interpretation has been sought to be given that the Statement says that we will continue to engage in a composite dialogue whether Pakistan takes action against terrorism or not. This is not correct. The Joint Statement emphasised that action on terrorism cannot be linked to dialogue. Pakistan knows very well that with terrorism being such a mortal and global threat, no civilised country can set terms and conditions for rooting it out. It is an absolute and compelling imperative that cannot be dependent on resumption of the composite dialogue. In the Joint Statement itself, the two sides have agreed to share real-time, credible and actionable information on any future terrorist threats.

Madam Speaker, when I spoke to Prime Minister Gilani about terrorism from Pakistan, he mentioned to me that many Pakistanis thought that India meddled in Balochistan. I told him that we have no interest whatsoever in destabilising Pakistan nor do we harbour any ill intent towards Pakistan. We believe that a stable, peaceful and prosperous Pakistan living in peace with its neighbours is in India's own interest. I told him then and I say it here again that we are not afraid of discussing any issue of concern between the two countries. If there are any misgivings, we are willing to discuss them and remove them. I said to him, „I had been told by the leadership of Pakistan several times that Indian Consulates in Afghanistan were involved in activities against Pakistan, this is totally false, we have had Consulates in Kandahar and Jalalabad for 60 years, our Consulates perform normal diplomatic functions and are assisting in the reconstruction of Afghanistan where we have a large aid programme that is benefiting the common people of Afghanistan, but we are willing to discuss all these issues because we know that we are doing nothing wrong. I told Prime Minister Gilani that our conduct is an open book. If Pakistan has any evidence – and they have not given me any evidence, no dossier was ever supplied – we are willing to look at it because we have nothing to hide.

Madam Speaker, I sincerely believe that it is as much in Pakistan's interest as it is in ours to strive to make peace. Pakistan must defeat terrorism before being consumed by it. I believe the current leadership there understands that. It may not be very strong, but the impression that I have

is that the current leadership understands the need for action. I was told by their parliamentarians who accompanied Prime Minister Gilani that there is now a political consensus in Pakistan against terrorism. That should strengthen the hands of its leadership in taking the hard decisions that will be needed to destroy terrorism and its sponsors in their country. Madam Speaker, our objective, as I said at the outset, must be a permanent peace with Pakistan where we are bound together by a shared future and a common prosperity. I believe that there is a large constituency for peace in both countries. The majority of people in both countries want an honourable settlement of the problems between us that have festered far too long and want to set aside the animosities of the past. We know this, but in the past there have been hurdles in a consistent pursuit of this path. As a result, the enemies of peace have flourished. They want to make our alienation permanent, the distance between our two countries an unbridgeable divide. In the interest of our people and the interest of prosperity and peace of South Asia, we must not let this happen. This is why I hope and pray that the leadership in Pakistan will have the strength and the courage to defeat those who want to destroy not just peace between India and Pakistan, but the future of South Asia. As I have said before, if they show that strength and that courage, we will meet them more than half the way.

There are uncertainties on the horizon. I cannot predict the future. But, as I said, in dealing with our neighbour, - two nuclear powers – the only way forward is to begin to trust each other despite all that has happened in the past, not trust blindly, but trust and verify.

For the present, what is it that we have agreed? People have been saying that we have broken the national consensus. I simply refuse to believe that we have broken any national consensus not to tolerate terrorism and that Pakistan has to act and act effectively on terrorism before there can be a dialogue, leave aside the Composite Dialogue, which is a comprehensive dialogue covering all areas of disagreement or concerns of the two countries. For the present, all that we have agreed is that the two Foreign Secretaries will meet. The two Foreign Secretaries have been meeting even before the Joint Statement. Further, we have agreed that the two Foreign Ministers will meet on the sidelines of the General Assembly. The two Foreign Ministers have been meeting even before the Statement was issued. They met recently in Trieste. I met President Zardari in Russia. I met Prime Minister Gilani even before this Statement. So, by an operational term all that we have agreed is that there will be a meeting of Foreign Secretaries, as often as necessary, followed by a meeting of

the two Foreign Ministers on the sidelines of the General Assembly. Does it involve a surrender of any position? Does it involve a weakening of a position? As neighbours, I sincerely believe that it is our obligation to keep channels of communication open, to look down what is happening in the world today. America and Iran were sworn enemies for 30 years. They feel compelled to enter into dialogue. This is happening all over the world and unless we want to go to war with Pakistan, there is no other way but to go step by step; trust but verify is the only possible way of dealing with Pakistan. Madam, I now come to three other issues which hon. Yashwant Sinha Ji has raised. One relates to the end-use monitoring arrangement we have made with the United States for Defence purchase. All Governments, Madam, including our Government, are particular about end-uses to which exported Defence equipment and technologies are put to and for preventing them from falling into wrong hands. Since the late 1990s, the Governments of India and the United States have entered into end-use monitoring arrangement for the import of US high-technology Defence equipment and supplies. These were negotiated before this Agreement in each case by successive Governments of India. The Government has only accepted those arrangements which are fully in consonance with our sovereignty and dignity.

What we have now agreed with the United States is a generic formulation which will apply to future such supplies that India chooses to undertake. By agreeing to generic formulation, we have introduced an element of predictability in what is otherwise an ad-hoc case by case negotiation in each case.

I should add that we need access to all technologies available in the world for the modernisation of our Defence forces. The threats to our country are growing and we need to have the capability to deal with them and to be ahead of them. Our Armed Forces are entitled to the best possible equipment available anywhere in the world. It is also in our interest, therefore, to diversify to the maximum extent possible the sources of our imports of Defence items and equipment.

You have my assurance, Madam, and through you I wish to convey this to this august House that our Government has taken all precautions to ensure an outcome that guarantees our sovereignty and national interest. Nothing in the text that has been agreed to compromises India's sovereignty.

There is no provision – I repeat, there is no provision – for any unilateral action by the United States side with regard to inspection or related

matters. India has the sovereign right to jointly decide, including through joint consultations, the verification procedure. Any verification has to follow a request; it has to be on a mutually-acceptable date and at a mutually acceptable venue. There is no provision for on-site inspections or granting of access to any military site or sensitive areas. This is the position with regard to end-use monitoring.

Madam Speaker, Shri Yashwant Sinha brought up the issue of climate change as if we have changed goal-posts. There is nothing of that sort. There was a meeting in Italy along with the G-8 meeting of major economies of the world. India was invited to that meeting where 17 other countries were present. I should, however, mention that the Major Economic Forum Declaration adopted at L'Aquila is not a declaration of Climate Change policy by India, nor is it a bilateral declaration between India and another country or a group of countries. It is a declaration that represents a shared view among 17 developed and developing countries, the latter category including China, South Africa, Brazil, Indonesia, and Mexico. Therefore, the formulations are necessarily generally worded to reflect different approaches and positions of a fairly diverse group of countries. It has been argued in some quarters that the reference in the Declaration to a scientific view that global temperature increase should not exceed two degrees centigrade, represents a significant shift in India's position on climate change, and that it may oblige us to accept emission reduction targets. This is one-sided and misleading interpretation of the contents of the Declaration. It is India's view, which has been consistently voiced in all world fora, that global warming is taking place and taking place here now and that its adverse consequences will impact most heavily on developing countries like India. The reference to a two degree centigrade increase as a threshold reflects a prevalent scientific opinion internationally and only reinforces what India has been saying about the dangers from global warming. True, this is the first time that India has accepted a reference to two degree centigrade in a document as a possible threshold guiding global action, but this is entirely in line with our stated position on global warming. Drawing attention to the seriousness of global warming does not automatically translate into a compulsion on the part of India or other developing countries, represented in the Major Economic Forum, to accept emission reduction obligations. I should like to mention in this matter that our position and the Chinese position are nearly identical, and we have been coordinating our position with that country on this important issue. Quite to the contrary, the greater the threat from global warming, the greater the responsibility of developed countries to take on



ambitious emission reduction targets. That is why, 37 developing countries, including India, China, Brazil, South Africa, and Indonesia have tabled a submission at the multilateral negotiations asking the developed countries to accept reduction targets of at least 40 per cent by 2020 with 1990 as the baseline.

Madam, the Major Economic Forum Declaration reaffirms the principles and provisions of the United Nations Framework Convention on Climate Change, in particular, the principle of equity and of common but differentiated responsibilities and respective capabilities.

As is well-known, the United Nations Framework Convention on Climate Change imposes emission reduction targets only on developed countries. Developing countries are committed to sustainable development. The full incremental cost of any mitigation by them must be fully compensated by transfers of financial and technological resources from developed countries. This is fully reflected in the Major Economic Forum Declaration. Furthermore, at the insistence of India, supported by other developing countries, the Declaration includes an explicit acknowledgement that in undertaking climate change action, the "first and overriding priority" of developing countries will be their pursuit of the goals of economic and social development and poverty eradication. This should allay any apprehension that India will be under pressure to undertake commitments that may undermine her economic growth prospects.

Madam, with regard to the G-8 decision on the enrichment and re-processing technologies, some Members have raised the issue of the Statement issued by G-8 countries on Non-Proliferation at the L'Aquila Summit in Italy earlier in July, and the reference made to the transfer of enrichment and re-processing items and technology. The concern appears to be as to whether an effort is being made by certain countries to prevent the transfer of enrichment and re-processing items and technology to non-NPT countries, that is, countries like India who have not signed the Non Proliferation Treaty.

Madam Speaker, our Government is fully committed to the achievement of full international civil nuclear cooperation. Consistent with this objective in September last year, India secured a clean, and I repeat we secured a clean exemption from the Nuclear Suppliers Group, one that was India specific. At that time also, there were attempts to make a distinction but we got a clean exemption which means that the Nuclear Suppliers Group consisting of 45 countries has agreed to transfer all technologies which are consistent with their national law. The Statement on Civil Nuclear Cooperation with India approved by the Nuclear Suppliers Group on September 6, 2008 contains

India's reciprocal commitments and actions in exchange for access to international civil nuclear cooperation. It is our expectation that any future decisions of the Nuclear Suppliers Group relating to the transfer of enrichment and re-processing item and technology would take into account the special status accorded to India by the NSG. The NSG has given us this clean exemption knowing full well that India is not a signatory to the NPT. Prohibition by the NSG of such transfers would require a consensus among all the 46 countries. That does not exist at present. The exemption given to India by the NSG provides for consultations and we will hence remain engaged with that body so that any decisions take into account the special status accorded to India by the global nuclear community.

As far as G-8 is concerned, the fact is that we have no civil nuclear cooperation agreement with the G-8 Bloc *per se*. We have, however, signed bilateral agreements with France, Russia and the United States.

I said this before and I repeat it. When I read about this G-8 Statement, I raised this matter with the French President. He was gracious enough to tell me that as far as France is concerned, there would be no restriction on the transfer of these technologies. In fact, he volunteered. He said: "If you want me to go public, even I am willing to do that." So, my understanding of this area is that there is no consensus in the Nuclear Suppliers Group to debar India from access to the reprocessing and enrichment technology.

Madam, in the course of discussion, some hon. Members have raised the issue of our accepting pre-conditions for transfer of enrichment and reprocessing items and technology. I wish to, once again, assure Shri Yashwant Sinha that pending global nuclear disarmament, there is no question of India joining the Nuclear Non-Proliferation Treaty as a non-nuclear weapon State. I would also like to clarify that the transfer of enrichment and reprocessing items and technology has no bearing whatsoever on India's upfront entitlement to reprocess foreign origin spent fuel and the use of such fuel in our own safeguarded facilities. Finally, Madam, I would like to bring to the attention of this august House that India has full mastery of the entire nuclear fuel cycle, and this includes enrichment and reprocessing technology. We have a well-entrenched ENR infrastructure of our own. Our domestic three-stage nuclear power programme is entirely indigenous and self-sustaining. Our indigenous Fast Breeder Reactor Programme and linked technology put us in the league of those very few nations, which today possess cutting-edge technologies. The transfer of enrichment and reprocessing items and

technology to India as part of full international civil nuclear cooperation, would be an additionality to accelerate our three-stage programme. Madam, I believe, I have rightly answered all the major points. The hon. External Affairs Minister would sum up the debate. He would deal with other aspects. Thank you.

**Smt Sushma Swaraj (Bharatiya Janata Party):** *Honourable prime Minister, you have given an elaborate reply but there are two questions on climate change and on ENR which arise. You said and hence I repeat that you will reply and go, I will finish what I have to say in five minutes. You have talked about Common but differentiated responsibility in climate change. The principle is the person who spoils the most repairs the most. They should not put their responsibility on other countries. The principle of common but differentiated responsibility came up in Rio-de-Janeiro as well when the UN Framework convention came and after that it came up in the Kyoto Protocol as well. American has not ratified till now the Kyoto Protocol. You said just now that over there in multilateral negotiations Brazil, South Africa-Mexico, they were all with you. My question is that when in multilateral negotiations we were getting the support of so many nations, why did we engage in bilateral negotiations during the visit of Hillary Clinton. In the bilateral negotiations, when the chief negotiator Todd Stern came here, then India's environment minister of state said that we refuse to accept these conditions and he said that he refused to accept as India has already accepted over there. India has agreed in the G-17 states and so I refuse to accept your word here. I would like to ask that the multilateral negotiations that were conducted under common but differentiated responsibility, how did a developing country like India think of engaging in bilateral negotiations with such a developed country as them?*

*Madam, I said I had two questions. One – on climate change and the second – on ENR. I have already spoken on climate change. The second question on ENR on which Mr. Yashwant Sinha mentioned a little bit that under the India-America Nuclear treaty there is a talk of establishment of a state of the art reprocessing facility. When the G-8 has put a ban on you, you are not going to get even one part from here. It is not a question of fuel, it is a question of technology transfer. When you are not going to get even one part for establishing this facility, then hasn't India taken on a huge burden on itself. I wanted to ask these two questions.*

**The Prime Minister (Dr. Manmohan Singh):** Madam, I would like to say that there are no bilateral negotiations taking place outside the framework of the United Nations Framework Convention. There are discussions. When

we have bilateral meetings, there are discussions on many subjects. But these are not negotiations. Negotiating forum is and will be the Framework Convention, the Copenhagen process. That is the correct way of looking at it. Whatever we discuss in the G-8, it is all designed to explore various options to build the consensus. These are not negotiating forums at all. Now, with regard to the ENR facilities, the 123 Agreement provides for a dedicated re-processing facility. For that, negotiations have already started. There was a time limit by which those negotiations had been completed. They are moving in the right direction. So, it is not at all, I think, true to say that this re-processing facility will face any difficulty. First of all, I am not sure that the 45-Member Nuclear Suppliers Group will endorse what the G-8 people decide. Attempts were made in the past also. But I think there are many people who believe that the country like India has to be treated differently and it is the source of strength that this recognition prevented a consensus which would have been injurious to us.

**Shri Basu Deb Acharia (CPI-M):** Madam Speaker, the pillar of our foreign policy, which was referred to by Shri Yashwant Sinha, started cracking when BJP was in power. ... (*Interruptions*)

Madam, we have seen how a Cabinet Minister was secretly meeting with a junior Minister of United States of America, Mr. Strobe Talbot one day in London, other day in Washington, in New York and then in other places. We have seen also the consensus which we have in regard to our foreign policy, in regard to our signing of CTBT and NPT. There is an attempt to change our foreign policy. We have seen when Iraq was attacked by America, the Government of the day was reluctant to condemn the brutal attack on Iraq.

We had to stall the proceedings of both the Houses for three days. You were in the Rajya Sabha at that point of time. We had to stop the House, disrupt the proceedings of the House for three days, stall the House rather for three or four days and then the Government agreed to bring a soft resolution not "condemn" but "deplore". We had the apprehension. That was why in the Common Minimum Programme of UPA-I, in the paragraph on foreign policy, it was categorically mentioned that our foreign policy would be an independent foreign policy and our relations with the United States of America will be a friendly relation, but it will not be a strategic relation. The hon. Prime Minister, after returning from Italy and Egypt, made a statement in this House, the very day he returned from Italy and Egypt, where he said in the last but one paragraph and I quote : "India seeks cooperative relation with Pakistan and engagement is the only way forward to realize the vision of a stable and prosperous South Asia living in peace and amity.

"I agree with this contention. But, in the preceding paragraph the hon. Prime Minister said : "The starting point of any meaningful dialogue with Pakistan is a fulfilment of their commitment in letter and spirit, not to allow their territory to be used in any manner for terrorist activities against India." Then he said : "The action on terrorism should not be linked to composite dialogue and, therefore, cannot wait other developments. It was agreed that the two countries will share real-time, credible and actionable information on any future terrorist threats." There is a contradiction in the statement itself. We also agree that there is a need for dialogue because there are outstanding issues which are to be resolved. But the action against the terrorists should also be taken and pressure should be put on Pakistan to take action against the terrorists. The perpetrators of crime that was committed on 26th November last year should be brought to justice. But how?

When the hon. Prime Minister said that "the starting point of any meaningful dialogue with Pakistan is a fulfilment of their commitment in letter and spirit, not to allow their territory to be used in any manner for terrorist activity", and then delinking of action against the terrorists, the action on terrorism not to be linked with composite dialogue, these are contradictory.

This has been done under pressure of the United States of America. Then, Balochistan has also been brought in the agreement, in the Joint Statement. It has also been done under pressure of the USA.

Madam, the Prime Minister, while intervening, has stated that this issue was raised on the floor of this House. When in our House and the other House, we discussed the Indo-US Nuclear Deal, a number of times, we had expressed our apprehension. The Prime Minister a number of times stated, and today also he said, that it marks the end of India's decades of isolation from nuclear mainstream and technical denial regime. He has said that in this House also, but we have also pointed out a number of times that the waiver is not a clean waiver. It is stated not only in the G-8 meeting now, but earlier also, that the waiver that our Government claims, is not a clean waiver because we cannot separate Hyde Act and 123 Agreement. When the Prime Minister was speaking today, he has expressed his doubt whether all the 45 NSG countries will agree to that proposal or not. If the position was what the Prime Minister has said today that there is on condition in regard to import of ENR technology, how was this issue raised in the G-8 meeting? If no such condition has been imposed by USA that enrichment technology will not be available to

our country even after we sign nuclear agreement, how was this issue raised in G-8 meeting? Not only the USA has categorically stated that although the agreement has been signed, it will be confined only to reactor and nuclear fuel, but the USA will also ask all other NSG countries not to supply this technology to our country. So, there will not be available any enrichment technology to our country. What will happen to our research and development in the field of nuclear technology? We want to reach to the third phase – from uranium to plutonium to thorium. What is the intention of the USA behind keeping our country dependent for supply of nuclear fuel on other countries?

**July 30, 2009**

**Shri Basu Deb Acharia:** Madam, yesterday while intervening in the debate the Prime Minister said with regard to availability of ENR technology, "As far as the G8 is concerned, the fact is that we have no civil nuclear cooperation agreement with G8 bloc *per se*. We have, however, signed bilateral agreements with France, Russia and the United States." We know that India first signed a bilateral agreement with the United States of America and subsequently signed bilateral agreements with France and Russia. But these are member countries of the G8 grouping. All the representatives in the meeting of G8 countries decided that they would not allow ENR technology to a country which has not signed the Non-Proliferation Treaty. When they have decided so jointly and collectively, how can one of those countries separately decide to supply this technology to our country? There are three countries with nuclear weapons - India, Pakistan and North Korea – which have not signed the NPT and India is being isolated in the case of availability of enrichment and reprocessing technology.

Sir, you know that there is a consensus in our country that we will not be party to an agreement that is discriminatory. Non-Proliferation Treaty is a discriminatory agreement. We did not agree to sign the FMCT and CTBT because those are discriminatory agreements. We will not be party to such discriminatory agreements. From the very beginning the Government of India knew that the United States of America, even after signing the agreement, made it clear that they would not supply reprocessing technology to our country. We are proud of our indigenous technology. We have our technology but this has to be updated. The main interest of the United States of America is to supply reactor and nuclear fuel. Other than reactor and nuclear fuel, they agreed to supply

no item to our country. Then, how can the Prime Minister say that the exemption is unconditional and the exemption is clear? Exemption that has been given in regard to nuclear fuel is unconditional, and no conditions have been imposed.

How has he said this : The USA has proposed or rather the G-8 countries have decided collectively that they would not supply the reprocessing technology to a country which has not adhered to the non-proliferation architecture? How would the other country disobey if it has been decided like that in the G-8 countries? What will happen to our R&D in regard to nuclear technology? We will be deprived of that and we will not be able to reach the third phase, that is the thorium-phase in nuclear technology. The Prime Minister stated in his intervention that we have developed our indigenous technology, why did we agree to sign the nuclear cooperation agreement? What was the need and necessity if we will not get ENR technology? Why should our country be deprived even after our Prime Minister said that we have got clean waiver? The second question is on end use monitoring agreement.

The Prime Minister said that this end use monitoring was in existence since 1990. Whatever equipment we have purchased from the USA, all of them are subject to end use monitoring by the USA. But it was on an *ad hoc* basis.

There was no agreement with the USA; that has been stated by the Prime Minister, while intervening yesterday. When the agreement has been signed by India and the USA, what will happen? This is very important, but that question has not been addressed by the Prime Minister yesterday. The US will have the right to check whether India is using any purchased weapon for the purpose for which it was intended. This could mean a weapon system bought by India to bolster defence; say, for instance, against China or if India wants to use it against Pakistan, they will not be able to use it against Pakistan. EUMA restricts what purchasing country like India can do with US-origin defence equipment, even within its own border; you will not be able to do anything with the equipment which we purchase from the USA.

**Mr. Chairman:** Okay, please conclude. There are 13 more hon. Members waiting to speak; please allow others to make their speeches. The hon. Minister may reply at 3 o'clock. SHRI

**Shri Basu Deb Acharia (CPI-M):** Under the terms of EUMA, India cannot modify the purchased defence article or system in any form. And, it also

cannot prevent the buyer country from freeing itself from dependency on United States for maintenance. India would not be able to undertake maintenance of any of the equipment purchased from America. This is not so with the other countries. We have purchased a number of Defence equipment from Russia, erstwhile USSR but this end-use monitoring system was not there for the equipment purchased from other countries. This restricts India from getting ordinary US Defence equipment serviced by any other country without prior American permission. The Prime Minister has stated that the inspection will be fixed on mutually agreed date and the inspector from America will inspect the equipment supplied by America. Those inspectors will not be allowed to visit any sensitive establishment in our country. If any equipment is installed in a sensitive establishment in our country, then that equipment has to be brought to other place for inspection. This is nothing but infringement on our sovereignty, our independence. So, by signing the End-Use Monitoring Agreement with the United States of America, we have become different as with no other country this system is there. When there was an *ad hoc* arrangement, why did India sign the Agreement? Our C&AG and Air Chief has also criticised signing the Agreement with the United States of America in regard to the End-Use Monitoring. We think this is an infringement on our sovereignty. Our independence has been surrendered to the United States of America and we opposed this End-Use Monitoring Agreement which has been signed between the Government of India and the United States of America. Thank you, Sir.

**Shri B. Mahtab:** Thank you, Mr. Chairman. I stand here to participate in the discussion, the second day, relating to the issues arising out of the Prime Minister's recent visit to foreign countries. The issues before us are manifold, no doubt, but I will confine myself to four issues;

- India Pakistan Joint Statement
- The End-Use Monitoring Agreement with the United States
- The G8 Resolution on Enrichment Technology
- The Agreement on Climate Change.

I would deduce the discussion today on two counts. One is the delinking of terrorism from composite dialogue process and the inclusion of a reference relating to Balochistan in the joint statement. Second is, End-Use Monitoring Agreement about which the Government has fought shy of taking this House into confidence. On July 9th the Foreign Affairs



Minister Shri Krishna made a *suo motu* statement in this House on significant developments in our neighbourhood. In Para 4 of that statement the first indication of softening towards Pakistan was indicated and I would quote: "When the Prime Minister met President Asif Ali Zardari, it was agreed that the Foreign Secretaries of India and Pakistan will discuss what Pakistan is doing and do to prevent terrorism from Pakistan against India and to bring to justice those responsible for those attacks including the horrendous crime of the attacks in Mumbai."

So, the decision to discuss was not a sudden one. After the Pakistan directed massive explosion in the Indian Embassy in Kabul last July, already a year has passed, which was followed not long after by the outrage in Mumbai, this country had suspended the composite bilateral dialogue process with Pakistan.

A condition was officially stipulated and reiterated at every opportunity that the composite dialogue could be resumed only if Pakistan gave concrete proof of moving against its nationals who attacked Mumbai and dismantling the infrastructure of terrorism on Pakistani soil. None of this thing has come to pass. We have received a dossier and the end result is only five persons. A month ago when hon. Prime Minister, Dr. Singh met President Zardari in Yekaterinburg, he had bluntly told President Zardari that "My mandate is limited to telling you that the territory of Pakistan must not be allowed to be used for terrorism against India. But the developments show that the Prime Minister's warning went unheeded. On 19th July this month, Indian security forces have captured two well armed Pakistani terrorists of Lashkar-e-Toiba, Mohammad Adnan and Mohammad Shafkat, who hail from Sahiwal district of Pakistani Punjab, and who infiltrated across the line of control. They have revealed that they belonged to a group of 15 militants who had been trained in Pak-occupied Kashmir to attack the Baglihar Dam in Jammu and Kashmir. They also revealed that a secret tunnel was being built near the border town of Sialkot for infiltration into India across the international border. Three days later, Mr. Richard Barrett, Coordinator of the United Nations Security Council's Al-Qaeda and Taliban Sanctions Committee, has warned that there was a "real risk" that the Lashkar-e-Toiba would target India again. These are two instances which demonstrate that infrastructure of terrorism in Pakistan remains alive and kicking.

Let us not forget that on January 6, 2004, the Prime Minister Vajpayee and President Musharaf had jointly declared that India agreed to resume

the composite dialogue process with Pakistan only after a categorical assurance from General Musharaf that the territory under Pakistan's control would not be used for terrorism against India.

There has thus been a clear link between Pakistan dismantling the infrastructure of terrorism on the one hand and India agreeing to continue the composite dialogue on the other. Despite this, the Joint Declaration after Prime Minister, Dr. Singh and the Prime Minister, Mr. Gilani astonishingly notes – "Both Prime Ministers recognised that dialogue is the only way forward. Action on terrorism should not be linked to a composite dialogue process and these should not be bracketed. Is this not an assurance that we will continue dialogue irrespective of whether or not the infrastructure of terrorism is dismantled? I raised this last week also when this was being discussed in this House and I reiterate it again. Who is fooling whom? Is this not a dramatic reversal of the Indian position obtaining till now? I am of the opinion that there is nothing static in the world. I am not a *status quoist* nor our country should be. We should strive for change and change in foreign policy is required keeping in mind the change that the world is undergoing today. Once we accept this, as a policy, say it. Also say that the discontinuance of composite dialogue paid us no result. Scant attention was given by the powers that be, to pressurize Pakistan to apprehend the culprits of Pakistani nationals who were behind the Mumbai attack. Say it that Jamaat-ud-Dawa Chief Hafiz Saeed is walking free in Pakistan because you were unable to provide evidence and that is why you had to make a course correction and started the dialogue, at least, at the Secretary level. Say it that Islamabad has withstood Washington's pressure because both are fighting a different war together on a different front, so India's case can be ignored.

We are asked to believe on the trial process of Pakistan to convict the perpetrators of terrorist activities in India.

But are we not aware that Pakistan is yet to complete the trial process of Omar Syed Sheikh who was involved in brutally murdering American Journalist Daniel Pearl in 2001? It is an open secret that people like Omar Sheikh, A Q Khan, Hafiz Mohammed Saeed or Zakia Rahman Lakhir cannot be punished because they will spill the beans. We should understand the attitude of Pakistan. Sentimentalism has no place in international relations. We are neither equal victims of terrorism, nor we share a common destiny. A democratic, secular India cannot share a "Common Destiny" with a theocratic, feudal and military dominated Pakistan. Why should we be forced to believe that a rising India cannot

assert its rightful place in the comity of nations without good neighbourly relations with Pakistan? This attitude undermines our diplomacy. Pakistan for the last three decades had created, harboured and trained terrorists backed by ISI to make India bleed and seek strategic depth in Afghanistan. India has been a victim of terrorism sponsored by Pakistan for the past three decades. Now what do we have? The Government has equated the two countries in Sharm-el-Sheikh. Sir, now I would talk about the reference to Balochistan in the India Pakistan Joint Statement. That is worrisome. If Prime Minister Gilani mentioned that Pakistan has some information on threats in Balochistan and other areas, why does it have to be mentioned in the Joint Statement? What is the relevance of such a formulation? It is a Pakistani perspective. It is for the first time that an India-Pakistan Joint Statement hints at Indian involvement in Balochistan and other areas.

Sir, I need not delve into other matters as the time is very short. But till now there has been no credible report of any Indian sponsored activity in that province of Pakistan. But I would also like to take the opportunity of speaking in this House that with over one lakh Americans and NATO forces in Afghanistan, any action by India that complicates the NATO mission would have invited America's attention. I have a direct question. Have Americans, by implication, rejected Pakistan's baseless claims of Indian interference? I would like to know this from the hon. Minister. All those who care for this nation, all those who have lost their near and dear ones in the serial terrorist strikes across India till November 26 in Mumbai treats this as a betrayal. I believe in the words of the hon. Prime Minister of India for the interpretation he has given. Many people do in this country. The reference to Balochistan and other areas in the Joint Statement has to be excluded from any bilateral discussion in future as it is totally inapplicable and unacceptable to India. Sir, let me conclude. I am not dealing with end-use. But I would like to make a short point on climate change. There is pressure from the rich nations on the developing nations and it is going in WTO way. When we are meeting in Copenhagen, I have information in my command that we are taking a different stand which is a consistent one, but my question here is, what is the quantity of Greenhouse emission that our country does? Are we conscious of that? We may have a point of view in different forums but what is the Greenhouse emission that our country does and what steps is the Government taking to minimise it?

Sir, yes, the hon. Prime Minister has struck the right note in this House by clarifying what India expects of Pakistan and has relied heavily on France

and wants itself to be engaged with United States. We could not agree with him more and expect him to hold firm on the course he has worked out for the country. Thank you .

**Shri Anant Gangaram Geete (Shiv Sena):** *Respected Deputy Speaker, there has been a lot of debate in the country in respect of the Prime Minister's recent foreign visits, his contrasting statements, his joint statement with Pakistan which he has signed, the end use monitoring agreement. There have been discussions in the electronic media, in the print media and several doubts have been raised because of these statements. This was kept before the house yesterday by Shri Yashwant Sinha under Rule 193. He has already elaborated it in detail.*

*The Prime Minister also participated in the discussion and kept forth in the house his own views. When he stood before the house, he stressed on the fact which he wanted all of us not to forget that Pakistan is a neighbour and we have to keep friendly relations with neighbours. I am in agreement with the Prime Minister in this respect that Pakistan is a neighbour and we should have good relations with Pakistan but the question is whether Pakistan considers us our neighbour. Does Pakistan accept that India is its neighbour and it should have good relations with India?*

*The behaviour of Pakistan towards India in the last 20 years, their attitude towards us forces me to say that Pakistan does not consider us our neighbour, they consider us their enemy. They look at us like enemies and not that of neighbours. The Prime Minister has given a statement that Pakistan is our neighbour but Pakistan does not agree with this. Pakistan looks at us like enemies and their behaviour towards us is the same as it would be towards enemies and that it has been doing for the last 20 years. All the terrorist attacks in India whether it is the attack on Red Fort, , attack on Parliament, attack on Mumbai railway station, Bomb blast at Gateway of India or the ghastly most recent Mumbai attacks on 26<sup>th</sup> November, all the governments of the time whether it is the UPA government or the NDA government, whether it was Deve Gowda's government or I.K.Gujral's government, the home minister of each of the government's have all stated to the House that Pakistan has been responsible for those attacks. Each Home Minister has said the same thing for the last 20 years and Pakistan has continued to attack us in this manner, they have been running a proxy war for the last 20 years. Pakistan has realized that they cannot fight with India in a straight one to one war and hence this proxy war for the last 20 years.*

*Respected Deputy Speaker, the four wars that we have fought and the last one being the Kargil war, in all these five wars, the number of soldiers that we have lost during the war, we have lost more than that in these terrorist attacks. And over and above the common man, the common citizen, the civilian whose numbers are more than 70 thousand. ....(Interruption) Shri Mulayam Singh Yadav is giving me the information that this count has increased to one lakh. I had mentioned 70 thousand but he has corrected the figure and made it reach one lakh. This one lakh which consists of children, old people, women, students etc. have been killed in these terrorist attacks much more than the soldiers we lost in the five wars that we have fought.*

*Mr. Deputy speaker, Pakistan does not consider us our neighbour. Pakistan considers us their enemy. Their politics runs only on this track. The person who talks against the most, who considers India as the biggest enemy, he will only rule the longest. And this is true whether it is President Musharraf or President Zardari or Nawaz Sharif who was the ex-prime Minister or the present Prime Minister Gilani, whoever is in the government or whosoever is the president, they will cause maximum harm to India. They consider us their enemies and their behaviour towards us is the same. Accepting the Prime Minister's statement, I request on behalf of the House and on behalf of my party that till the terrorist activities supported by Pakistan are not totally finished, there should not be any dialogue with Pakistan, our government should not have any dialogue with Pakistan.*

*Mr. Deputy Speaker, everybody know what the country went through when Mumbai was attacked on 26/11? The whole country was unified in its thinking after the 26/11 Mumbai attacks. The country had unified irrespective of caste, religion, language, region, it brought together the entire country. Several Muslim organizations had taken out rallies in Mumbai against Pakistan. Muslim organizations had blamed Pakistan and had warned Pakistan to discontinue this. At that time the whole world was unified in its opinion against Pakistan.*

*Mr. Deputy Speaker, at the time of the attacks, a lot of letters had been discussed in parliament and I had mentioned some letters written by women. Today I am again going to mention such a letter which shows the state of our country and their mental frame of mind. Women had sent lakhs of letters to members of parliament and I am going to mention one of hem today. It is not there in my hand but I will definitely present it in the*

*House. It is there at my residence but I have not got it here. That letter was in Hindi and showcases the woman's sentiments. She had written, 'A person makes a mistake once, he is human; he makes the mistake a second time, he is ignorant; he makes the mistake again and again, that is Pakistan; and the person who forgives everybody's mistake everytime, that is Hindustan.' In that latter the lady has vented her anger and the last sentence was 'Attack Pakistan'. A woman of our country, a mother had written that letter. We had received lakhs of letters of this kind at that time. The whole country was angry. Pakistan has been mounting terror attacks for the last so many years. Till the time that Pakistan does not stop supporting terrorist organisations, does not remove all the terror training camps on its soil, we should not have any dialogue with Pakistan.*

*.....(Interruption)*

*I am just going to conclude. I will finish the other points in one sentence each.*

*Mr. Deputy Speaker, the concerns expressed here today regarding global warming, the statement given by the Prime Minister in that regard, I will give my comments in one sentence.....(Interruption)*

*Shri Mulayam Singh Yadav has reminded me that we wasted two instances; one when the parliament was attacked. At that time our government should have attacked Pakistan. The second was when the Mumbai attack took place, at that time the government had given the statement that this attack was not just on Mumbai but on the whole country. Despite that we did not attack Pakistan. I am not a supporter of war but Pakistan seems to understand only this language, it doesn't seem to understand any other language. Whether we wage war or not is a different issue but we can definitely take a decision that till the time Pakistan does not give proof of improvement in this situation, till that time we will not have any dialogue with Pakistan. In 1993 there were bomb blasts in Mumbai. That matter went upto the supreme Court and it was finally decided that the offenders were Dawood Ibrahim and some others who were declared absconding. They are all in Pakistan but till date Pakistan has not handed them over to us.....(Interruption)*

*.....(Interruption)*

*The government is repeatedly asking. That is why we should not have any dialogue with Pakistan.*

*On the issue of global warming, I will only say one thing of which I am*

*scared. Today our country is a developing country. There are a lot of countries who are even more backward than us which are undeveloped. Talking about global warming, Shri Yashwant Sinha has given some statistics for which the developed countries are responsible. You will be surprised that in the CBSE syllabus today, children are being taught about global warming. ....(Interruption)*

*I am keeping this in front of the house because we have to think about this seriously. The countries which are responsible for global warming, in those countries the children are not taught lessons on global warming but they are being taught in India wherein we are not responsible at all for the situation. It is not our fault. If we accept their views, we will have to accept that our dream of being in the line of developed countries by 2020 will remain a dream and it will not get fulfilled. If we accept what they say, we will not be in the line of developed countries by 2020.*

*The topic of Agreement and Enduse monitoring has also come up. Shri Mulayam Singh Yadav said correctly yesterday that if you have done such an agreement, please throw it in the garbage bin. I repeat the sentiment because it is an attack on our independence by America. If the government accepts such an intrusion or attack, then its results will have to be borne by the entire country. Thank you.*

**Dr. M. Thambidurai (AIADMK):** Respected Deputy-Speaker, Sir, I rise to participate in the discussion on the Statement made by the Prime Minister in this House on 17th July after his visit to Italy, France and Egypt. Sir, I have carefully gone through that Statement and also his intervention in the House yesterday.

I would like to very briefly remind the House of the contrary positions that the Prime Minister took. To begin with, before leaving for the three-country-visits, the stated position of the Government of India was that Pakistan must act on terror before any meaningful discussion could be started.

India also refused to hold any talks with Pakistan until the perpetrators of 26/11 attacks were brought to book. India had been consistently saying that there has to be transparent action against the culprits, the masterminds of the Mumbai terrorist attacks. Secondly, after making the Joint Statement, he dropped our demand of action against the attackers and said that dialogue is the only way forward. It is apparent.

Thirdly, while intervening in the debate yesterday, he tried to only justify his action. He mentioned that we should trust and verify Pakistan's actions.

He stated that the former Prime Minister Shri Atal Behari Vajpayee also followed the same path of dialogue despite several setbacks. He further mentioned that a peaceful and a friendly neighbour is in India's interest. But where has this wisdom gone so far? Since the 26/11 Mumbai attacks and till he signed the Joint Statement, India was all along saying that Pakistan must bring the culprits to book before we start the process of dialogue. Why should he take a contrary stand without taking Parliament into confidence and why should he unilaterally change the position? Of course, we are for friendly relations with all neighbouring countries, but that should not be taken for a ride by any neighbour.

The Prime Minister said yesterday that we should trust Pakistan. I will make only three sentences to show how cannot trust Pakistan. On July 8th, the Intelligence Bureau made an alert that there is going to be another attack on Mumbai. The Home Minister Shri P. Chidambaram warned that Pakistan based terrorists would launch another sea-borne attack on Mumbai at seven places. The second is, Beijing issued a White Paper claiming that a large number of Xingjian terrorists have been getting training in camps in Pakistan. The third is that Ms. Hillary Clinton, on her visit to India, said that Pakistan is the home to syndicate of terror. So, how can we trust Pakistan? Pakistan had not kept up any promise it made on taking action against terrorists. Even the mastermind behind the Mumbai attack is set free in Pakistan. There is also a growing concern since Pakistan is inducting a large amount of sophisticated defence equipment on our Western borders. Will this create mutual trust and confidence? In the Joint Statement, he allowed Pakistan to make a mention of Balochistan. India has nothing to do with what is happening there. But just two days after this Joint Statement, Pakistan started linking India with the troubles in Balochistan. The Pakistani Army Chief also stated that Pakistan would tackle Lashkar-e-Toiba, if India stops messing around in Balochistan. This cannot be tolerated. So I want to say that they were never serious and trusting Pakistan again might end up in further troubles for India.

Yesterday, NDA Members accused the UPA for the steps taken relating to Pakistan. In the same way, the UPA Members also accused NDA for whatever action taken during their tenure. But I want to accuse both sides on this issue. What happened during the Kargil War? When the Kargil War took place, the NDA friends were very much hostile towards Pakistan. After the Kargil War, they got into power and did nothing. In the same way, after the 26/11 attack in Mumbai, the UPA friends said that they are going to be very serious in taking action against Pakistan. They said so many



things, but now after the election is over, after assuming power, they also changed their attitude. But the common people of India and Pakistan are suffering due to terrorism. So, this kind of politics must be avoided on this issue. We have to protect the sovereignty of our country and we must not succumb to any pressure from Pakistan.

Secondly, yesterday when the hon. Prime Minister made a statement, he said that he met the President of Sri Lanka. I would like to know what transpired between the President of Sri Lanka and our Prime Minister. We are very much worried about the pathetic conditions of Sri Lankan Tamil people in Sri Lanka. I would like to know whether any discussion took place between the President of Sri Lanka and our hon. Prime Minister. Our hon. Amma, Ms. Jayalalitha has requested that a sum of Rs.10,000 crore must be allotted for the rehabilitation of Sri Lankan Tamils in Sri Lanka. But the Budget provided for only Rs.500 crore for them. I am saying this because when we have set so much commitment for this and when our Prime Minister gave a statement, why he has not mentioned about this meeting between the Sri Lankan President and the Prime Minister of India. I have already stated that we must not succumb to the pressure of America also because we are importing so much technology. When we are having that kind of defence equipment, we must see that they must not come and visit our places wherever we are using the equipment. That is also very important as our hon. Members said that our sovereignty must be protected and we must have every right to protect whatever we want. Therefore, when we are importing technology, we must not allow the foreign countries to visit and supervise these things. Some hon. Members have also touched upon the issue of climatic conditions. Foreign countries must not exploit the Indian condition and we must see that they must not take advantage of that. We must have our own foreign policy. Pandit Jawaharlal Nehru made a policy of non-alignment. That kind of policy is suitable for us and that has to be adhered to by our country.

**Shri Gurudas Dasgupta (CPI):** Sir, I have no hesitation in saying that the statement made by hon. Prime Minister is a matter of welcome to us. I have no hesitation in saying that. There is no reason why I should not feel that I agree with many of his formulations with regard to our policy on Pakistan. There is a change in the situation. We cannot just only remember Kargil, we cannot just only remember attack on Parliament. There is, of course, a grim reality. We have also to feel that there is a change in Pakistan and the change for the better. There has to be a voice of sanity

in India and not a voice of serenity. The handing over of a dossier by Government of Pakistan confirming the involvement of Pak nationals in the violent attack on Mumbai is a significant development which need not be ignored by us. The five persons, or maybe more, who have masterminded the attack are on trial and second challan is likely to be submitted by the prosecution. This is the wind of change in Pakistan even in the ruling clique.

We must be aware, Sir, that there is growing awareness among the people of Pakistan. People of India like friendship with Pakistan and people of Pakistan like friendship with India.

We are the two great neighbours in South Asia. Not only we have to live in peace – we cannot indulge in the luxury of fighting each other – but we have to fight against poverty, unemployment, and economic evils. Therefore, the whole intention of Indian political establishment, including India, would be to ensure the consolidation of the forces of peace and friendship in Pakistan. Our voice must reach to the people of Pakistan. Our warning should reach to the terrorist group. There has to be a voice of sanity; there has to be a voice of perseverance. There should not be a voice of senility.

I feel that a fractured Pakistan is more dangerous to India than the terrorist groups that seek to work on the soil of that country to mount attack. I am in agreement with the Prime Minister while he is saying that we want a peaceful, a prosperous, a democratic Pakistan and also growing friendship between us. Our own intention is to strengthen not the forces of militancy but the forces of democracy, the forces of peace, the forces of friendship in Pakistan. They are equally poor like India. They are equally unemployed. There has been lack of development. Therefore, there is a common ground to fight against the common enemies, that is poverty and unemployment I have a word of caution to my friends in the Opposition also, we should not overplay suspicion to build up Parliamentary offensive in the House. We cannot be led by suspicion. But I must say that Prime Minister's foreign visit was not all in glory. His observation on G-8 countries' Resolution is absolutely ambiguous and it raises suspicion about the success of India's diplomacy.

The comment of the Prime Minister on the end-use of military hardware is unacceptable. The inspection of India's defence establishment by foreign personnel is definitely an infringement of the sovereignty of this nation. This is unfortunate. But I must say that the hon. Prime Minister has

forgotten something to tell us. How has he forgotten his participation in the Non-Aligned Conference? India is one of the architects of the Non-Alignment Movement. There has been a Conference; there has been a declaration; and there has been a call for united action on vital, fundamental, global issues. There has been a call for a war-free world; there has been a call for the establishment of an independent State of Palestine. There has been a protest vigorously against the attack of Israel. How has he forgotten it? Does it mean to say that the Non-Alignment Movement is a low priority of the foreign policy of the Government of India? It is for him to clarify. But again I say, we would like to live in peace with Pakistan not of course giving up our fight against terrorism. Terrorism we must fight but friendship we must also have.

We want peace in the sub-continent. We do not want war. I am surprised the way in which one of my previous speakers had even quoted a letter by a person - maybe that person is a lunatic - that why India did not attack Pakistan. This is not the voice of India. The voice of India is the voice of peace and friendship in the sub-continent. Thank you, Sir.

**The Minister of Finance (Shri Pranab Mukherjee):** Mr. Deputy-Speaker, Sir, since yesterday the hon. Members are participating in the discussion arising out of the Statement issued by the Prime Minister. The Prime Minister has already clarified in detail the three major issues which were raised in the course of the discussion – firstly, whether we have diluted our position in respect of our resolve to fight against terrorism and our concept of zero tolerance for terrorism; secondly, whether in any way by using a particular phrase we have indirectly or implicitly involved ourselves in a matter which was not earlier the part of the bilateral discussions; and thirdly, certain other issues raised in connection with the visit which have been amply clarified by the Prime Minister in his observations while responding to the debate yesterday. My observation is limited to certain basic fundamental issues in respect of our foreign policy. Mr. Deputy-Speaker, Sir, I do not mind at all whether I encourage more and more discussions on foreign policy because that is an arena where the Members of Parliament should have interests. It is exclusively within the domain of the Union Government but I am little pained when a visit is being used by the principal Opposition Party even to march to the Rashtrapathi Bhavan and submit a Memorandum where they say: "The Government has altered the fundamental foundations of India's foreign policy and strategic interest. That is the Memorandum which they submitted; it is a part of the concluding paragraph. At the beginning of the Memorandum they

suggested that within weeks of returning to power, the UPA Government headed by Dr. Manmohan Singh will completely reverse India's strategic and foreign policy positions much to the detriment of the nation. I have serious objections to these formulations and postulations.

India's foreign policy is not the whims and caprices of individuals or that of even a single Party. India's foreign policy is embedded in the basic fundamentals of our 5,000 years old civilization where we have stated *Vasudeva Kutumbakam* – whole universe is my friend' long before Independence; the actual formulation of the foreign policy by Pandit Jawaharlal Nehru through the principles of *Panchsheel*; and the principles of non-violence and truth enunciated by the Father of the nation.

That is the very basic fundamental of India's Foreign Policy and that basic fundamental has been endorsed by the people of this great country. That can never be altered. That is as simple as that. Now, what has happened with the visit of the Prime Minister? Serious allegations have been raised that we have altered our position in respect of terrorism. Where? How? I have the list; I would not like to reel out the list because many Members have spoken. From 1999 onwards, how many times we have started talks? Talks were disrupted. Dialogue process was disrupted because of events, because of terrorist attacks from 1999 onwards. It has been going on for more than last quarter a century. Who does not know? Surely, the initiator of the discussion, the former Foreign Minister and the former Finance Minister, Yashwant Sinha was well aware of that. It was a part of the Pakistan Policy, after getting successive defeats to inflict 1000 scars so that India dies bleeding. That was propagated by one of the Military Rulers of Pakistan. It is well-known. It has been practised through the cross-border terrorism. But neither we have succumbed to that terrorism, neither we have succumbed to that policy nor did we stop talking. This is the bare fact.

You did it; India did it; UPA did it; and this is the process through which the world diplomacy moves. Everybody knew that — before the Second World War when Chamberlain entered into the Munich Pact — it is not going to succeed, it is not going to keep Adolph Hitler happy, but at the same time, it was considered necessary to have that, because they thought that the last effort should be made to save the world from the impending Second World War. As a humble student of history, this is the lesson of diplomacy, which we should not forget.

We cannot erase Pakistan. Pakistan is going to exist; and it is not new that our relationship with Pakistan has not been cordial from the very beginning.

Many of you may remember that after signing the Nehru-Liyaqat Pact in 1950, in 1951 while participating in a debate on the floor of this very House, Pandit Jawaharlal Nehru reminded through a story that sometimes the condition of Pakistan is like this, that it is like an errand boy, who killed both his parents – father and mother – and thereafter, when he was prosecuted, he was pleading mercy saying: “Me Lord, pardon me because I am an orphan. He himself killed his father and he himself killed his mother, but he pleaded that he was an orphan.

Therefore, that has happened. But that is a reality. That does not mean that we should stop talking. Nowhere. Talking does not mean a full-fledged meaningful dialogue.

Keeping the communication channel open does not mean it is conceding or surrendering on any particular point. Therefore, this aspect is to be kept in view. We shall have to keep that in view. What is foreign policy? Foreign policy is the extension of the national interest in the context of the external situation and atmosphere. Therefore, I shall have to enhance my national interest. I shall have to advance my national interest in the context of the external atmosphere. The world is changing, and simply we cannot keep our positions straitjacketed, a perception which refuses to acknowledge or admit the elements of change. War-mongering is no way. Even when I was making the statement as the then Minister of External Affairs, I had expressed my strong resentment. Somebody suggested from the other side, why do you not attack Pakistan? My instant response, standing from here itself, was that that is not the solution to the problem. War is no solution.

Therefore, we shall have to pursue our policies of zero tolerance. I would not like to repeat. Events have clearly established that we are not succumbing to the pressure of anybody. Madam Speaker, more often than not, myself and Advaniji are two old Members of that House and this House. Of course, he has spent more time in this House compared to me but I have spent more time in that House. Umpteen number of times, I have heard that our sovereignty is compromised. While entering into a broadcasting agreement in the early 60s, known as VoAA, Voice of America Agreement, I heard them saying that our sovereignty had been compromised. While borrowing some money from International Monetary Fund, it was said that our economic sovereignty had been mortgaged. While signing the WTO Agreement in the early mid 90s, they said, “Oh, our sovereignty has collapsed. While entering into Civil Nuclear Cooperation Agreement, they have said we have compromised our national sovereignty. Questions have

been raised. G-8 countries are saying that they are not in favour of supplying ENR technology to those countries which are not signatories to the NPT. Is it for the first time G-8 countries are saying so? Is it not a fact that since the days of formulation of NPT in the 70s, G-8 countries continued to pressurise the entire world? They have their own logic. We have our own logic. We have made it quite clear that we consider that it is a discriminatory treaty. We consider that it creates nuclear haves and have-nots. That is why, we did not sign and we have no intention of signing it.

Yashwant Sinhaji reflected on my observations. What did I say? In the other House, I said, yes, I have noted the observations of the G-8. But G-8 is not the appropriate forum to decide about the Civil Nuclear Technology Agreement. The two appropriate fora are IAEA and NSG. In NSG, we got clean waiver. As many as eight times, this issue has been debated in this House and in that House. It is not once or twice.

I do not remember any foreign policy issue has been so extensively and so exhaustively debated in this House or in that House. ... (*Interruptions*) But, despite that ..... (*Interruptions*) (*Interruptions*)

**Shri Pranab Mukherjee:** Please, I am not yielding. ... (*Interruptions*)

**Madam Speaker:** Please do not interrupt. ... (*Interruptions*)

**Shri Pranab Mukherjee:** You have your own perceptions. I know your nuclear doctrine which you reflected in the last Elections. ... (*Interruptions*)

**Madam Speaker:** Please keep quiet. ... (*Interruptions*)

**Shri Pranab Mukherjee :** You only remember what you did say that South Asia should be nuclear weapon-free. What is South Asia? It is India and Pakistan. China will have nuclear weapon; USA will have nuclear weapon; France will have nuclear weapon and England will have nuclear weapon. ... (*Interruptions*)

**Shri Basu Deb Acharia:** I did not say. ... (*Interruptions*)

(*Interruptions*)

**Shri Pranab Mukherjee :** China will have nuclear weapon, but not India. ... (*Interruptions*) That is your nuclear doctrine and the people of India have rejected your nuclear doctrine. ... (*Interruptions*) Please remember that.

**Shri Basu Deb Acharia:** I did not take that stand. ... (*Interruptions*)

**Shri Pranab Mukherjee:** Please remember that. The people of India have rejected that doctrine. Therefore, most respectfully I would like to submit that do not treat the sovereignty of 112 to 115 crore people as so cheap that it can be mortgaged, that it can be bartered in any way. I would not have minded if some casual remarks would have been made. Where is the fundamental change of the foreign policy? I would like to know. Have we deviated from the principles of building up brotherly relationship, close friendship with our neighbours? Is it not our stated policy that we will come to the aid of each and every neighbour? Is it not our stated policy we do not believe in exporting our ideology, we do not believe in exporting our sphere of influence and we do not believe in the interference of the internal matters of any other country? Therefore, this aspect is to be kept in view. Yes, there will be divergence of opinion. But if we point out that basic fundamentals are changed, I am afraid, the basic fundamentals are not changed in that simple manner. Everybody agrees with me. The hon. Prime Minister has made it quite clear. We have nothing to hide in Baloochistan. Who does not know the problems of Baloochistan? Particularly the hon. Leader of the Opposition knows it very well. It was created from May, 1947 itself when the understanding between Quaid-E-Azam Jinnah and Khan of Kalat of Baloochistan a few days before the creation of Pakistan, perhaps, 11th August, 1947 and subsequently the accession of Baloochistan to Pakistan in 1948.

From 1950s onwards there are problems. Problems are continuing. It is their internal matter. We have nothing to hide. We have not done anything there. We have no intention of doing anything there. We are the victims of the terrorism.

We have no intention of exporting terrorism to any country. It is against our principles.

I am grateful to the NDA Government which has established four Consulates there. It is because we want to help our friends in Afghanistan. They are good people. We have historic and traditional relations. Because of certain developments since the late 1940s, our traditional and historic ties have been snapped. Land route is not available. But that does not mean the centuries old cultural and historical relationship with that country can be snapped. Therefore, we wanted to help them. In order to help them, these Consulates were established there. It was a good decision of yours. We welcome it. But it is not meant for carrying on any subversive activity. If we made this position quite clear to them, I do not think heaven is going to fall on you.

**Shri Yashwant Sinha:** Will you please yield for a minute? My simple question is this. We know their position and we know our position. Why was this sentiment not reflected in the Joint Statement when the Pakistani Prime Minister raised it? We included this sentence, why did we not include one more sentence to state our position? This is our point.

**Shri Pranab Mukherjee:** Shri Yashwant Sinha, you yourself have replied to that question in the National Democratic Alliance's memorandum, which you have submitted to the President, saying that 'this is unilateral'. Your point is that we could have put our viewpoint also, but when you describe the statement as unilateral, you admit that we are not a party to it. You yourself are admitting by using the epithet 'unilateral mentioning' that we are not a party to it. But you could have stated that our position should have been mentioned. That is not the intention. ... (*Interruptions*)

**Shri L.K. Advani:** Shri Pranab Mukherjee, you said 'because it is unilateral and he said'. Our objection is why Balochistan is mentioned here which is a Joint India-Pakistan Statement and for the first time in all these years. They have been making this allegation earlier also, and I am sure that when the Prime Minister talked to Shri Gilani, he must have told him that we have nothing to do with it, which has been said by you today and also by the Prime Minister. But why, when this was mentioned in the India-Pakistan Statement, could we not have added our viewpoint also? I am not quoting exactly, but I have with me what he mentioned about Balochistan. But this is true that for the first time, Balochistan has been mentioned in a Joint India-Pakistan Statement agreed by the Prime Ministers. Therefore, my colleague was right when he said yesterday that 'I caution you that this Balochistan will be coming again and again whenever we talk about terrorism and this will be their proof against us that we are also indulging in terrorism, which is absurd, which is bunkum and therefore, never before has Balochistan ever occurred in talks with them.' That is our objection.

**Shri Pranab Mukherjee:** You may have your objection. You are entitled to have your objection, but what I am trying to point out is that this is a unilateral reference. The perception of Pakistan is not shared by us. You know it very well that umpteen number of times ... (*Interruptions*) I have not disturbed anybody. Please allow me to make my observations. You are entitled to have your own view. You are not going to change your views by listening to me. So, why are you worried? Let me speak my point of view because after all, everybody is listening to what this sovereign Parliament, their chosen representatives are debating and deliberating upon and I welcome this. As I mentioned that if more and more Foreign



Policy, more and more fiscal and financial policy is debated and discussed here, it is better than the local issues or extra-local issues being debated and discussed and taking the time of the sovereign Parliament. It would be much better if we concentrate on the macro issues like this. Therefore it is a good idea that you have your own views, but let me express my view and share it with you. It does not mean that you shall have to accept it. You are free to reject it, but let me speak. I will not take much of your time. My colleague, Shri Krishna will be replying to the debate. Madam, the fourth point which I am trying to say is that the intention is quite clear. We are not going to succumb to the pressure and compromise our position in this. ... (*Interruptions*)

**Shri Ananth Kumar:** What is your viewpoint about Balochistan? ... (*Interruptions*)

**Shri Pranab Mukherjee:** Shri Ananth Kumar, please do not intervene. Time is running out. ... (*Interruptions*) (*Interruptions*) No, Shri Munde. By 3.30 p.m., we shall have to complete because Private Members' Business will start at that time. Today, we have allocated time after 3.30 p.m. to Private Members' Business. Hon. Minister will reply. I will complete in a minute. Please do not disturb me. The short point which I am trying to point out is that there is no question of compromising our position in respect of terrorism. Our Prime Minister has used it more than often that Pakistan must act credibly, verifiably to dismantle the terror mechanisms which are operating from there. That is their primary responsibility. It is better for them, and it is better for us. I am saying this because if they dismantle the terror mechanism, then they will be safe from the terrorist attacks and we will be safe from the terrorist attacks. Therefore, it is better for them; it is better for us; it is better for the humanity; and for the people of this country. Thank you, Madam Speaker.

**Smt. Sushma Swaraj (Bharatiya Janata Party):** *Madam Speaker Pranab da has kept his views in a very impressive way. I would like to ask just one question.....*(*Interruption*)

**Madam Speaker:** I would suggest that you go back to your seats. ... (*Interruptions*) You please go back to your seat, and say whatever you have to say from there. ... (*Interruptions*) Anything that you say from here will not go on record. Anything said in the well of the House will not go on record. Therefore, please go back to your seats. ... (*Interruptions*) 1457 hours (*At this stage, Shri Sudip Bandyopadhyay and some other hon. Members went back to their seats.*)

**Shri Sudip Bandyopadhyay (Trinamol Congress):** Madam, four persons belonging to the minority community and supporters belonging to our political party, namely, Shri Sheikh Jalan, Shri Maltoor Sheikh, Shri Daulat Gazi and Shri Sharafat Hussain and belonging to South 24 Parganas have been brutally killed in the district of South 24 Parganas under the Bhangore Police Station and 35 have been brutally injured. The list is with us. We have drawn the attention of the hon. Shri Pranab Mukherjee; we are drawing the attention of the hon. Prime Minister; and we have drawn the attention of the Home Minister. We would request you to see that the interest, and life and properties of the Scheduled Castes, Scheduled Tribes and the Minorities are protected properly. ... *(Interruptions)*

**Shri Basu Deb Acharia:** Madam, it is a State matter. ... *(Interruptions)* It has happened in the State. ... *(Interruptions)* How can he bring it in this House? ... *(Interruptions)*

**Madam Speaker:** Hon. Members, there are four speakers left. I would give two minutes to each speaker. ... *(Interruptions)* Yes, please take very little time. ... *(Interruptions)*

**Smt. Sushma Swaraj:** *Madam chairperson, I would like to ask Pranab da just one question . He said "foreign policy is an extension of our national interest" . You have quoted very well that " foreign policy is an extension of our national interest " I only want to ask one thing that which aspect of national interest is served by the mention of Baluchistan in the joint statement. By delinking terror from composite dialogue, debracketing it, why national interest has got served? If you can clarify just this point then we will accept that foreign policy is an extension of our national interest. ....(Interruptions)*

**Shri Pranab Mukherjee :** I have nothing to add to whatever I have spoken on this issue. ... *(Interruptions)*

**Madam chairperson :** *Shri Digvijay Singh*

**Smt. Sushma Swaraj:** *We would like to know what national interest is served by this?*

**Madam Speaker:** He has already given his reply. Now, Shri Digvijay Singh. ... ..*(Interruptions)*

**Madam Speaker :** *He has already given his reply. ....(Interruptions)*  
*He has said whatever he wanted to say. ....(Interruptions)*

*Please listen, he is saying something. ....(Interruptions)*

**Shri Pranab Mukherjee:** India's foreign policy is.....(Interruptions)

**Madam Speaker :** *Shri Digvijay Singh. Please let the Honourable member speak.....(Interruption)*

**Smt. Sushma Swaraj:** *Madam Speaker, please let the foreign minister reply.*

**Madam speaker:** *Foreign minister will reply. When it is time, he will reply. ....(Interruption)*

**Shri Pranab Mukherjee:** It has been stated, and I am repeating it, namely, that the action against terrorism is independent of any dialogue. A country may have a composite dialogue mechanism and a country may not have a composite dialogue mechanism.

**Shri Digvijay Singh (Independent):** *Madam, I am grateful to you for allowing me to speak. I was listening to the comments made by Shri Pranab Mukherjee very carefully. He started off his presentation very well. From the point where you quoted Pandit Jawaharlal Nehru from the Panchsheel, I will take you back a little from that. I can say this about India's foreign policy that in the year 1927 when Pandit Jawaharlal Nehru represented the Congress Party in the League against Imperialism, at that time the Congress party was the main political party and he went on behalf of Gandhiji to speak there. Now the year is 2009 and there is no change in India's foreign policy from the time of that speech given at the League of Imperialism, governments changed but the policy remained the same, there was no change. We always believe that our foreign policy runs on continuity with only minor changes here and there. Today the circumstances under which we are keeping our point of view before you is with the backdrop of the ghastly events that took place last year following which for the first time there was a split in the minds of the people regarding our foreign policy. In this country we had never had such uncertainties in our mind, what we saw last year in this House after the incidents of last year. It was just not possible that anybody would doubt a statement that was made by the Prime Minister of India. Outside our borders, there are only two symbols; one is our national tricolour and the other is our Indian prime Minister's word because he speaks for 100 crore Indians. And hence it is not possible for me to even think of a situation where anyone can doubt the words of the Indian prime minister.*

*Madam, the Prime Minister is sitting here, I would only like to ask as to what is it that happened that the people of the country had uncertainty in their minds. It is not doubt but uncertainty and uncertainty because till about 15-20 days back, your language was different and after 15-20 days your language changed. It is normal for people to think that if the Prime Minister's language has changed, then obviously he must have got a new weapon, some new information, some fresh confidence has been instilled. We don't say that there should be no dialogue. In this House itself, knowing a language makes a person speak anything.*

*.....(Interruptions)*

*Madam, as you say. If you give permission I will speak, otherwise I will not.*

*Madam, the prime Minister has already answered. Shri Pranab Mukherjee has also answered. I only want to draw the attention of the Prime Minister, you, the Foreign Minister to 2-3 points. There are lots of people sitting here, Salman Khursheed is sitting here, there have been many instances when both Mr. Salman Khursheed and Shri Atal Behari Vajpayee have together advocated our foreign policy in Geneva. Pranab Mukherjee has himself been Foreign Minister, we all have been used many times, he has himself done it many times. There never used to be discussion or debate on foreign policy because it was unimaginable that anybody would make a foreign policy keeping the national interest aside. You have said rightly that it is a matter of self-interest. I keep before you 2-3 important points. It is not a question of foreign policy but uncertainty in the minds of the people. Everybody has put forth their points about Baluchistan and you have also given clarification in your own way.*

*For the first time, the people of the country are thinking that do we also create trouble in Baluchistan? It is now on the minds of everybody as to why Baluchistan was mentioned. There is nobody who is more experienced than you. You know very well that this kind of hue and cry was always raised about Baluchistan time and again. But we never paid attention to it. You are saying it is in our national interest but the people are not able to understand why was Baluchistan mentioned. And if it was, what did we say because only one-sided information has come. Everybody is thinking as to why is this one-sided and for what reason? Under whose pressure? Why was this said like this? Have we got some information which we should have said? It is our duty to clear the air on this issue. This is not only the Prime Minister or Mr. Advani's work, it is also our duty to clear the minds of the people because India has only one strength in the world and that is its*

foreign policy record. ....(Interruption) When we were poor, even then we had an independent foreign policy. Today you have everything, you had promised the world.....(Interruption) We are equal partners in not only the world's fight for democracy but also for independence. ....(Interruption)

Madam, when Mr. Krishna comes for answering he should attempt to tell us why this happened? Because talking and debating it will not get the answer. This parliament is a symbol of the hopes and aspirations of 116 crore people of India and that is why when you keep forth your view here, it should reach the people of the country.

Second point, a bad precedent has been started in your ministry that your officers, bureaucrats are briefing members and the media alike. The parliament session is on and the Prime Minister and the foreign minister are themselves involved in it. The joint statement is not the words of a foreign secretary or an officer, they are the words of the Prime Minister. The time has come when these people are saying that it is not legally binding on us. I would like to tell them that.....(Interruptions)

Till now we used to think that Bihari's English is poor but what English is this about which it is being said that it is bad drafting. Why is this being said? Why are these words being used?

Madam, I would request Shri Krishna to clarify these two points.

**Shri Asaduddin Owaisi (All India Majlis E-ittehadul Muslimmen):**  
Madam speaker, this debate was started by BJP's .....It was asked as to why Baluchistan was mentioned. A lot of points were mentioned. I would like to ask.....(on the Speaker's directions it was not included in the proceedings summary)

Madam Speaker, the second point is the India.....(Interruption)

Madam speaker: Please sit down. ....(Interruption)

.....(Interruption)

Madam speaker, I wanted to say that what the Prime Minister has said.....(Interruption)

Dr. Manmohan Singh has not said....(Interruption)

.....(Interruption)

I am not going to get scared by your threatening. ....(Interruption) Please tell them, not me.

.....(Interruption) I am not going to be scared of you.

.....(Interruption)

**Smt. Sushma Swaraj:** Madam speaker, I have a point of order.

**Madam speaker:** Sushma ji, what is your point of order.

**Shrimati Sushma Swaraj:** Madam, I am on a point of order. My point of order is under Rule 354 of the Rules of Procedure and Conduct of Business in Lok Sabha. Rule 354 says, "No speech made in the Council (that means Council of States, Rajya Sabha) shall be quoted in the House (that means this Lok Sabha) unless it is a definite statement of policy by a Minister." *There is a restriction under rule 354 that statements made in the Rajya Sabha cannot be quoted in the Lok Sabha and the honourable member started his presentation with a quotation from the other house....(Interruption)*

*Madam, they did not let me speak at all. They have created such an confusion on one point. BJP has brought up the point as to why the word Islamic was used in respect of Pakistan. Pakistan is not the sole proprietor of Islam, India also has 15 crore Indian Muslims staying here. What is the problem in that? Yes, your ideology, thinking is anti-Islam, that I agree but you cannot say such things about Islam. ....(Interruption)*

*Madam, the third point I would like to say is.....(Interruption)*

*Madam, they are not allowing me to talk.....(Interruption)*

... (Interruptions)

*Madam, please let me finish. ....(Interruption)*

.....(Interruption)

**The Minister of External Affairs (Shri S.M. Krishan):** Madam Speaker, I am grateful to all the hon. Members who have actively participated in the discussion on the recent visit of the Prime Minister to the foreign countries. Certain perceptions have been put forward; certain doubts have been expressed; much of those doubts have been cleared by the effective intervention of the hon. Prime Minister yesterday.

Several Hon. Members: No.

**Shri S.M. Krishna:** It was further strengthened by another effective intervention by the former Foreign Minister, Shri Pranab Mukherjee just now.

In the NAM Summit at Sharm El Sheikh 118 countries participated, which was a unique event by itself. References were made which were lost in the heat that was generated in the House with reference to Pakistan; but I would like to take the House back to those days of glory, when Pandit Jawaharlal Nehru who truly could be said as the Father of India's Foreign Policy Evolution. He enunciated India's foreign policy. He was the chief architect of the NAM, along with President Tito and Gamal Abdel Nasser of Egypt. It was in that very land where the non-aligned thoughts, the seeds of non-alignment were sown. In that land again, 118 sovereign nations met. They were not subservient to any other nation; they were independent and they were sovereign. All of them reiterated it in one voice that non-alignment is as relevant as it was during the days of Pandit Nehru.

They also said that they would like to pursue the policy of Non-alignment. Some acquisitions, some insinuations were made that the autonomy of decision making and independence of thought and action had been bartered away. I think the hon. Finance Minister referred to some of the previous incidents. I remember, when the Government of India sought a 5 billion dollars loan from the World Bank it was freely accused that India's sovereignty was being sold and India was becoming subservient to the World Bank which is controlled by the United States of America. What is the situation after 20 years? Have we become subservient to the United States? Is not India pursuing an independent Foreign Policy of its own? That is the question.

**Several Hon. Members:** No.... (*Interruptions*)

**Shri S.M. Krishna:** We have.... (*Interruptions*) References have been made in the joint statement to a number of issues. In the Presidential Statement, which was accepted by all the 118 nations, a number of issues which are of common concern to countries have been raised and we are subscribers to that document. So, India even today pursues an independent Foreign Policy which is tailored to sub serve our national interest. In fact, our Foreign Policy is an extension of the domestic policy subject to the changes that have come about in our neighbourhood and in the world at large. So, we will have to factor that in, in an emphasis here or an emphasis there, in tailoring our Foreign Policy. That has been done very effectively over a period of time.... (*Interruptions*)

**Shri Shatrughan Sinha (Bharatiya Janata Party):** *Mr. Minister, please drink some water.* .....(*Interruptions*)

**Shri Sanjay Nirupam(Congress):** *Do you all not drink water?  
.....(Interruptions)*

**Madam Speaker:** Let the Minister reply.

**Shri S.M. Krishna:** All of us need water at some point of time. It may be me today and it will be you tomorrow.

Madam, any Foreign Policy will be strong and effective as the domestic consensus behind it. That is the reason why the Government keeps this hon. House repeatedly involved through the Statements as to the direction in which our Foreign Policy is being directed. When the debate takes place any constructive suggestion that comes from there or here, we own it as our own. We have no hesitation. We do not stand on false prestige. Whenever this august House feels our Foreign Policy needs a course correction, we have never hesitated to go in for that course correction.

Well that is what democracy is all about. We stand very firmly on certain very basic concepts of our policy. But the emphasis might keep shifting here and there. So, I will not dwell on Pakistan because there have been two very effective and decisive interventions. I would only touch one or two other points which the hon. Members have raised. One hon. Member talked about Sri Lanka... *(Interruptions)*

**Shrimati Sushma Swaraj:** What about Balochistan?

**SHRI S.M. KRISHNA:** It has been answered... *(Interruptions)*

**Shrimati Sushma Swaraj:** It has not been answered. You are going to Sri Lanka but you first answer about Balochistan. Mr. Pranab Mukherjee said that you will answer that. He did not answer about Balochistan....*(Interruptions)*. The question is very specific... *(Interruptions)* *My question was very specific, what national interest was served by the mention of Baluchistan?*

**Shri S.M. Krishna:** I have understood the question. I thought the question had been answered. But if you would like to have an answer, I will give an answer... *(Interruptions)* ... *(Interruptions)*

**Shri S.M. Krishna:** Madam, I need your protection... *(Interruptions)*

**Madam Speaker:** Hon. Members, let him complete his reply.

**Shri S.M. Krishna:** With reference to Balochistan, I think there was a clarification which was made. When the two Prime Ministers met, the



question of Balochistan came and we readily agreed. Shrimati Sushma Swaraj: Why?

**Shri S.M. Krishna:** It is because we had nothing to hide... (*Interruptions*)  
We had nothing to hide.... (*Interruptions*)

**Shri L.K. Advani:** Madam Speaker, this is a strange answer. If we had nothing to hide then we should have objected to the inclusion of this word there. For the first time, this has been included. They may have tried earlier also. Furthermore, if it was to be included then we should have said there that India has nothing to do with what is happening in Balochistan. This should also have been said... (*Interruptions*). I am not surprised that even within the Congress Party, there are demands that the Prime Minister clarifies his position on Balochistan and why has he signed it... (*Interruptions*)

*If somebody reads today's newspaper, let alone the politicians, but foreign policy specialists as well as defence policy analysts, they have all said that neither the Prime Minister nor Mr. Pranab Mukherjee's speech has given any clarification on the delinking or the Baluchistan issue and nor has your statement that you have given now. I feel that after the Prime Minister's statement, you don't have anything to add. And that is why till the time Baluchistan clarification was not asked, you were not willing to speak. I think there is no point in participating in this debate after this point. We all are walking out.....(Interruption)*

**(Following this, Shri Lal Krishna Advani and some other Honourable members walked out of the House) .....(Interruption)**

**Madam Speaker:** Hon. Members, it is 3.30 p.m. If the House agrees then we will take up the Private Members' Business immediately after the reply of the hon. Minister.

**Shri S.M. Krishna:** Madam Speaker, most of the issues raised have been answered by the hon. Prime Minister and the hon. Finance Minister... (*Interruptions*)

**Shri Mulayam Singh Yadav:** *Madam chairperson, if the minister cannot answer about Baluchistan, then the prime Minister can reply.....(Interruptions)*

**Madam Speaker:** Shri Mulayam Singhji, you may please take your seat. ... (*Interruptions*)

**Shri Mulayam Singh Yadav:** *Nothing has been said about Baluchistan. What is this? .....(Interruptions)*

**Madam Speaker:** *Please let him finish. He has not even finished. Mr. Minister, please address the Chair and continue with your reply. ... (Interruptions)*

**Madam Speaker:** Hon. Member, please take your seat. Let the Minister reply.... *(Interruptions)*

**Shri Mulayam Singh Yadav:** *Honourable Prime Minister is sitting here ....(Interruptions)*

**Madam Speaker:** *Mr. Minister, please speak. ....(Interruptions)*

**Minister of Parliamentary affairs and Minister of water resources (Shri Pawan Kumar Bansal):** *He said everything but you all didn't listen.....(Interruptions)*

**(Following this Shri Mulayam Singh Yadav and some other members walked out of the House)**

**Shri S.M. Krishna:** Madam, most of the points has been covered. Some hon. Members have mentioned about the situation in Sri Lanka at the condition of the internally displaced persons who are lodged in camps in Northern Sri Lanka. As you know, the hon. Prime Minister had a meeting with President Rajapakse on the sidelines of the ... *(Interruptions)* In the meeting that the hon. Prime Minister had with the President of Sri Lanka the question of settlement and rehabilitation of civilians who have become hapless victims of the conflict in Sri Lanka came up and the Prime Minister reiterated India's willingness to make possible early return to normal lives of the Tamil IDPs in Sri Lanka.

**Madam Speaker:** Hon. Members, please be quiet. ... *(Interruptions)*

**Shri S.M. Krishna:** The President of Sri Lanka assured us that he shared these goals and his commitment to complete the resettlement process in next 180 days. We have impressed upon the President of Sri Lanka that this is of urgent importance from the Indian point of view and then it is a humanitarian effort which the Sri Lankan Government will have to go through. The Government of India have already announced a sum of Rs. 500 crore and then the hon. Prime Minister has been gracious enough to say that if need be he is willing to give more for the resettlement of the Sri Lankans.

We are also working with the Sri Lankan authorities and the international community to ensure that practical, meaningful devolution of power and other arrangements are taking place which will enable all communities to

live at home and live in peace and dignity within the framework of a united Sri Lanka. As regards climate change, some references have been made. The hon. Prime Minister, yesterday, has spelt out India's basic policy. We are going to pursue that line even when we will meet in Copenhagen where an International Conference is to take place. With reference to the end use monitoring, some Members have asked about the arrangements. An impression is sought to be created by some quarters that our Defence installations are going to be open for American inspection and verification. I think nothing could be farther from truth than this statement. The stated position about the end use monitoring system is, when we buy some high end Defence equipment from United States America after arriving at a mutual consent, we decide by mutual consent about the venue where the inspection is going to take place. It is not as if the United State authorities can walk into any Defence installation and then keep a tab on us. Let me make it very clear that all that we have agreed on the end use monitoring arrangements will be henceforth referred to in letters of acceptance, as the hon. Prime Minister clarified yesterday and there has never been a thought of our sovereignty being compromised. The arrangements that we have agreed are fully in consonance with our sovereignty and dignity. ... (*Interruptions*)

**Madam Speaker:** Shri Acharia, please sit down. ... (*Interruptions*)

**Shri S.M. Krishna:** Let me finish, Shri Acharia, and then you may ask .... (*Interruptions*)

**Madam Speaker:** Mr. Minister, please address the Chair. ... (*Interruptions*)

**Madam Speaker:** Nothing will go on record except the reply of the hon. Minister. (*Interruptions*) ... (*Not recorded*)

**Shri S.M. Krishna:** Madam, with these words, I conclude my reply.... (*Interruptions*)

**Shri Basu Deb Acharia:** Madam, as we are not convinced with the hon. Minister's reply, we are walking out.... (*Interruptions*)

**(At this stage, Shri Basu Deb Acharia and some other hon. Members left the House.)** ... (*Interruptions*)

**Shri Lalu Prasad:** *Madam speaker, everybody has gone. I will also walk out.*



**044. Statement by the External Affairs Minister S. M. Krishna in the Rajya Sabha on working of Ministry of External Affairs.**

**New Delhi, July 31, 2009.**

At the outset, I would like to thank members who have so actively participated in this important discussion. Very important issues raised by Hon'ble Members including Shri Arun Jaitley, Shri Arun Shourie and Shri N.K. Singh.

The dynamics of India's foreign policy flow directly from the aspirations of our people. Inspired by the vision of our founding fathers, our foreign policy is distinguished by a tradition of continuity and consensus.

**The ethos of our foreign policy**

At the core of this continuity is autonomy of decision-making and independence of thought and action, and upholding of the values of pluralism, democracy and secularism. From this bedrock of values came our prominent role in the Non Aligned Movement which was recently reaffirmed during our attendance and participation in the 15th NAM Summit in Egypt from 15-16 July. This same bedrock remains today as we seek to creatively respond to new challenges and opportunities. The other key elements of this continuity are our belief in friendly relations with all countries, resolution of conflicts by peaceful means and an approach marked by maturity and balance in the conduct of international relations. We have never abdicated our international responsibilities.

In the new century, against the backdrop of new challenges that dot the international landscape, these core principles, in particular the autonomy of our decision-making, have enabled India to successfully pursue a multi-dimensional foreign policy of seeking strategic engagement, partnership and dialogue with all major global players. We have been able to do so without creating any contradiction or hyphenation between one set of relations and another. We are more connected with the world today than ever before in the past.

**The challenges of Foreign Policy today**

India's steady ascendance as an economic power has expanded her circle of interaction and engagement with the rest of the world. One of the main challenges of our foreign policy lies in creating and maintaining a regional

and international environment which would enable us to sustain a high rate of economic growth, create more opportunities for Indian entrepreneurship and enable India to realize her vast, latent potential.

The pursuit of enhanced trade, investment inflows, technology transfers, energy security and other economic imperatives has become an overarching imperative of our foreign policy. At the same time, India's own established capabilities, particularly in the field of some of the frontier technologies like space, information technology, biotechnology and pharmaceuticals, and her frontline role in the global knowledge economy have imparted a new confidence and strength to our foreign policy initiatives.

To achieve and accelerate India's developmental transformation through enhanced interaction with the global economy, a neighbourhood policy that ensures a peaceful periphery, and to continuously seek a supportive international environment, therefore, remain the fundamental objective of India's foreign policy.

#### **The working of our foreign policy in our neighbourhood**

With this objective in mind, a major focus of Indian foreign policy over the years has been the establishment and consolidation of good neighbourly relations with the countries in South Asia. In this context, India has worked for the evolution of SAARC into an effective organisation that will promote meaningful regional integration. At the bilateral level, India has significant economic assistance programmes to assist the governments of Bhutan and Nepal in their development efforts. We have provided full support to the peace process in Nepal. We are fully engaged with Nepal, through a regular exchange of high level visits and regular meetings of institutional mechanisms at various levels with Nepal.

Despite the terrorist attack on the Indian Embassy in Kabul in July 2008 and continued security threats to the personnel of our Embassy and Consulates in Afghanistan and to those implementing development projects there, the Government of India is committed to provide assistance to the government and people of Afghanistan in their reconstruction effort. Our developmental and reconstruction assistance programmes are widely appreciated by the Government and people of Afghanistan.

The Sri Lankan issue was raised by Dr. K. Malaisamy and Smt. Jayanthi Natarajan. In Sri Lanka, we have seen a new phase in internal developments. We are prepared to assist the Government of Sri Lanka in the recovery of war ravaged areas in the North and East of the country and to help alleviate

the humanitarian problems of the large numbers of the local population in the IDP camps, so that they are able to lead normal lives once again. We are contributing substantially to this humanitarian effort including setting-up of a field hospital at Vavuniya, supply of shelter material, despatch of demining teams and supply of more than 1.7 lakhs family packs of food and relief supplies. Our Prime Minister has announced Rs. 500 crores assistance, and if need be, he has also promised to increase the aid quantum.

No discussion on our neighbourhood policy would be complete without reference to our relations with Pakistan. The peoples of our two countries must be allowed to prosper in an atmosphere of peace. At the same time, we cannot, and will not, be oblivious to the continued threat of terrorism emanating from Pakistan. Progress is not possible in our dialogue with Pakistan in an atmosphere vitiated by violence or the threat to use violence. The Joint Statement of July 17, 2009 encapsulates this view and standpoint that any meaningful dialogue with Pakistan can only follow the concrete fulfilment of their commitments not to allow their territory to be used for terrorist activities against India.

My esteemed friend, Shri Arun Shourie referred to Pakistan in some detail in the course of his speech. He is now advocating a policy towards Pakistan that his own government did not follow. He accuses us of having removed the pressure on Pakistan to act against terrorism and of having lowered our expectations. I simply do not see how this is so. Let me assure him that, as the Prime Minister has said, he and I have left the Pakistani leadership in no doubt whatsoever that we expect action against the perpetrators of Mumbai and other terrorist attacks against India, the dismantling of the infrastructure of terrorism in Pakistan and the prevention of such future attacks.

I welcome the fact that we debate, in a democratic manner, our policy towards Pakistan. But to make a point, or oppose the government, let us not give more credence to what others say over what Prime Minister and our own government have formally stated.

We are not here to question each others' motives. We are united against terrorism period. But equally we will continue the consistent policy towards Pakistan which includes dialogue in the steps we will take provided Pakistan takes unequivocal steps.

Shri Biswajit Daimary and Shri S. S. Ahluwalia raised the issue of development of North East, and its role in our foreign policy. North

East has been an important focus area for the Ministry. Apart from the Kaladan Multi-Modal Transit Transport Project to connect ports in India's eastern seaboard to the North Eastern States via Myanmar and the Tamu-Kalewa-Kalemyo (TKK) road connecting Manipur to Myanmar, India is also taking several steps to enhance engagement of North Eastern states with Myanmar. We are opening up trade at border points with Myanmar. In our discussions with Bangladesh, we have accorded the highest priority to enhanced connectivity between Bangladesh and North Eastern states.

Shri Tariq Anwar mentioned our 'Look East' policy. Our various initiatives in ASEAN, East Asia Summit [ASEAN, India, New Zealand, Australia, Japan, China and South Korea], BIMSTEC [Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation comprises Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand] and Mekong Ganga Cooperation [India, Cambodia, Lao PDR, Myanmar, Thailand and Vietnam] have great potential in rejuvenating our historical and civilizational links with our neighbours in the east. With the rapidly changing economic circumstances in the world, we see great opportunities in advancing the process of our economic integration with the ASEAN and other countries in the region. In this activity, we have been coordinating closely with our Ministry of Development of North Eastern Region.

### **China**

With China, India has a strategic and cooperative partnership. We have an established architecture for dialogue through which all issues of common interest and concern are discussed. Bilateral trade has grown significantly and a target of US \$ 60 billion by 2010 has been jointly set for such trade. The "Shared Vision for the 21st Century" signed by Prime Minister Dr. Manmohan Singh with his Chinese counterpart in January 2008 has added a regional and multi-dimensional aspect to our bilateral ties. Certainly, there are outstanding issues between India and China. The Special Representatives are discussing the Boundary Question and both countries have agreed to seek a fair, reasonable and mutually acceptable settlement to this issue. The matter, of course, is complex and requires time and lots of patience. Meanwhile, our endeavour is to ensure that peace and tranquillity are maintained in the border areas.

An Hon'ble member raised the issue of construction of a dam by China on the Brahmaputra. We have instituted a mechanism of Expert Level

Talks on water resources between India and China to focus on issues such as exchange of flood control data and emergency response management in Brahmaputra and Satluj Rivers.

### **Gulf Region**

The Gulf region is our neighbour across the Arabian sea and has a special place in India's external relations framework. India has had close civilizational contacts, trade and exchanges with this region spanning several centuries. The Gulf region has left an indelible imprint on our history, on our culture and on our civilization.

India's relations with GCC countries have evolved and have been strengthened over the years. India's "look-west" policy directed at the GCC is reflective of our desire to deepen our relations with the countries of the Gulf and we are fashioning a structure of multifaceted cooperation covering all sectors. The Gulf region is an area of special focus in our foreign policy. It forms part of India's strategic neighbourhood, is an important source of energy, home to over four and a half million Indians and a major trading partner. India enjoys excellent relations with these countries and bilateral engagement during this period has witnessed further growth and diversification. There has been intensification of high-level interactions in the recent past.

### **Palestine**

Some Hon'ble members have raised the issue of the Israeli-Palestinian conflict. India has a consistent and unwavering record of support for the Palestinian cause since the days of our freedom struggle. Our policy is in line with United Nations Security Council Resolutions 242 and 338, the "Quartet" (US-Russia-EU-UN) Roadmap and the Arab Peace Initiative. India supports a united, independent, viable, sovereign state of Palestine with East Jerusalem as its capital, living within secure and recognised borders side by side at peace with Israel. We have expressed concern for the continuing expansion of Israeli settlements in occupied Palestinian territories. The \$10 million grant made in March 2009 as budget support for the Palestine National Authority is but one of many examples of India's long history of assistance for Palestine. During the visit of the President of the Palestinian National Authority Mahmoud Abbas to India in October 2008, the foundation stone of the Palestine Embassy in New Delhi was laid, which is now near completion. This Embassy building is a gift of the government and people of India to Palestine. We also assist Palestine in developing its human resource through the ITEC programme.



As Hon'ble Members are aware, diplomatic relations with Israel were established in 1992. Our relations with Israel are varied and mutually beneficial.

### **Iran**

Shri Ram Jethmalani raised the issue of our relations with Iran. We attach importance to our relations with Iran - these relations are civilizational and historical, but equally the relationship should be a contemporary and modern one.

### **India and the U.S.**

Several Hon'ble members have raised the issue of our relations with USA. I would like to underline here that our relations with USA are not at the cost of our relations with any other country. India-US relations have been transformed in recent years and the bilateral engagement extends across a wide spectrum which includes science and technology, energy, counter-terrorism, defence, security, trade and commerce, education, space among other issues. A major development was the signing of the India-US Civil Nuclear Agreement in October 2008. This landmark agreement has been followed by similar agreements with other countries for civil nuclear cooperation. A clearly defined architecture for dialogue was announced during the recent visit of US Secretary of State to India this month. The firm foundation provided by this robust bilateral engagement has enabled the India-US strategic partnership to strengthen itself in areas of global engagement. The two countries interact closely on global issues of common concern such as Energy Security, Disarmament and Non-proliferation, international peace and security, multilateral trade negotiations and the G20 Process.

### **E.U.M.**

Some Hon'ble members have asked about the End Use Monitoring (EUM) arrangements that we have agreed with United States. All Governments have arrangements to ensure that defence related weapons and equipments that are transferred do not fall into the wrong hands and are only for legitimate use. We too do so for our exports of such materials. Successive Governments of India have entered into these arrangements with supplier states, including the US, for several years. With the US, which has its own legal requirements, we have entered into ad-hoc arrangements for individual supplies in the past. What we have now done is to agree on the End Use Monitoring arrangements that would henceforth be referred to in Letters of Acceptance of Indian procurements of US

defence technology and equipments. These provide for joint consultations on modalities and in no way compromise our sovereignty, or limit our sovereign choice of whether, where and what weapons we choose to buy for our national defence. The arrangements that we have agreed are fully in consonance with our sovereignty and dignity.

### **Responses to global economic crisis**

In the last two decades, we have expanded the scope and depth of economic and strategic interaction with different countries, groups and regions including China, Russia, the USA, Japan, EU, South East Asia, Central Asia, IBSA, BRIC, the G5 and G8. This enhanced interaction with the global community reflects India's growing stature on the international stage.

Against the background of the global financial and economic crisis, India's participation in global groupings like the G-20, G-8, the G-5 outreach group and BRIC has been highly valued. At the recent G8-G5 outreach meeting at L'Aquila, our assessment and views were heard with attention and deeply appreciated. Our view as articulated by our Prime Minister was that any future growth of the global economy is sustainable only on the strength of domestic stimulus packages which aim to make the poor and the youth bankable, that the old pattern of economic growth driven by consumption in the USA is no longer sustainable, and that the first and over-riding priority of developing countries like India is economic and social development and poverty eradication.

Another example of our increased global engagement is India's membership of the BRIC countries (Brazil, Russia, India and China). The first stand-alone formal summit meeting of the four BRIC countries was held in June 2009 at Yekaterinburg in Russia. The main issues for discussion amongst the leaders were the implications of the current global financial and economic crisis and the potential for cooperation among the four BRIC countries. These processes also give us greater opportunities to shape the new global balance of power. The ongoing economic crisis has highlighted the need for redistributing power within international financial institutions like the World Bank, the IMF. Such redistribution needs to be extended to political organs of global governance such as the UN Security Council.

Some Hon'ble members (Shri Mohammad Amin and Shri Tariq Anwar) expressed appreciation of India's active participation in the IBSA [grouping of India, Brazil and South Africa] and BRIC. India has been alive to the changing global realities of today and has been quite quick to grasp their

import. Our recent experience with groupings, such as these, has been that the emerging economies have considerable potential for not only developing synergies between themselves but also for making an impact on the shaping the outcomes of the international debate on critical issues of concern to all of us. This has implications for the future shape of the world order which is, already, in a flux for a variety of reasons. With such an active diplomatic interaction, we feel quite confident that India and other countries will be able to protect our interest in the World Trade Organisation negotiations about which some apprehensions were expressed.

### **ENR Technologies**

With regard to the specific issue of a reported ban on transfer of enrichment and reprocessing technologies, the recent G-8 statement at the L'Aquila Summit, which is a political statement and not a legally binding document, refers to discussions at the NSG, which are ongoing. No decision has been taken by the NSG. Government has been in regular touch with the NSG Troika (past, current and future Chairman) and with key NSG countries. As part of this dialogue there was an India-NSG Troika meeting on 11 May 2009. During this meeting the NSG delegation was made aware of our position and concerns. The NSG delegation said that they would convey these to the Group. It is India's expectation that our international partners in civil nuclear cooperation will implement the bilateral agreements that we have entered into.

### **Hon'ble Deputy Chairman**

#### **Ties with developing countries**

India continues to strengthen its partnership with other developing countries in Africa, Latin America, Central and South East Asia. India's long standing historical relationship with Africa acquired further substance and even deeper relevance with the first ever India-Africa Forum Summit held in New Delhi in April 2008. At the summit India renewed its deep commitment to contribute and work with our African partners for the development of Africa. India is also making strenuous efforts to cultivate stronger bonds with the countries of the Latin American and Caribbean region and to explore the enormous opportunities that exist for trade and economic interaction with this region. Under the ITEC and the SCAAP programmes, India has been assisting countries in Africa, Latin America, Asia and Eurasia in the field of capacity building and around 5,000 professionals from 158 developing countries have attended various training and educational courses in India in areas of interest and advantage to them.

### **Indian students in Australia**

Hon'ble Members have expressed concern about the attack on Indian students in Australia. The issue has been taken up at the highest levels of the Australian Government. The Government of Australia have conveyed to us their firm commitment to ensuring the safety and security of Indian students in Australia. Some specific steps have been taken by the Australian government, including launch of a police operation specifically to investigate the incidents of attacks on students; provision of 24 hour hotline (in Hindi and English) by a Community Reference Group to provide support, information and advice to Indian students who are victims of crime; and setting up of a Police Community Reference Group to improve communications between the police and the student community. More importantly, the Australian Government have also stated that they are considering the possibility of amending the existing law to enlarge the definition of offence to include race, religion, ethnicity and nationality related violence against people or individuals. The proposed amendment would strengthen the police response to the attacks against Indian students.

### **Haj Pilgrimage**

Hon'ble Deputy Chairman, performing Haj is one of the holiest and most cherished dreams for our Muslim brothers and sisters. For my Ministry and indeed the Government of India, facilitating the Haj pilgrimage year after year is among the most elaborate year-long exercise and an important task undertaken by us both in India and abroad. We have been striving to bring about improvements in Haj pilgrimage management to make it more comfortable and affordable.

An Hon'ble Member (Shri Gopal Vyas) referred to the size of the Haj goodwill delegation. The Haj goodwill delegation comprises of eminent personalities, sent to assess the Haj arrangements. It is not possible to lay down strict criteria for selecting leading, eminent community members. Some leading members of the delegation also attend the dinner traditionally hosted by His Majesty the King of Saudi Arabia. As regards family members of the delegation members, Government of India does not make any arrangements not does it pay for their travel or stay. As regards rationalizing the size of the Goodwill delegation, the matter is under consideration.

An Hon'ble Member (Shri Malihabadi) raised the issue of waiver of service tax being levied on private operators arranging Haj visits, since the services are rendered abroad. We too have received representations from the private operators, and the matter will be referred to the Ministry of Finance for their consideration. As regards setting up a 'Haj Corporation', wide-ranging reforms in the area of Haj management are being examined.

**Passport Seva project**

My Ministry has launched the Passport Seva Project in August 2007, which when completed will substantially improve the level and quality of services offered to citizens for passport related matters. This is one of the largest e-governance initiatives that Government of India has undertaken. The Project envisages the creation of 77 Passport Seva Kendras (PSKs) across the country, the creation of call centre operating 24x7 in 17 languages, and a centralized nationwide computerized system for issuance of passports. The launch of pilot sites is expected in October 2009 at Bangalore (covering the whole of Karnataka) and Chandigarh (covering parts of states of Punjab & Haryana and the Union Territory of Chandigarh). The project is scheduled to be rolled out throughout the country in three waves and expected to be completed by June 2010.

**Administration**

Some Members (Shri Arun Shourie, Shri N.K. Singh and Shri Naresh Gujral) raised administrative issues related to my Ministry. I fully endorse the very valid points made by Hon'ble Members on the continuing need for the Ministry of External Affairs to respond with the spirit of creativity and innovation to the requirements and challenges imposed by a rapidly changing world situation. We remain ever sensitive to the need for constantly reviewing the enhancing the human resource strengths of the Ministry, providing the requisite budgetary enhancement and giving importance to the initial training and mid-career training of our diplomats and officials. Mid-career training has now been made mandatory for an officer to be promoted to Joint Secretary and Additional Secretary levels. We have undertaken a major overhaul of our promotion policies. We are also augmenting our manpower through selective and need-based induction of specialist officers from other Ministries and Departments into MEA. Approval of the Union Cabinet has also been secured for a forward looking expansion of the officer cadre of the Ministry. The needs of our commercial diplomacy and the projection of India's soft power and civilizational values are receiving particular attention in this scenario.

The need for constantly infusing the working of foreign policy with new ideas and concepts is also fully recognized. The Indian Council for World Affairs is a research institution that works closely with the Ministry in this regard by providing an effective forum for exchange of ideas and identifying areas for further study and research that involve discussion and debate with scholars outside the government. Our Missions abroad also interact

on a systematic basis with foreign universities and India Study Programmes so that India's viewpoint is effectively articulated in order to bridge information and awareness gaps.

I welcome the constructive suggestions that we have heard from several members. Shri Arun Shourie said that we should quadruple the size of our Foreign Service and our foreign aid budget. Shri N.K. Singh spoke of doubling the IFS. The Cabinet decided last year on a five year programme to double the size of our diplomatic cadre. We will certainly also look at boosting the financial resources available to our diplomacy, as the tasks and demands on us grow.

Shri Ravi Shanker Prasad noted the need for training in neighbouring country languages. Ministry is training more IFS officers in neighbouring country languages. Our officers possess considerable language skills that are put to constant use in the conduct of our diplomacy.

Sardar Tarlochan Singh raised the Sikh Turban issue in France. The Government of India have made a number of demarches at the highest levels to the French Government conveying the sensitivity of the issue and the need to find a satisfactory solution. Prime Minister had raised this issue in his recent meeting with President Sarkozy of France. The French President assured the Prime Minister that nobody in France will be prevented from wearing the turban. As regards restrictions on the use of turbans by the Sikh community in state funded schools, as well as while getting photographed for official French documents, an Aide Memoire suggesting possible solutions has been handed over.

Shri Gopal Vyas had raised the matter of the Savarkar memorial in Marseilles. The matter is being pursued by our Embassy in France with the office of the Mayor of Marseilles on a regular basis. It has been conveyed by the concerned French officials that they need to examine some previous records to ascertain the current status of the matter. However, there has been a delay in this due to the displacement of the office of the Mayor of Marseilles from its original location due to damage caused by catastrophic storms in 1998. We are continuing to pursue the issue with the local authorities in Marseilles.

Some Hon'ble members raised the issue of public and cultural diplomacy. The Indian Council for Cultural Relations already has 21 cultural centres abroad, and 15 more new cultural centres are on the anvil, with one in Tokyo to be inaugurated shortly this year. The process of identification of land for a centre in Washington is underway.

**Hon'ble Deputy Chairman,**

I have tried to present a picture of some of the more significant achievements of the MEA in the last one year. The list has been of necessity selective and has not covered many other areas of India's foreign relations. At the same time, the achievements mentioned will, I trust, convey, a clear picture of the positive trends in India's interaction with the world's major powers and our development cooperation with other developing countries. As already stated there are several challenges also being faced by Indian foreign policy including the destabilizing effects of cross-border terrorism and the world financial crisis which has inevitably affected the domestic economy even though the negative effects on our economy have been relatively less than in some other countries. It has always been the MEA's endeavour to follow a dynamic foreign policy that responds effectively to changes in the international environment and is sensitive to India's developmental needs.

Thank You.



**045. Statement by Foreign Secretary Mrs. Nirupama Rao on assumption of office at the Ministry of External Affairs.  
New Delhi, August 1, 2009.**

I have before me a complex and yet fascinating assignment. I strongly believe that our diplomacy and our diplomats play a vital role in promoting the national interest and safeguarding our national goals of development in an atmosphere of peace and security. Our diplomats today work with dedication and professionalism in some of the world's most challenging environments. Our foreign service counts among the best in the world. Today, in a rapidly evolving world situation, the task is to further augment our diplomatic and professional capabilities as we are called upon to play an even more prominent role in world affairs. This, will be an important area of focus in my new responsibilities. The foreign policy interests of our nation encompass a number of areas, which are both regional and global, and which concern relations with our neighbours and the world beyond. Economic diplomacy and public diplomacy are also issues that demand increased attention. We are called upon as diplomats to deal with a number of these issues, at any one given time, in a manner that is focused, mature and balanced, that is persuasive and has vision and long term perspective. This is an absorbing task and I look forward to it with great hope and optimism.



**046. Address by Admiral Sureesh Mehta, PVSM, ADC, Chairman COSC and Chief of Naval Staff on the theme of “India’s National Security Challenges – An Armed Forces Overview” organized by the National Maritime Foundation.**

**New Delhi, August 10, 2009.**

Admiral Arun Prakash (Chairman National Maritime Foundation),

Chief of the Air Staff (Air Chief Marshal PV Naik),

Mr Raj Liberhan (Chairman India Habitat Centre),

Comde Uday Bhaskar (Director National Maritime Foundation),

Members of the NMF and Habitat Centre,

Distinguished Guests, Senior Officers of the Armed Forces, Friends

from the Media, Ladies and Gentlemen...

2. I am indeed very delighted to be here this evening at the invitation of the National Maritime Foundation, to share a few thoughts on our country’s national security challenges. The India Habitat Centre and the NMF deserve our unqualified appreciation for periodically conducting lectures and brain-storming sessions that focus our thinking on core national security issues. It is also a great pleasure to see so many friends and erstwhile colleagues as well as distinguished professionals from many walks of life in the audience, whose thoughts and actions significantly impact our national security outlook. Therefore, more than what I have to say, I look forward with much anticipation, to hearing your comments and observations at the end of my talk. I am confident that by the time we are through, there would be valuable ‘takeaways’ for all of us.

3. Since the subject of National Security is immense in its scope and expanse, to even attempt a complete treatment of all issues involved would be decidedly unwise. Therefore, I propose to speak for about 45 minutes on certain key aspects of national security that impact the functioning of the Armed Forces and leave social, economic and environmental dimensions out of the ambit of today’s discourse.

**Defining Security**

4. Let me first make some very brief comments about the concept of ‘Security’. The traditional view of security focussed on the application of



force at the state level and was therefore a fairly narrow view, hinging on military security. It is now widely acknowledged that there is more to security than purely military factors. Today's definition of security acknowledges political, economic, environmental, social and human among other strands that impact the concept of security. In the most basic terms, the concern for security of the lowest common denominator of every society, namely the 'human being', has resulted in the development of the concept of 'human security', which focuses on the individual. Therefore, the definition of security is definitely broad – and is related to the ability of the state to perform the function of protecting the well-being of its people. This formulation harks back to the days of Chanakya and Arthashastra.

6. However, the problem with such a broad definition of security is that anything that generates anxiety or threatens the quality of life gets labelled as a 'security problem', with a consequent loss of focus. In a democracy, it is for the elected government to provide this priority and focus, as only after this, a coherent National Security Strategy can be articulated. I am glad to learn that this exercise has commenced, and is being steered by the NSAB.

#### **Managing Our Own Rise to Global Prominence**

7. We often hear that our rise to global prominence is inevitable. It is an incontestable fact that the significance of India as a rising power is being widely acknowledged, as has been witnessed by several events in the recent past, the most defining of which has perhaps been the inking of the Agreement on Civil Nuclear Cooperation with the United States. Our growing economic status fuelled by a 300 million strong middle class, the demographic advantage of a burgeoning 'young population', our increasing ventures into high-technology areas such as Space, and future projections of national growth peg us amongst the world's top 5 economies by 2020. That is just 11 years away.

8. The professionalism and military might of the Armed Forces of India are respected the world over. The very recent launch of our very own nuclear submarine 'Arihant' has also sent out a strong signal of our desire to acquire the appropriate strategic military technology and capability. Despite our several internal challenges and diversities, we are 'rock solid' as a democratic country, surrounded by an extended periphery of varying instability. It is therefore not surprising that the role of a 'natural' regional power is expected of us. Our aspirations for inclusion as a permanent member of the UN Security Council and for a greater voice in international diplomacy are a result of these developments.

9. However, there is a sense that we may not have done adequately rigorous thinking on how to 'manage' our pre-ordained rise to global prominence. With the realisation of our aspirations and greater international recognition will come many more additional responsibilities. The country cannot afford to be indifferent and non-committal on any regional or global issue – we must have an objective 'national interest assessment' on all questions of importance. As military forces of India, we would be expected to function as instruments of peace and stability in this rather fragile environment of the Indian Ocean Region. We have to get our 'hands dirty' in addressing common concerns in our respective domains. This will call for increased participation in peace operations, efforts such as anti-piracy as also capacity-building and capability enhancement of smaller and economically weaker nations which look up to us, for support and security. We must also be seen far away from our shores, working with friendly nations and shaping perceptions, in furtherance of India's foreign policy. Quite evidently, the Navy would lead efforts of military diplomacy, given the medium in which it operates and the distinctive characteristics of its platforms. If we pursue a meaningful foreign policy to advance national objectives – as we do - then the military instrument can complement this collective endeavour.

### **Coping with China**

10. It is quite evident that coping with China will certainly be one of our primary challenges in the years ahead. China is in the process of 'consolidating' its comprehensive national power and creating formidable military capabilities. Once that is done, China is likely to be more assertive on its claims, especially in its immediate neighbourhood. Our 'trust deficit' with China can never be liquidated unless our boundary problems are resolved. China's known propensity for 'intervention in space' and 'cyber-warfare' would also be major planning considerations in our strategic and operational thinking.

11. Common sense dictates that Cooperation with China would be preferable to Competition or Conflict, as it would be foolhardy to compare India and China as equals. China's GDP is more than thrice that of ours and its per capita GDP is 2.2 times our own. China's early steps to liberalise its economy and invest heavily to modernise its physical infrastructure gave it a substantial edge over India, and made China a more preferred destination for FDI. India's annual defence expenditure (approx \$30 Bn for 2008-09) is less than half of what China spends on defence. China's

official figure is under \$ 40 billion but it is widely believed that China actually spends more than twice as much. RAND Corporation, the US DIA and other studies peg China's defence spending to be anything between \$ 70 billion to \$ 200 billion. Whether in terms of GDP, defence spending or any other economic, social or development parameter, the gap between the two is just too wide to bridge (and getting wider by the day). In military terms, both conventional and non-conventional, we neither have the capability nor the intention to match China, force for force. These are indeed sobering thoughts and therefore our strategy to deal with China would need to be in consonance with these realities.

12. The economic penalties resulting from a military conflict would have grave consequences for both nations. It would therefore, undoubtedly be in both our interests, to cooperate with each other in mutually beneficial endeavours, and ensure that the potential for conflict is minimised. This would require pro-active economic, diplomatic, cultural and people-to-people engagement. Our relations with other major powers, notably USA, Russia, Japan and other East Asian nations need to be nurtured and leveraged to this end. Our growing relations with South East and East Asian countries would increase opportunities for cooperative engagement with China as well. Since resolution of the border problems, autonomy of Tibet, the China-Pakistan connection, competition for strategic space in the Indian Ocean and management of water resources would be the prime causative factors for any potential tension with China, our diplomatic focus on these issues would have to be maintained.

13. On the military front, our strategy to deal with China must include reducing the military gap and countering the growing Chinese footprint in the Indian Ocean Region. The traditional or 'attritionist' approach of matching 'Division for Division' must give way to harnessing modern technology for developing high situational awareness and creating a reliable stand-off deterrent.

#### **The Non-state Actor**

14. Today, we have come to live in an era characterised by the rise of sinister nonstate forces which have redefined security responses the world over. We have witnessed an even more worrying phenomenon of the occasional coalescing of the 'State' with some 'non-State' entities which has created an evil-hybrid. This hybrid, to my mind, has been at the very root of the tragic events in Mumbai in November 2008.

Where should we direct our security efforts? Towards the State-sponsor or the non-State entity? How do we expose the linkages, if any? We have been grappling with this problem for some time now with no satisfactory solution emerging.

15. Asia today, is witnessing the historical and simultaneous rise of at least four major powers namely, India, China, Japan and the ten countries of ASEAN. Even in these recessionary times, the economic performances of India, China and Indonesia are quite impressive. On the other hand, Asia is also the ideological crucible of some of the world's ominous non-state forces. Maintaining economic growth, social development and harmony in the face of such disruptive forces will be a thorny problem for many years to come.

#### **Responses to Threats**

16. This is a formidable challenge and no country, however large or powerful, has the wherewithal to insulate itself from such omnipresent threats, of which terrorism stoked by distorted religious radicalism is the latest and most grotesque manifestation. Other universal concerns include threats from traffickers of drugs, arms, human beings, organised poachers, ships that clandestinely discharge oil and toxic cargo into the sea or onto the shores of unsuspecting and ill-informed states, mercenaries and modern day pirates. In addition, there are several 'non-traditional security threats' as well. These common challenges can only be faced through the common resolve of like-minded states, facilitated through multilateral structure as well as opportunities and mechanisms for constructive engagement. It will need a transformation in the way we think, and in the way we look at one another. It would also require those nations which have the necessary resources and wherewithal to take the lead in ensuring all forms of security to life, trade and property. Concerted efforts at capability-enhancement and capacitybuilding of the smaller countries of the region, through active assistance of larger neighbours would be crucial to such efforts in the long term.

#### **Shaping our Immediate Neighbourhood**

17. Specifically, we have to be mindful of the need to assist our smaller neighbours in helping themselves. Our capability-enhancement and capacity-building initiatives with Sri Lanka, Seychelles, Maldives and Mauritius could be enhanced to a much greater degree, without the need for any kind of 'quid pro quo'. I am convinced that as India grows in

economic and military stature, it would have to take upon itself, the role of further enabling its neighbours in ways that would not only enhance their own security, but contribute positively to regional stability as well. On the Navy-to-Navy level, the Indian Ocean Naval Symposium or IONS, which was launched in February last year, is a significant military maritime construct to bring together regional navies and aimed at addressing common concerns. Our diplomatic utterances with regard to our maritime neighbours must be backed by cohesive engagement. This requires much greater integration of thought and action between the Ministries of External Affairs, Defence and the Indian Armed Forces. Our maritime neighbours are the gateways to our strategic frontiers. We need to engage them as much as they need our presence and support. It would be imprudent of us to leave voids in this strategic neighbourhood and watch others extend their influence in our backyard.

### **Securing Our Maritime Borders**

18. A word on coordination of maritime security closer to our coast. Preventing ingress of terrorists from the sea is an abiding challenge. Our long and porous coastline and several island territories, many of which are uninhabited, offer avenues for infiltration of men and material into our heartland, as well as safe havens for clandestine activities. Intrusions via the sea are extremely difficult to prevent with our current state of material and organisational preparedness, as we were rudely shocked to realise, when the perpetrators of the Mumbai terror attacks of 26 Nov 2008 breached the shores of Mumbai with impunity. With a host of ministries and agencies being stake holders in the maritime arena, any attempt at coastal security will warrant a serious 'Whole-of-Government' approach, and robust coordination. The entire sequence of surveillance extending out well beyond our Exclusive Economic Zone, suspicion indication, risk and threat assessments and finally investigation and prosecution is a very complex process, demanding a high level of situational awareness, rapid response and total synergy between all concerned enforcement agencies. This kind of a capability is also technology-intensive, and obviously very expensive to set up and maintain. However, it must be done in the interest of national security, if we are to prevent intrusions and attacks through the sea route. Our acute consciousness of 'turf guarding' must give way to a more synergistic way of functioning. A modest beginning has been made, which has to be sustained through concerted efforts of all stake holders, adequate funding and most of all, public awareness – which is why fora like the Habitat Centre are important.

### **Internal Security**

19. I also need to flag our growing involvement in internal security tasks. Over the past decade and a half, 'internal security' requirements have grown phenomenally. There are unrests of various shades and hues in different states of our country, borne out of equally diverse causative factors. The addressing of these causes and maintenance of order are, nearly in all cases, a matter of internal governance and therefore, squarely within the purview of the civil administration and the police forces.

The rampant spread of Left-Wing Extremism is particularly worrying and tackling the problem requires a well-thought out strategy. However, the increasing demand on the Armed Forces to assume 'law and order' responsibilities is clearly an undesirable trend.

While 'aid to civil authority' is a mandated role of the Armed Forces and they will deliver whenever ordered, this must always be a 'last resort' and 'temporary' measure to be expeditiously withdrawn when the critical need is met. The Armed Forces must never be seen as being used 'against' our own population – the irreversible damage of such action is there for all of us to see in our neighbourhood.

### **Intelligence**

20. Much has also been reported about our handling of intelligence in the past and also in the aftermath of the 1999 Kargil War and more recently, the Mumbai terror attacks. Our intelligence agencies need to be more focussed towards long term intelligence forecasting and therefore, must direct efforts towards anticipatory security planning – predicated on actionable intelligence inputs, in addition to immediate and short-term requirements. Cohesion amongst intelligence agencies and sharing of intelligence in a far more integrated manner is an operational necessity. Integration between all organs of government dealing with intelligence and seamless acquisition, processing of strategic, operational and tactical intelligence and its timely dissemination is of essence. Information exchange mechanisms with other friendly countries also need to be facilitated to enhance domain awareness in different arenas.

### **Cyber Warfare and Web Espionage**

21. One field, in which awareness is, at best, nebulous, is Cyber Warfare. The annual Virtual Criminology Report of 2007, authored by McAfee, warned that international cyber espionage was set to be the biggest single

threat to national security in 2008. It claimed that some 120 plus countries are already on the web espionage bandwagon. Primary targets include critical national infrastructure network systems with electricity, air traffic control, financial markets and Government computer networks taking centre-stage. Reports suggest that the USA, Russia and China have acquired considerable capability in this domain. The Indian Armed Forces are increasingly investing in networked operations, both singly and a joint fashion. We cannot, therefore, afford to be vulnerable to cyber attacks. Information Technology is our country's known strength and it would be in our interest to leverage this strength in developing a formidable 'offensive' and 'defensive' cyber warfare capability. Harnessing the gene pool available in academia, private industry and the younger generation of talented individuals is imperative.

### **Integration & Jointness**

22. Let me now address the important issue of Jointness and Integration. It has been said that "War is a continuation of policy by other means". That was in an age when the military was used exclusively to wage war. Today, the scope of activity of the Indian Armed Forces spans a wide bandwidth. It ranges from internal security tasks, augmenting diplomatic effort, bilateral and multi-lateral cooperative efforts with other countries, humanitarian assistance and disaster relief and go on to cover the entire range of tasks across the full spectrum of conflict. The armed forces are instruments of policy execution as much in peace as in war. The need for greater integration of the

Armed Forces with the Ministries of Defence, and External Affairs, as well as establishment of effective coordination mechanisms with several other ministries and agencies, is therefore incontestable. If this is not recognised and organisational correctives are not instituted, we will not be able to effectively deal with the various security challenges that confront us - and indulge in futile post-facto blame games.

23. Amongst the Services, as we develop leaders, organisations, systems and doctrines, we must continue to strengthen trust and confidence amongst the Services and between Service components that are committed to joint operations. Let me also state quite unequivocally that migration from a single Service mindset to a 'Joint' one, essentially calls for enlightenment, borne out of a willingness to transform, and a realistic assessment of our operational needs. To this end, the Armed Forces and think tanks such as NMF, CENJOWS, CLAWS, CAPS, USI

and IDSA have been conducting seminars and round-tables, the last being the NMF-CENJOWS Seminar on 'Jointness' held just last month. However, a consensus view is yet to emerge on '*where and how to move on*' from '*where we are*'.

24. The Strategic Forces Command is a good example of how the Services can work together seamlessly and synergistically, in a 'Functional' Command. The ANC was an experiment which was meant to have been a test case for possible future initiatives towards the creation of joint 'Theatre' or 'Geographical' commands. There are strong and divergent opinions about whether this experiment has really succeeded to the degree envisaged in 2001. I think we now have adequate experience to undertake a dispassionate assessment, with the aim of administering course corrections as may be necessary.

25. I believe that 'Functional' Commands are more likely to succeed in our environment – if SFC has worked, how about a Joint Information Warfare Command or a Joint Air Defence Command? At the staff and planning levels, jointness is sought to be achieved through joint capability development, joint planning, joint targetting, joint training, joint logistics and other functions that lend themselves to 'jointness'. During the recently concluded Unified Commanders' Conference, the Chief of the Air Staff opined that "*Jointness does not necessarily imply equal partnership*" and that there was a need to "*adopt correct combinations, whilst respecting the core expertise of individual Services*". This is a widely held view and deserves serious consideration.

26. There is also a need to move beyond the present setup of our higher defence management. We must start thinking in terms of command and control structures and linkages, when we have the CDS in place. However, as we work towards creation of more joint commands, we must continue to critically examine the existing joint command for operational effectiveness, make amends and then only move on. We have to generate an India-specific model since blindly aping an existing model elsewhere would be akin to forcing a 'square peg into a round hole'. Each individual Service will, quite understandably, continue to have strong views on the subject but if true jointness has to be ushered in, with a well-deliberated India-specific model, there is a need to foster much greater understanding of the subject amongst our apex level decision makers and perhaps even work towards enacting our own version of a 'Goldwater-Nichols' Act (which, as you are aware, was the guiding legislation for the US Armed Forces to go 'Joint').



27. Integration and jointness are as much required between the Service Headquarters and MoD, as amongst the Services. This is a transformational change and I believe that greater delegation of powers and cross postings of senior officers are steps that must be taken, without which this transformational progress cannot be realised.

### **Nuclear Issues**

28. Just a brief mention of nuclear issues... Speaking at the launch of our first indigenously designed and built nuclear-powered submarine 'Arihant' on 26 Jul 2008, our Prime Minister Dr Manmohan Singh said: -

"We do not have any aggressive designs nor do we seek to threaten anyone. We seek an external environment in our region and beyond, that is conducive to our peaceful development and the protection of our value systems. Nevertheless it is incumbent upon us to take all measures necessary to safeguard our country and to keep pace with technological advancements worldwide. It has rightly been said that eternal vigilance is the price of liberty."

29. We have had a well-thought out nuclear policy from the 1980s. India is committed to building a capability that will serve her interests and despite several attempts to 'isolate' us in the field of nuclear technology, especially post-1998, we have walked the path alone and created a capability that is recognised today, albeit grudgingly. We have a draft nuclear doctrine in place, which is restrained, in keeping with our traditional national culture. Our efforts at achieving credible deterrence are not just about weapons and platforms but also include well-thought out strategies, policies, targetting plans, command and control structures as well as an occasional demonstration of capability.

30. Our increasing forays in the nuclear field, both military and civilian, would require the highest assurances of nuclear surety and security within the country. This calls for substantial investments in safety and security procedures, testing of environmental parameters, accident prevention and disaster control as well as management. It also requires a very high degree of awareness and public transparency in proving that our nuclear assets and establishments do not pose a hazard in any way to the population at large.

### **Reducing 'Defence' Dependence on Foreign Countries**

31. Let me now make a brief mention of the critical aspect of self-reliance in the field of defence. Our past experiences of sourcing military hardware

from abroad have been varied, depending on the relationship between the source nation and India at different points in time. However, the common strain running through each and every experience has been painfully, one of 'technology denial' and 'post-procurement dependency'. Our material preparedness has often received setbacks due to these reasons. The only long-term solution to this problem is a much greater thrust towards indigenisation and transfer of technology. The Indian defence industry is gradually coming of age and we must, in due course of time, wean ourselves away from foreign dependencies.

Measures to enhance the efficiency of our DPSUs as well as putting much greater premium on time and cost consciousness amongst all agencies concerned are long overdue. There is also a need for greater accountability from our research organisations and defence public sector undertakings, which today rest assured of orders and modernisation funding from the military establishment without having commensurate results to show. The Hon'ble Raksha Mantri has initiated some long overdue in-house reviews of our procurement procedures, aimed at enhancing the efficiency of the processes involved. Whilst the 'bottom line' of 'operational readiness' should remain the determining factor for our 'Buy' or 'Make' decisions, we would need to pragmatically consider some present-day compromise for a more secure future.

### **Defence Outlay**

32. I will now address some more routine and mundane issues but ones that have serious implications on defence preparedness and hence, national security. With regard to defence spending, India will most likely, continue to maintain a high growth rate of between 7 and 8 % over the medium term. A vibrant economic environment will need to be supported by strong defence forces. It is in this context that I have to observe, that for many years, our defence budget as a percentage of GDP, has been hovering on the fringes of the 2% mark, notwithstanding an increase in rupee terms. Let alone bridging the gap between us and our potential adversaries, without a substantial increase, the gap may widen further and dilute our operational edges. It must never be forgotten that India's growth as a military power is an essential component of its ascendancy to 'great power' status and the security underpinning of economic development can never be over-emphasised.

### **Procurement Procedures**

33. While the Armed Forces have been seeking enhanced outlays, you would also be aware that we are unable to completely expend our capital

budget, year after year. The problem is not of inadequate planning or insufficient desire to enhance capabilities, but one of procedure. Our procedures discourage participation by international and private players, who run out of patience with our protracted dealings. Measures to make the process more responsive and faster include closer integration of Service HQs with the MoD, simplification of financial vetting procedures, downward delegation of powers for capital procurements, increasing the capacity of concerned bodies to process cases; and a much greater realisation of the adverse implications of delayed decisions on national security. In short - 'Pragmatism' must prevail over 'Procedure'.

### **The Culture of Strategic Thinking**

34. I will now return to two somewhat larger issues. Firstly, a word about the intellectual framework to support our National Security Planning. Any coherent National Security Strategy is the outcome of a long-term vision. Envisioning any long-term perspective calls for a deep and involved thought process. In other words, a culture of strategic thinking. John F Kennedy had once remarked: -

“Too often... we enjoy the comfort of opinion without the discomfort of thought”

Strategic decision-making cannot be guided by 'opinion' but by serious 'thought' – but the reverse is sometimes true. It is unfortunate that discussions on National Security in our country have been left largely to think-tanks and academics, and whilst they may do some valuable work in this direction, they lack the executive powers to put thought into action. For a country of our size and stature, institutionalised strategic thinking mechanism within and outside government is woefully inadequate.

35. In several established democracies, specialist think-tanks have access to government information on a graded basis. They are often given contracts for studies to be done for the government departments. In India, we often, jealously guard information, even if it may be required by other government agencies in the execution of their legitimate official duties. Our media too, barring honourable exceptions, has very few people who specialise in defence, though of late a welcome start has been made.

We have to develop much greater mutual interaction between think-tanks, the government, its agencies and the media. In a democracy, media must be critical – it is intrinsic to the profession – but not needlessly adversarial, which is often the case in our country. Actually, I was tempted to include some light-hearted humour during my talk this evening - but considering

some media experiences that I have had in the recent past, I decided to resist that temptation.

36. In the same breath, let me add that I have the greatest respect for the Indian media and its vibrancy – but I would urge some self-introspection in this matter.

Concurrently, there is a need to sustain greater Track II interactions involving the civil society and the private sector as well in our efforts to bring about greater awareness on critical national security issues – and I am happy to note that some commendable initiatives have been taken by the CII and FICCI among some other institutions.

### **Governance**

37. And finally, a brief remark about the all-important aspect of ‘governance’.

Speaking to IAS probationers in April this year, our Prime Minister remarked that: -

“Governance is a buzz word today. There are many areas where governance is not keeping in contact with the requirements of the situation.”

38. It is indisputable that no amount of discussion will translate automatically into result-oriented policy and firm action – with the existing lacunae that the Hon’ble Prime Minister referred to. Politicians, bureaucrats, security forces, industry, academia, media and indeed, any other organ of the state or agency involved in the management of national security must work in close coordination and where necessary, integrate, so that they complement each other’s efforts. The need for reforms in several sectors is indeed being recognised, and these must be implemented without delay. Governance obviously needs to focus on securing our national interests and addressing our peoples’ needs and aspirations. The Armed Forces must be an integral part of the ‘decision making’ process on issues of national security that involve them, directly or indirectly.

On their part, the Army, Navy and Air Force, individually and jointly need to contribute in every way that they can, so that the readiness of the Armed Forces and their employment in war and peace can be optimised.

### **Epilogue**

39. Let me once again say how gratified I am, to be in your midst today. My thanks once again to the National Maritime Foundation for providing

me this opportunity to speak to such a distinguished audience, in what is perhaps my last major public interaction on National Security before I demit office at the end of this month. Some of you in the audience, as the next generation of leaders of the Armed Forces and major stakeholders in the security of the nation, will need to find ways to bring about much greater integration of thought and action to meet the various challenges that loom large over the horizon.

40. It is indeed a matter of great satisfaction to note that the three Services and the HQIDS have think-tanks of their own and their activities too are 'deepening' and 'widening' by the day. There is a need for these organisations to synergise their efforts with bodies such as the India Habitat Centre and others, in a combined effort to raise the level of consciousness on matters relating to National Security – and here again, the role of the media is critical as an 'awareness multiplier'.

41. Thank you for being a very patient audience.



**46-A. Address by Minister of State Dr. Shashi Tharoor to mark the 60th anniversary of the Four Geneva Conventions of 1949.**

**New Delhi, August 12, 2009.**

**Mr. Francois Stamm, Head of Regional Delegation, ICRC, New Delhi**

**Shri Mahesh Bhatt, Eminent Film Personality, who delivered the kind of speech we all like to hear but Ministers can never deliver,**

**Mr. Arthur Mattli, Charge d'Affaires, Embassy of Switzerland**

**Dr S P Agarwal, Secretary General, Indian Red Cross Society**

**Mr. Azmat Ulla, Head of the Regional Delegation, International Federation of Red Cross and Red Crescent Societies, New Delhi**

**Distinguished participants,**

**Excellencies, Ladies and Gentlemen, Friends**

"Even wars have limits". These four words sum up the Four Geneva Conventions of August 12, 1949, whose 60th Anniversary we are gathered here to celebrate. Not a retirement age, Francois, what we in India call Shastyabdapurti - a landmark 60th birthday.

For millions of people around the world, the rules enshrined in these Conventions have meant, improved detention conditions, fewer indiscriminate attacks against civilians and the availability of medical care for those affected by armed conflict over the past 60 years.

While war itself is inhuman, the Geneva Conventions have offered hope for persons under occupation, captured on the battlefield, shipwrecked at sea or being transported to receive medical care during some of the most difficult times - during armed conflict.

But rules placing limits on behaviour in war have their origins well before 1949. and the human instinct to provide succour to victims is as old as humanity.

The first laws of war were proclaimed by major civilizations several millennia before our era. Many ancient texts including Chinese warrior codes, the Mahabharata, the Bible and the Koran contain rules advocating respect for those no longer taking part in hostilities and for fellow warriors.

For instance, in the Code of Manu, which we may have our differences with on feminist grounds, but which has many enlightened injunctions we find the following prohibitions: "when he fights with his foes in battle, let him not strike with weapons concealed (in wood), nor with (such as are) barbed, poisoned, or the points of which are blazing with fire." (All techniques that had been used:- warfare up to that point.) Similarly, a branch of Buddhism includes the Vimalakirti Sutra, which contains the following verse, "In times of war, give rise in yourself to the mind of compassion..."

Since you are publishing a Hindi edition of "A memory of Sohana", let me mention that we also have an early Indian example of a "Henri Dunant". After the battle of Anandpur in 1704 between the Mughal army and the Sikhs, Bhai Kanhaiya, went around the battlefield serving water to and tending the wounded from both sides.

The codification of international humanitarian law (IHL, or the law of armed conflict) in treaty form, was sparked by the events of another anniversary this year, that of the 150 years since Henry Dunant, a 31-year old Swiss businessman, (and it is striking how young he was when he changed the world), witnessed the aftermath of a bloody battle in Solferino (Italy), between the armies of imperial Austria and the Franco-Sardinian alliance. Around 40,000 men lay dead or wounded on the battlefield. The wounded lacked medical attention and so he organised local people to attend to the soldiers' wounds and to feed and comfort them. On his return to Geneva he called for the creation of national relief societies to assist those wounded in war, and sowed the seed for the future Geneva Conventions.

The as we have been reminded today, the Red Cross was born in 1863 when five men, including Henry Dunant, set up the International Committee for Relief to the Wounded, later to become the International Committee of the Red Cross (ICRC). In 1864, 12 governments adopted the first Geneva Convention, a milestone in the history of IHL, offering care to the wounded and sick on the battlefield.

This was followed by important developments in 1907 (protection of combatants wounded at sea), and in 1929 (protection of prisoners of war). On August 12, 1949 the Four Geneva Conventions were adopted, which included updates of the previous three Conventions and a new Fourth Convention protecting civilians. We also therefore celebrate today the international community's decision 60 years ago to establish new

rules on how civilians should be treated in armed conflict, as well as rules governing non-international armed conflict. In 1977 two more protocols were added and another in 2005. Without them our understanding of international law today would be very different.

The Fourth Convention in particular was one of the international community's key responses to the horrors witnessed during the Second World War. Each of the Four Conventions is directed toward the protection of different classes of the victims of war, namely, the wounded and sick in armed forces in the field; the wounded, sick and shipwrecked among armed forces at sea; prisoners of war; and civilians.

The International Committee of the Red Cross has been instrumental in drafting the Geneva Conventions and in pushing for greater respect of these rules in armed conflict. The path Henry Dunant started led us to the Four Geneva Conventions of 1949, which, for the first time in history, constitute treaties now acceded to by the entire world's treaty-signing States - in other words, they are truly universal.

When the Geneva Conventions were adopted, conflicts were more likely to take place between States. However, the last 60 years have witnessed more non-international armed conflicts than international armed conflicts, while fewer rules regulate internal armed conflict. "Common Article 3" therefore, has been invoked by the ICRC as often as any other provision of the 1949 Geneva Conventions. Access by humanitarian organisations, including but not limited to, the ICRC, to conflict areas, remains an essential element in seeking to alleviate the suffering caused by armed conflicts.

Since the 1864 Geneva Convention was open for signature, the Swiss Government has played the important role of depositary of the Conventions, and I am pleased to see their participation at this event. India was the fifth State in the world to deposit its instrument of ratification of the 1949 Conventions with the Swiss Federal Council, doing so after only Switzerland, Liechtenstein, Monaco and Chile. We are also the first country in the region to adopt specific implementing legislation for the 1949 Conventions, through the 1960 Geneva Conventions Act.

The Red Cross movement also has a long history in India. During the First World War, in 1914, there was no organization in India for relief services to the affected soldiers, except a branch of the St. John Ambulance Association and a Joint Committee of the British Red Cross. (It was for St. John's that Mahatma Gandhi organized ambulances in South India.) A



bill to constitute the Indian Red Cross Society, Independent of the British Red Cross, was adopted in March 1920, and The Indian Red Cross Society (IRCS) is a member of the International Federation of Red Cross and Red Crescent Movement. It partners with other national Red Cross and Red Crescent Societies, along with the International Federation of Red Cross and Red Crescent Movement (IFRC), and the ICRC.

The relevance of IHL in the present day international situation remains high. The nature of conflicts has changed over time. Unfortunately, the South Asian region is not an exception. We have witnessed conflicts in many different forms, including what is commonly referred to as 'terrorism'. While the Geneva Conventions in particular and IHL in general do not provide a universal definition of terrorism, they explicitly prohibit most acts committed against civilians and civilian objects in armed conflict that would commonly be considered "terrorist" if committed in peacetime. Terrorism violates one of the most important tenets of IHL, the principle of distinction. Indeed, acts of violence directed against civilians or civilian objects in armed conflict constitute war crimes, or "grave breaches" of the Geneva Conventions.

Therefore, it is imperative for all of us to underline the significance of IHL. It is true that the lasting solution to conflicts would be possible not through mere legal reform but through certain substantive changes, which also include political and economic reforms. However, regulatory systems such as international humanitarian law mitigate suffering in situations of armed conflict, thus creating a conducive environment for establishing lasting peace. I believe that legal frameworks such as IHL are of enormous significance in shielding the victims of armed conflict from the worst effects of war. As one who had spent a large portion of my own professional life at the UN and laterally, though briefly, at the ICRC, I would like to stress that we therefore strive to ensure that the rules codified 60 years ago are respected in practice.

Thank you very much.



**047. Address by Minister of State Dr. Shashi Tharoor: 'Why Foreign Policy Matters' at St. Stephens College of the Delhi University and Aligarh Muslim University.**

**Delhi, August 13 and Aligarh, August 19, 2009.**

It is indeed a privilege to be addressing you on the subject of "Why Foreign Policy Matters", and particularly to do so just a few days after our celebrations of the 62nd anniversary of our Independence. At that midnight hour when, in Prime Minister Jawaharlal Nehru's memorable words, India awoke to life and freedom, our country was deeply conscious of its international obligations. In his historic speech about India's "tryst with destiny", Nehruji, speaking of his country's dreams, said: "Those dreams are for India, but they are also for the world, for all the nations and peoples are too closely knit together today for any one of them to imagine that it can live apart. Peace has been said to be indivisible; so is freedom, so is prosperity now, and so also is disaster in this One World that can no longer be split into isolated fragments." These words are typical of that great nationalist that a time when the fires of Partition were blazing across the land, he thought not only of India, but of the world. In recalling that spirit 62 years later, I am pleased to see so many internationalist-minded young Indians here today.

In those six decades, the world has become even more closely knit together than Nehruji foresaw. Indeed, today I think it is fair to say that even those countries that once felt insulated from external dangers -- by wealth or strength or distance -- now fully realize that the safety of people everywhere depends not only on local security forces, but also on guarding against terrorism; warding off the global spread of pollution, of diseases, of illegal drugs and of weapons of mass destruction; and on promoting human rights, democracy and development.

Jobs everywhere, too, depend not only on local firms and factories, but on faraway markets for products and services, on licenses and access from foreign governments, on an international environment that allows the free movement of goods, services, and persons, and on international institutions that ensure stability - in short, on the international system that sustains our globalized world.

Today, whether you are a resident of Delhi or Dili, Durban or Darwin, Aligarh or Alabama - whether you are from Noida or New York- it is simply

not realistic to think only in terms of your own country. Global forces press in from every conceivable direction. People, goods and ideas cross borders and cover vast distances with ever greater frequency, speed and ease. We are increasingly connected through travel, trade, the Internet; what we watch, what we eat and even the games we play.

These benign forces are matched by more malign ones that are equally global. When I was only a few years older than most of you, I began my United Nations career dealing with people without passports, refugees caught in the conflict in Vietnam and Cambodia. In my later career, I learned that these people personified what the United Nations was increasingly called upon to deal with, "problems without passports" - problems that cross all frontiers uninvited, problems of terrorism, the proliferation of weapons of mass destruction, of the degradation of our common environment, of contagious disease and chronic starvation, of human rights and human wrongs, of mass illiteracy and massive displacement. Such problems also require solutions that cross all frontiers, since no one country or group of countries can solve them alone.

Let us not forget that 9/11 made clear the old cliché about our global village - for it showed that a fire that starts in a remote thatched hut or dusty tent in one corner of that village can melt the steel girders of the tallest skyscrapers at the other end of our global village.

In such a world, issues that once seemed very far away are very much in your backyard. What happens in North America or North Africa - from protectionist politics to deforestation and desertification to the fight against AIDS - can affect your lives wherever you live, even here in North India. And your choices here - what you buy, how you vote - can resound far away. As someone once said about water pollution, we all live downstream. We are all interconnected, and we can no longer afford the luxury of not thinking about the rest of the planet in anything we do.

Our choice is clear: we must be globally active if we are to create and maintain the society we want at home. And our success at home is the best guarantee that we will be respected and effective abroad.

After all, your own lives reflect a variety of global experiences. What does it mean to be a young person in Delhi or Aligarh today? It can mean waking up to an alarm clock made in China, downing a cup of tea from leaves first planted by the British, donning jeans designed in America and taking a Japanese scooter or a Korean car to get to an Indian college,

where your textbooks might be printed with German-invented technology on paper first pulped in Sweden. You might call your friends on a Finnish mobile phone to invite them to an Italian pizza or even what you think of as *desi khana*, featuring *naan* that came here from Persia, *tandoori* chicken taught to us by rulers from Uzbekistan and *aloo* and *hari mirch* that first came to India only 400 years ago from Latin America. And the most *desi* thing of all, of course, is suspicion of anything foreign.

Suspicion of things foreign has hardly been absent from our own country's political experience. In India, self-reliance and economic self-sufficiency were a mantra for more than four decades after independence, and there were real doubts as to whether the country should open itself further to the world economy. Whereas in most of the West, most people axiomatically associate capitalism with freedom, India's nationalists associated capitalism with slavery. Why? Because the British East India Company came to trade and stayed on to rule. So India's nationalist leaders were suspicious of every foreigner with a briefcase, seeing him as the thin edge of a neo-imperial wedge. Instead of integrating India into the global capitalist system, as only a handful of post-colonial countries like Singapore chose to do, India's leaders (and those of most of the former colonies) were convinced that the political independence they had fought for so hard and long could only be guaranteed through economic independence. So self-reliance became the slogan, the protectionist barriers went up, and India spent 45 years with bureaucrats rather than businessmen on the "commanding heights" of the economy, often, despite the best of intentions, subsidizing unproductivity, regulating stagnation and effectively, if unwittingly, distributing not wealth but poverty. (Which only goes to prove that one of the lessons you learn from history is that history sometimes teaches the wrong lessons.)

It was only after a world-class financial crisis in 1991, when our Government had to physically ship its reserves of gold to London to stand collateral for an IMF loan, failing which we might have defaulted on our debt, that India liberalized its economy under our then Finance Minister Manmohan Singh. Since then we have become a poster-child for globalization. Our growth and prosperity would be impossible without the rest of the world.

To the young people here, let me say that you are likely to spend a lot of your adult lives interacting with people who don't look, sound, dress or eat like you; that you might work for an internationally-oriented

company with clients, colleagues or investors from around the globe; and that you are likely to take your holidays in far-flung destinations. The world into which you will grow will be full of such opportunities. But along with such opportunities, you may also find yourself vulnerable to threats from beyond our borders: terrorism, of course, but also transnational crime syndicates, counterfeiters of currency, drug smugglers, child traffickers, internet spammers, credit-card crooks and even imported illnesses like swine flu.

Wouldn't you want your government to devise policies to deal with such challenges that would affect your, and one day your children's, lives? Should such policies, in an ever more interdependent world, even be called foreign? One of the reasons that foreign policy matters today is that foreign policy is no longer merely foreign: it affects you right here where you live. You want your government to seize the opportunities that the 21st century world provides, while managing the risks and protecting you from the threats that this world has also opened you up to.

Indians therefore have a growing stake in international developments. To put it another way, the food we grow and we eat, the air we breathe, and our health, security, prosperity and quality of life are increasingly affected by what happens beyond our borders. And that means we can simply no longer afford to be indifferent about our neighbours, however distant they may appear. Ignorance is not a shield; it is not even, any longer, an excuse. Knowledge of others, on the other hand, brings great advantages in today's world.

At the same time, much of what we are in the process of accomplishing at home - to pull our people out of poverty and to develop our nation -- enables us to contribute to a better world. This is of value in itself, and it is also in our fundamental national interest. A world that is peaceful and prosperous, where trade is freer and universally-agreed principles are observed, and in which democracy, the co-existence of civilizations and respect for human rights flourish, is a world of opportunity for India and for Indians to thrive.

If this century has, in the famous phrase, made the world safe for democracy, the next challenge is to make a world safe for diversity. It is in India's interest to ensure that the world as a whole must reflect the idea that is already familiar to all Indians - that it shouldn't matter what the colour of your skin is, the kind of food you eat, the sounds you make when you speak, the God you choose to worship (or not), so long as you

want to play by the same rules as everybody else, and dream the same dreams. It is not essential in a democratic world to agree all the time, as long as we agree on the ground rules of how we will disagree. These are the global principles we must strive to uphold if we are to be able to continue to uphold them securely at home.

Because the distinction between domestic and international is less and less meaningful in today's world, when we think of foreign policy we must also think of its domestic implications. The ultimate purpose of any country's foreign policy is to promote the security and well-being of its own citizens. We want a world that gives us the conditions of peace and security that will permit us to grow and flourish, safe from foreign depredations but open to external opportunities.

At the same time there is a consensus in our country that India should seek to continue to contribute to international security and prosperity, to a well-ordered and equitable world, and to democratic, sustainable development for all.

This we will continue to do, and we will do so in an environment in which change is the only constant. If I may be permitted the indulgence of a personal reminiscence, let me tell you how much my old organization, the UN, has been transformed in the career span of this one former UN official speaking to you. If I had even suggested to my seniors when I joined the Organization in 1978 that the UN would one day observe and even run elections in sovereign states, conduct intrusive inspections for weapons of mass destruction, impose comprehensive sanctions on the entire import-export trade of a Member State, create a counter-terrorism committee to monitor national actions against terrorists, or set up international criminal tribunals and coerce governments into handing over their citizens to be tried by foreigners under international law, I am sure they would have told me that I simply did not understand what the United Nations was all about. (And indeed, since that was in the late 1970s, they might well have asked me - "Young man, what have you been smoking?")

And yet the UN has done every one of those things during the last two decades, and more. It is a reflection of how much the world around has evolved since the era when the Cold War seemed frozen in place, borders seemed immutable, and the Soviet Union looked as if it would last for ever. If all of those things could change so dramatically within one generation, shouldn't we be better prepared, as a country and a society, for similar changes to happen in the lifetime of your generation?

Indeed, the institutions of global governance have been expanding beyond the UN itself. There are selective inter-governmental mechanisms like the G-8, military alliances like NATO, sub-regional groupings like the Economic Community of West African States, one-issue alliances like the Nuclear Suppliers Group. Writers connect under International PEN, soccer players in FIFA, athletes under the International Olympic Committee, mayors in the World Organization of United Cities and Local Governments. Bankers listen to the Bank of International Settlements and businessmen to the International Accounting Standards Board. The process of regulating human activity above and beyond national boundaries has never been more widespread.

To these elements of international co-operation we must add a veritable alphabet soup of new bodies and new arrangements for multilateral engagement. India alone belongs to IBSA, to BRIC, to SAARC and the East Asian Summit; it is a member of the G-20 and the ARF; it observes the meetings of the SCO and attends the G-8. It pursues its interests in organizations as universal and well-known as the UN and as small and obscure as IOR-ARC.

It's not just multilateral organizations we should think about: the world has changed in other ways too. Today, the smartest executive jets are made by Embraer of Brazil; the tallest building in the world is currently in Dubai, an incomplete structure that has just overtaken the previous tallest building, in Taipei; the world's biggest plane is being built in Russia and Ukraine; the world's largest Ferris wheel is in Singapore; the biggest shopping mall is in Beijing; and the country with the largest number of nationals in the Forbes list of the world's ten richest people is India, with four billionaires whose combined assets, once valued at \$180 billion, exceed those of the majority of the member states of the United Nations. Thirty years ago, all these categories would have been headed by the United States. The US remains the world's sole superpower, but others are catching up fast in various areas where it had alone been dominant.

This is the world to which India must learn to adapt. It was Mahatma Gandhi who famously said, "You must be the change you wish to see in the world." That applies to India too. We seek to redefine our place in a world that has changed from the geopolitical realities of 1945 which shaped the current international system, including the permanent membership of the Security Council. We are today one of the world's largest economies, a proud player on the global stage with a long record

of responsible conduct on international matters. But is our foreign policy apparatus commensurate with the challenge? Is our society as a whole imbued with a consciousness of the strategic opportunity that engagement with the globe offers? Can we be taken seriously as a potential world leader in the 21st century if we do not develop the institutions, the practices, the personnel and the mindset required to lead in the global arena?

Our foreign policy debates in Parliament and the media seem obsessed with Pakistan or with ephemera, or worse, ephemera about Pakistan. There is little appetite for an in-depth discussion about, say, the merits of participating in the Non-Aligned Movement or the Conference of Democracies, or the importance we should give to such bodies as SAARC or the Indian Ocean Rim Conference. As Minister of State for External Affairs I suppose I should be grateful, even relieved, at being allowed to get on with foreign policy making without the interference of the general public. But in my view foreign policy is too important an issue to be left to the Ministry of External Affairs alone. Our society as a whole, and particularly its educated young people, must care enough about India's place in the world to participate actively in shaping our international posture.

And yet the picture around us is a pretty dismal one. International relations is a neglected subject on our campuses; I have deliberately chosen to speak on this topic at a college/university, which does not offer a course of study in international relations. The few colleges that do offer the subject do so in a formalistic and formulaic fashion that ill-equip the student to understand the realities of our contemporary world. JNU apart, few can hold a candle to the universities in China, Russia or the West that teach international relations to young people of a similar age to the majority of you.

We do have a handful of thinkers on international issues and a fistful of think-tanks, but in quantum and quality of expertise and range of output they all have a long way to go before they match the role played by, for example, their equivalents in the United States.

And what about the young people so well represented here today, who must shape the future orientation of India to the world? A young Indian scholar, Raja Karthikeya Gundu, recently wrote: "Few Indian students go beyond the West for study, and even if they wanted to, there are barely any scholarships or resources from government or private sector to do so. The average Indian has barely any understanding of foreign cultures, norms and worldviews, and satellite TV and Internet have not managed to change this. Hence, in the absence of global exposure, Indians continue



to be an inward-looking nation burdened by prejudice. Thus, it is no surprise that when Indians travel abroad for the first time in their mature years, they are often culturally inadaptably and even mildly xenophobic." This strikes me as somewhat overstated, and yet there is a kernel of truth in it.

The situation will not improve unless we improve the study of international affairs at our colleges and universities. Last year I was invited by my Singaporean friend Kishore Mahbubani to join a gathering organized by his Lee Kuan Yew School of Public Policy, of some of the most eminent scholars of International Relations to brainstorm on improving the current state of the discipline in India. I couldn't join his effort but one scholar who did, Amitabh Mattoo, observed that "There are few other disciplines in India... where the gulf between the potential and the reality is as wide as it is in the teaching and research of IR at Indian universities. Interest in India and India's interest in the world are arguably at their highest in modern times, and yet Indian scholarship on global issues is showing few signs of responding to this challenge."

Today, IR is taught in more than 100 universities in India, but in Mattoo's words, "most of the IR departments have a shortage of qualified faculty, poor infrastructure, outdated curriculum and few research opportunities". More than half the departments do not even have access to the internet, and are deprived of the rich wealth of online resources that students elsewhere in the world can command. Books and journals are in short supply. Little expertise has been developed in specific areas or countries of concern to India; to take one example, despite all the fuss about the reference to Balochistan in the recent joint statement at Sharm-el Shaikh, there is no major scholar of Baloch studies in India to whom either the MEA or its critics can turn. Foreign languages are poorly taught, resources for study trips abroad are scarce, and research is of varying quality and opportunities for cross-fertilization at academic conferences practically non-existent. Whereas China, a latecomer to the field, has already developed, in the last three decades, a critical mass of students and scholars of IR, we are behind where we were in the heady days of the Nehruvian 1950s when we established bodies like Sapru House and the Indian Council of World Affairs which we have allowed to atrophy.

My friend Kanti Bajpai has argued that "Rising powers seem to get the IR" they need. But it won't just happen. We need to change the way we all think about international relations ;V you, the future leaders of this country, and we, its present ones. The MEA is willing to play its part, in collaboration with those responsible for educational policy, to bring about the change I have been calling for.

To return to Amitabh Mattoo, he warns "India's inability to develop a sophisticated and comprehensive understanding of the world outside will have more serious consequences than just the dwarfing of a discipline. It could well stunt India's ability to influence the international system." That is an outcome that, for all the reasons I have described, we can ill afford.

Mahatma Gandhi's point about "being the change" applies to my Ministry too. Even though my experience of it from within is relatively new, I do believe there are some changes we ourselves can bring about and which I will be advocating in the months ahead. Some specific examples:

- As I said earlier, I believe foreign policy is much too important an issue to be left to the Foreign Ministry alone. Discussion of international relations should not be confined to the seminar rooms in Delhi, and that is why I was delighted on 11th August 2009 to lead a seminar on Indo-Arab relations in Cochin. All Indians, even 2000 kilometers away from the nation's capital, have a vital stake in the development of our foreign policy. I would welcome much more spirited exchanges between MEA officials and academia, the corporate sector and civil society, in person, through regular meetings and even email, respecting confidentiality but not fighting shy of ideas or opinion that challenges our entrenched mindsets.
- Foreign language assignments to IFS officers. I have been struck by how often I have come across Chinese speakers in our consulates in Germany or Anglophone diplomats in France. Surely we can aim at a time when every national language is spoken by at least one Indian officer and an eventual time when every one of our missions is headed by an Ambassador who knows the language, be it Khmer or Korean, Spanish or Swahili.
- I have written elsewhere of the need to develop and exploit India's considerable "soft power", by making this integral to the work of our territorial divisions, rather than leaving it solely to umbrella entities like ICCR and the Public Diplomacy Division. This will mean taking Indian literature, culture, music and dance abroad as an adjunct to Indian diplomacy, and doing so within a context of a coherent public diplomacy strategy that weaves together many institutions that currently function separately.
- Recently, we have seen the stirrings of a purposeful debate on whether the IFS exam should be distinct and separate from others in the UPSC. During my days in college, pretty much everyone aimed at the Foreign Service, and the Foreign Service drew

exclusively from the top ten finishers in the national competitive examinations. Today, as working abroad for the government has lost some of its allure, this is no longer the case; indeed, for many applicants the IFS is a third or even fourth preference amongst the career options available to those who do well in the exams. I feel strongly that a diplomat should not be someone who fell short of his or her real goal of being an administrator, revenue official or police officer. We need internationalist-minded young Indians who see the chance of serving the country abroad not only as a privilege but as something indispensable to India's growth and prosperity.

The tragedy of 26/11 confirmed yet again how much greater coordination we need among the many programmes and players in government involved with security and other international issues, and how essential is the modernization of our domestic and international instruments to keep Indians safe. We will have to work harder in government, and with Indians of all walks of life – including business groups interested in foreign markets and in international investors -- to ensure that we break down the “narrow domestic walls” that Tagore wrote about and promote a coherent, visible Indian approach to the world, backed with sufficient resources to take action and to get our messages across clearly. This will help to ensure that India remains influential on issues of concern in an increasingly competitive world.

In other words, the sustainability and success of our international policy depends on both leadership by the Government of India and the active involvement of young Indians. The Government is committed to protecting and advancing the global citizenship of all of you, but it cannot be done without your strong involvement.

The world, I am convinced, is going your way. You are a new, globalized, impatient generation of Indians who rightly refuse to be confined to the limited worldviews of older generations. The horizons of your world are ever widening. The prospects for international engagement, for more widespread prosperity, for more borderless success, have never been brighter. But the world needs your commitment, too.

I call upon you all today to commit yourself to thinking about India and the world - about India in the world - and your own role in learning about it, helping to shape it, and one day, I hope, helping to lead it.

Thank you.



**048. Extracts from the speech of Prime Minister Dr. Manmohan Singh delivered from the Red Fort on the occasion of the Independence Day.**

**Delhi, August 15, 2009.**

I consider myself fortunate to once again have the opportunity to address you on this sacred day of 15th August. On this auspicious occasion, I extend my hearty greetings to all of you.

Today is most certainly a day of happiness and pride for us. We are proud of our freedom. We are proud of our democracy. We are proud of our values and ideals. But we should also remember that it has taken the sacrifices of lakhs of Indians to bring us where we are today. Our well being and progress have been built upon the foundation of the hard work and sacrifices of our freedom fighters, the brave jawans of our armed forces, our farmers, our workers and our scientists.

Today, we remember all those martyrs who laid down their lives for the freedom and security of our country. The best way of paying homage to those brave sons of our country will be to resolve today that we will always stay committed to strengthening the unity and integrity of our nation. Let us all together take a vow that we will spare no effort to take India to greater heights.

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Climate change has become an issue of global concern in recent years. If we don't take the necessary steps in time, our glaciers will melt and our rivers will go dry. The problems of droughts and floods will grow in seriousness. We also need to prevent air pollution. India wishes to tackle the problem of climate change in partnership with other countries of the world. We have taken a decision to constitute 8 National Missions. We are committed to meet the challenge of climate change through these 8 Missions. To increase the use of solar energy and to make it affordable, we will launch the Jawaharlal Nehru National Solar Mission on 14th November of this year.

The sacred Ganga is the life source for crores of Indians. It is our duty to keep the river clean. We have constituted the National Ganga Authority in which the Central and State Governments will jointly work towards this end. The cooperation of the public is also needed in this effort.

Our natural resources are limited. We must use them more efficiently. We need a new culture of energy conservation. We also need to prevent the misuse of water. We will pay more attention to programmes for water collection and storage. "Save Water" should be one of our national slogans.

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Today's world is becoming smaller in many respects. Whether it is the international economic crisis or terrorism or climate change - what happens in one part of the world has an effect on other parts also. The international economic and political order is changing. Questions are being raised on the functioning and continued effectiveness of the multilateral institutions established in the 20th Century.

Our foreign policy should be able to cater to India's interests in these constantly changing circumstances. I am happy that we have been successful in doing this to a large extent.

We have good relations with the United States, Russia, China, Japan and Europe. There is a tremendous amount of goodwill for India and its people in the countries of South East Asia, Central Asia, West Asia and the Gulf. We have further strengthened our traditional ties with Africa. We are looking for new opportunities in Latin America.

As far our neighbours are concerned, we want to live with them in peace and harmony. We will make every possible effort to create an environment conducive to the social and economic development of the whole of South Asia.



**049. Inaugural Address of Prime Minister Dr. Manmohan Singh at the Conference of Chief Ministers of the Indian State on Internal Security.**

**New Delhi, August 17, 2009.**

I am happy to be here with you today and warmly welcome all of you to this important Conference. The importance of this Conference cannot be over-emphasized. The many serious challenges to our internal security call for careful deliberation and sincere action. I hope this Conference will not only be a forum for exchange of ideas but will also result in building a broad-based consensus on what needs to be done in many crucial areas of our internal security.

We had last met in January this year. A number of steps were discussed in that meeting and I am happy that a substantial amount of work has been done in the subsequent period. I congratulate my Cabinet colleague Shri P. Chidambaram for single minded pursuit of the objectives that we had collectively agreed in general. I understand that four regional hubs of the National Security Guard have been established and operationalised at Mumbai, Kolkata, Chennai and Hyderabad. Two Regional Centres of the NSG will shortly be established at Hyderabad and Kolkata. A National Investigative Agency has been established. I request the Chief Ministers to extend all possible cooperation to this Agency to make it a truly effective instrument in our fight against terrorism. Quick Response Teams and Special Intervention Units are being set up at the State level to enhance the speed of response to terrorist attacks. A major effort is being made to improve Intelligence gathering and dissemination both at the Central and State levels. A well-calibrated Coastal Security Scheme is being put in place. But we obviously need to do much more and we shall. The challenges posed by asymmetric warfare and terrorism as also the Left Wing Extremism can only be met through new ideas and more resolute actions and determination. We need to be ahead of the curve if we are to succeed as we must.

Coming to specific challenges, cross-border terrorism remains a most pervasive threat. We have put in place additional measures after the Mumbai terrorist attack in November last year. But there is need for continued vigilance. There is credible information of ongoing plans of terrorist groups in Pakistan to carry out fresh attacks\*. The area of operation of these terrorists today extends far beyond the confines of Jammu & Kashmir and covers all parts of our country.

In dealing with the terrorist challenge we need to be prepared for encountering more sophisticated technologies and enhanced capabilities. We also need to guard our sea frontier as vigilantly as our land border.

Left Wing extremism is another serious challenge. Later today the Home Minister will hold a separate meeting on this subject. But I would like to emphasize the growing intensity of the problem. There have been heavy casualties inflicted recently on security forces by Naxalite groups. There are also indications of yet more offensive action by these groups. The problem of Left Wing extremism is indeed a complex one. There is a need for a balanced and nuanced strategy to deal with it. On the one hand the State should discharge its responsibilities and obligations and re-establish the Rule of Law in areas dominated by the Naxalites. At the same time we should work towards removing the causes which lead to alienation of people and problems like Naxalism.

I would like to make a mention of the situation prevailing in Jammu & Kashmir and some of the States in the North-East. The situation in Jammu & Kashmir has, during the past few years, seen substantial improvement. Figures of violence have been steadily declining and are today at an all-time low. But there are some disturbing trends on the horizon. Levels of infiltration which had come down very substantially have seen a surge this year, alongside an increase in attempts at infiltration. The infiltrators appear more battle-hardened, better equipped, and in possession of sophisticated communications.

There are also signs of a revival of over-ground militant activities. Attempts are being made to link isolated and unconnected incidents - such as those which occurred in Shopian, Sopore, Baramulla - to create an impression of a groundswell of anti-national feeling. All this shows that efforts to disturb the current status quo have not been given up. Fortunately, the annual Amarnath Yatra passed off without incident, a tribute to the secular character of the people of J&K.

In the North East there is an overall improvement but the situation in some states particularly in Assam, Manipur and Nagaland remains problematic and worrisome. Assam and Manipur account for a disproportionately large number of violent incidents reported from the North East, with the latter's share being as high as 30%. In Assam, the Centre had sanctioned an amount of Rs. 750 crore for development of Bodo areas. But the utilization of these funds remains unsatisfactory. The resettlement and rehabilitation of those affected by the violence in the Bodo areas and North Cachar Hills

is a matter of concern. Manipur is plagued by a large number of militant outfits. The Government of Manipur needs to put in place appropriate mechanisms for increased participation of people in developmental projects.

I would request the Chief Ministers of all the North Eastern States to pay particular attention to the implementation of infrastructure projects. There is also a need in the North East for more emphasis on pro-active State police forces rather than exclusive reliance on the Central Para Military Forces and Army. The resources for policing need to be enhanced substantially. Manipur has increased the number of sanctioned posts at the police station level but a large number of them remain unfilled. All the States in the North East would do well to ensure the representation of all groups and communities in their police forces and carry out recruitment to these forces in a transparent manner.

As far as the communal situation is concerned, we have reasons for satisfaction. In the past five years, no serious communal incidents have occurred. But some States like Maharashtra and Karnataka need to exercise greater vigil to maintain communal peace. Karnataka, in particular, has witnessed a number of communal incidents during this year. What is more worrisome is that the incidents were not limited to one or two districts. Like in other areas of internal security, we must all be on our guard against attempts by communal fanatics to accentuate communal tensions, disturb the peace and weaken the fabric of our inclusive society.

We are all aware that most issues pertaining to internal security require a coordinated response by the Centre and the States acting in concert. The importance of this can not be over-emphasized. A piece meal approach will simply not work given the nature of challenges we face. Not only do we need more information sharing, we also need synchronized action. Let me assure all the States that the Centre will not be found wanting in this regard.

We are committed to assist the States in all possible ways in dealing with the challenges of internal security. We will also do our utmost in facilitating inter-State coordination. I would urge States to take more initiative for coordinating action with other States.

I do recognize that States often face constraints of resources. But ultimately we must all bear the burden of our shared sense of responsibility. It must also be recognized that there are limits to what the Central Government can provide. I hope that the expectations of the States from the Centre would be guided by a consciousness of their own obligations as well as a sense of practical realism.



In conclusion, I look forward to the deliberations of this conference and I sincerely hope they will help to evolve a consensus about a concerted strategy and action programme for meeting the challenges to our internal security. I wish your deliberations all success and I thank you."



\* Pakistan Foreign Office reacting to the above statement of Prime Minister said on the same day:

"We have noted the reported comments made by the Prime Minister of India today in which he expressed apprehensions about terrorist attacks being planned in Pakistan against India. The Deputy High Commissioner of India was called to the Foreign Office by Director General ( South Asia ) today. He was conveyed the following:

- Indian Prime Minister's remarks warrant serious and prompt attention.
- The Government of Pakistan would like to extend its fullest cooperation to pre-empt any act of terror.
- Terrorism is a common enemy. Pakistan has itself been a victim of terrorism.
- At Sharm El Sheikh, both sides had agreed that the "two countries will share real time, credible and actionable information on any future terrorist threats."
- In all sincerity, we would request India to share information that they have and for our part we stand ready to cooperate fully in pre-empting any act of terror.
- Terrorism can only be combated by serious, sustained and pragmatic cooperation. We wish to renew our offer of cooperation to India in this regard."

The next day on August 17, the Minister of State in the Ministry of External Affairs Shashi Tharoor said the Prime Minister's statement was not intended to "impugn the actions of Government of Pakistan." "What the Prime Minister has said is that some terror organisations appear to pose a threat to us. A very real and credible threat. He did not in any way impugn the actions of Government of Pakistan," he said explaining Dr. Singh's remarks. Mr. Tharoor said "we hope the Pakistan government will do everything on their part to prevent any fresh attack on India emerging from its soil." Asked if it was contrary to what was decided in Sharm-El Sheikh where the Prime Ministers of both India and Pakistan signed a joint statement, he said "the Prime Minister at no point attacked the Government of Pakistan... He was not going back on the goodwill he had generated and his fundamental desire for peaceful relations with our neighbours."

**050. Press Release issued by the Ministry of External Affairs on the Interaction of first batch of awardees of Fulbright-Nehru Scholarship with Foreign Secretary Mrs. Nirupama Rao.**

**New Delhi, August 19, 2009.**

The first batch of U.S. Scholars who have been awarded Fulbright-Nehru Scholarships have arrived in India to commence their scholarship/fellowship programmes. Of the 89 U.S. Scholars selected through a 3-stage objective process, the first group of 38 Scholars was received at Ministry of External Affairs on the 17th August.

They were addressed by Foreign Secretary Smt. Nirupama Rao, co-chair of the Board of the US-India Education Foundation, who welcomed them. Recalling the commitment of the Governments of India and the U.S.A to explore the significant potential of bilateral co-operation in Education, Smt. Rao underlined that such linkages between the academic communities of both our knowledge societies would contribute significantly to strengthening the current partnership - and shaping the future relationship - between India and the U.S.A.

A new initiative, the India-U.S. Education Dialogue has been announced by both Governments on the occasion of the visit of the U.S. Secretary of State to India on July 20, 2009.

The scholars shared with Foreign Secretary their respective areas of research and study - subjects as diverse and varied as studies on autism, ground water contamination, social and economic themes in advocating environmental awareness, micro finance and *deshbhakti sangeet*. The scholars included teachers who will be in India on a nine month exchange programme, teaching at various schools spread over the country.

It may be recalled that the revised and updated version of the Fulbright Agreement was signed between the Governments of India and the U.S.A. on July 4, 2008. 71 Indian scholars have been selected for studies in the U.S. - who were similarly felicitated earlier this year by the USIEF.



**051. Salient points of the Inaugural Speech by External Affairs Minister S. M. Krishna while inaugurating the Conference of Indian Heads of Mission.**

**New Delhi, August 24, 2009.**

*[The second Conference of Heads of Indian Missions abroad began today morning at Vigyan Bhawan, in New Delhi.*

*The conference was formally inaugurated by External Affairs Minister Hon'ble S. M. Krishna. In his address EAM said that 'Development, inclusive economic growth and alleviation of poverty have to be our foremost strategic goals. The main purpose of our foreign policy is to assist in the fulfillment of these goals by providing an enabling external environment which ensures our security, promotes trade, nurtures our key bilateral relationships, safeguards our national interest and enhances our influence in the world. We should never forget that the aspirations of India's people are the bedrock of India's foreign policy'.*

*EAM noted that the 'challenges before us are many and we have to find ways to manage, contain and eliminate them. There is the challenge of terrorism, and of ensuring that our neighbourhood is stable and peaceful and that our surrounding environment is conducive to the pursuit of our national goal of comprehensive socio-economic development'.*

*Salient excerpts from EAM's address were:]*

**'On our immediate neighbourhood'** - India is committed to close and good neighbourly relations with all the countries in the Indian subcontinent. We share a special affinity and common destiny with our neighbours. Bhutan is the first country I visited on assuming charge as Foreign Minister and for good reason. India has strongly supported Nepal's transition to a democratic polity. We recognize that the new government faces serious challenges in achieving stability and have been encouraging all political parties to cooperate with the new government in working towards early conclusion of the peace process on the basis of widest possible consensus. The conclusion of the military operations culminating in the defeat of LTTE in Sri Lanka provides it an opportunity for a future free from terrorism and conflict. We have been providing humanitarian assistance to Sri Lanka and hope that the IDPs would be rehabilitated soon. We look forward to the Sri Lankan Government bringing about a lasting political settlement that meets the political aspirations of all communities through effective

devolution of power. An encouraging development in our neighbourhood has been the return of Bangladesh to multiparty democratic politics.

**‘On Afghanistan’** - Last week we had Presidential elections in Afghanistan against the backdrop of an attempt by the Taliban to raise levels of violence. We have stood firm behind the Government of Afghanistan’s efforts to stabilise the country. This is natural given our age old ties, our responsibility to a friendly country in our region and given our national security interest in a stable, independent and peaceful Afghanistan which will remain a priority.

**‘On Pakistan’** - With Pakistan we have maintained that a stable Pakistan at peace with itself and the region is a desirable goal. We wish to address our differences with Pakistan through dialogue. On several occasions we have conveyed to the Pakistani leadership our desire to engage in meaningful discussions and to develop our bilateral relations in a positive manner. At the same time, we made it clear that a meaningful dialogue will only be possible following the fulfillment by Pakistan of its commitment not to allow its territory to be used for terrorist activities against India. Pakistan must honour the pledges made in this regard. Following the Mumbai attacks of 26 November 2008, Pakistan has taken some steps under the pressure of evidence presented to them. However, we are still to see Pakistan take effective steps to end infiltration and dismantle the infrastructure of terrorism.

**‘On China’** - There is space for both of us to grow and meet our aspirations. China is now India’s largest trading partner and there is congruence in our views on many global issues but there are outstanding bilateral issues that should be resolved peacefully through dialogue.

**‘On ASEAN and East Asia’** - With ASEAN we have signed a Free Trade Agreement. It is another milestone in our Look East policy. Our relationship with Japan has entered a new phase in the last few years. We are adding significant elements of political, economic and security cooperation to our relationship. A new South-South partnership is being built in the IBSA framework with South Africa and Brazil.

**‘On Russia and the United States’** - Our relations with Russia are time tested and we are giving them a contemporary definition in areas such as nuclear energy, space and defence. With the United States, we are going to build on the positive momentum of the last few years. Our new dialogue architecture would reflect the increasingly global character of our bilateral

dialogue. India's established capabilities in high technology and our unimpeachable record of using these technologies in a responsible and transparent manner are creating opportunities for upgrading our access to high technology from the major powers.

*'On the Doha Round of negotiations'* - I would like to stress that timely and successful conclusion of the Doha Round on the basis of its development mandate is even more important today particularly in the backdrop of the global economic and financial crisis to restore confidence in the global economy and markets, as also to guard against emerging protectionist tendencies and to protect the livelihoods of the poor and marginalized, particularly in our rural sectors.

**EAM** stressed that **'economic work'** of our Missions abroad is increasing in importance as India's engagement with the world has deepened and our global trade has grown substantially in recent years. In fact with many countries bilateral, economic and commercial relations have become the driving force for more intensive engagement and for many other relationships, are providing anchor for more stable relations. Our "soft power" is a tremendous asset to promote India's visibility and influence in the global arena today. This is manifest in the outreach afforded to us across the world by our culture, cinema, technology, diaspora and other important elements of our soft power. We need to develop our capabilities to utilize this asset to the fullest extent'.

Earlier, welcoming the 112 Heads of Mission who have gathered in New Delhi for the Conference, **Foreign Secretary Nirupama Rao** in her opening remarks spoke of the role, the agenda and the challenges confronting Indian diplomats, particularly the Heads of Mission, today. She said that the Indian diplomat today needed to introspect on how his or her practice of the art of diplomacy and the tools used for it, must adapt, or change, in response to the challenges in the world and the decentralization of the international landscape. She said that the context in which our diplomats work today was defined not only by the external dimensions of India's foreign policy but the country's domestic needs and aspirations. She stressed the need for future oriented strategies when it comes to addressing such issues as personnel strength and interaction with academic and research institutions as part of a 'retooling' process.

She referred to a note recorded by India's first Prime Minister, Jawaharlal Nehru in 1953, on our administrative system within government,— 'Today we are faced with a dynamic situation which requires a rapid pace of

development and continuous adaptation to changing conditions. We have thus to bring our administrative structure in line with these, or, we fail". Most importantly, Prime Minister Nehru had advocated the need to "always have a sense of the organic unity of the whole, whether this is the world or India, or the Government of India or a particular Ministry". And this Foreign Secretary emphasized, particularly applied to the Ministry of External Affairs.

She dwelt on key and diverse aspects like training, capacity building, greater use of technology, inter-agency cooperation, security, media relations, effective communications, Indian community, consular matters etc.

During the **interactive session** that followed HOMs made a number of suggestions on strengthening communication and exchanges between the Missions and the Ministry.



**052. Press Release of the Prime Minister's Office containing the gist of the Speech of Prime Minister Dr. Manmohan Singh while addressing the Conference of Heads of Mission.**

**New Delhi, August 25, 2009.**

The Prime Minister, Dr. Manmohan Singh, today addressed the Conference of Indian Heads of Missions organized by the Ministry of External Affairs.

The Prime Minister emphasized the integral link of India's foreign policy with domestic policies particularly economic policy. He noted that the country's foreign policy should be aimed at addressing the challenges of mass poverty, ignorance and disease in the country, which were the primary concern of the Indian state and polity. He stated that despite the global economic slowdown, the Indian economy was still the second fastest growing economy in the world, but all out efforts were needed to put the economy back on a sustained high rate of growth if the challenges of poverty and disease were to be effectively addressed.

In this context, the Prime Minister identified three pillars of our global engagement -sustaining capital inflows to supplement our investment efforts, the need to take advantage of rapid scientific and technological developments in the world which provide an opportunity for India to leap frog its technological development, and the need to ensure that the country's growth is not constrained by scarcity of natural resources. All these required active engagement by India in all multilateral fora, and in the shaping of the world order, whether in the field of trade, international finance or the international economy. Insularity was not an option, and India should play a role in the international arena in a manner that makes a positive contribution to finding solutions to major global challenges, whether in the field of trade or climate change.

The Prime Minister highlighted the fact that the India has been a victim of terrorism and it was essential that global terrorism is tackled with full vigour and resolve to ensure the continuing advancement of the country. India has a stake in the prosperity and stability of all our South Asian neighbours. We should strive to engage our neighbours constructively and resolve differences through peaceful means and negotiations.



**0053. Interview of National Security Advisor M. K. Narayanan with Indrani Bagchi of the *Times of India*.**

**New Delhi, August 29, 2009.**

**After the political storm over the India-Pakistan joint statement at Sharm el-Sheikh, is India still going ahead with a meeting between the two foreign ministers at UNGA?**

I would presume so. We have never fought shy of meeting Pakistan's leaders. That's why Prime Minister met Asif Zardari in Yekaterinburg, and Gilani in Sharm el-Sheikh. The Indian standpoint has been that we will not resume the composite dialogue until we see concrete evidence that Pakistan has acted against terrorism in a manner that we feel comfortable. That position remains. I don't see any change in that position at any time. People have tried to misinterpret the Sharm el-Sheikh joint statement.

**But the statement delinked dialogue from action on terrorism, apart from a controversial reference to Balochistan. Wasn't that a departure?**

It doesn't delink. That's a wrong reading of the document. It's possible that somebody may read it that way but that's certainly not the intention. I don't think there has been any change in our position. There was a reference to Balochistan in the document because it found a mention in the discussions. It's possible that someone could read a meaning into it. I don't think there is any particular meaning.

**Are we heeding the Pakistan request to send the foreign secretary to Islamabad before the UNGA?**

I think since the external affairs minister will be in New York for the UNGA. That would be the more appropriate place for the foreign secretaries to meet\*.

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\* Pakistan on August 28 had accused India of "hesitating" over the resumption of the stalled peace process due to its internal political situation" and insisted that dialogue was the only way forward for the two countries. Pakistan Foreign Minister Shah Mahmood Qureshi, in an interview to a TV news channel, ruled out the possibility of Pakistan acting on advice from the West to shift troops from the Indian border to focus on the campaign against militancy along the Afghan frontier, terming it as Islamabad's "internal decision". However, he dispelled the impression that there was a deadlock between India and Pakistan over New Delhi's call for Islamabad to take action against outlawed JuD chief Hafiz Mohammad Saeed for his links to the Mumbai attacks and demanded "legally tenable evidence" against the LeT founder.



**What are the expected highlights of PM's Washington visit in November?**

We're looking for that one big idea that will symbolize the relationship, just as we had a major achievement like the civil nuclear agreement in 2005. That was then the one big idea. It's not that the deal alone was important. I think that far more than the deal, the fact that a country like the US and a country like India could reach an agreement like this reflected the maturing of the relationship.

**So, we need to one such big ticket item now to show a continuity of that relationship with the new US administration?**

I think the relationship itself is very warm. The PM has had very positive meetings with leaders of the new administration. I don't see any problem with the relationship. The previous administration was extremely accommodative of India. We need to see whether the new administration will see us in the same way. Across the world, there is a great deal of respect for India and for the Indian leadership. Since this is the first state visit arranged by the Obama administration, we are keen to cement it with something substantial.

**You have just completed the 13th round of boundary talks with China. While there is no progress on that front, will the talks now be embedded in the larger strategic dialogue?**

The Chinese side showed keen interest in widening the ambit of the dialogue. But it didn't detract from what we discussed on the border. We had 14 hours of discussions. There's always progress. Certainly we haven't yet settled the border issue. But each time we meet there is greater understanding.

**What is the state of play on the nuclear deal?**

There are two issues. First, we have to file a declaration in the IAEA. We are taking things cautiously, doing things step by step. If we take a step we cannot retrace that would make things difficult. We've now reached a stage when we are comfortable and we will file the declaration. And we will fill in the Annexure, which is part of the Separation plan. Once you enter into an international agreement we do not back out. The declaration is the final step as far as the IAEA is concerned. With the US, discussions are underway on the reprocessing agreement under 6(iii) of the 123 agreement.

**What are your view on the Afghanistan election? Do you think the US could be tempted to cut and run since the war appears to be going so badly for them?**

The very fact that elections could be held, despite the violence and threats and with so many contenders, is no mean achievement. Its more than many other countries have done.

**Nuclear scientist, K Santhanam says we need to test our thermonuclear weapon again because Pokharan II was a “fizzle”. Is that correct?**

It's untrue. This is a matter that has been examined in great detail. Several measurements have been applied, specific observations have been made. The fact that we had a 45-kiloton successful thermonuclear test is now well proven the world over. We don't need to carry out another test.



**054. Response by External Affairs Minister S. M. Krishna to questions from a leading daily newspaper on the achievements of Ministry of External Affairs during the first 100 days of the United Progressive Alliance Government.**

**New Delhi, September 2, 2009.**

**1. What significant direction has the External Affairs Ministry taken in the first 100 days?**

**Ans:** The direction of India's foreign policy flows directly from the aspirations of our people. Inspired by the vision of our founding fathers, our foreign policy is distinguished by a tradition of continuity and consensus.

In its first hundred days, the External Affairs Ministry has pursued a **multi-dimensional foreign policy of seeking strategic engagement, partnership and dialogue with all major global players, without creating any contradiction or hyphenation between one set of relations and another.** *Our approach is one marked by maturity and balance in the conduct of international relations.* Today, as we get more and more connected with the world, we seek to creatively respond to new challenges and opportunities.

India's steady ascendance as an economic power has expanded her circle of interaction and engagement with the rest of the world. One of the main challenges of our foreign policy lies in creating and maintaining a regional and international environment which would enable us to sustain a high rate of economic growth, create more opportunities for Indian entrepreneurship and enable India to realize her vast, latent potential. **Under the leadership of the Prime Minister, the pursuit of enhanced trade, investment inflows, technology transfers, energy security and other economic imperatives has become an overarching imperative of our foreign policy. At the same time, my endeavour is to effectively leverage India's established capabilities,** particularly in the field of frontier technologies like space, information technology, biotechnology and pharmaceuticals, and her growing role in the global knowledge economy. (Emphasis as in the original)

Let me outline some of my own efforts in my first hundred days as the External Affairs Minister. I support a policy that ensures a peaceful periphery and a supportive international environment as the fundamental objective of India's foreign policy. In our neighbourhood, I have already visited Bhutan and exchanged views with my counterparts from Pakistan, Sri Lanka,

Bangladesh, Afghanistan, Nepal. I participated in the Af-Pak Ministerial meeting in the G8 plus outreach format. Among the major powers, I have personally engaged with my counterparts from USA, Russia, China and Japan, and am currently visiting Brazil. I visited Australia to personally seek the understanding and support of the Australian authorities for stopping the violent attacks against Indian students.

At the core of the continuity in our foreign policy is autonomy of decision-making and independence of thought and action. Our prominent role in the Non Aligned Movement was recently reaffirmed in the 15th NAM Ministerial, followed by the Summit in Egypt, which I attended. At the recent ASEAN-India and ARF Post-forum Ministerial in Phuket, our Look-East policy received further impetus. ASEAN-India FTA has now been signed. The recent India-EU Ministerial troika in Prague helped us broaden our dialogue and consolidate relations with the EU, our largest trading partner. I will personally ensure that Africa and Latin America becomes a major focus area for us.

**2. What new initiatives is the Government taking to improve relations with neighbours?**

**Ans:** As I have already said, India would like to have a peaceful neighborhood in which all South Asian nations can work in concert, to attain the common objective of growth and development, as well as combat challenges especially the menace of terrorism. Our destinies are interlinked and together we can usher in a new era of peace and prosperity. We are deepening ties with a number of South Asian countries as also to see democratic traditions taking deeper roots in our neighborhood. Our broad approach with all our neighbours, including China, Bangladesh, Nepal and Sri Lanka remains one where we are proceeding ahead with all-round cooperation and exchanges in areas of mutual interest, without holding progress hostage to difficult, outstanding issues. Under the SAARC framework, we will move ahead with implementation of projects in many areas, including on trade and economy, culture and education. Another important framework that we seek to strengthen, in order to improve connectivity with our North East, is BIMSTEC.

**3. What is current status of composite dialogue with Pakistan?**

**Ans:** The Composite Dialogue had been paused after the terrorist attack on Mumbai. We do sincerely believe it is in our vital interest to engage

and normalize our relations with Pakistan. At the same time we are very clear that any meaningful dialogue with Pakistan can only be based on fulfillment of its commitment, in letter and spirit, not to allow its territory to be used in any manner for terrorist activities against India. Steps therefore to address the issue of terrorism will be in the interest of the bilateral relationship and also in the interest of Pakistan.

**4. The Opposition has accused govt. of compromising India's strategic interests with the US, during Secretary of State Hillary Clinton's visit. What is your argument?**

**Ans:** India's foreign relations with all countries including the USA are based on her national interest. We have a strategic relationship with the US, as we have with several other countries. Secretary of State visited India during 17-21 July 2009. During the visit a revised bilateral architecture for enhancement and deepening of India-US bilateral relationship in science technology, education, health, economy and trade, defence and security, energy, environment and Climate Change among other subjects was announced. These are areas of bilateral engagement which compliment our national development goals.

During the visit, both the countries signed two agreements - one on science and technology and the other on space cooperation. Besides, we also agreed to a standard formulation on 'End Use Monitoring (EUM)' which would be included in future Letters of Offer and Acceptance for procurement of defence equipment from the US. This is a standard requirement of the US Government and some 82 countries to whom the US supplies defence equipment have agreed to it. There is nothing in the EUM which compromises our strategic interests. USA has not been given any unilateral right of access to our military sites. I have made a Statement in the Parliament on this account. Besides, we had so far been fulfilling the EUM requirement case by case; the agreement only streamlines an ad hoc system that was being followed till now for defence procurement from the USA.



**055. Speech by Minister of Commerce and Industry Anand Sharma at the WTO Ministerial Meeting "Re energising Doha -- A Commitment to Development."**

**New Delhi, September 3, 2009.**

"Excellencies, Director General Mr. Lamy,

Senior Officials, Ambassadors, and distinguished delegates,

It gives me immense pleasure to welcome you all to Delhi Ministerial Meeting. After assuming my present responsibility as Commerce and Industry Minister of Republic of India, I have had the privilege of meeting many of you on several occasions. I am delighted that we now have yet another opportunity to renew our acquaintance. I look also forward to an equally warm relationship with other fellow Ministers whom I have not had the opportunity to meet earlier.

We are encouraged by your understanding and by your enthusiastic support for this initiative for the Delhi meeting. Your presence is a testimony of your commitment to the successful conclusion of the Doha Development Round and also underscores your faith in the robustness of the transparent, rule-based and democratic multilateral trading system that the WTO represents.

In less than a year, world leaders have reaffirmed their commitment to an early conclusion of Doha Round at Washington, London, Bali, Paris, L'Aquila, and Singapore. In their unanimity lies a message for us, which stresses the need and importance of a fair and equitable international trading system, which is particularly vital in the present challenging economic environment.

Leaders were united in their view that sustaining trade and investment flows is critical for the future prosperity of developed and developing economies alike. They recognised that one of the main threats to a revival of trade flows is the rising protectionist pressures, and continued delay in concluding the Doha Round. Therefore, strengthening the multilateral trading system by concluding the Doha Round at the earliest is vital is an imperative.

A question has been asked by some that why India took the initiative to host this meeting when Heads of State and Governments have already, in no uncertain terms, signaled what needs to be done. But let's be frank in acknowledging that even the unequivocal expression of political resolve has not yet been translated into action. Many of you have shared your concerns

with me over the imperceptible progress in re-energizing the negotiations. This feeling was also articulated when officials met in Geneva in July.

The economic crisis and the ensuing turmoil is rocking the global economy. Domestic pre-occupations of some Member Countries over the past twelve months has been another proximate reason for the pause in negotiations. But that was not all. We also realise that individually, the international groupings of nations from which declarations of support for the Doha Round have emanated, simply did not represent the full spectrum of the WTO membership. The Delhi meeting constitutes a microcosm of the entire WTO membership, representing all shades of opinion and interests. This would be the first occasion since July 2008 that such a meeting is taking place to give a determined push to the multilateral process.

Together, we need to work in this spirit and go beyond yet another reaffirmation and work together collectively to provide guidance for a clear road map of multilateral engagement in the months ahead, remaining conscious of the 2010 timeline. I trust that you would all agree that is the value addition this Ministerial meeting has to provide: this is what we must strive for.

I trust that you would all agree that this is neither the appropriate forum nor the opportune time to discuss specific issues in individual areas of the negotiations. That is best left to the multilateral process in Geneva. Instead, discussions here ought to mainly focus on the best way to spark the multilateral negotiations to move the Round to a quick closure. After all, the intention is to build a broad-based consensus on how Ministers would like to see the process of negotiation fast-tracked. Negotiators would be able to focus fully on technical issues only if we work together to remove the obstacles coming in the way of multilateral discussions and provide clear directions on how the multilateral process at the WTO can be re-energised.

I understand that senior officials who met yesterday have had a productive discussion and have identified some of the critical process issues which need to be addressed on priority if the Doha Round has to be concluded as envisaged by some leaders. I am sure you have been briefed by your senior officials about their discussions.

In some quarters, it has been suggested that most issues have been settled and we are almost in 'end game'. However, if we look at the texts of modalities on NAMA and Agriculture alone, it would be apparent that there are still a few gaps and large number of unresolved issues. In some instances, the architecture of a solution is not yet fully in sight. In others, there still remain negotiating gaps that need to be sufficiently narrowed before Ministers can collectively outline the way forward come up with fair solutions.

All these issues need to be extensively discussed at the technical level by senior officials. This will take time and needs to be factored in when we decide on a schedule for the ensuing months to determine when Agriculture/NAMA modalities can be meaningfully concluded.

Suggestions for new approaches have generated much debate, may be at the cost of some negotiating capital. In light of the 2010 timeline, Ministers may like to reflect on the necessity for and the implications of changing a tried and tested process. While we follow the established process of multilateral negotiations, we need also to look at various approaches to feed the multilateral process to reach a satisfactory conclusion.

We must remain alive to the importance of inclusiveness and transparency of the process. These are indisputably key success factors for any strategy to conclude the Doha Round, particularly in a body of the size and diversity of the WTO. We cannot risk alienating any of those involved.

The fact that this is a Development Round bears repetition. The Doha Ministerial Declaration of 14 November 2001, while recalling the preamble to the Marrakesh Agreement stated "We shall continue to make positive efforts designed to ensure that developing countries and especially the least developed among them, secure a share in the growth of world trade commensurate with the needs of their economic development". This mandate is the bedrock of the Doha Round. The final outcome must correct the historical distortions and address structural flaws in the global trading regime, while responding to the legitimate concerns and aspirations of the poor in the developing world.

We must also recall that the Ministerial mandate at Hong Kong emphasized the need to effectively and meaningfully integrate Least Developed Countries (LDCs) into the multilateral trading system.

The Ministerial mandate at Hong Kong also adopted a sequential approach to negotiations giving agriculture and NAMA frontal position to be followed by others. Since time is of the essence and in order to maintain a balance within the single undertaking, Members could also reflect on how, without departing from the Hong Kong mandate, we can consider moving other issues on the agenda forward. Can parallel negotiations in Services and other areas be taken on board in a more proactive manner?

In order to take the process at Geneva to its logical conclusion, engagement and close monitoring would be required, I am sure this will put our human resource capacities to severest test. This would also necessitate a more well thought out and agreed roadmap for overall negotiations as well as specifically



for each segment of negotiations. Members may wish to reflect on how we intend to proceed to prepare this agreed roadmap. I request each of you to bear these issues in mind while making your statements and interventions.

Let me turn now to the structure of our programme over the next two days.

As you have seen from the agenda for today, we will begin with a Statement from DG Lamy. I am sure, we are all keen to hear his thoughts on the way forward. His single minded zeal and indefatigable efforts to bring the negotiations back on track, each time they faltered, have yielded rich dividends in the past.

I will then invite the Chairs of the Negotiating Groups on Agriculture, NAMA and Services to speak. There are of course, other equally important areas in the single undertaking but we are going by the sequence decided by Ministers at Hong Kong. The Agriculture and NAMA Chairs have already, in July this year, outlined how they propose to organize technical work in September. I am sure they will now be able to provide us all with some more details on that process.

The success of the WTO is, in large measure, attributable to the stellar role played by various coalitions. Without them, it would have been very hard to adhere to the WTO principles of transparency, inclusiveness and consensus-based decision-making. They have been the rallying force behind these negotiations and have been able to give voice to issues both large and small that may otherwise never have come to the fore. We will hear from each of them today.

We have also scheduled statements by some Members, interspersed with the group statements. I welcome and in fact, urge others who wish to make statements to please do so. It is with this in mind that we have intentionally avoided packing too much into our schedule, in the hope that this will lead to a better exchange of ideas.

We have left the agenda for tomorrow relatively unstructured at this stage so as to enable an open and candid discussion on the issues that Members would be flagging today.

I am confident that we will have a productive and useful engagement over the next two days and I look forward to working constructively with you all in a collective endeavour to build a broad-based consensus on the way forward.

I wish you all a very pleasant stay in Delhi.

Thank you."



**056. Press Release issued by the Ministry of Commerce on Ministerial meeting on "Re-Energizing Doha - a Commitment to Development".**

**New Delhi, September 3, 2009.**

A ministerial meeting of more than 35 members of WTO on "Re-Energizing Doha - A Commitment to Development" was held on 3 September 2009 at New Delhi. The meeting was chaired by India's Commerce and Industry Minister, Shri Anand Sharma.

The meeting started with a two minute silence to pay respect to Shri Y.S.R. Reddy, Chief Minister of Andhra Pradesh on his tragic and sudden demise.

In the meeting there was a unanimous affirmation of the need to expeditiously conclude the Doha Round, particularly in the present critical global economic situation. All agreed that there was a need to resume talks in Geneva to conclude the long under negotiations Doha Development Round of WTO which began in 2001. The development dimension and the need to address the concerns of LDCs was emphasized. The Ministers profusely appreciated the initiative taken by India in organizing a Ministerial meeting in the current difficult economic environment. They also appreciated India bringing together practically all shades of opinion and interests at the WTO in an effort to bring about a broad-based consensus on the road ahead for the Doha Development Round.

In his opening remarks the Commerce and Industry Minister Shri Anand Sharma explained the background for calling the meeting and sought all present to provide guidance for a road map for the multilateral engagement in the coming months. He asked ministers to discuss the process required to reach the goal and to build a consensus on the way forward. He observed that the Delhi meeting constituted a microcosm of the entire WTO membership, representing all shades of opinion and interests and this would be the first occasion since July 2008 that such a meeting was taking place to give a determined push to the multilateral process.

The Chair observed that as this meeting was intended to build a broad-based consensus on how Ministers would like to see the process of negotiation fast-tracked, its focus would be process-related issue rather than specific issues in individual areas of the negotiations.

Initiating the discussions, the DG WTO observed that the conclusion of the Doha Round was an urgent requirement as per the signals emanating from world leaders. However, he acknowledged that these signals had not created negotiating dynamics; hence the need to translate these signals into acceleration of work for conclusion of the Round. The Chairs of the WTO negotiating groups on Agriculture, NAMA (industrial goods) and Services provided an overview of the status of negotiations in their respective areas and outlined their work plans in the ensuing months.

The Chair then invited coordinators of various coalition groups and some member countries to make their statements. These included the Cairns Group, G-20, G-33, Cotton-4, G-10, NAMA-11, African Group, African-Caribbean-Pacific Group (ACP), LDCs, Small and Vulnerable Economies (SVEs) and CARICOM (Caribbean Community).

In addition, statements were made by some Member countries in their individual capacity, including, the EC, China, the US, Brazil, South Korea, South Africa, Australia. The meeting will continue on 4 September 2009 for further discussion on some of the key issues raised by the Ministers today.



**057. Address by External Affairs Minister S. M. Krishna at the meeting of the Editors Guild.**

**New Delhi, September 10, 2009.**

**President of Editors Guild of India Mr. Rajdeep Sardesai,**

**Secretary General Mr. Sachidananda Murthy,**

**Friends,**

It is indeed a pleasure for me to be here to interact with members of the prestigious Editors Guild of India. I would like to thank you for the cordial invitation and for affording me this platform, for sharing my views and getting your perspectives.

I deem it a privilege to have been called upon to navigate the course of India's foreign policy at this important juncture, when the stock of India is steadily rising. India is an emerging power, regarded as a responsible and mature global player. In the last three months that I have been at the helm of affairs, I have been struck by the genuine and universal respect that India enjoys for her democratic credentials, economic growth, constructive role in international affairs and vision of a just and non-discriminatory world order. There are also certain expectations from us, due to our size, geographical location and principled position on international issues.

Indian foreign policy establishment today is called upon to move simultaneously on various fronts, be it our engagement with our extended neighbourhood, major powers and vital regions, or safeguarding of our interests on global issues like terrorism, energy and food security, UN reforms, climate change and a fair and equitable WTO framework.

The direction of India's foreign policy flows directly from the aspirations of our people. Our main objective is ensuring a conducive international environment for consolidating our strategic autonomy and furthering our economic interests, such as sustainable double digit rate of growth, enhanced trade and investment inflows, technology transfers and energy security. That is the objective that the Ministry of External Affairs is striving to work towards.

Let me elaborate and touch upon some of the important facets of our relations, opportunities and challenges. In our immediate neighbourhood, I have already visited Bhutan and exchanged views with my counterparts

from Pakistan, Sri Lanka, Bangladesh, Afghanistan, Nepal and Maldives. I also participated in the Af-Pak Ministerial meeting in the G8 plus outreach format. It is only when all South Asian nations work together, in concert, that we can attain our common objective of growth and development. Our destinies are interlinked.

It is in our vital interest to normalize our relations with Pakistan. However, we are at a stage where it is for Pakistan to determine the kind of relationship it wants to have with India. Any meaningful dialogue with Pakistan can only be based on fulfillment of its commitment, in letter and spirit, not to allow its territory to be used in any manner for terrorist activities against India. The Mumbai attack was launched from Pakistan and the conspiracy behind the attack was hatched there. Clearly the onus is on Pakistan to unveil the conspiracy. We have sought to assist them in that task by providing vital evidence.

Let me emphasize that it is our considered position that there should be concrete action against those guilty of the Mumbai terrorist attack before there can be any meaningful dialogue with Pakistan. Until the Mumbai attack, India was conducting the composite dialogue with utmost sincerity. But we cannot have terrorism and negotiations at the same time. Pakistan has to prove its credentials by implementing its assurances.

With respect to Sri Lanka, our immediate focus is to see that the process of resettlement and rehabilitation of more than 2.7 lakh IDPs in their original homes is achieved as early as possible. We are in constant dialogue with the Sri Lankan Government on the issue. On its part, India has allocated Rs. 500 crores for relief and rehabilitation of IDPs. We are also actively assisting Sri Lanka in de-mining, which is an essential pre-requisite for people to return to their homes. Recognizing the importance of restoring livelihoods, we are also going to assist Sri Lanka to revive agriculture in the North. A delegation led by ICAR (Indian Council of Agricultural Research) will visit Sri Lanka next week, to have extensive discussions with stakeholders in Sri Lanka on the specifics of our agricultural assistance.

In Bangladesh, we welcome the return to multiparty democratic politics. After their elections earlier this year, both sides have an historic opportunity to take our relations to greater heights. India remains committed to strengthening all round cooperation and connectivity. We have taken several initiatives to give momentum to our ties, including during the visit of Foreign Minister Dr. Dipu Moni, which concluded today. You may have

already seen the Joint Press Statement issued today. We now look forward to the visit of Prime Minister Sheikh Hasina in the near future.

Our other key neighbour Nepal is currently undergoing a democratic transition. A peace process is underway. The Prime Minister of Nepal visited India recently. He stressed that bringing the peace process in Nepal to a positive and meaningful conclusion, writing a new Constitution within the stipulated time-frame and accelerating the pace of economic development, were the main priorities of his Government. We support the peace process, and stand ready to assist them in any manner they want us to, including developmental assistance. Our economic assistance to Nepal last year was over Rs. 128 crores.

We welcomed the process of holding of presidential and provincial elections in Afghanistan on August 20. We will respect the choice of the Afghan people. In general, we are gratified at the progress made in Afghanistan in recent years, and are confident that our historical links with the people of Afghanistan will only get better. With a bilateral commitment of US\$ 1.2 billion, India has been assisting Afghanistan in building a stable, democratic and pluralistic society. We have decided to establish an India-Afghanistan Partnership Council aimed at all-round capacity development.

As regards the internal situation in Afghanistan, we are concerned at the deterioration in the internal security situation. The resurgence of Taliban and Al Qaeda in Afghanistan is a threat to the progress made since 2002. It is all the more important for the international community to resolutely counter this threat by maintaining its commitment and extending unwavering support to the Government of Afghanistan with humanitarian and reconstruction assistance.

Let me now turn to China, our northern neighbour. Friendly cooperation with China is a key foreign policy priority. I met my Chinese counterpart recently in Phuket. We have a significant trade-economic relationship with China. We consult each other on global issues and have a similarity of outlook. We also have our differences, especially on the boundary question. Both sides are working towards a fair and reasonable settlement of the entire boundary, as per agreed guidelines. The 13th Round of Special Representatives (SR) talks concluded last month.

On the issue of border incursions, I would like to emphasize that there is an established mechanism to deal with such situations. Both sides have

agreed that pending the resolution of the border issue, peace and tranquility must be maintained on the LAC. Moreover, India is monitoring the situation constantly and there can and will be no lowering of our defences in this regard. Our borders are secure and it serves no purpose to create excessive alarm.

We have a strong interest in crafting closer ties with fellow Asian countries. At the recent ASEAN-India and ARF Post-forum Ministerial in Phuket, our Look-East policy received further impetus. After six years of intensive negotiations, the ASEAN-India Agreement on Trade In Goods was signed last month. It will give India a much larger business access to the ASEAN market. Our annual trade with ASEAN is expected to increase from US\$ 40bn to US\$ 60bn. Similar Free Trade Agreements for trade in Services and Investments are to follow. For our country as a whole, the FTA would benefit us, though it may entail some hardship for certain areas. A negative list has been drawn up to protect some commodities and lighten the burden.

We similarly attach a lot of significance to our ties with Japan, South Korea and Australia. Our relationship with Japan has entered a new phase in the last few years. There is now a new government in Japan led by the DPJ. I had met their leaders recently in Tokyo, and we will engage them formally and bilaterally very soon.

The seriousness of the issue of safety and security of our students in Australia was brought home to the Australian leadership during my visit to Australia last month. This has resulted in a visible improvement in the situation and accelerated the review of unscrupulous institutions. Our relations otherwise with them are in good shape and are expanding rapidly.

As I said earlier, we have been simultaneously paying great attention to our relations with major powers. Our relationship with Russia is time-tested. Our wide-ranging cooperation in strategic areas, such as defence, nuclear energy and space, forms the solid bedrock of our relationship. Rashtrapati ji has just returned from a very successful state visit to Russia and Tajikistan. I will be traveling to Moscow next month for the next India-Russia Joint Commission, and meetings with the Russian leadership.

With USA we have a robust and multifaceted agenda of cooperation. Secretary Clinton, during her July visit, called the present phase of the relationship as 3.0 (third phase) and hoped that the strengthening of Indo-US partnership would be one of the signature accomplishments of both the governments. We would like to build upon the meaningful work

done in the previous years and are pleased at the bipartisan support that the relationship enjoys in USA. The civil nuclear cooperation agreement is progressing well. We are presently discussing a regulatory framework for commercially operationalizing the agreement. We have also reached an agreement on a standard text for end-use monitoring (EUM), which paves the way for sale and/or transfer of defence articles and services by US companies to India. Let me stress here that the EUM agreement does not compromise our sovereignty - there is no automatic access to Indian military sites. PM's visit to USA on November 24 would be the first State visit by a foreign leader in the Obama Administration.

Moving on, I would like to note that we have vital interests in West Asia, Latin America, Africa and Europe. A new South-South partnership is being built in the IBSA framework with South Africa and Brazil, a country that I recently visited. West Asia is critical to our energy security and economic well being. The sheer volume of remittances coming from the region and our increasing trade with the countries of West Asia should make this obvious. Naturally we have an interest in the stability of the Gulf and the peaceful resolution of the Iranian question. With Africa we have enjoyed close ties, which we would like strengthened through a mutually beneficial partnership. The Namibian President's visit last month was the first incoming State visit after the UPA government returned to power.

I thought of surveying the state of play of our relations with some of our key partners. Let me pause here. I will be happy to take questions. I would also welcome your thoughts and suggestions.

Thank you.





**058. Address by Prime Minister Dr. Manmohan Singh at the Conference of Directors General of Police and Inspectors General of Police.**

**New Delhi, September 15, 2009.**

Let me begin by saying that I consider your Conference a valuable opportunity to interact with the leaders of the Police, Intelligence and Security Agencies on vital issues relating to internal security. I hope you have been having discussions which will enhance and deepen our understanding of internal security matters and will also lead to a consensus on what needs to be done to strengthen the country's internal security. I very much look forward to concrete, implementable recommendations emerging out of your deliberations on this very important subject. I congratulate all those officers who have been presented with the President's Police Medal for distinguished and meritorious service and I wish them greater success in the years to come.

I would also like to take this opportunity to interact our Police forces, our Intelligence Agencies and our Security Forces in general for their contribution to the free and fair conduct of the recently held general for their. The relative peace that prevailed both during and before the polls was in large measure facilitated by your vigilant efforts. You deserve our country's sincere thanks for this excellent performance.

My colleague, the Home Minister would have outlined the internal security challenges our country faces. I would therefore briefly touch upon only a few of these issues. As far as terrorism is concerned, during the past year we have achieved some major successes. Many terrorist modules have been dismantled and arrests of several important terrorists have taken place. It is on account of your alertness that we have not had a serious terrorist attack since November last year. But our success in preventing terrorist attacks can be sustained only at the price of unrelenting vigilance. There are many developments taking place in our country and outside which have a bearing on our internal security. It is important to understand their true nature and the exact way they can and they could affect us. We also need to understand better why many more local youth are being induced into participating in terrorist activities and how they are being recruited, indoctrinated and trained. The factors that cause social disharmony and alienation should be clearly known so that we can work to eliminate them. I urge you to pay particular attention to these aspects.

I have consistently held that in many ways, the Left Wing Extremism is, perhaps, the gravest internal security threat our country faces. We have discussed this in the last five years and I would like to say frankly that we have not achieved as much success as we would have liked in containing this menace. It is a matter of concern that despite our efforts, the level of violence in the affected States continues to rise.

As I have stated before, dealing with Left Wing extremism requires a nuanced strategy, a holistic approach - it cannot be treated simply as a law and order problem. Despite its sanguinary nature, the movement manages to retain the support of a section of the tribal communities and the poorest of the poor in many affected areas. It has influence among certain sections of the civil society, the intelligentsia and the youth. It still retains a certain élan. All this adds to the complexity of the problem. I expect you to keep this in mind as you devise newer and better strategies to deal with this problem.

The situation in the North-Eastern parts of our country is also far from comfortable. In two of the States, viz., Manipur and Assam, current levels of violence give us cause for concern. In addition, extortion and intimidation have become a menace across most of the States in the region and they have reached a point where they constitute a serious hampering of the implementation of a number of development projects in these States. I believe, it should be possible, to bring about a substantial improvement in the situation if there is better security management. I would, therefore, enjoin upon the DGPs of the States in the North-East to insist upon, and achieve, higher levels of professionalism from the Forces they command. Firm but compassionate handling of law and order matters, can certainly bring about substantial improvement in the prevailing state of affairs. Particularly so, as in terms of number, we are dealing with a very limited number of people who have gone stray. If we do not and we cannot deal with them at the present stage of our development, it might be more difficult at a later date to tame these evil forces.

In the case of Jammu & Kashmir, we have reasons to be satisfied that elections to both the State Assembly and our Parliament during the past year were held in a peaceful atmosphere. The level of violence in the State has also come down and is perhaps at its lowest level since the beginning of insurgency in the late 80s.

But there is no scope for complacency. There are certain developments that are worrisome. Infiltration across the Line of Control and also via

other routes such as Nepal, Bangladesh and the sea is going up. Encounters with armed militants have become more frequent in recent weeks and months. Secessionist and militant groups within the State are once again attempting to make common cause with outside elements and have embarked on a series of protest movements. The intention apparently is to create an impression of widespread turmoil in the State. We must not and I repeat we must not allow such a situation to develop. It is imperative that these disruptive efforts are contained, controlled and effectively checked.

I would like to compliment my friend, the Home Minister and his team for the efforts they have made in the last many months to improve our internal security situation. I am happy that action is being taken on the report of the task force that I had announced in this very last conference. This, together with the Action Plans drawn up by the Home Ministry, should go a long way to improve police performance, make the security Agencies more responsive to terrorist threats and improve their overall efficiency.

I would particularly like to commend to you the idea of our agencies developing strategic foresight to anticipate future surprise attacks like the one that took place in Mumbai in November last year. Improved intelligence generation and coordination are critical to developing such a capability. Also, like in other areas of governance, new technology and technological innovations can go a very long way in improving our performance in all dimensions of the internal security challenges. I am confident that the establishment of a secure net-centric information command structure would substantially improve the capabilities of our Agencies to deal with the internal security challenges.

Let me now move to certain areas in which the Central and State Governments need to take quick action. It is absolutely imperative that we strengthen policing at the grassroots level. The Police Station has to be the fulcrum around which this needs to take place. A large increase in the number of Police Stations along with raising the strength of Police Stations has to be undertaken. We need far higher numbers of policemen and policewomen to improve the present low police-population ratio of 145 per hundred thousand of population. As a first step, I would urge all of you to do everything possible to fill up the large number of vacancies that exist today at various levels in our police force. At the same time greater attention has to be paid to the provision of adequate amenities for the constables and I would like to particularly emphasize a provision

of housing facilities for our policemen. A situation that a large number of policemen are compelled to make private arrangements for renting houses is fraught with serious problems, particularly, from the view point of enforcement of effective law and order.

But increasing numbers will not be enough. We need a new-age Policeman who is more professional, better-motivated, suitably empowered, well-trained, one who places greater emphasis on technology for investigation and other tasks. Emphasis should be on capacity building from the police station level itself, so that the police is better equipped. Each police station should aim at being self-sufficient and needs to be given the required resources in terms of anti-riot gear, better weapons, the nucleus of a mobile forensic unit and be connected to a networked criminal data base management system. Every city should have a modern police control room with digitized maps. The key here lies in the plans for the modernization of our Police force. I am aware that the Police modernization framework is being substantially enlarged, but I would still urge that modernization of the Police should receive the highest priority. Our police forces must operate on the frontiers of modern technology. We must also design systems and procedures which will minimize scope for corruption. We should have a sufficiently long-term perspective in this area and also the required amount of funds should be made available for the purpose.

I must specially emphasize here the critical importance of training for policemen. I understand that on the average a Police officer is retrained only once in about twenty years. This is totally inadequate in the changed circumstances and this must be rectified. It would also help if the police were to benchmark their training curricula with the syllabi and training methodologies of Police training institutions elsewhere in the world to ensure better quality. The world is changing and changing very rapidly and Police training must keep pace with the best practices being followed in the world.

Today, there is little research in subjects related to the police and policing. An analytical approach to the problems and difficulties that come in the way of better policing could prove extremely useful. I would like the proposals for the setting up of a National Police University and also of a National Institute for Law and Order-related subjects to be pursued more vigorously. We need first-rate institutions to come up, which are capable of looking at all such issues in a truly holistic manner paying particular attention to problems of effective policing in rural areas as well as in major metropolitan cities and thereby create a body of literature on all these vital subjects.

I conclude by reminding you of your solemn obligation towards the common citizen, someone who has little by way of resources to defend himself or herself against crime and criminals. Indeed, it is your solemn duty to protect the weak and the defenceless. Those who seek to promote communal violence and discord have to be dealt with firmly. Special efforts must be made to establish a relationship of trust and confidence between our police forces and the minority communities. You must not fail in this aspect. The underprivileged and weaker sections of our society- the minorities, the SCs and STs, women and senior citizens- should feel adequate confidence in the ability of our police force to protect. The common man should go about his daily life with a sense of security. He should have faith in the policeman and the police station. And this I believe is the real test of our efforts, a test that we cannot afford to fail.

As I conclude, I wish you all the very best practices being efforts to strengthen India's internal security. I am confident that we will collectively succeed in meeting this enormous challenge. May God bless your paths.



**059. Speech of Prime Minister Dr. Manmohan Singh at the Award Ceremony of the Indira Gandhi Prize for Peace, Disarmament and Development.**

**New Delhi, September 30, 2009.**

It is a pleasure to speak at this function to felicitate Dr Mohamed ElBaradei with the Indira Gandhi Prize.

This award was instituted in the memory of one of the greatest leaders of India and the modern world. Mrs. Indira Gandhi had an enlightened vision of human progress that grew from her deeply held belief in higher civilisational values cherished by all men and women. She was a powerful voice of the poor and the down trodden and worked for an international order based on the principle of equality of all nations. In her personal life and work she embodied strength, goodness and grace - human qualities that endeared her to her fellow countrymen and inspired people around the world.

It is befitting that the Indira Gandhi Prize honours those who have made significant contributions to peace, disarmament and development - causes that were so dear to her.

Today, we honor with this Award a distinguished diplomat, scholar, international civil servant and a world statesman. As the Director General of the IAEA since 1998, Dr ElBaradei has brought about a fundamental transformation in the way we look at atomic energy. The Nobel Peace Prize in 2005 recognised the efforts of Dr. ElBaradei and the IAEA in ensuring that nuclear energy for peaceful purposes is used in the safest possible way.

**Ladies and Gentlemen,**

Nuclear energy is vital to meeting our energy and development needs, particularly those of large developing countries like India. The applications of nuclear energy in agriculture, medicine and industry have enormous potential. We need the concerted and collective efforts of the international community to promote the peaceful uses of nuclear energy as widely as possible. Its benefits should not remain confined to a privileged few.

The growth of nuclear energy must go hand in hand with measures to reduce and eliminate risks of misuse. We should work to strengthen public trust and confidence in issues related to nuclear safety and security.

The IAEA and its Statute weave together these important factors. The international community has a vital stake in strengthening global energy security through the use of nuclear energy as a clean, safe and sustainable energy source. So we should spare no effort in providing the necessary support to the IAEA to perform its functions as provided in its Statute.

India's long-standing relationship with the IAEA has been spotless. We are committed to providing all the necessary support for the IAEA to perform its designated role and functions to facilitate the expansion of nuclear energy.

The IAEA is a technical organization with a justifiable reputation for its competence and independence. But it does not work in isolation. During the past decade, the IAEA has had to work in a complex international environment.

It is a testimony to Dr ElBaradei's vision, integrity and leadership that the IAEA has emerged stronger over the years and is now seen as an indispensable international institution.

The role of the IAEA is bound to expand in the years ahead not just in the traditional areas of nuclear energy and applications, but also in helping nations secure themselves against other nuclear dangers, such as those posed by terrorists gaining access to nuclear materials.

Dr ElBaradei has been a vocal advocate of nuclear disarmament. He has played an invaluable role in generating the current positive momentum in the international debate on nuclear disarmament.

He has also spoken eloquently about global efforts at poverty reduction and conflict resolution and shown a deep understanding of the intrinsic links between peace, disarmament and development.

Ladies and Gentlemen,

The successful conclusion of India's civil nuclear initiative was in no small measure due to the enlightened approach of Dr ElBaradei to the issues involved. I would like to convey to him the heartfelt appreciation of the Government and people of India. India is now poised for a major expansion of its nuclear programme in which international cooperation will be an important component.

A major milestone in this process was the conclusion of India's safeguards agreement and its Additional Protocol with the IAEA. This gives India the

possibility of additionally accessing a whole range of technologies and resources from the rest of the world. It also enables the global nuclear industry to benefit from India's technical and industrial expertise.

I congratulate Dr. ElBaradei on the award of the Indira Gandhi Prize for Peace, Disarmament and Development. I take this opportunity to wish him a long and productive life and one of continuing service to humankind.

Thank you.

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**Statement of Director General of the IAEA Dr. Mohamed ElBaradei while accepting the Award:**

President Pratibha Patil, Vice President Hamid Ansari, Prime Minister Manmohan Singh, Mrs Sonia Gandhi, Ladies and Gentlemen,

I am greatly honoured and humbled - indeed privileged and moved - to accept the 2008 Indira Gandhi Prize for Peace, Disarmament and Development.

It is a fitting tribute to Indira Gandhi's vision that peace and disarmament should be linked with development in the prize that bears her name. For, like few other leaders, before or since, Indira Gandhi saw the big picture and understood the link between security and development. A tireless campaigner for nuclear disarmament, she recognized the insanity of an international security system rooted in the concept of mutual assured destruction. In one memorable image in 1983, when two nuclear-armed superpower blocs were still staring each other down, she said: "The hood of the cobra is spread. Humankind watches in frozen fear, hoping against hope that it will not strike."

Likewise, she recognized that a world economic order "based on domination and inequality" was not sustainable. "To help developing countries is not mere largesse," she told the United Nations General Assembly, adding: "What better investment can the North make in its own future than by turning today's deprived of the South into tomorrow's consumers?"

As we approach the 25th anniversary of Indira Gandhi's untimely death, it is easy to be discouraged and to conclude that the world has learned little in the meantime. Over one billion of our fellow human beings go to bed hungry every night and two billion people - one third of humanity - live on less than \$2 per day.



Nuclear weapons, far from being eliminated by 2010, as Rajiv Gandhi urged in his landmark speech presenting a comprehensive action plan to the General Assembly in 1988, are still very much with us. There are still 27,000 nuclear warheads on this planet. If used, they would bring about "the end of life as we know it on our planet earth," to quote Rajiv Gandhi.

The current global condition is marked by inequity and insecurity. Conflicts have been left to fester for generations in many regions, from Palestine to the Korean Peninsula. The obscene inequality in the distribution of the wealth of the planet has persisted, while we continue to witness human life valued much more highly in some parts of the world than in others. Governments engaged in little more than hand-wringing while millions of innocent lives were lost in Rwanda, Congo, Darfur and other places, and the international community's "responsibility to protect" is too often notable by its absence. In the meantime, we continue to witness repression and denial of the most basic human rights in many parts of the world.

Global military spending was almost \$1.5 trillion last year. That is 12 times what the developed world spent on official development assistance to the poor. The budget for all UN peacekeeping operations in the current year is about seven billion dollars. In other words, the world spends 200 times more on weapons of war than on keeping the peace.

But we must not lose hope. The Cold War ended and the cobra, luckily, did not strike. Nuclear disarmament is, after a long hiatus, finally back on the international agenda. Presidents Medvedev and Obama have made a commitment to cut their countries' nuclear arsenals by as much as a third. There is a real prospect of the Comprehensive Test Ban Treaty coming into force. And the Conference on Disarmament in Geneva has agreed to negotiate a treaty that would outlaw the production of fissile material for use in nuclear weapons. By demonstrating their irreversible commitment to achieving a world free from nuclear weapons, the weapon states can greatly contribute to the legitimacy of the non-proliferation regime and gain the moral authority to call on the rest of the world to curb the proliferation of these inhumane weapons.

I have no doubt that India, which as early as 1948 called for the elimination of nuclear weapons, will remain a powerful voice campaigning for a world free from nuclear weapons, in the tradition of Jawaharlal Nehru and both Indira and Rajiv Gandhi.

Although the misery of the world's bottom billion still shames us all, we should take some comfort in the fact that hundreds of millions of people, including here in India, have been lifted out of poverty in the last 25 years. India's economic metamorphosis has been dazzling. Much credit for this should go to the then Finance Minister Manmohan Singh and, of course, to the creativity and ingenuity of the Indian people. India has become a beacon of hope to the developing world.

India can take justifiable pride in being the world's largest democracy, in which 1.2 billion religiously, ethnically and linguistically diverse people co-exist peacefully, respecting and cherishing their diversity - and recognising that diversity is strength. India has destroyed the myth that underdevelopment and democracy cannot coexist. But India, like many developing countries, still faces a major challenge in its efforts to bring healthcare, education and other basic needs to all of its people, so they can live free from the indignity of poverty.

I believe that we still have much to learn from Indira Gandhi today. As Prime Minister, she reached out to India's adversaries. In domestic policy, her heart and mind were always focused on improving the lot of the poor. In pursuing that goal, she understood that energy is development, and development is a debt we owe to each and every human being.

India has built up an impressive indigenous nuclear energy programme since Mrs Gandhi switched on the country's first fully domestically built nuclear power station in Kalpakkam in 1983. I have no doubt that India will continue to make effective use of nuclear and other clean sources of energy to provide electricity to the hundreds of millions who do not have it.

I am delighted at the recent ending of restrictions on India's nuclear trade, which has already opened the door for India to accelerate its use of nuclear power to help meet its energy needs, combat climate change and secure energy independence. I trust that India will spare no effort in practising and advocating the highest standards of nuclear safety and security. In the best tradition of India's human solidarity, I also trust that she will continue to share her technological expertise and economic know-how with developing countries in need.

Having touched upon some of our failures as an international community, and as a human family, I should end by highlighting some of the lessons we need to learn.

First, insecurity anywhere today can easily turn to insecurity everywhere. The organization which I have the honour to lead - the International Atomic Energy

Agency - has a mandate which I like to sum up as human security. Our twin goals are not unlike the vision of Indira Gandhi; to try to stop the proliferation of nuclear weapons and move to a world free from nuclear weapons, and to ensure that the benefits of nuclear technology - for power generation, medicine and agriculture - are harnessed for development. Global recognition of the inextricable link between security and development is the only way to break the vicious circle of under-development fuelling insecurity and vice versa.

Second, the threats we face - poverty, war, warped ideologies, environmental degradation, communicable diseases, weapons of mass destruction - are all interconnected and all are "threats without borders," making traditional notions of national security obsolete. By their very nature, these security threats require multinational cooperation and strong international institutions to implement national policies that cannot be implemented by governments acting alone.

Third, festering conflicts can be resolved - look at post-war Europe or, more recently, Northern Ireland. But committed, sustained diplomacy is needed. Solutions to any problem that are not rooted in fairness and justice are not sustainable. Too often, dialogue - the first tool of diplomacy - is perceived as a reward for good behaviour, rather than as a means to change behaviour and reconcile differences.

Ultimately, we need a new global system of collective security that entails an overhaul of the United Nations system and, above all, of the Security Council. A new system in which no country feels the need to rely on nuclear weapons or other inhumane weapons for its security. A new system with effective global mechanisms for conflict prevention, peacekeeping and peacemaking. A new system in which security is not perceived as a zero sum game or based on domination or balance of power, but rather an equitable and inclusive system that enables all of us to live together free from fear and from want. This means that we need a new system that places human security and human solidarity at its core; a system that grasps our shared destiny as one human family.

Indira Gandhi once said: "Minds and attitudes can and must be changed, and injustice and suffering can and must be diminished." Her words are as relevant today as they were then. We need to adjust our moral compass and do what it takes to bring about lasting change. This is key to our survival.

For it is only when every human being lives in peace, freedom and dignity that we will have a world at peace with itself



**060. Address by Minister of State Dr Shashi Tharoor at the 'Executive Dinner Forum' on "Doing Business with India - The Next Wave".**

**Abu Dhabi, October 7, 2009.**

**Your Highness Sheikh Nahyan bin Mubarak Al-Nahyan,**

**Your Excellencies,**

**Respected guests,**

**Ladies and Gentlemen,**

I am very pleased to address this distinguished gathering representing leaders of business and finance from the UAE. Your presence here confirms your deep interest in expanding your business ties with India. HH Sheikh Nahyan has made such an outstanding case for doing business with India that I feel almost anything I can say will only be superfluous. Nevertheless, I shall inflict a few thoughts on you to kick start our discussion.

2. India has been a vibrant presence in the political, economic and cultural evolution of the Gulf. For thousands of years, our ancestors sailed the turbulent waters of the Indian Ocean and exchanged goods, ideas and experiences. This interaction over several millennia has left an abiding mark on our civilisational ethos, giving our peoples a similarity of perceptions and cultural mores.

3. This engagement between India and the Gulf has had such sustained resonance primarily because our engagements have been continuously refreshed and revitalized by meeting new needs and requirements. For several centuries, India provided the necessities, comforts and luxuries needed by the people of the Gulf and occasionally re-exported by them to other markets. Indian foodstuffs, textiles and jewellery constituted the main exports from our country, while we imported huge quantities of dates and pearls from here.

4. Later, in recent years, when this region took up the massive expansion of its infrastructure and welfare institutions, India came forward with its human resources, initially blue-collar but increasingly progressing to professionals. Today, there is no aspect of the UAE economy which has not been touched by an Indian contribution.

5. Even as the Gulf economies have expanded to meet modern-day needs, India too has gone through remarkable changes. Perhaps change in India has been less dramatic as compared to the Gulf, which is natural given our size and the number of our people. Nevertheless, India, over the last sixty years, has changed beyond recognition, so that today every aspect of our national life is different from what it was at the dawn of independence. The most remarkable change has been in the lives of the poorest of our people. We are now today able to feed all our people thanks to the three revolutions i.e the green revolution for food production, the white revolution in dairy products and the blue revolution in milk. We are striving to ensure that our peoples have access to the best possible education and the opportunity to live a life of dignity and achievement. We recognize that we still have a long way to go, but we remain confident that we are on the right path.

6. India's success has been noted by a number of international economic commentators at least some of whom have forecast an extraordinary future for the Indian story. Thus, Goldman Sachs, in its report of October 2003, stated that:

- India's growth will exceed 5% per year over the next 30-50 years, making India the world's third largest economy (after USA and China) in 30 years.
- In GDP terms, India will overtake Italy in 2015, France in 2020, Germany in 2025 and Japan in 2030.

Three years later, in January 2007, it painted an even more rosy a picture when it stated:

- India can sustain output growth of about 8% per year till 2020, thus overtaking G-8 countries faster than envisaged earlier.
- India could surpass the USA before 2050, thus becoming the world's second largest economy.

7. Of course the global economy has witnessed a course correction in the last 12 months, but the reasons for Goldman's optimism have not been altered. [ Minister made remarks about the mobile telephone revolution in India touching the lives of the ordinary people of India].

8. I have spoken of significant changes in our national life but what has not changed are certain principles which have given an enduring resilience to our body politic. These are our democratic and secular order

and our commitment to social and economic justice, which are enshrined in our Constitution. Thus, the social and economic transformation in India has taken place within the framework of our abiding commitment to these core values, which has enabled us to weather some of the most serious difficulties, political and economic, that have periodically challenged our national fibre and even tested our nationhood.

9. I would like to say a few words about how we have coped with the current global economic crisis. It is a matter of some satisfaction that India's gross domestic product (GDP) grew around 6% in every quarter of what has been described by economists as "the most difficult 12-months in recent history". As against this, most countries in the world suffered falls in growth rates in at least one quarter.

10. Many reasons have been attributed for this success. First, our banks and financial institutions were not tempted to buy mortgage-supported securities and credit default swaps that, in many cases became toxic and ruined several Western financial institutions. Second, though our merchandise exports did register declines of about 30 per cent, our services exports continued to do well.

11. Third, remittances from our overseas Indian community remained robust, reaching \$46.4 billion in 2008-09, the bulk of which came from the Indian expatriate community in the Gulf. And, fourth, foreign direct investment has remained substantial, reaching \$27.3 billion in 2008-09 in spite of the global financial crisis.

12. Besides these developments, our financial authorities have pursued policies providing for lower interest rates, expanded credit and lower excise duties, all of which have served to boost economic activity. And some 80% of our GDP does not come from the external sector but from producing goods and services for Indians in India.

13. It may be recalled that, at the commencement of the financial crisis in September 2008, foreign investors withdrew \$12 billion from our stock markets; they are now flooding back to our exchanges, reaching a rate of \$ one billion per week in May 2009.

14. It is in this economic scenario that I now seek a more substantial participation from the Gulf in the extraordinary adventure that is our economic and social development in what the sub-title of this Executive Dinner describes as the "Next Wave".

15. Now, in this "Next Wave" we plan to carry our nation forward on the basis of massive investments in our infrastructure, energy and industrial sectors, along with investments in our human resources through up-gradation of our institutions of primary education and higher learning. We also propose to increase our electric power production by 700% by 2043. It is in this context that India extends to all of you here a hand of partnership, and invites you to participate with us in the new phase of development and prosperity on which we have embarked.

16. We have taken a few practical steps to improve the environment for investments: - a one stop shop; greater involvement of business associations such as CII, ASSOCHAM and FICCI; formation of the Investment Advisory Council to address the problems faced by investors. I would also advice investors to explore the Joint Venture (JV) route to achieve success in India. Further, Indian states compete with each other to attract investments. Foreign investors should be conscious of the differences between states and incentives offered by different states to attract investments.

17. The Gulf region and the UAE are rich in financial resources and in technological capabilities and expertise that have emerged over the last 40 years of extraordinary all-round development. The UAE as a country and the GCC as an economic grouping are already India's number one trade partners. India's trade with UAE touched US\$ 44.5 bn last year and with the GCC it was US\$ 87 bn. We now see the UAE and the GCC as our premier investment partners as well, so that we can, through our joint effort, build up the projects and institutions that will transform the face of India. I see this as an "extraordinary adventure" since, before our eyes, we will see the most significant transformations in our geographical landscape and in the quality of life of our people.

18. Given the long history of our fruitful interaction, this new engagement to which I have invited you is but one more step in the mutually beneficial relationship that has bonded our people over several millennia, but it promises, in its implications, to be more extraordinarily transformational and fruitful than any interaction that has gone before.

Thank you.



**061. Interview of Foreign Secretary Mrs. Nirupama Rao with Senior Journalist Kalyani Shankar for All India Radio.**

**New Delhi, October 16, 2009.**

**KS:** Mrs. Nirupama Rao, you had been the Indian Ambassador to China before you took over as Foreign Secretary. You are fully aware of the Indo-China policy, the Sino-Indian policy also. Do you think the Chinese protest, it is on account of the huge turnout in the Assembly elections or there are other significant things like Pakistan Prime Minister Gilani is visiting Beijing? There have also been reports of a Chinese incursion in the last few months. And also the controversy about China issuing Visa papers to Kashmiris.

**Foreign Secretary (FS):** We take a long term perspective in our relations with China. China is our largest neighbour. We share a very long boundary with China. There are outstanding issues relating to this boundary which are yet to be resolved. And, therefore, the whole issue that you referred to and the Chinese protests that have been made should be seen in the context of the unresolved boundary question between the two countries. We are very intensively focused on this issue. But at the same time, one must understand that the relationship with China has also been developed in many other areas.

And that development of relations and the concomitant build up of good communication and better understanding between the governments of the two countries and indeed also the academic institutions, the business and industry circles, better connectivity, all this has happened in the last twenty years. So this is what, well, in terms of bringing the two countries into a better mode of communication with each other. As far as boundary between the two countries is concerned, there is still a lot of ground that we have to cover in terms of narrowing differences and building more understanding. But progress in this regard is being made, albeit slowly but it is being made surely. We have the mechanism of the special representatives appointed by the two governments to look into these issues and they have held thirteen rounds of discussions so far. So, as far as the boundary question is concerned, even as we have had these reports of protests and the incursions, one must understand also that there is a situation in which both our countries are placed at the moment and that situation is this focus on trying to resolve the boundary question peacefully.



And on that I believe, I can say it with all honesty, both governments are convinced that there is no other way to resolve this without dialogue. One has to resolve it through dialogue. I remember our first late Prime Minister, Jawaharlal Nehru, speaking to Parliament in 1962 saying "we cannot march to Peking" and I am quoting his words. But whatever it is, we must take a realistic view that there are differences, there are differences when it comes to perceiving the line of actual control in the border areas. And there are differences also in terms of conflicting territorial claims. So this is a very complex issue. It is one of the most complicated boundary questions that exist anywhere in the world. But I think it is a good development and it is a positive factor that both countries are determined to resolve these issues.

**KS:** Do you think in the next round of discussions between the two special representatives, this incursions will be taken up and also about this Arunachal issue will come up because it is again referring to the border?.

**FS:** In fact, the focus that has been given to both the incursions and also to the Arunachal Pradesh issue, only I think intensifies the need for the two sides to really sit down to resolve these issues with even more seriousness and determination. Because, I think, both governments understand that a peaceful relationship between India and China is not only good for the two countries but it is good for this region, it is good globally also. Just look at the number of issues on which we can cooperate, we are cooperating whether it comes to the Doha Development round, whether it comes to climate change issues, whether it comes to cooperation in multilateral fora, in the reform of the international financial system in the wake of the global economic crisis. There are many many other issues in the relationship where we have common ground where there is a meeting of minds, so I think, we must look at this whole relationship in the larger perspective.

**KS:** But is the government taking it very seriously, I mean what has been said about Prime Minister's visit. As you said earlier rightly that this is not the first time they have protested. They have protested earlier also.

**FS.** Of course we take this seriously, and we have been very very particular and very clear and unambivalent in expressing our position to the Chinese. In that way we have said that Arunachal Pradesh is an integral part of India, it is an inalienable part of India.

**KS:** Mrs. Rao, will there be any change about Dalai Lama visiting Arunachal next month? He is supposed to go there and, I think, Indian

government has put a condition that he should not talk anything political and Chinese are objecting to this also?

**FS:** Well, we regard and we have always said this clearly and also to China that His Holiness Dalai Lama is a spiritual figure, he is a religious figure and he does not indulge in political activities on Indian soil and he is our guest in India and he is free to visit any part of our country.

**KS:** Mrs. Rao, the Chinese Foreign Minister is due to visit India shortly for the Russia-China-India trilateral. What issues will be discussed in this meeting and also at what level will our Foreign Minister be raising these points?

**FS:** Kalyani this is a trilateral meeting of the Foreign Ministers, India-Russia-China trilateral. This is the structure that the three countries have devised and this enables us to discuss issues of regional importance and of course, our External Affairs Minister will be meeting his Chinese counterpart during this meeting and this meeting will afford us the opportunity to touch upon various issues of mutual concern and mutual interest in the bilateral relationship, but you must understand that the larger context of this meeting is trilateral. But, there will be bilateral meetings and of course, it goes without saying that whenever we have the opportunity to meet between the two countries, as we would on this occasion, the opportunity does arise for us to raise all issues including issues of concern because it is through discussion, through frank discussion and through open discussion and through discussion at that level, we can remove misunderstandings.

**KS:** What is going to be the agenda of the trilateral meeting?

**FS:** The agenda of the trilateral meeting will basically be as I said, discussion of the regional situation, discussion of the opportunities that arise to strengthen dialogue between the three of our countries which are major powers in this region and to look at energy security, to look at issues like better connectivity, issues like dialogue between the academic institutions, the think tanks of the three countries, to look at business and industry relations. So there is a whole gamut of issues that would be discussed.

**KS:** It would be a long agenda indeed. We have problems with Pakistan also. So now the two Foreign Secretaries were supposed to meet in New York last month.

**FS :** They did meet.

**KS :** Then after that what is the progress?

**FS :** Well, during these meetings, we have had useful meeting with the Pakistani Foreign Secretary and our External Affairs Minister with his Pakistani counterpart. They were useful meetings that were held in New York last month. And during these meetings we were able to communicate to the Pakistani side that while Pakistan is our neighbour and that we have always understood that it is only through dialogue that we can normalize relations between the two countries and build more satisfying degree of understanding between the two countries. It is very essential and we were communicating this to the Pakistani side on behalf of the Government of India and also on behalf of the people of India that the threat and the effect of terrorism which has been directed against the people of India from Pakistani soil by groups, by institutions, by individuals that operate with impunity from Pakistani soil, is the cause of utmost concern for us, because we have been victims of terrorism.

And for a meaningful dialogue to be transacted between the two countries, between the governments, between the institutions of the two countries it is essential that Pakistan addresses this threat of terrorism seriously and meaningfully and effectively. And this is particularly so in the context of the investigations into the Mumbai terror attacks. A little more than a month from now, it will be one year and in Pakistan the trial of those accused and also the investigation into Hafeez Sayed and still we have not had satisfaction on that as yet from the Pakistan side. And we continue to emphasise this to the Pakistani authorities that it is essential that they move resolutely and meaningfully and they take action against these individuals because it is only through that process that we will see an end to these problems.

**KS:** We have been saying this that the culprits should be brought to book, we have been insisting again and again. We have been saying that there will be no composite dialogue, but still there is not much of forward movement. They only go ahead with whatever they are saying, nothing more than this. They say no credible evidence. We have given evidence, still it is not satisfactory.

**FS:** Well, we should not, in my view, let down our guard on this issue and that I feel very very strongly that we must continue to emphasise our concerns to Pakistan because what we are saying is for the good of Pakistan

also. You see the effect of terrorism in Pakistan also, so I think it is time that Pakistan understood the danger, the clear and present danger that exists from terrorism. We are the voice of sanity, the Indian Government and the Indian people, and I think Pakistan must come round to understanding the sincerity and the seriousness that we attach to this.

**KS:** Well, we talk of Pakistan, but I want to move forward to Afghanistan where our embassy has been attacked recently and it was done earlier also. So, where it is going to lead us?

**FS:** Again, the attacks on our embassy in Kabul last week and the attack last July 2008 have also brought home, not only to us in this region, but also to the international community, the threat and danger that exists from terrorism. The unhindered way in which terrorist groups have been allowed to operate in this region and we must understand that there is very very great urgent immediate need for the international community to be one on tackling this threat. And what has happened in Afghanistan, we are in Afghanistan to help the people of Afghanistan. Our development partnership with Afghanistan has won us hearts and minds in Afghanistan and there is no doubt about it. I went to Afghanistan myself and had the opportunity to meet President Karzai, Foreign Minister and National Security Adviser, Dr. Rasool.

All of them were unanimous in their appreciation of the role that India is playing in Afghanistan to help the Afghan people. We have no other agenda in Afghanistan, we are there to help.

**KS:** But Pakistan should realize this.

**FS :** Of course, it is essential that Pakistan realizes this and Pakistan understands that we are there for legitimate reasons, we are there to help the people of Afghanistan.

**KS :** Well, the next big thing for India is the Prime Minister's visit to Washington next month. I think this is the first State visit Mr. Obama US President will have after he has taken over. What is going to be the agenda between the two leaders.

**FS :** Well, we have a global partnership with the United States. As President Obama said recently to our Prime Minister "there are new well springs of cooperation in this relationship. When Ms. Hillary Clinton, the Secretary of State was here in July, we announced this new dialogue architecture between the two countries and the pillars not only concern

strategic issues or security issues, they also concern human development issues, issues like agriculture, energy, cooperation in energy, gender empowerment, the environment, the education issues, there are many many pillars to this dialogue today. The visit of our Prime Minister to Washington will enable us to take this dialogue forward and it will strengthen and consolidate our partnership with the government and with the people of the United States.

**KS:** You were the High Commissioner to Sri Lanka earlier and right now the leaders from Tamil Nadu, and all parties for that matter, they are making noise about the treatment of the Tamil fishermen. What is your comment about this?

**FS:** We are in constant touch with the Sri Lankan authorities. Whenever there are cases of our fishermen, unwittingly or inadvertently, straying into Sri Lankan waters and if they are apprehended by the Sri Lankan side, we take immediate steps to secure their release and take up their case with the Sri Lankan authorities.

**KS:** What about the ethnic Tamils and their rehabilitation?

**FS :** Well, as you know, we have announced a package a Rs.500 crores of assistance to help the ethnic Tamils because then they can return to their homes and resume their livelihood.

**KS:** Thank you very much for being with us Mrs. Rao.



**062. Excerpts from the Prime Minister Dr. Manmohan Singh's speech at the Combined Commanders' Conference.**

**New Delhi, October 20, 2009.**

On behalf of the Nation, I commend the Armed Forces for their devotion to duty in safeguarding our country's unity and integrity. Our country is proud of our men and women in uniform, and is indebted to them for their defence of our borders on the land, sea and air.

During the past year, the Armed Forces have played a stellar role in assisting civil authority in meeting the challenges in Jammu and Kashmir and tackling the insurgencies in the North-East. You have rendered invaluable service during natural calamities, including in the recent flood relief operations. Your sacrifice, courage and bravery are a source of inspiration, and an example, for the entire country.

There have been momentous developments in our country and in the international arena since I last addressed this Conference. The country successfully held its fifteenth general election this year. This was the largest democratic exercise the world has ever seen, and is a tribute to the strength of our institutions. We have matured as a democratic, pluralistic and secular society and this is a matter of justifiable pride for every Indian.

The Nation also witnessed the horrific terrorist attack on Mumbai, and we will be observing its first anniversary in a few weeks from now. The Mumbai attack confirmed our worst fears about the lethal dimensions of terrorism and non-traditional threats to our security.

There are both State and non-State actors involved in the business of terrorism. India is a democracy and an open society and is, therefore, sometimes highly vulnerable. We have, therefore, to improve our defensive mechanisms against all forms of terrorism, asymmetric warfare and aggravated militancy. We need to be prepared to face onslaughts of this kind, but we should avoid kneejerk reactions.

The Government has taken several steps to strengthen the intelligence and security machinery and coordination between the Centre and the States.

Although there has been no major terrorist attack in India since then, there are regular intelligence reports of imminent attacks in the country. This is a matter of deep concern, and there is no room for complacency.

The terrorist attack on our Embassy in Kabul on October 8 is yet another grim reminder of the forces we are pitted against.

The overall situation in our immediate neighbourhood has worsened since I last spoke to you.

Beyond such an environment in our periphery, we face other challenges. The global economic and financial crisis has affected our growth, our exports, and the inflow of the foreign investment into India. The drought in several States has further impacted the most vulnerable sections of our society during the current year. There are incipient signs of recovery in the global economy, but it is not yet certain whether this represents a return to a secular and self-sustaining growth path. Despite these negative factors, the Indian economy has shown remarkable resilience. Our growth rate in the current year will be 6 - 6.5 percent. We are today the second fastest growing economy in the world.

Global efforts to combat climate change have rightly gathered momentum. However, there are concerted attempts by the developed countries to impose new obligations on developing countries like India to limit emission of greenhouse gases. This could impact on our economic development.

Food security and energy security are central to our development goals. Given our vast demands, we have to ensure that our interests are adequately protected in all international discussions on these issues.

There is a revival of interest on nuclear disarmament and non-proliferation issues. We welcome this, because India was a pioneer in the campaign for a nuclear weapons free world. We, however, have to ensure that discriminatory standards and approaches are not perpetuated. As a responsible nuclear weapon state, we wish to see nuclear disarmament that is global, non-discriminatory and universal in nature. We are ready to negotiate a Fissile Material Cut-off Treaty which is multilateral, non-discriminatory and verifiable.

To meet these different challenges we must be strong internally. We cannot rely on others to solve our problems for us. This requires a well thought national response and judicious policy prescriptions. It also means creative and constructive engagement with the outside world based on enlightened self-interest, and autonomy in the processes of decision making.

In a short span of one year, the G-20 process has become the most visible sign of the emerging multipolarity in world affairs. India's views in

this forum are heard with respect. We have been able to bring the issues of concern to us on the mainstream international agenda. India is now seen as a part of the solution to overcome the global economic slowdown, and a growth pole of the world economy.

The Armed Forces must be fully equipped to deal with all threat scenarios. Our troops should be trained to fight anywhere, anytime and under any conditions. Their ability to deal with non-traditional threats must receive greater attention.

Our Government is fully committed to the modernization of Armed Forces and ensuring their military superiority and technological edge. The modernization plan should have a long term perspective, and be formulated in an integrated manner involving all the three services. Despite the progress that has been made towards jointness and synergy in various operational, training and administrative aspects between the services, there are a number of areas of congruence that need to be strengthened further.

The availability of critical technologies from foreign countries is still subject to various technology denial regimes. It is therefore vital that we achieve maximum self-reliance in the critical areas of defence technology.

I would like to compliment the Defence Research and Development Organisation for the work it has done against many odds. Today, Indian industry is in a position to participate in defence production and research and development activities, and we should devise policies to harness this vast pool of knowledge and resources efficiently.

I am aware that the procedures for defence acquisitions and procurement are a matter of concern to the Armed Forces. This is an area which requires collective action on all sides. We must ensure a balance between the needs of timely modernization and the necessity of conforming to the highest standards of transparency, probity and public accountability. Outlays on defence expenditure have progressively gone up, but they also have to be used judiciously and efficiently.

Manpower is the most important resource for war fighting. We will take all measures necessary to ensure that the Armed Forces continue to attract the brightest and the best of our youth. As senior Commanders, it should be your endeavour to ensure that these men and women constantly upgrade their skills and remain ahead of the technology curve. This will not only make them better soldiers, but also more productive citizens on the completion of their service.



I am heartened by the growing social awareness of the need to ensure the welfare of ex-servicemen. The resettlement and rehabilitation of ex-servicemen will continue to remain a high priority for the government.

The Indian Armed Forces have earned high respect for their professionalism and competence throughout the world. This is in no small measure due to the personal leadership each one of you has provided to the men and women in uniform. The Nation is united in its resolve to ensure that our military remains a modern, well-knit and invincible fighting force.

Jai Hind.



**063. Speech by External Affairs Minister S. M. Krishna on the occasion of the Inaugural Haj Flight.**

**New Delhi, October 20, 2009.**

**Hon'ble Chief Minister of Delhi Smt. Sheila Dixit,**

**Hon'ble Shri Raj Kumar Chauhan, Hon'ble Minister of Revenue and Haj Affairs, Delhi Government**

**Hon'ble Shri Harun Yusuf, Minister of Food & Civil Supplies, Delhi Government & Acting Chairman of Delhi State Haj Committee,**

**Shri N. Ravi, Secretary (East),**

**H.E. The Ambassador of Saudi Arabia to India,**

**Senior Officials,**

**Brothers and sisters,**

On behalf of the Government of India and on my own behalf, it gives me great pleasure to greet and convey my best wishes to all the pilgrims who are embarking upon the pious journey for performing the Haj. The time for accomplishment of your life-cherished dream of performing Haj and for you to be able to pay respects at the Holy Mosque has arrived. Haj is a precious gift from the Almighty Allah and is a privilege for which a believer yearns throughout his life. Undoubtedly, all of you are fortunate whom the Almighty Allah has accepted as his guest and permitted you to visit His House.

2. Government of India attaches the highest importance to the fulfillment of the religious obligations of the Indian Muslims and pays close attention to the arrangements made in India and Saudi Arabia to facilitate their sacred pilgrimage. Ministry of External Affairs, in coordination with the Ministry of Civil Aviation, our Missions in Saudi Arabia, other agencies of the Government of India, the Haj Committee of India and the State Haj Committees have been working to take all necessary measures to provide and improve facilities and services for the pilgrims in Jeddah, Makkah Mukarramah, Madina Munawwarah and Mina/Arafat areas.

3. With this aim, senior officials from the Ministry of External Affairs and the Ministry of Civil Aviation and Air India along with Members of Haj

Committee of India, have visited Saudi Arabia from time to time this year and had held extensive discussions with Saudi Arabian authorities and Saudi Arabian Airlines about various issues concerning our pilgrims.

4. During Haj 2009, about 115,000 pilgrims going through Haj Committee of India are being transported through Saudi Arabian Airlines and Air India through 19 embarkation points. I am happy to note that Mangalore and Ranchi have been added as new embarkation points from this year, in addition to the existing embarkation points. In addition, 45000 pilgrims will be going through the private tour operators.

5. A significant aspect of the arrangements for Indian pilgrims for Haj 2009 is the enhanced use of Information Technology through total computerization of pilgrim location and movement including all those who are going through private tour operators. Relatives sitting in India can now find out, through the website of the Haj Committee of India ([www.hajcommittee.com](http://www.hajcommittee.com)), the whereabouts of their relatives performing Haj and can communicate with them during their stay in Saudi Arabia. I sincerely hope that all of you have attended the orientation/Training of pilgrims programme, which is very important to understand Haj rituals and arrangements being made for the pilgrims. I am told that a copy of the Haj Guide has also been made available to you by the Haj Committee. The Haj Guide gives a comprehensive description of the Haj rituals and details about the arrangements made in Saudi Arabia.

6. The coverage of Cash Loss and Baggage Loss cases under Accident Compensation Scheme, which was introduced during Haj 2004 continues and has been further expanded. Haj Committee has also continued with the system of issuance of foreign exchange amount in Saudi Riyals in cash to the pilgrims at all the embarkation points in India itself.

7. As you are aware, this year we had some major challenges like the issue of international passport to all pilgrims and the bigger challenge of prevention of Swine Flu. We have taken adequate measures to address these issue. Our Medical Mission in Saudi Arabia has been fully geared up to address any health related requirement and will be working closely with the State health authorities.

8. Indian Embassy in Riyadh and Consulate General of India, Jeddah have been entrusted with the responsibility of the arrangements made for the Indian pilgrims in the Kingdom of Saudi Arabia. In case of any difficulty during your stay in the Kingdom of Saudi Arabia, the pilgrims are

requested to approach the officials of the Indian Embassy/Indian Consulate who shall be available in Jeddah, Makkah Mukarramah, Madina Munawwarah and also at centers established at Mina/Arafat during the entire Haj period. The Government of India has also deputed about 300 Khadimul Hujjaj and more than 600 administrative and medical staff to provide and ensure maximum comfort to our pilgrims.

9. Please remember you are the representatives of India and so carry the best wishes of Indians to your hosts and Saudi brothers & sisters. During this spiritual and religious journey of Haj, I would urge you to kindly demonstrate exemplary patience, particularly at the rituals in Jamarat, to be careful about your own security and that of your companions in the huge congregation. From the time you leave for Haj pilgrimage till the time you return to your home, you are on the holy path. Your patience and forbearance would definitely prove rewarding. I would also request you to pray for the welfare, peace and prosperity of our country.

10. Once again, on behalf of the Government of India and on my personal behalf, I offer my heartiest greetings to all of you and I extend my best wishes for a very successful Haj. May Almighty Allah reward you with a perfectly accomplished Haj. (Ameen).

Thank you, Jai Hind.



**064. Inaugural Address of Vice President M. Hamid Ansari at the Second International Conference on "Terrorism - National and International".**

**New Delhi, October 27, 2009.**

It gives me great pleasure to inaugurate the Second International Conference on Terrorism organized by the Jama Masjid United Forum.

The Forum's effort to promote inter-faith understanding and confront national challenges and social evils through its awareness programmes is commendable. The Resolution adopted by the first conference last year was significant in urging that "all methods of non-violence should ... be exhausted to change the psyche of a terrorist." It condemned "all acts of racial profiling and abuse of basic human rights" and urged that acts of terrorism, or of individual terrorists, should not be categorised "knowingly or unknowingly" in community terms.

Terrorism is understood to be any act "intended to cause death or serious bodily harm to civilians or non-combatants with the purpose of intimidating a population or compelling a government or an international organization to do or abstain from doing any act".

The pedigree of terrorism in modern times can be traced to the policies of the colonialists. The label of 'terrorist' was liberally used by the British against Indians, Burmese and Malays and by the French against the Algerians. More or less every movement in the modern era had been labeled 'terrorist' by different parties - whether it was the Jewish Underground in Mandate Palestine, the ANC in South Africa or various Palestinian groups.

It is not thus of recent origin but globalization and technology has now made it trans-national in reach and devastating in its impact. It has surfaced in most parts of the world and is not country, region or community specific. It has been resorted to by the oppressed as well as the oppressors. It is disruptive of normal life and its principal targets are innocent bystanders.

For this reason alone, it is cowardly, unethical and immoral. It cannot be, and has not been, condoned in any belief system and yet at different points of time, adherents of various religions have been labeled as terrorists. Those trying to locate the origin of terrorism in Islam or in any other faith display ignorance of history or downright prejudice.

The human and political context of the phenomenon nevertheless needs to be explored. The religious commandments of right and wrong have been supplemented in the modern era with precepts and instruments of international and national law and the elements of what constitute the inalienable rights of humans, irrespective of nationality, race, religion or class. The steps taken so far by individual states and the international community are essentially preventive or punitive, aimed at dismantling the infrastructure of terrorism, and do not deal sufficiently with the mental orientation that leads to terrorist acts. The latter emanate from a radicalization of the mind propelled by perceived grievances and sought to be anchored on ideology or faith. Combating terrorism thus becomes a sociological, psychological and political effort as much as a security one; the corrective effort on each of these needs to begin simultaneously rather than sequentially.

No human society has attained perfection. Shortcomings and grievances do exist, sometimes in aggravated forms that outrage human sensibility. The allure of a response through "resistance" and "revolution" that political extremists and religious fundamentalists peddle in our times has been facilitated by mobility and communications. The call for extremism and resort to mindless violence is an easier alternative to political struggle and the painstaking path of empowering common people through education and by patiently and peacefully mobilizing them for their chosen cause. This is particularly so in open societies where correctives can be sought through peaceful and democratic means.

By the same logic, societies must address grievances in a timely manner and not seek to avoid them on specious considerations of law, procedures or traditions. The solution lies in according equality of status and opportunity and socio-economic and political justice to all through a system of democratic and responsible governance. Laws must be equitable and must be applied fairly.

It is also important to remember that those advocating extremist, fundamentalist and terrorist causes constitute a tiny minority. They neither have the religious nor political mandate for their abhorrent actions and ideologies. A majority of humanity is too poor and is focused on trying to survive. Their vulnerability lies in their poverty; it is this that provides an opportunity to peddlers of extremism. This opportunity gets fructified only because those tasked with political governance and religious and moral leadership have failed.

Initiatives such as this Conference by the Jama Masjid United Forum would contribute to better understanding of the phenomenon of terrorism and means of tackling it, both nationally and internationally.

I thank Syed Yahya Bukhari saheb for inviting me today. I wish the deliberations of this Conference all success."



**065. Speech by Minister of State Dr. Shashi Tharoor greeting the Haj pilgrims at Kozhikode embarkation point for the Haj flight.**

**Kazhikode (Kerala), October 29, 2009.**

**Hon'ble Chief Minister,**

**Hon'ble Chairman, Kerala State Haj Committee,**

**Dignitaries,**

**Senior Officials and**

**Dear brothers & sisters,**

As the Minister of State for External Affairs in charge of Haj matters, it gives me great pleasure to greet and convey my best wishes to all of you who are undertaking the pious journey of performing the Haj, and to pay respects at the Holy Mosque at Madinah of Prophet Mohammed (Peace Be Upon Him). Haj is an incomparable and unparallel gift from Allah Almighty. Only the most fortunate of persons get the opportunity provided by the Almighty Allah to visit His Holy Abode.

2. The Government of India is fully committed to ensure that the best possible arrangements are put in place in India and Saudi Arabia for the comfort and well being of Indian pilgrims to facilitate their sacred pilgrimage. Ministry of External Affairs, in coordination with the Ministry of Civil Aviation, our Missions in Saudi Arabia, other agencies of the Government of India, the Haj Committee of India and the State Haj Committees have been working to take all necessary measures to provide and improve services for the pilgrims in Jeddah, Makkah Mukarramah, Madina Munawwarah and Mina/Arafat areas.

3. It is a matter of great pride for us that one of the largest contingents of Haj pilgrims in the world goes from our country. This year around 160,000 pilgrims would visit Saudi Arabia for Haj. Out of this 1,15,000 pilgrims are going through Haj Committee of India and 45,000 Indian pilgrims would be performing Haj through the private tour operators.

4. The Government has taken a number of decisions to streamline the functioning of Private Tour Operators so that they provide proper services and facilities for the pilgrims. It is a matter of satisfaction that over the years the Indian Private Tour Operators have been contributing significantly in providing necessary services to the Indian pilgrims. These pilgrims also benefit from the arrangements, for medical and general assistance, put in place by the Haj Mission in Jeddah. As in the past year, Private Tour Operators would provide coverage under the Accident Compensation Scheme to pilgrims being taken by them.

5. I sincerely hope that all of you have attended the orientation/training programmes meant for pilgrims. These are very important to understand Haj rituals and arrangements being made for the pilgrims. In case some of you have missed attending this training, please do take guidance about Haj rituals from your fellow-beings. I am told that a copy of the Haj Guide has also been made available to you by the Haj Committee. The Haj Guide gives a comprehensive description of the Haj rituals and details about the arrangements made in Saudi Arabia.

6. I would like to assure you all that the Government's objective is to bring about constant improvements and innovations in our Haj Management, both in India as well in Saudi Arabia. Our Missions in Riyadh and Jeddah are fully geared up for the forthcoming Haj and working hard to fulfill its mandate of serving the Hajjis and taking care of their needs and requirements during their stay in the Kingdom of Saudi Arabia. In case of any difficulty during the stay in the Kingdom of Saudi Arabia, the pilgrims may kindly approach the officers/officials of the Indian Embassy/ Indian Consulate who shall be available in Jeddah, Makkah Mukarramah, Madina Munawwarah and also at centers established at Mina/Arafat during Haj period. The Government of India is also deputing about 300 Khadimul Hujjaj and more than 500 administrative and medical staff to ensure maximum comfort to the Indian pilgrims.

7. The Government would continue to provide the necessary infrastructure for the efficient management of Haj. The Government is also deputing sufficient number of doctors, paramedics and administrative



staff to Jeddah to look after and assist the Indian pilgrims during their stay in Saudi Arabia. Sufficient medicines and other critical medical equipment would also be made available to our doctors for helping the Indian pilgrims. The Government has also made arrangements in India for polio, meningitis and influenza vaccinations for the pilgrims and arrangements for swine flu medicines are being made. From the time you leave for Haj pilgrimage till the time you return to your home, you are on the path leading to Allah. Your patience and forbearance would definitely prove rewarding. I would also request you to pray for the welfare, peace and prosperity of our country.

8. Once again, on behalf of the Government of India and on my personal behalf, I offer my heartiest greetings to all of you and I extend my best wishes for a very successful Haj. May Almighty Allah reward you with a perfectly accomplished Haj (Ameen).

Thank you, Jai Hind.



**066. Valedictory Address by Minister of State Dr. Shashi Tharoor at the Indian Army-Claws International Seminar on 'Changing Nature of Conflict: Trends and Responses'.**

**New Delhi, November 24, 2009.**

Good Afternoon Ladies and Gentlemen. It is indeed a pleasure to be addressing this august gathering of eminent scholars and policy makers. I am sorry not to have been able to follow your discussions over the last two days on what must rank as one of the most interesting contemporary issues facing the international strategic community. I commend the **Centre for Land Warfare Studies** and the Army HQ for organizing this topical and exceptionally relevant seminar.

2. I consider it a privilege to deliver the valedictory address at this important and timely international seminar on the **'Changing Nature of Conflict: Trends and Responses'**. The event reflects the growing realization that we have to adapt to the changing regional and international environment and prepare ourselves well to meet emerging threats and challenges in consonance with the changing nature of conflict.

3. As you have deliberated over the past two days, there is a paradigm shift taking place in the nature of conflict. Geography is no more a constraint for those who wish to perpetuate violence. As 9/11 so graphically demonstrated, violence too has been globalized. At the same time, most conflicts are now internal. Sub-conventional conflicts, characterized by intra-state strife, have gained ascendancy over traditional conflicts, which used to be mostly conventional inter-state wars. The easy availability of cheap, mass-produced small arms, landmines and IEDs has exponentially increased the ability of aggrieved groups to orchestrate violence within societies. Socio-economic, ethnic, religious and environmental factors have come to the fore as major sources of threats to both state and human security than ever before. Many of them have transformed into what can be called **'problems without passports'** - like terrorism, drug-trafficking, small arms proliferation, illegal migration and refugees. The transnational nature of these threats and the increasing involvement of state actors in using sub-conventional conflicts as **'war by other means'** have exacerbated their complexity. At the same time, as long as unresolved disputes pertaining to territory, water or any other natural

resources remain, the dangers of outbreak of inter-state conflicts, employing (at the lowest rung of escalation) 'proxy wars' and (at the highest) actual war, continue to exist.

4. India is situated in one of the most volatile regions. Some of the world's most unstable states are in our neighbourhood. It would not be an exaggeration to say that our country is an 'island of stability' in a churning sea. Pakistan and Afghanistan have become epicentres of terrorism, which of late has become the single most dominant national security concern for India. **The presence of weapons of mass destruction and the danger of their falling into the hands of terrorists is yet another cause for concern.** The internal political situations in Bangladesh, Nepal and Myanmar have taken a turn for the better in recent months but continue to be unpredictable. Sri Lanka is still in the process of settling down politically after the Government's military victory over the LTTE. It will take a long time for these countries to stabilize themselves in real terms. Therefore, external threats to India's national security continue to abound. India is committed to peace and stability in its neighbourhood. It has always sought to reach out to its neighbours, near and far, in building strong relations and partnerships. India profoundly believes that it is in our strategic national interest that South Asia is peaceful and prosperous on a sustainable basis. Our progress as a successful and secure regional power depends largely on regional stability and a favourable security environment.

5. Threats are becoming increasingly difficult to predict in the prevailing era of strategic uncertainty. Quite often there is a 'grey area' where political motivations coincide with criminal intent and activities. Some of our likely adversaries are characterized by their invisible, amorphous, diverse, global, lethal and fanatic nature. To tackle these threats India must employ its diplomatic, economic and military prowess in full.

6. Conflicts are inhuman; "new conflicts" are even more cruel. Therefore, while addressing these conflicts, it is vital that governments have to be doubly conscious of human rights and humanitarian law that is built on two fundamental concepts: the separation of combatants from civilians and the doctrine of proportionality in the use of force. Many of the recent civil wars have featured direct and deliberate assaults on civilians. Often, in these conflicts, victimizing civilians is a war aim of the combatants. And then there is terrorism, which violates all tenets of

international humanitarian law. But nation-states must give primacy to protection of their people, especially of women and children. It is, in fact, the very idea of upholding basic human rights standards that can help make the world safer. Overlooking this principle will backfire in the long run by causing more conflict and instability. What is also required in responding to the changing nature of conflict is a 'dialogue of cultures' and greater involvement of the civil society. As we have learned in India, the active promotion of pluralism is the best antidote to the risk of sectarian conflict.

7. Given the nature of "new conflicts", 'cooperative security' should be explored as the preferred avenue of approaching conflict resolution and in turn to augment regional and international security. We have to consciously strive to build interdependencies among the countries of South Asia. This, in the long run, will create vested interests in each other's prosperity and stability. **South Asia should evolve as the 'most integrated region' in the world.** There has to be a smooth flow of goods, services, capital, knowledge, ideas and even people. I acknowledge that these are real challenges for our foreign policy and diplomacy. But, let us strive to convert these aspirations into reality. SAARC, the present regional arrangement, is admirable but has been functioning with some handicaps. The foremost challenge, as rightly identified by Dr. Manmohan Singh, is to "create a stable and cooperative atmosphere" that would allow the countries of South Asia to concentrate their energies on tackling the problems at home and in the region. It is through policies of cooperation that the causes of instability could be minimized. India will also make maximum use of its close cooperation with regional organizations in the vicinity like ASEAN and the Shanghai Cooperation Organization to effectively mitigate the causes and consequences of conflicts in its neighbourhood.

8. At the global level, the United Nations, in responding to conflicts, is gradually moving from, what former Secretary General Kofi Anan termed, a "**culture of reaction**" to a "**culture of prevention**". As one who has spent a large portion of my own professional life at the UN, I can confidently say that the world body has enormous potential to act as an intervening agent in today's conflicts. The UN aims to resolve conflicts with out any biases. However, to achieve this potential, the member states have to muster more political will, commit resources and willingly coordinate their activities. After all, the UN, at its best and its worst, is a mirror of the world: **it reflects not just our divisions and disagreements but also our**

**hopes and convictions.** I believe an effective United Nations is essential as the indispensable global institution at this moment than ever before.

9. On her part, India has to fully exploit her diplomatic resources - bilateral and multilateral - in meeting the challenges posed by the changing nature of conflict by deepening our strategic partnerships with key countries and regions. At the same time, as I have pointed out elsewhere, foreign policy is too important an issue to be left to the Ministry of External Affairs alone. Our society as a whole, and particularly its educated young people, must care enough about India's place in the world to participate actively in shaping our international posture."

10. Having spoken to the organizers of this seminar, I can confidently say that the aim of the seminar - to comprehensively examine the **factors influencing the changing nature of conflict so as to arrive at a clear perspective about its emerging contours - has been achieved.** I am sure the seminar has made a major contribution to enhancing understanding of the strategic and operational level steps necessary to come to grips with sub-conventional conflict and to transform military and other security forces and decision-making processes to combat emerging threats, challenges and vulnerabilities.

11. I am also glad to be acquainted with the participation of delegates from friendly foreign countries. I do hope that you enjoyed your short stay in India. I once again thank the Indian Army and the Director, CLAWS, for giving me the opportunity to share my views on this important subject.



**067. Address by Minister of Overseas Indian Affairs Vayalar Ravi while inaugurating the 4th annual conference of Heads of Indian Missions.**

**New Delhi, November 26, 2009.**

Shri Vayalar Ravi, Minister of Overseas Indian Affairs inaugurated the 4th Annual Conference of Head of Missions of GCC Countries, Libya, Malaysia, Yemen and Maldives here today. Addressing the conference, he said that this conference has emerged as an important platform to understand and find solutions to the problems faced by overseas Indian workers and it reinforces our commitment to strive for their better protection and welfare. He said our workers in the Gulf are temporary, contractual workers and they spend several years in harsh living and working conditions, remit most of their savings back home and often return in poor health and with no savings. This is the frightening prospect that thousands of workers returning from the Gulf. He further said it is necessary that we structure an appropriate programme to ensure a reasonable level of financial security on return and to inculcate the practice of thrift for a secure retirement. Ministry of Overseas Indian Affairs is working towards establishing a Return and Resettlement Fund that will provide for a contribution based scheme to incentivize the return and resettlement of the overseas worker.

Shri Ravi said that the Ministry of Overseas Indian Affairs is committed to transforming emigration into a simple, efficient, transparent, orderly and humane process. The Ministry is taking legislative and administrative measures to deal firmly with irregular migration. One of the reasons for irregular migration is the nefarious activities of Indian intermediaries operating from the host countries. Our Missions should get after such unscrupulous elements, collect intelligence and share information with the Indian enforcement agencies so that they could be prosecuted under the Indian Law. He informed that the Ministry is considering replacing the existing Emigration Law by a new Law. The Emigration Management Bill 2009 will shortly be placed before the Cabinet, seeking approval for introducing the Bill in the Parliament.

The Minister also informed that the Indian Community Welfare Funds (ICWF) in the 17 ECR countries and in Maldives has been established. The ICWF is a self-financing mechanism for providing need based and means tested support services to emigrants in distress. He added that

the key services such as - a toll free help line, a counseling facility, a shelter for runaway housemaids and a facility to extend contingency based legal, medical and emergency relief assistance are major initiatives taken by the Ministry for protection of Overseas Indian workers. He further said that the Ministry has signed MOUs for bilateral cooperation for protection and welfare of overseas Indian workers with Malaysia, Jordan and all the GCC countries except Saudi Arabia. These MOUs will have optimal impact on the conditions of our workers only if the Joint Working Group meetings are held regularly. He said that our Mission in Saudi Arabia and MEA will continue to make efforts to facilitate early negotiations for a MOU with Saudi Arabia. There is a proposal for similar MOUs with Yemen, Libya and Maldives.



**068. Keynote Address by the Defence Minister A. K. Antony at the 44th Foundation Day Function of the Institute of Defence Studies and Analysis.**

**New Delhi, November 27, 2009.**

It is a real pleasure to be back amidst you for the 44th Foundation Day of the Institute. The Foundation Day is an occasion for both - reflection and introspection. I congratulate IDSA scholars for doing a good job over the past four-and-a-half decades.

Since our last meeting, the quality and quantity of the work output has been enhanced. The research done at IDSA has been well-received by members of the strategic community for its content, objectivity and analysis. Thanks are also due to my colleagues on the Executive Council for their support for the Institute's agenda for development. I express my thanks to the entire staff of IDSA. However, we cannot afford to be complacent and must continue to work with renewed vigour. We cannot say everything is perfect. There is always room for improvement.

The various commentaries and reports on the website have gained wider acceptance and visibility. The attempt to activate your defence studies programme with the launch of the Journal of Defence Studies and through seminars on topical subjects like defence budget, defence acquisition and civil-military relations, is particularly welcome.

I would like to congratulate the young winners of the IDSA debating Awards for their commendable performance. I once again congratulate you. You all are the future. A rising India needs bright, young thinkers like you. I am confident that participation of youth in debates on national security issues would encourage the youth to seriously pursue studies in related disciplines in the future. At the same time, through you all, I invite youth to join our Armed Forces.

I felicitate Dr Harsh V Pant, the winner of the K Subrahmanyam Award, for his outstanding contribution to the field of strategic studies. I also congratulate Air Commodore Arjun Subramaniam, who has earned an Honourable Mention for his work in defence and security studies. It is gratifying that despite a demanding schedule, a serving Air Force officer has devoted time and energy to pen well-researched articles for prestigious defence journals. I am sure that such recognition would encourage more serving officers to follow suit. We need more officers with a broader vision of the new challenges confronting India's security.



Let me now focus on IDSA and our country's defence and a few other related issues.

India's profile is growing in the international arena. Other nations are expecting more and more from us in meeting some common challenges. We have been making sincere and continuous efforts to resolve long outstanding issues in our region. We have always strived for peaceful relations with all our neighbours. Even with a vibrant democracy and a prospering economy, we cannot ignore the security calculus.

Our Prime Minister's willingness to resume the dialogue with Pakistan must be seen in this context. Pakistan must put an end to terror activities emanating from its soil. However, the terror infrastructure on the ground remains intact - and is actually thriving. Pakistan is yet to demonstrate any will to take speedy action against terrorists and international criminals. We need to closely monitor the developments in Pakistan.

We are hopeful that China will reciprocate the initiatives aimed at mutual trust-building and understanding. The increasing nexus between China and Pakistan in military sphere remains an area of serious concern. We have to carry out continuous appraisals of Chinese military capabilities and shape our responses accordingly. At the same time, we need to be vigilant at all times.

I am tempted to react. As a Defence Minister, I can't react often. As the Defence Minister, I can't support many of his views.

We have taken several steps for enhancing the capacity-building of our Armed Forces to meet new and varied challenges. However, we will remain steadfast in our pursuit of regional and global peace. It is here that a committed pool of strategic thinkers and policy analysts need to undertake quality research. We will need high-quality research papers and studies of on a wide array of subjects to counter information or misinformation campaigns. The role of organisations like IDSA in providing such qualitative inputs to assist policy formulation can never be underestimated.

Over the past couple of years, we have also seen how issues of national security and foreign policy have arrived at the forefront of public debates. As public awareness of such issues grows, the debates will only gain currency. In a vibrant democracy like ours, such debates are both natural and healthy. So I welcome more and more thought-provoking speeches and articles. However, to enhance the quality of these debates, think tanks like IDSA will have to play a far more proactive role by undertaking

a thorough research and wide dissemination of their findings. As one of the premier think tanks of the country, IDSA will have to shoulder the responsibility in this regard. You need to constantly ask yourself whether your work is making a significant contribution towards improving the quality of policy debates? As President of IDSA, I am not the judge. The others will have to say that you are doing good work. You also need to deliberate on whether the quality of work is respected by experts.

In this context, I compliment the initiative taken by IDSA last year to produce valuable reports based on studies carried out by Task Forces of in-house scholars and outside experts on such burning issues as Climate Change and Space Security. I understand that similar Task Forces are also working on other issues like Water Security and Nuclear Disarmament. You must aim at an early finalization of these reports for the strategic community, as well as for the public. This is a vital requirement in a democratic polity, where governments have to take policy decisions based on informed opinions and at the same time, take adequate care of the sensitivities and preferences of citizens.

I once again congratulate the IDSA family for the Foundation Day celebrations. I urge all of you to redouble your efforts to fulfil the vision of becoming an Institute of international repute.



**069. Address by the Minister of State Dr. Shashi Tharoor at Valedictory Dinner for 48th Professional Course for Foreign Diplomats organized by the Foreign Service Institute.**

**New Delhi, December 3, 2009.**

**Excellencies**

**Dean FSI**

**Participating Diplomats**

**Distinguished Guests and my dear friends,**

I am very happy to deliver this Valedictory Address to the 30 young diplomats from 25 developing countries who have successfully completed the month long 48th Professional Course for Foreign Diplomats (PCFD) organized by Foreign Service Institute of the Ministry of External Affairs of India. I am also happy to note the presence of Heads of Missions and other Senior Diplomats representing the countries of participating diplomats.

2. From the Course Programme and Dean (FSI)'s Welcome Address, I understand that during the Course the participating diplomats were given insightful information and views on a variety of subjects like India's Foreign Policy Priorities, Strategic Planning, Art of Diplomatic Negotiations, Economic Issues, WTO, Climate Change, Communication Skills, and Security Issues by the very distinguished guest faculty of FSI. I am happy to note that the emphasis of this diverse course module was on inculcating a strategic mindset which will prove immensely useful in the discharge of onerous diplomatic duties. I am told the group this time is bright, erudite and smart- these being essential qualities of diplomats. I have also noticed the diversity of the group- 30 representatives from 25 countries - is really impressive sample of international representation.

3. It was fascinating to hear Dean Ajay Choudhry's description of your programme. I am sure that the visits and Study Tour within Delhi and to Agra, Jaipur, Hyderabad, and Goa, must have given a glimpse of the unity in diversity, the hospitality, and the beauty of India to our guests. After visiting places and monuments of historic, cultural, religious, educational and industrial importance, they would have gained deeper knowledge of the progress of India since Independence. Above all, I hope, they understand India and her aspirations better. I am told you visited the rural development project at the Society for Elimination of Rural Poverty which has done pioneering work among 10 million women by empowering

them through self help groups. Such initiatives are inspiring and give hope to all of us. I am sure many of you must already be thinking on similar initiatives in your countries and regions.

4. India had taken the initiative to establish diplomatic relations with friendly countries even before her independence. One of the priority items on its foreign policy agenda was to help sister countries to gain independence from colonial rule and end discrimination and apartheid from the world. India believes sharing her knowledge and expertise with fellow-developing countries. Besides bilateral and multilateral cooperation, India offers help and assistance through various training and scholarship schemes. The Ministry of External Affairs offers civilian and defence training through the India Technical and Economic Cooperation (ITEC) Programme, cultural and educational scholarships through Indian Council for Cultural Relations (ICCR), and training courses for foreign diplomats at the Foreign Service Institute (FSI). The Foreign Service Institute though originally conceived to cater to the training needs of Indian diplomats soon expanded to accommodate the training needs of developing countries. At present, it is organizing training courses for foreign diplomats all the year round and has signed Memoranda of Understanding with 34 countries. I have also been a propagator for this course. In all my travels, I have asked my counterpart foreign ministers to depute their diplomats for attending courses at FSI and I very happy to see such a big and diverse representation here today, from Afghanistan to Uzbekistan.

5. Today the job of diplomats is quite different from what it was in the last century. As one who spent nearly three decades in the UN, I have seen the transformation close-up and have some observations. Firstly, non-state organizations and NGOs are playing a significantly enlarged and important role. Secondly, though the primary duty of a diplomat still remains safeguarding the interests of his or her country and people, a diplomat is also engaged in the well-being, safety, and survival of the world and humanity. Issues like climate change, terrorism, weapons of mass destruction, etc. have become very real concerns of entire humanity. Water, food, health, energy, and migration, etc. have become very potent non-traditional security threats. Today a country's interests are inextricably linked to those of the whole world.

6. Contemporary India is changing rapidly and for this reason, it is important for me to highlight what today's India is all about. As you must have learnt, India is the world's largest democracy with a constitutional

system of Government, an independent judiciary and a robust press. As one of the fastest developing countries, India has an important role in geo-politics of the world. One of the objectives of India's foreign policy is to address important issues of international importance, such as environmentally sustainable development and the promotion and protection of human rights.

7. India believes in the common destiny of mankind. It also believes in friendship, peace, and cooperation. We in India believe that the nature of problems and concerns of all developing countries are more or less the same. There is, therefore, need of fuller cooperation and solidarity amongst them through what is widely known as the South-South cooperation mechanism. Developing countries need to express their special needs and problems in unison and vocally at multilateral forums such as the UN and the WTO and also with the UNFCCC.

8. I am confident that the Course must have expressly or otherwise raised these issues. I also hope that by training together and having time to discuss freely and frankly, the participants in this course must have developed deeper understanding of each other's points of view as well. Tomorrow when these diplomats represent their respective countries as Ambassadors and High Commissioners, they will cooperate, negotiate and arrive at solutions together with a sense of empathy and concern for each other. If they are able to do so in some measure at least, I feel this Course can then be considered immensely successful and our efforts will stand vindicated.

9. I thank the Guest Faculty of FSI for taking time off from their busy schedule for delivering lectures to the diplomats. I congratulate the participating diplomats for successfully completing this Course. I see in them fast and enduring friends of India who, together with India, will work for the prosperity and security of the entire world. I wish them a safe return to their country and family. May they all have very successful careers and purposeful service to your nation and to the world community!

Thank you.



**070. Valedictory Address by the Minister of State Dr. Shashi Tharoor at the India IT Summit.**

**Thiruvananthapuram (Kerala), December 11, 2009.**

It is a privilege to participate in the valedictory session of the India IT Summit being organized by the Confederation of Indian Industry and the Government of Kerala. At the outset, I would like to thank the CII and the Government of Kerala for giving me this honour and the opportunity to address this distinguished and knowledgeable gathering. I am sorry that I was unable to be here earlier to benefit from your discussions over the last couple of days.

2. Information Technology has given India impressive brand equity in the global market. It has raised the profile of the Indian economy and today India's strength in the IT sector is recognized the world over. Major advantages in talent, our skilled workforce, our improving urban infrastructure, a conducive business environment, favourable policy interventions by the Government and continuous robust growth in the domestic IT sector have made India a world leader in the global IT and BPO industries sector. Through the joint efforts of the Government and industry, software development and IT enabled services have emerged as niche opportunities for India in the global context.

3. This is why I suppose I am here, since my Ministry is not directly concerned with the major issues before you all. Indeed, our economic reforms are a major calling-card for India abroad. And yet all too often India's economic reforms remind me of the old saying about Indian diplomacy: it used to be said that Indian diplomacy was like the love-making of an elephant - it was conducted a very high level, accompanied by much bellowing, and the results are not known for two years. The same is true of many Indian economic reforms, which are promulgated from on high with much fanfare and then take an age to be implemented because of all the vested interests and obstacles that have to be overcome. But this is not true, and has never been true, of the IT sector, where we got it right from the start and where little reform has been needed because IT has been on the cutting edge internationally.

4. The Indian information technology industry has grown at a phenomenal pace over the last decade. Despite the global economic crisis, the IT-BPO sector grew by 12% in 2008-09 to reach US\$ 71.7 billion in revenue (including hardware). Of this, software and services accounted for US\$ 59.6 billion. The top three IT companies, namely, Infosys, TCS and Wipro, saw revenue growth from all important sources

of income in 2008 and 2009. This growth was fuelled by increasing diversification in the geographic base and adaptation in their portfolios of service offerings. While the effects of the economic crisis are expected to linger on, the Indian IT-BPO industry has displayed remarkable tenacity and resilience in countering the unpredictable conditions and reiterating the viability of India's fundamental value proposition.

5. IT also plays a far more significant role in our economy than ever before. In terms of its share in GDP, revenue from the Information Technology sector has risen from 1.2% of GDP in 1997-98 to an estimated 5.8% of GDP in 2008-09. The sector's share in total Indian exports increased from less than 4% in 1998 to almost 16% in 2008. In terms of value, our IT-BPO exports, including hardware exports, grew by 16% from US\$ 40.9 billion in 2007-08 to US\$ 47.3 billion in 2008-09.

6. This growth in the IT sector has been possible through a combination of factors, including the inherent advantages of the Indian economy, innovative entrepreneurship on the part of Indian industry and Government interventions in the form of liberalization of foreign investment and export-import policies. Visionary leaders like Narayana Murthy of Infosys and Azim Premji of WIPRO have put India in the forefront of the IT revolution. Major international companies like Microsoft, Intel, Dell, IBM, Cisco and GE have started their production bases in India. Our brilliant IT professionals, who are not only leading the growth of the Indian IT-BPO sector but also of major multinationals like Microsoft and IBM, have made India proud.

7. As a result, IT has made its own contribution to India's soft power. When Americans speak of the IITs with the same reverence they used to accord to MIT or Caltech, and the Indianness of engineers and software developers is taken as synonymous with mathematical and scientific excellence, it is India that gains in respect. Sometimes this has unintended consequences. I met an Indian the other day, a history honours student like me, who told me of transiting through Schiphol airport in Amsterdam and being accosted by an anxious European saying "you're Indian! You're Indian! Can you help me fix my laptop?" The old stereotype of Indians was that of snake-charmers and sadhus; now every Indian abroad is assumed to be a software guru or a computer geek. This is all thanks to the global success of IT professionals.

8. Indian IT companies have also started making strategic investments abroad. Notable ones include: HCL Technologies entering into a strategic partnership with South Africa's UCS Group to acquire UCS's enterprise solutions SAP practice (focused on the retail sector), and software services firm MindTree making a foray into China, having bagged a significant

outsourcing contract from China's biggest telecommunications equipment maker, Huawei Technologies.

9. Global trade in services has entered a new era with the growing and widespread acceptance of the IT-based global delivery model. With the availability of international bandwidth and powerful work-flow management, the IT software and services sector today is penetrating the fabric of society in every sphere. It is now possible, as Tom Friedman so vividly demonstrated in his book *The World is Flat* (itself inspired by a remark by our mutual friend Nandan Nilekani), to disaggregate any business process, execute the sub-processes in multiple centres around the world and reassemble them in near real time at another location. India has already made its mark on the global IT-BPO sector. India continues to be the nerve centre for global sourcing with over 2/3rds of the Fortune 500 and a majority of the Global 2000 firms leveraging global service delivery and sourcing from India.

10. India remains the most preferred destination for companies looking to offshore their IT and back-office functions. It also retains its low-cost advantage and is among the most financially attractive locations when viewed in combination with the business environment it offers and the availability of a skilled workforce. But India is not only about price advantages; we provide better quality at a lower price. Recognizing the need to provide qualified and trained manpower in this sector, the Government has already started 6 new IITs in 2008-09 and is in the process of setting up 30 new Central Universities, 10 new National Institutes of Technology, 20 new IIITs and 5 new Indian Institutes of Science.

11. The Government has taken several steps to promote the IT sector including allowing foreign direct investment under the automatic route, reduction in customs duties, abolishing customs duty on 217 items under the Information Technology Agreement, reduction in excise duty, simplification of procedures, special incentive packages for setting up IT related industries in India, liberalization of the foreign trade policy for electronics and IT products, promotion of R&D and development of entrepreneurship through assistance to institutions of higher learning to strengthen their technology incubation centers enabling young entrepreneurs to establish start-up companies.

12. In order to tap the resources of the leading national Institutes for collaborative research, the National Knowledge Commission has recommended the setting up of a high-speed digital broadband network throughout the country, with adequate capabilities and access



speed. The primary objective of the Network is to provide gigabyte broadband connectivity to all institutions of higher learning and research in the country.

13. The IT Act of 2000 dealing with cyber security, cyber crime and other information security-related legal aspects has been enacted to encourage expansion of e-commerce through internet. The Data Security Council of India (DSCI) was launched in 2007 to institutionalize efforts to further enhance the information security environment in India. India is only the 12th nation globally to enact cyber laws.

14. India has not lagged behind in the High Performance Computing (HPC) arena. The Centre for Development of Advanced Computing (C-DAC) has developed in-house expertise for design and development of parallel processing technology based HPC systems, application development environments, system software tools and utilities, as well as development and porting of applications. C-DAC's PARAM series of HPC systems have 60 installations worldwide. C-DAC has set up a nationwide grid of HPC systems named 'Garuda', which enables collaborative R&D among HPC user community in various sectors of Science and Engineering.

15. While IT continues to be a major engine of growth for the economy through its contribution to GDP, exports and employment, our vision is to use IT as a tool for raising the living standards of the common man and bring Government services to the citizen's doorstep. Towards this end, Government has undertaken a massive programme of PC and internet penetration in the rural and under-served urban areas. To provide IT access in rural areas, the Government is implementing a Scheme for establishing State Wide Area Networks (SWANs) across the country which envisages providing technical and financial assistance to States for establishing SWANs from State Headquarters up to the Block level with a minimum bandwidth capacity of 2 Mbps.

16. In May 2006, the Government approved a National e-Governance Plan (NeGP) comprising 27 mission mode projects and 8 components, providing an important platform to upscale and integrate various e-governance initiatives at the Local, State and Central level. The key mantra of e-governance is "citizens first". It goes beyond computerization of government processes and into the realms of good governance which include issues of efficiency of service delivery, empowerment of citizens, transparency and accountability. In this context, the Ministry of External Affairs has undertaken a major public private partnership initiative called the Passport Seva Project that will enable people to apply for passports on-line. The project

is expected to become operational next year and is expected to result in the issue of passports within 3 days, and where police verification is required, within three days of completion of the verification process.

17. On the international front, India is providing technical assistance in the IT sector to various developing countries in Africa, Asia, Latin America and East Europe. Given India's strength in the IT sector, a number of countries have indicated their preference to set up IT training centres and institutes with Indian assistance. India has already set up five such centres of excellence in Cuba, El Salvador, Nicaragua, Honduras and Jamaica and six centres are in the pipeline in Grenada, Syria, Benin, Ecuador, Costa Rica and Cape Verde. Our assistance has included sending IT experts to run these centres for a period of two years and providing hardware and software for conducting training programmes. The centres are eventually handed over to the partner countries as an important resource for capacity building in these countries.

18. There is also a large interest among developing countries for more and more IT related courses under our ITEC programme. One-third of our total training slots numbering 1695, out of a total of 5000 slots offered to foreign countries during 2009-2010, are in the IT sector. Similarly, 1/4th of the total courses i.e. 52 out of 200 courses during the current financial year are IT related. This is indicative of the interest among ITEC participants from our 158 partner countries, in IT and IT related vocational training.

19. India's economic boom, combined with the exponential growth of its IT and knowledge industry sectors, offers numerous opportunities for our neighbouring countries and the world; as a growing market and services centre. IT companies like Infosys, TCS, and WIPRO have hired hundreds of software engineers from across the globe and have ambitious future plans.

20. The Indian IT sector is expected to continue its rapid growth in future. Our IT-BPO exports are expected to cross the US\$ 60 billion target by 2011. Present employment of 2.23 million professionals in the sector is expected to increase to 2.5 to 3 million in the next 2 years thereby contributing substantially to the socio-economic development of the country. On a longer term, revenue from IT exports is expected to reach US\$ 175 billion by 2020 while revenue from the domestic market is expected to contribute US\$ 50 billion by 2020. Together, the export and domestic markets are expected to generate revenue of US\$ 225 million by 2020 as opportunities emerge in new sectors and more and more economies rely on outsourcing (at least according to the NASSCOM - McKinsey Report).

21. The Indian IT-BPO industry is now at a critical point in its evolution. With a decade of impressive performance, it has to move forward in a new transformed macro-economic environment, rapidly changing customers and needs, evolving services & business models and rising stakeholder aspirations. India, with its fundamental advantages, can capture a large share of the immense opportunities available. However, to achieve this goal amidst current and future challenges and maintain our leadership position in this sector, concerted efforts are required by all key stakeholders, including industry, government and academia to work together for optimum results. Since the sector faces tough competition from other emerging economies, India will have to rely more on providing innovative indigenous solutions to increase business productivity rather than just provide services as per client specifications. In other words, Indian industry will have to take a lead and be more pro-active rather than be driven by global demands. This will also synergize with India reaping the benefit of its demographic dividend and its focus on emerging as a global economic super power by 2020.

22. In the 21st century, a country's soft power will be the defining feature of its global influence and reach. The Indian IT industry has built a strong reputation of excellence and high standards of service quality and information security. Indian software companies have earned the unique distinction of providing efficient software solutions with a cost and quality advantage by using state of the art of technology. There is, now, a need to build on our existing strengths and focus on future strategies for growth.

23. This would include research to develop indigenous software in new usage of IT technologies like cloud computing, out-of-the-box solutions, etc. This will also help Indian IT industry in playing a more active role in setting global IT standards. There is already a huge repository of codes in the form of open source software which can be harnessed to provide alternatives to imported software. A concerted and combined effort needs to be made by the Indian IT industry as a whole in this direction. On the internet connectivity front, India needs to work much harder to provide internet accessibility to a larger part of our population. At present, there are 60 million internet users in the country. The Manufacturer's Association of IT (MAIT) has outlined 'Goal 511', an ambitious target to increase the number of internet users to 500 million, and provide 100 million broadband connections and 100 million connected devices by 2012. Similarly, with the growing use of IT in all spheres of everyday life, IT security has come into prime focus and is of crucial importance. In view of the ongoing incidents of cyber warfare, Indian industry can play a major role in protecting India's IT assets and infrastructure by developing our own IT

security products. Through a policy of sustained R&D in cutting edge technology, we must aim to further increase and broad base our exports while also expanding the domestic market.

24. The future holds immense potential for the IT sector requiring a focused and coordinated approach. I wish the CII and the IT industry all success in its future endeavours.

Thank you.



**071. Valedictory Speech by the Minister of State Dr. Shashi Tharoor at the 2009 Education Summit-II in the theme of "Marketing of India's Higher Education Worldwide: Revisited".**

**New Delhi, December 12, 2009.**

I am indeed delighted to be present here to deliver the valedictory address of this summit on 'Marketing of India's Higher Education Worldwide - Revisited', which the Indira Gandhi National Open University, in collaboration with the Institute of Marketing and Management, has hosted to highlight and emphasize India's growing importance in the global education sector. I congratulate both the Institutions for this initiative. I am pleased to know that this Summit is a follow up of the Conference organized by IGNOU and IMM on the same theme in the year 2007 and the success of that has brought them together again to discuss the merits of higher education in India as well as to persuade the policy-makers of our country to take note of the importance of the idea behind this event and initiate marketing of India's Higher Education Abroad.

2. I note that the deliberations of this meeting have focused on four thrust areas to attract students from abroad. I am of the view that Engineering and Technology, IT and Management, Tourism and Hospitality and Agriculture are indeed our strengths and therefore have high potential for marketing abroad with the purpose of attracting foreign students, particularly from the developing countries of Asia, Africa and Latin America. Here, however, I would like to place a caveat. There is great domestic demand for higher education and therefore marketing of Indian education abroad cannot be at the cost of denying our own

citizens quality education at an affordable price. Education for foreigners in India, any substantial measure, can best take place after additional capacities have been generated in India. And if such capacities are created, then not only will Indian higher educational institutions attract foreign students, but they would also be able to attract the sizeable number of Indian students who go abroad in the search of higher education, often of dubious quality and certainly much more expensive as well as, in some places, occasionally unsafe.

3. Education in India has many comparative advantages in relation to education pursued in other countries. One of the advantages is with regard to cost. Some estimates indicate that the total cost of education for a student pursuing studies in India would be almost one-tenth of what it would be like USA or Europe for a comparable quality of education. Another advantage that India offers, despite being a developing country, is the diversity and depth of our knowledge pool and a vast education infrastructure. For this we owe a debt of gratitude to the vision and foresight of Pandit Jawahar Lal Nehru who inspired the establishment of many institutions of higher learning including the Indian Institute of Technology (s), Indian Institute of Management (s) , All India Institute of Medical Sciences, and so many others, and many high impact initiatives such as Vikram Sarabhai's space programme and Homi Bhabha's atomic programme. I feel much pride in saying that successive Congress Governments have taken various steps for improving the quality of higher education and research by increasing allocation of funds. Today the launching pad for huge investment in higher education, both in qualitative and quantitative terms, is ready. All we need is concrete and directed action towards the establishment of more institutions of higher learning which would cater to the growing needs of the young people of India and also meet the needs of friendly countries.

4. India has always opened its doors and windows to the world and this includes extending a warm welcome to foreign students in India. I know that at any time not lower than 10,000 African students are studying in India and there are many more thousands from other countries of the world. And this is not a new development. Foreign students have been coming to India to study since our independence as they find India to be a hospitable country and our education of good quality and affordable. I have felt great pride in meeting foreign heads of state and Foreign Ministers who boast of an Indian university education. Currently, the Presidents of Afghanistan and Malawi both hold college degrees from India. Only last Sunday I delivered

the convocation address of the Symbiosis University in Pune where I was delighted to see the presence of at least 70 students from not only countries of Asia and Africa but also from Europe and America. This clearly suggests that India is increasingly becoming a preferred destination for foreign students and many more would come to India in the coming years leading to healthy inter-exchange of students, peoples and ideas. Such exchanges undoubtedly can be augmented by more initiatives in this direction under the public-private partnership framework which dramatically increase our higher education capabilities.

5. As many of you may know, my Ministry is also closely linked to the international aspect of Indian education. Indian missions abroad have always facilitated the international exposure of Indian education by routinely providing requisite information about admission process in Indian universities and by providing consular services. The Indian Council for Cultural Relations (ICCR), which is closely related to the Ministry of External Affairs (MEA), has a robust fellowship programme for foreign students as well. Under this scheme, approximately 2500 students come to India every year to study and at any moment of time there are at least 3500 students in India pursuing graduate, post-graduate and doctoral studies, thanks to ICCR. Students from almost 80 countries avail of the fellowship each year. In addition, MEA also administers the Indian Technical and Economic Cooperation (ITEC) scholarship programme under which thousands of professionals come to India every year for mid-career training programmes. These fellowship programmes have indeed become a strong aid to Indian diplomacy and are creating enormous goodwill and understanding for India in foreign countries. I have personally found it a matter of immense satisfaction and pride when I come across foreign interlocutors who have studied in India and have praise and appreciation for my country.

6. Indian higher educational institutes have tremendous resources buried with them by way of huge campuses and world renowned faculty which need to be utilized to the fullest extent. With our thriving economy now, India provides an attractive destination for international students to be part of India's growth story. We have noted that statistics show growth of Indian students going abroad but slow progress when it comes to foreign students coming to India. To deal with such a situation, we, as I have said before, need to augment our capabilities as well as evolve a strong and practical strategy for effective marketing of India's education abroad. We have to fill gaps in the system and make regulations and environment friendlier for international students. Various steps like moulding existing

courses according to the needs of international students, introducing "Study India Programmes" (SIP) to make them aware of the rich Indian cultural heritage and introducing a new credit-based system and evaluation process are the need of the hour.

7. There is also need for increasing interaction among Indian and foreign universities of repute, exchange of faculties with advanced universities abroad to help Indian teachers learn global standards in education and encouragement for academics to participate in research activities in close collaboration with industry. We also have to work on ensuring that degrees and diplomas issued by Indian institutes are recognized the world over and also when foreign students come to India, that their degrees and diplomas are recognized here. This will make India more suitable and desirable for foreign student communities.

8. Collaboration with foreign institutes of repute will provide much needed exposure to Indian institutes and hone and upgrade skills of our faculties. In this context, I applaud the recent initiatives of the Ministry of Human Resource Development to liberalize the higher education sector. This will have a cascading impact on improving university standards in India and consequently be beneficial to our educational institutions.

9. Ladies and Gentlemen, I have in my address touched broadly upon some ideas which will improve the attractiveness of India as an education destination. We have seen the success of the 'Incredible India' campaign of the Ministry of Tourism which has not only resulted in greater foreign tourist footfalls in India but also at the same time improved our Indian tourism infrastructure. I would suggest that we should now launch a public-private partnership campaign on the lines of 'Learning in India' to achieve the same results in the education sector. One day, I am confident that India will become an education destination for legions of foreign students, just as the US became in the 20th century. It is a goal well worth striving for.

Thank you.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - II**

**CLIMATE CHANGE**



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**072. Inaugural Address by External Affairs Minister Pranab Mukherjee at the Delhi Sustainable Development Summit - 2009.**

**New Delhi, February 5, 2009.**

Her Royal Highness Princess Maha Chakri Sirindhorn, Princess, Kingdom of Thailand;

HE Ms Tarja Halonen, President of Finland;

HE Mr Anote Tong, President of the Republic of Kiribati;

HE Mr Meles Zenawi, Prime Minister of the Federal Democratic Republic of Ethiopia;

HE Mr Ban Ki-moon, Secretary-General, United Nations;

HE Mr Maumoon Abdul Gayoom, Former President of Maldives;

HE Mr Moritz Leuenberger, Former President of Switzerland

HE Mr Mamadou Lamine Loum, Former Prime Minister of Senegal and

Dr. RK Pachauri, Director General, TERI.

Excellencies, Distinguished Guests, ladies and gentlemen,

It is my pleasure to be invited here to inaugurate the Delhi Sustainable Development Summit 2009. I am very happy to see this gathering of Nobel laureates, policy makers, thought leaders, scientists and outstanding professionals from across the globe who have come here to focus on the challenge of sustainable development.

Excellencies, ladies and gentlemen,

The concept of sustainable development is engrained in the ethos of India. Our traditions and practices have imbibed the philosophy of sustainable development and we have been able to conserve and protect our natural resources. It is, therefore, fitting that this Summit on Sustainable Development is being held in New Delhi and I would like to congratulate TERI and specially Dr. Pachauri for having made this Summit into one of the premier annual events in the world.

Sustainable Development, though widely used, is a fairly new concept having been first mooted in the 1980s and then embedded into our collective

consciousness since the Rio Summit of 1992. While its origins are in the concept of environment protection, Sustainable Development encompasses within itself a much wider gamut of issues and, in particular, the "interdependent and mutually reinforcing pillars" of economic development, social development, and environmental protection. There can, therefore, be no environmental protection without concomitant economic development.

India is a developing country and our overriding priorities would be always poverty reduction and rapid economic development. This is critical if we are to be able to provide to our people the means and ways to achieve their aspirations and the way to a better life. Environmental protection cannot be isolated from the general issues of development and must be viewed as an integral part of development efforts. For us, the concept of "sustainable development" must include the needs of our people for health, nutrition, education and housing with a view towards the eradication of poverty so as to provide to all a life of dignity in a clean, safe and healthy environment. Stress needs to be placed equally on the "development" dimension of the concept of "sustainable development" as on its "sustainable" aspect.

We, in the Government of India, have based our policies on sustainable development on the principle that human beings are at the centre of sustainable development. Our emphasis has been on the fact that the right to development must equitably meet the developmental and environmental needs of present and future generations. The dominant theme in our policies has been that while we must conserve environmental resources to secure livelihoods, the most effective way of doing this is to ensure that people benefit more from conservation than from resource degradation.

Excellencies, ladies and gentlemen,

We, in India, are extremely concerned about climate change especially as, being a developing country, we are most likely to be adversely impacted. All indications point to the fact that we, as developing countries would have to bear a disproportionately severe impact of its adverse effects even though responsibility lies with those countries which have been polluting since industrialization began. It is a sad reality that some of the worst impacts of climate change will take place in developing countries which have had no share in having caused the problem. Today, there is universal acceptance that climate change is unequivocal. In fact, the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), of which Dr.

Pachauri is the Chairman, has clearly established the fact that climate change is taking place.

India recognizes the need for global action to address climate change. The negotiations under the Bali Action Plan and their outcome must respect, both in letter and spirit, the provisions and principles of the UN Framework Convention on Climate Change (UNFCCC), especially the principle of common but differentiated responsibilities and respective capabilities. We expect the developed countries to take the lead in reducing emissions of greenhouse gases and commit themselves to absolute binding emissions reduction. The need of the hour is adapting to the inevitability of climate change and for that we need to have the necessary financial and technological wherewithal. As we have always maintained, development would give us the necessary capability for adaptation.

India is committed to taking action to address climate change even though our per capita emissions of greenhouse gases are extremely low in relation to all the developed countries, and even lower than those of several developing countries. India, with 17% of the world population has only 4% of global GHG emissions. In per-capita terms India is at 1 ton/annum, a quarter of the global average of 4 tons/annum.

Yet we will do what we can to pursue a path of development that is sensitive to the need for tackling this global challenge. With this in view we have developed our National Action Plan on Climate Change with eight national Missions, including on solar power, energy efficiency and promoting forest cover. This would help India pursue a path of sustainable development and ensure low carbon intensity of the Indian economy.

Excellencies, ladies and gentlemen,

The key issue in negotiations on climate change is burden sharing which has to be equitable. I note that this Summit would be looking at the equitable and ethical aspects of climate change. India believes that every citizen of our planet has an equal right to the global resource of the atmosphere.

The Prime Minister of India had stated clearly that India is determined that its per capita emissions would not exceed those of the developed countries, even as it pursues policies of development and economic growth. What could be a greater commitment than this? The responsibility, therefore, lies with the developed world to set the direction and take the lead in bringing about reductions in emissions per capita.

The world is currently facing a financial crisis of immense magnitude that will reverse years of hard-earned economic growth. This crisis would affect developing countries even though, like climate change, we were not responsible for it. There are no 'bail-outs' for a climate crisis. The financial crisis should not become an excuse for developed countries to renege on their commitments. Climate Change should also not be an excuse to add a greater burden or impose conditionalities onto the development challenges that developing countries face.

Excellencies, ladies and gentlemen,

It is time for us to act together. Climate change is indeed a threat but it also presents a unique opportunity, an opportunity to work together as we have demonstrated through our response to the global financial crisis. The large amounts of public funds that are being deployed to address the financial crisis is a testimony to the fact that we can, given the requisite political will, generate similar funds to tackle climate change. A large part of these funds could be mobilized to support a major collaborative effort between developed and developing countries to deal with climate change. This could include a global fund to promote renewable energy, both in terms of application of existing technologies as well as R&D into new and innovative technologies.

It is also important that adequate finance is available for the world to take action. This has to be made available to developing countries to facilitate their move towards a low carbon pathway. We should ensure that these funds are new and additional without diverting already scarce development assistance. As I have mentioned before, economic development is critical for us so that we have the necessary resources to cope and adapt to the adverse effects of climate change.

Before I end, let me emphasise again the issue of sustainable development. We are all inhabitants of planet earth and in the ultimate analysis anything negative that occurs in any part of the globe will not leave any other part of the world immune. We have to, therefore, utilize the resources that mother Earth gives us in a sustainable manner. All countries, particularly developed countries, have to eschew lifestyles which are unsustainable and are a burden on our planet.

Mahatma Gandhi made a profound observation, which I feel should serve as our guiding principle in global efforts to preserve our planet. He said, and I quote, "The earth, the air, the land and the water, are not an inheritance

from our forefathers, but a loan from our children. So we have to hand over to them at least as it was handed over to us".

I am sure that this Summit would discuss many issues of substance and come up with various scenarios solutions. On my part, I would consider the biggest gain from a gathering such as this is possibly the creation of a spirit of cooperation and mutual understanding among nations. I wish all the best in your deliberations and discussions.

Thank you.



**073. Speech by Special Envoy of the Prime Minister on Climate Change Shyam Saran on Geo - Political Consequences of Current Financial and Economic Crisis: Implications for India.**

**New Delhi, February 28, 2009.**

Dr. Shankar Acharya, Thank you for chairing this Session. I am deeply honoured by your presence. I would also like to express my appreciation to the India Habitat Centre and Mr. Raj Lieberhan for providing a forum for this interaction on a subject that has so far been off the radar in this country. It is my firm belief that even while we learn to cope with the more immediate impact of the on-going financial and economic crisis, we should look more closely at the manner in which the crisis may be changing, in a fundamental manner, the global geo-political landscape as well as the dominant ideologies which were accepted wisdom in most parts of our world.

Let us first look at the nature of the financial and economic crisis itself. It is a crisis that originated in the US and has now spread over the entire global economy. The Western dominance of the global financial markets and the global economy as a whole has been shaken to the core. It is possible that New York and London may no longer regain their undisputed status as the central financial markets of the world. With this has come an intellectual crisis engendering an open questioning of the western espousal of the magic of the market place, the belief in self-regulating market mechanisms and the relentless retreat of the state from virtually all key areas of economic life. These twin crises are beginning to spawn significant and far-reaching political

consequences. One relates to the redistribution of political power based on real economic strength. The other relates to perceptions, which are equally important, shaking confidence in market based liberalism that has been the dominant dogma for the past two centuries and more.

First, let us examine the chief characteristics of the crisis.

In essence, it is the consequence of unsustainable imbalances in the global economy i.e. prolonged fiscal and trade deficits in the U.S. matched by fiscal surpluses and astronomical foreign exchange reserves in China, but also smaller surpluses in other economies such as the oil exporting Gulf and Japan.

These imbalances will need correction through a sizeable increase in saving and decrease in consumption in the U.S. and associated Western economies, while China will need to save less and consume more - China today saves over 40% of its GDP -. It seems to us that neither is likely to happen in the near future. In order to avoid a recession and promote the recovery of its economy, the U.S. has deployed and may continue to deploy progressively larger monetary and fiscal stimulus packages. The same is being witnessed in the market economies of Europe. This will push their economies in a direction opposite of the basic adjustment required, and can only be justified as a temporary palliative. The subsequent adjustments will have to be that much more significant and far-reaching, the larger the deficits are today. On the other hand, China's saving rate is likely to remain high. Asians, including Chinese, respond to difficult times, by saving more not less, particularly, where social security safety nets are absent. China has announced a large spending package for infrastructure, but this will only increase the significant excess capacity that already exists in infrastructure, whether these are highways, ports or building construction.

The US and China have become joined at the hip over the past couple of decades. This is what Kissinger said in a recent article:

"China made possible the American consumption splurge by buying American debt; America helped the modernization and reform of the Chinese economy by opening its markets to Chinese goods. Both sides overestimated the durability of this arrangement."

If this arrangement has to be progressively adjusted towards a new balance without risking economic collapse, an extraordinary and unprecedented level of consultation, coordination and understanding would be required between the two countries.

Let us consider what is required.

The US will need to reduce its trade deficit through a deliberate and graduated decline in the value of the US dollar. As this will lead to the progressive decline in the value of China's vast dollar holdings - China currently holds US \$ 1.1 trillion in US debt including US \$ 652 billion in US Treasury debt - it will have to acquiesce in this erosion of wealth rather than seek to significantly diversify its reserves. Will China play ball?

China will need to resist the temptation to save its vast export industry from rapid decline and ruin, by devaluing its currency vis-à-vis the U.S. dollar, or at least keep the current parity level. The U.S. interest, on the other hand, will be to persuade the Chinese not merely to maintain the current value of the Yuan, but to revalue significantly. Can these two contrary interests be reconciled? It is estimated that closure of export factories has already led to 20 million workers in China becoming unemployed. Will the creation of new jobs in the infrastructure sector help mitigate the retrenchment in the export sector? The evidence is that the latter, for the moment, is outpacing the former. What is the scale of destruction of its industry and rising unemployment, which a Yuan revaluation would further exacerbate, that China would be willing to tolerate?

For its part, the US appears to be working on the assumption that dependent as China is on the health of the global and particularly the U.S. economy, it will, in fact, be persuaded to do the unprecedented things that may be required. For this persuasion to work, the U.S. is embarking on an equally unprecedented diplomatic offensive to co-opt China in its economic recovery strategy.

For example:

There are increasing calls for a Sino-US global condominium, a so-called G-2, which would shape a new world order. Some like former Secretary of State, Brzezinski, have gone much further than others, calling for a "comprehensive, global partnership, paralleling our relations with Europe and Japan." Brzezinski elaborated this further by recommending a US-China peacekeeping force to deal with failed states and a strategic dialogue to cover India-Pakistan, Israel-Palestine and the Iran issue.

Though somewhat less dramatic, even Kissinger has called for taking Sino-US relations to a new level, at par with trans-Atlantic relations forged in the post-World War II period.



The new US Secretary of State, Hillary Clinton, has echoed these sentiments by describing Sino-US relations as the most important bilateral relationship for the incoming Administration.

This implies an apparent willingness on the part of the US to accommodate China's regional and global interests as a price to be paid for China refraining from tipping the US into a full blown economic and financial crisis through its own policy interventions and, hopefully, supporting US economic recovery. China is being invited to participate in the fashioning of new global governance structures and have a major voice in the management, if not resolution, of major regional conflicts.

China has not revealed its hand so far. It has certainly encouraged thinking in the U.S. and the West that it is the key to their economic recovery. This provides it with a significant leverage for achieving its foreign policy objectives even though on the ground it may be able or willing to do much less.

A brief look at the structure of the Chinese economy may be useful in this context.

The Chinese economy continues to be dominated by State-owned enterprises which are largely domestic market-oriented or are engaged in commodity production and trade. The country's export economy, which is the most dynamic, is occupied by two categories of enterprises: These are either wholly owned subsidiaries of foreign companies or joint ventures between State-owned enterprises and foreign companies. There is yet only a small percentage occupied by private enterprise, though this segment is growing. The high growth rates enjoyed by the Chinese economy has been, and continues to be, generated by these two categories of enterprises. The export economy today constitutes over 40% of the country's GDP. If this segment of the economy continues to decline as rapidly as currently, China may not be able to sustain the 7-7.5% GDP growth that its leaders believe is required to avoid widespread financial and political unrest in the country due to growing unemployment. If such unrest indeed becomes widespread, China's leadership will certainly wish to first address this threat with all the instruments available, including economic and trade policies designed to protect their industry and employment.

The above scenario suggests that China's role in global economic recovery may be more limited than is being envisaged in some quarters, although it is likely that China will emerge from this crisis in a relatively stronger position than before.

I would not like to leave behind an impression that only China is likely to be threatened by political and social unrest as a result of the global economic

crisis. This affliction may, in fact, be quite widespread, affecting even mature and politically stable societies. The most vulnerable will obviously be countries that are already at the margin of economic survival. There may be more failed and failing states, the possibility of more widespread radical movements and an expansion of zones of conflict in different parts of the world. It will require the major states of the world to demonstrate a very high degree of collaborative engagement to keep a handle on these multiple crises, precisely at a time when their attention may be inexorably drawn inwards towards domestic preoccupations. Depressing as this may sound, it is a scenario that we should be fully prepared to confront. What is happening today in India's neighbourhood is a visible pointer.

This is, therefore, one of those rare occasions in history when predicting even the near future is fraught with deep uncertainty. The one certainty is that the economic and financial crisis is putting all major countries and economies, through a global shaker and it is not clear which way the dice will eventually fall. What can be predicted with some degree of confidence is that the global landscape which will eventually emerge when the dust finally settles down, will be vastly different from what it is today.

Its contours, however, are not yet clear.

What are the implications for India?

For India, this is not necessarily a negative. It creates for us, other things being equal, greater strategic space. We will have more room for manoeuvre in managing our relations with a more diverse set of powers, and do so with more flexibility.

It should be our objective to encourage the trend towards a more diffused and diversified international order. This fits in well with our own instinctive preference for a multipolar world, which includes a multipolar Asia. We will need to work with other powers who share this objective. Our effort should be to build coalitions on different issues of shared concern and not primarily rely on a more limited range of strategic relationships.

This will imply a more energetic pursuit of our relations with countries like Russia and middle powers like Brazil, South Africa and Mexico. The European Union and, in particular, some of its individual members like France, can be useful political and economic partners. Europe seems currently torn between a desire to salvage Western dominance, on the one hand, and to lead the way towards an ambitious restructuring of the global

political and economic governance structures on the other. We should encourage the latter trend.

With the US, we have built an extraordinarily broad-ranging relationship, which is likely to endure a change of political guard in either country. We must remain fully invested in this critical relationship, even while remaining alert to the possible threat to India's interests as the US pursues its larger goals especially in our region.

Closer home in Asia, we will need deeper engagement with Japan and Indonesia and of course, a more nuanced diplomacy towards China. We have several areas of convergent interest with China, quite apart from a rapidly expanding trade and economic relationship. Our positions on multilateral trade, climate change and several other global issues are similar. At the same time, we should acknowledge that there are competitive components in our relations, which will need to be managed with prudence but firmness.

In this context, the prospect of a Sino-US strategic convergence has caused some anxiety in India. The situation is more complicated than it appears. China itself is hedging its bets by pursuing a number of parallel bilateral and regional strategies.

For example, while consulting closely with the US, it has also worked together with Japan and South Korea to create a North-East Asian swap arrangement and promised to consider a regional economic recovery package. China is also interested in adding substance to BRIC (Brazil, Russia, India and China) and put security issues also on its agenda. It is promoting both the Shanghai Cooperation process as well as a closer and more comprehensive relationship with South East Asia. It would be prudent for India to follow a similar hedging strategy as well, in its relations with other major powers and groupings. This will include an intensified engagement and dialogue with China itself, including on its interest in promoting a grouping of major emerging economies or on a new security architecture in Asia. India's approach should be to position itself innovatively in a manner that enables it not only to ride-over this crisis with relatively less adverse impact but more importantly, to ensure a position of advantage for itself as a new international and geo-political landscape begins to emerge.

Our political prospects will inevitably be determined not only by how we weather the current storm, but whether we have strategies that enable us

to emerge from the crisis as among the foremost of the economies of the world, and as one of the key drivers of the global economy. We will need to go beyond the defensive and survival-first strategies which currently dominate our thinking. Instead, we need to carefully assess what our strengths and vulnerabilities are as a continental-sized emerging economy, and articulate a forward-looking economic game plan on that basis.

What are our likely vulnerabilities?

At least for some time to come, the impact of the global crisis could well lead to diminished markets overseas and the revival of protectionist tendencies in those markets. There may be, similarly, diminished prospects for attracting inward investment from major capital-exporting countries. In short, the global economic environment may not be as supportive of India's growth prospects as it has been during the past decade and a half. To the extent that our higher growth trajectory has been associated with the globalisation of the Indian economy, leveraging the liberal economic environment prevailing in major Western and other market economies, the downward pressure on our growth prospects may be unavoidable.

Secondly, all major economies will end up being more regulated than before. There will be more State intervention, initially by default and eventually by choice. There is a real possibility that a new economic orthodoxy will emerge where the state will, once again, become not only a regulator but a major economic actor. The tendency in countries like India would be to uncritically slip into a similar mode of thinking. Our statist legacy makes us particularly susceptible in this regard. We must guard against this.

What are the strengths we can leverage to position India as a leading economic and political power, post-crisis?

Some opportunities appear to be to be worth pursuing.

- For example, we should use the opportunity created by the crisis to consolidate pro-actively our economic interaction with our neighbours including through unilateral and asymmetric steps, if necessary. Our current policy line is that without a politically stable and economically prosperous neighbourhood, India will find it difficult to pursue its regional and global interests. It is time to put substance into this approach, even though current preoccupations with developments in Pakistan, Bangladesh, Sri Lanka and Nepal do cause anxiety. As the economic crisis hits the economies of our more fragile neighbours, we should accelerate regional economic integration through a series of economic

support measures. An India-initiated South Asia Economic Recovery Initiative could be explored.

- We could use the opportunity of depressed commodity and other prices to acquire productive assets abroad while they are cheap, buying energy and raw-material sources, for instance, and making strategic investments abroad. The political obverse of this would be a strong outreach in Africa and West Asia and other developing countries, revitalising our developing country constituency through targeted initiatives.
- The Indian IT industry is likely to be significantly impacted due to loss of overseas markets as well as protectionist trends. So far the IT industry has been focused on the export market. It has not looked at the domestic market as a significant business opportunity. Now could be the time to do this. More competitive conditions in both domestic as well as external markets require Indian industry to be more efficient and productive. This is where our IT industry can play a significant role, but this will require the dynamic sectors of the economy, the service sector and the manufacturing sector, to come together to deliver a major punch, once the global economy settles down into a new and altered landscape. There should be a willingness in business and industry to think through and come up with an ambitious and potentially winning strategy. They should seek government support for delivering on such a strategy rather than looking only for short-term relief.
- There is little doubt that for at least the next 3 to 5 years, if not more, we will find a buyer's market in a wide range of sectors due to the global slowdown. There is already significant excess capacity in capital goods and infrastructure sectors. Not only are more economical prices on offer but probably better terms and conditions for technology transfer as well. There is a window of opportunity for government and business to take advantage of these favourable conditions, to accelerate the upgradation of our transport networks, build more state of the art airports and seaports, build ten instead of only one high speed rail freight corridors, extend mass public transportation networks to all major towns and cities, and most of all, solve the power problem once for all. The civil nuclear agreement is a timely instrument in our hands today. As investment in the nuclear renaissance in the developed world slows down, India could source many more high capacity nuclear reactors on the most competitive terms, if it wishes to. The country can leverage its

financial credibility in the global market, to raise the funds required. We have to package and project ourselves as part of the solution to the global economic recession and not as its tragic victim. As a sound, credit-worthy and growing economy, with relatively less exposure to the buffeting of the global crisis, we are still a good bet, a low-risk and potentially high-return economy. But we will need to communicate these strengths more effectively to the rest of the world than we have so far.

- The inter-related crisis of climate change and energy security has already triggered a wave of innovations in renewable energy, such as solar energy, bio-mass and wind energy. The United States and, to some extent, Europe are the chief repository of such innovations. We have several interesting initiatives being pursued in India as well, though these are scattered in different locations, both in the public and private sectors. It is inevitable that, for some time to come, many of the venture capital initiatives in the area of renewable energy in the US and Western Europe, may run out of steam as money flows dry up. The decrease in oil prices, even though temporary in nature, will further reinforce this trend. India must not lose its long-term perspective. Its energy security demands an accelerated and significant shift from dependence on fossil fuels, increasingly imported, to renewables especially solar energy. Here is an opportunity for Indian business and industry to plug into the innovation chains in U.S., Europe and Japan, to help us bring about that shift. Energy of every kind will always be a big and growing business in India. Renewable energy will be even bigger. We should have the wisdom and foresight to grasp the opportunity we have today, to emerge as leader of tomorrow. We should map our future as a modern, state of the art, carbon free economy and a renewable energy leader within the next couple of decades. A stimulus package that promotes these initiatives will create productive assets which will help overcome the deficits which will inevitably have to be bridged in the future.

What are the key messages for India in terms of the likely Geo-political Consequences of the Global Financial and Economic Crisis?

- Our diplomacy will need to gear up for a more diffused, decentralised and complex international landscape, populated by several major powers, with US enjoying a significantly diminished predominance. Though complex, the new international terrain will create more space for India to emerge as a key driver of global economics and politics. In the meantime, we will need to deal with the continuing uncertainty

across the globe through hedging strategies, encompassing multiple and concurrent bilateral, regional and multilateral relationships.

- In relative terms, India's economy is likely to be less severely impacted than economies that are much more globalised and export and FDI driven. This gives the country an opportunity to expand its regional and global profile, but this may require a significant reorientation of our diplomatic assets towards promoting regional economic integration and political stability in our own periphery. Our aim should be to emerge from this crisis as an economy in which each of our neighbours have a significant stake. This must be paralleled by a political engagement strategy that is nuanced and goes beyond the state-to-state level dynamics.
- We will need to restructure our economy to play on our strengths such as in IT and reduce our vulnerabilities, for example, in infrastructure. There should be a strategy to take long-term advantage of the depressed global market conditions both for capital equipment and strategic commodities, including nuclear energy. This is an opportunity for acquiring strategic economic assets abroad as well as critical technologies on more favourable terms.
- Finally, we should use the challenge of climate change to fundamentally shift the Indian economy from its reliance on depleting fossil fuels, to a significant use of renewable energy. This will promote India's energy security and spur technological innovation and change, positioning India as a front-ranking power once the current crisis begins to recede.

Let me conclude by saying that we need to think in very unconventional ways to deal with a very unconventional crisis. In the Global 2020 Document - Mapping the Global Future - it is stated and I quote:

"Linear analysis will get you a much-changed caterpillar but it won't get you a butterfly. For that you need a leap of imagination". I am certain that imagination is one resource that is never in short supply in this country.

Thank you.



**074. Statement by Special Envoy of the Prime Minister for Climate Change Shyam Saran during UNFCCC Talks.**

**Bonn (Germany), April 7, 2009.**

Dear Friends, representatives of the Media,

I welcome this opportunity to interact with you and to share with you our perspective on the ongoing multilateral negotiating process leading up to the 15th Conference of Parties in Copenhagen at the end of this year.

Let me begin by affirming categorically that India, as also other developing countries, have a vital stake in the successful conclusion of our multilateral negotiations. The reason is not far to seek. It is developing countries like India which would be most impacted by the adverse consequences of climate change. It is our prospects for social and economic development which would be significantly eroded if we fail to agree upon an effective global response to an urgent and compelling global challenge. Our response has to be collaborative. This would lead to an ambitious outcome which citizenry all over the world legitimately expects. It should not be aimed merely at reconciling competitive interests and positions. This would only deliver a least common denominator outcome.

We believe that the UN Framework Convention on Climate Change represents an international consensus arrived at after very protracted and complex negotiations. This must be the basis on which we pursue a successful outcome at Copenhagen. Yes, the situation today is different from 1992 when the Convention was concluded; but the situation is different only in the sense that it has made the implementation of the principles and provisions of the Convention more urgent and compelling, thanks to the heightened concerns over climate change. Which is why the Bali Action Plan reaffirmed the validity of the Convention and mandated us, as negotiators, to seek the enhanced implementation of the Convention with the 4 pillars- mitigation, adaptation, technology and finance as a comprehensive package, within an agreed shared vision of long term cooperative action. The Copenhagen outcome should be able to demonstrate clearly and unambiguously, that each of the decisions that it takes, conforms to the enhanced implementation of the specific provisions of the Convention as elaborated in the Bali Action Plan.

We believe that not only must the outcome at Copenhagen be ambitious, it must also be equitable. The principle of equity is a theme which underlies



the entire body of the Framework Convention and cannot be set aside through appeals to selective emissions arithmetic, in particular the neglect of the principle of historical responsibility. The stress we lay on this consensus principle is sometimes misinterpreted as an avoidance of our own responsibility to contribute to tackling the challenge of climate change. As a developing country, we do have a responsibility, which is to pursue ecologically sustainable development. We take our responsibilities very seriously and this is evident from the fact that in the past decade, we have delivered 9% annual growth in our GDP with only 4% annual increase in our energy use.

To ensure that climate change is one of the top priority items on our national agenda, the Prime Minister has set up, under his own Chairmanship, a multi-sectoral and multi-disciplinary Council on Climate Change. It is under the guidance of this Council that India has adopted an ambitious and comprehensive National Action Plan on Climate Change with 8 National Missions covering both mitigation and adaptation and has a significant R&D and technology development component. These Missions are being elaborated through a process of wide ranging consultations among all major stakeholders and are likely to be unveiled shortly. With the implementation of these National Missions, India would have significantly enhanced its own sustainable development strategies.

India is not waiting for external support in pursuing its sustainable development objectives. However, there is no doubt that a supportive and equitable climate change regime would enable us to significantly scale up our own efforts.

We are participating actively and constructively in the ongoing multilateral negotiations. This is in our interest. We have suggested a number of cooperative initiatives and sought to promote consensus on some of the key issues still outstanding in the negotiations. We are encouraged that our proposal to set up a network of Climate Innovation Centres to accelerate the development, dissemination and transfer of key climate relevant technologies, has received broad support from both developed and developing countries. India has contributed to the articulation of an effective architecture which can respond to the ongoing challenge of adaptation to climate change, an issue as important as mitigation, particularly for developing countries. And we have also contributed to the ongoing deliberations on financing, by contributing ideas on how best to mobilize the resources required for dealing with climate change as well as the

institutional and governance mechanism this requires. These and other contributions by India may be accessed on the web-site of the UNFCCC.

We have only a few months left in which we must come up with concrete and significant decisions to be adopted by the 15th COP. The progress achieved so far has been disappointing from our perspective. We still have no clear indication about the emission reduction targets which our developed country parties are ready to commit to. There is still no clarity over the scale of financial and technological resources that would be available to developing countries to enable them to meet the additional burden imposed by adaptation and also to meet the full incremental costs of nationally appropriate mitigation actions. Nevertheless, we are optimistic that sooner rather than later, a sense of shared challenge and a collaborative spirit will inform our subsequent deliberations as we write the final and decisive chapter of what could become an epic and historic journey towards Copenhagen. Leaving the chapter unfinished is not really an option in the face of an escalating challenge for humanity.



**075. Press Release issued by the Ministry of External Affairs on an amendment moved by India to Kyoto Protocol at the Conference on climate change in the run up to the Copenhagen Conference.**

**Bonn, June 18, 2009.**

On June 12, 2009 at Bonn, India joined together with 36 other developing countries from Asia, Africa and Latin America, to move an amendment to the Kyoto Protocol which would ensure that developed countries commit themselves to GHG emission reduction targets which are the considered the minimum required in view of the enormity of the challenge that the world confronts from climate change.

The target set is for at least a 40% aggregate reduction for 2020 with 1990 as a base year. In addition, the amendment sets out indicative targets for individual developed countries based on the principle of historical responsibility. This takes into account the total contribution of individual developed countries to the accumulated GHG emissions in the planetary atmosphere since the industrial revolution began in 1850 till 2005.

The objective of this initiative, which is supported by China, Brazil, South Africa, Indonesia, Pakistan, Malaysia, Algeria, Kenya, Tanzania and several other Asian, African and Latin American countries, is to hasten the pace of negotiations on this key element in the Bali Road Map. Indication of what developed countries are prepared to undertake in fulfillment of their obligations under the Kyoto Protocol has been grossly inadequate despite the fact that only 6 months are left till the Copenhagen Conference of Parties on Climate Change in December 2009.

This initiative is being seen as a major landmark in the ongoing negotiations on climate change under the UNFCCC and a strong rebuff to countries which have been attempting to abandon the Kyoto Protocol.

The proposal will now be a key agenda item when negotiations resume in Bonn in August this year in the run up to the Copenhagen Conference.



**076. Statement by Special Envoy to the Prime Minister on Climate Change Shyam Saran.**

**Bonn, June 19, 2009.**

Dear Friends, representatives of the Media,

I welcome this opportunity to meet the distinguished members of the media and to share with you our assessment of the current state of play in the ongoing negotiations leading upto Copenhagen, This will be a brief opening statement so that we have more time for interaction and give you an opportunity to pose any question that you may have.

In the Working Group on Long - Term Cooperative Action, we have completed the second phase of our work and now possess a working document which should enable delegations, in the third phase, to begin the exercise of formulating convergent texts, wherever possible, and identifying areas which still need further reflection and engagement. It is our conviction that as long as delegations adhere to the principles and provisions of the UNFCCC and follow faithfully, the mandate spelt out in the Bali Action Plan, a comprehensive, balanced and equitable outcome in Copenhagen will be achieved. Let us not forget the objective of these negotiations is not a new Climate Treaty, but rather the enhanced implementation of the principles and provisions of the existing and valid climate treaty, which is UNFCCC.

The parallel track being pursued at these negotiations is the Kyoto Protocol track. Here again, there should be no ambiguity about what our objective is. We are not negotiating a new Protocol. The Kyoto Protocol does not cease to exist in 2012. It will remain valid and in effect until such time as the State Parties decide to abrogate it or amend it or decide to replace it with another legal instrument. This is not what these current negotiations are about. They are about commitments on emission reductions, to be assumed by developed country Parties, included in Annex I of the Protocol, for the second commitment period which will commence in 2013. It is a matter of deep regret that most Annex I countries are unlikely to meet their emission reduction obligations set further for the first commitment period. And it is a matter of even deeper concern that there has been hardly any progress on the achieving the key objective of our negotiations, that is to announce the second commitment period targets, which must be of a scale equal to the challenge we face from global climate change. Some individual targets that have been indicated fall far short of what is required, and there

are inadmissible attempts to abandon the agreed baseline for emission reductions, which in the Protocol, is set at 1990. We hope that by the time we return to Bonn in August, this unsatisfactory state of affairs, will witness positive change. A Copenhagen outcome without clarity on this important issue is unlikely.

In India, we have a new Government in office, headed by Prime Minister, Dr. Manmohan Singh. It is our intention to put action on climate change among the list of key priorities for the Government. We have completed the elaboration of most of the National Missions included in the National Action Plan on Climate Change. These detailed mission documents will now be considered by the Prime Minister's Council on Climate Change, chaired by the PM himself, before implementation proceeds. The elaboration and prioritization of the remaining Missions is being stepped up and should be completed shortly. Taken together, these national missions will significantly enhance the ecological sustainability of India's growth, spur technological innovation, and ensure that energy does not become a constraint on India's ability to achieve the scale of accelerated development it requires to eradicate poverty.



**077. Statement by the Prime Minister Dr. Manmohan Singh  
Prior to departure for the G-8, G-5 Summit.**

**New Delhi, July 7, 2009.**

Please See Document No. 196



**078. Opening Remarks by the Prime Minister Dr. Manmohan  
Singh at the Press Conference of G-5.**

**L'Aquila, July 8, 2009.**

Please See Document No. 197



**079. Press Conference of Foreign Secretary Shivshankar Menon and Special Envoy to the Prime Minister Shyam Saran.**

**L'Aquila (Italy), July 8, 2009.**

**Foreign Secretary (FS)-** Sorry to keep you waiting but it went on much longer than expected. So I thought to try and make up we will get SEPM. You get two for the price of one. Thought we would run through the events of the day briefly and then I thought maybe Shyam Saran could tell you about the discussions on climate change that's become a big issue.

As you know, Prime Minister met with UK Prime Minister Gordon Brown at noon today. They had an extended session alone, just two of them and then they met with the delegations during which they discussed climate change. Mr Shyam Saran will tell you more in detail about that. Prime Minister also told him about our National Action Plan. He even gave him a copy. So the discussion went about trade, and Doha round and the need to prevent protectionism, and there was a discussion on the state of the world economy. Prime Minister mentioned to him the fact that whatever the green shoots of recovery there might be, are still very fragile, that most of the major indicators are still negative, when you look at the world economy as a whole.

They discussed the need to implement the decisions that were taken in the London G 20 Summit in April, where you know there was an agreement, not only on the large stimulus package for the world economy but also on increasing the financing available to international financial institution and the need to restructure them as well. Much of this still needs to be implemented. It needs to be realized in practice. There was some discussion also on the imbalances in the structure of the world economy, which many people think is one of the contributing reasons for the world economic crisis that we face today and on how surveillance regulation mechanisms would need to be improved to deal with this.

Both of them expressed satisfaction with the continuous and steady development of bilateral relations, which as you know are excellent. Our President will be visiting UK later this year, and we have a tradition of annual summits and high-level meetings. The afternoon and evening were really spent in the G5 meeting, the G8 have been meeting separately. You would have got the outcome documents. You'd have received the G5 declaration, I presume you have copies of that. There is the general

declaration by G5, but there is also a declaration on trade matters. You got both of them, good. The leaders met first from 5 o'clock onwards, and had a fairly detailed and free-flowing discussion on several issues. I'll just go through the agenda with you.

To begin with, they discussed....their co-ordinated their position for the meetings tomorrow with the G8 and discussed, which issues they need to concentrate on and which they need to present. I think as some of the largest developing countries, naturally their attempt was to seek how we can ameliorate the effects of the economic crisis on the developing countries. Prime Minister made the point that the serial crises that we face, whether it is energy security or the food crisis or the liquidity problem have impacted trade credit flows. These are all interlinked, and that actually one needs to find linked solutions for all these problems. He also spoke again of the need for the decisions that had been taken at London by the G20 to be implemented and that the last thing that the developing countries can afford is for the recovery to be delayed or for the world economy to go into a stagflation if the sufficient stimulus is not provided to the global economy. If there isn't a recovery from the present situation, because the developing countries would be the least equipped to cope with the effects of the stagflation and what it might do to them. So, in fact, as PM said that the recovery must be based on an inclusive strategy of growth which takes the poor countries into account. In fact, he also spoke of the need that when devising solutions to the world economic crisis, it is essential to take into consideration, the burden of mass property, and that is something that must be addressed in the process otherwise.

You have seen estimates by the World Bank, by the IMF for the increasing number of peoples who would slip back into poverty, unless the economic crisis is addressed very quickly. Tomorrow during the discussions with the G8, there will be a discussion on the new sources of growth in the world economy. So there was some discussion around the table from where these new sources of growth would come. The feeling was that for country like ours which have a young population the challenge really is to make the poor bankable, in the sense that given their skills and jobs, they can create demand, and consumption that could would help to pull the economy forward and bring growth into economies, and that would be an enormous source of growth.

There was also considerable discussion on the need to reform international, not just financial institution, but also the institutions of international

governance. This was a recurrent theme, Prime Minister spoke of it. So did President Lula, so did all the other speakers. So did the Chinese representative. President, Hu Jintao was represented by Mr. Dai Bing Guo and he also spoke of this. It also comes out very clearly in the G5 declaration as a very strong statement about the need to do that. There was some discussion, both over dinner and in the meeting, of looking at the use of alternate currencies. Not so much as reserve currencies. But Brazil's President Lula suggested that we should consider using our own currencies to settle our own trading accounts with each other. So not the earlier idea, which revolved around, the last time of reserve currency- which everyone recognised- the Chinese Foreign Minister spoke at dinner- he also said that, that is a long-term issue of global reserve currency. But there was as President Lula said, he was not proposing a new currency, but he suggested that our expert should look at the idea of settling trading accounts in our own currencies amongst ourselves within the G5. So that's one of the ideas which we looked at.

Then the Mexican President spoke about the green fund that Mexico has proposed to fund climate change, Mr Shyam Saran will talk to you about that, and the G5 agreed that they would look at the proposal in detail. Among them, basically the themes that were covered therefore, were very much the themes we can expect to come up tomorrow. There was an element of coordination of what the G. 5 would say tomorrow. And what they would be pressing for, but there was also an element of what G5 can do amongst ourselves to try and move things forward whether on technology or whether on financing the green fund, but which would also involve money from the developed countries. On each of these....and those were really the two big aspect that were discussed. I now hand you over to Mr. Shyam Saran, who will tell you about the climate change discussions both in the G5 and generally with the G8.

**Shri Shyam Saran, SEPM-** Thank you Shanker. Let me begin by stressing the fact that climate change is one of the major agenda items of both the G8 summit, as well as for the G5 summit. The importance of the discussion on climate change at this venue lies in the fact that we are only six months away from the Copenhagen Summit of fifteen parties, which is to take a number of informal decisions about the global regime for dealing with the challenge of climate change. The agreement among both the G5 countries and both the G8 and G5 countries has been that a very strong political message needs to go out from the Heads of State, which would give a strong fillip to the ongoing negotiations in the Copenhagen process.



Now let me begin by first stressing what our own perspective concerning these discussions are. We have been repeatedly stressing that, as far as the negotiations are concerned, these negotiations are actually taking place under the UNFCCC, that is the process which has now become known as the Copenhagen process. Therefore, whatever we do here, should not pre-empt decisions which rightfully need to be taken by the larger body under the UNFCCC process. Therefore, our role here is meeting of the political leaders, whether it is for G5 or for G5 and G8 or in the major economies forum, which is to be held tomorrow, is really to give the right kind of messages to the multilateral negotiations.

Now in that respect, the most important meeting, as far as climate change is concerned, is going to be held tomorrow and that is the energy and climate forum of the major economies, which is going to be held tomorrow afternoon. And this is a grouping of about sixteen or seventeen countries, which includes the G8 plus G5 plus a few additional countries. These additional countries are like Indonesia, Australia, you have South Korea, and of course EU is represented in that forum. For the last several months we had been engaged in coming out with a agreed declaration. Three preparatory meetings have been held. The last meeting was held in Mexico City and I am happy to report that after very very intensive negotiations the major economies Forum has in fact been able to come up with a declaration, which will be released to you tomorrow. But of course, the focus was on what is going to happen tomorrow when the G5 meet the G8 countries and what will be the position the G5 countries will take once they again go to the major economies Forum, what is our perspective on the climate change issue.

Now here, the G5 countries have a fairly co-ordinated position with respect to some of the key issues relating to climate change. One is that the G.5 countries hold the position, that while climate change is a global challenge, and that we all need to work together in order to deal with this challenge, there is an aspect of historical responsibility, which has to be taken into account, and that historical responsibility is for the developed industrialized countries because if climate change is taking place today, it is not taking place because of current emissions, but is as a result of accumulated emissions in the atmosphere which is causing climate change and that accumulation of greenhouse gases in the atmosphere is really the responsibility of the industrialized countries and therefore, on the principle of polluter pays, the major responsibility of climate change and of

contributing to the global efforts to deal with the climate change is with the developed countries.

This translates into a very specific demand by the developing countries that there should be very sharp and significant reduction in the emissions of the developed countries. They should lead the G. 5 countries. If you look at the political declaration, we have stated that the developed countries emissions should be reduced by at least forty percent by the year 2020. So a very specific figure has been given, and of course we also say that this should be the basis for more even more ambitious targets which would be set for 2050, of 80-85 percent cuts by 2050. So that's a very major, in fact a very important political message from G5 that there has to be a very sharp reduction in the emissions of the developed countries and that should not be less than 40 percent by 2020.

Then we have another aspect which is very important, and that is the question of adaptation. How do we adapt to climate change? Climate change is already taking place in India, we say that we are already facing the impact of climate change and we are spending maybe 2-2.5 per cent of GDP currently, for adapting to climate change. This is, for example, to deal with extreme climatic events, which will be taking place or certain natural disasters which are taking place because of the change in the climatic patterns. We are having to spend money because agriculture is being impacted by climate. The growing season of crops has become short from what it was before. So there are many demands on the very limited resources of India itself of meeting the challenge of adaptation, and it is also a fact that even if its emissions were to become zero to-day, climate change would continue to take place because of the fact that, as I mentioned earlier, that the impact is due to the accumulation of greenhouse gases in atmosphere and not just the current emissions. So it is going to be a long-term sort of burden on developing countries to meet the challenge of adaptation and therefore we have said that in any climate change regime that we are going to be negotiating, any outcome that we are negotiating must have equal emphasis, if not greater emphasis, on adaptation as it would on mitigation, and there is need for developing countries, particularly to be enabled to deal with the challenge of adaptation.

Then we come to the other pillars, as they are called, of the climate change, and one is the financing and the other is technology, and here again the

discussions which took place in the G5, it was very clear that there needs to be- number one, predictable, stable and adequate financial resources, which need to be mobilised to enable a global challenge, a global response, to emerge to the challenge of climate change. And this of course means that even the developing countries have to be enabled, whether in terms of adaptation or whether in terms of mitigation to take various actions beyond what they are already taking on. Unless there is adequate financial resources available, it would not be possible to do so. So the major developing countries have put forward a proposal that at least 0.5 per cent of the developed country GDP, or if possible even one per cent of the GDP, be somewhat the minimum amount of resources which would be required in order to finance the actions which are required for climate change.

And it is also recognized that technology is going to be a key element in dealing with climate change, and in this the developing countries position again is very clear and we say that if climate change is really the extraordinary challenge that everyone says that we are confronting, then, it stands to reason that- number one, whatever existing climate-friendly technologies, which are available to us or which are viable or close to viability, these should be diffused, in as rapid and in as widespread manner as possible. Secondly, you also would have to parallel this with a major programme for capacity building, because even if technology is there, unless there is the capacity to absorb or assimilate it, technology does not mean very much. So, if we have the rapid diffusion we are talking about, which would make an impact in terms of climate change, it also requires that there should be a major programme for capacity building. Thirdly, there is another aspect that success would depend upon how successful we are in being able to generate the kind of transformation and technologies, which are required to enable us to really make a significant shift in our strategy of development, in the package of development, which is currently based essentially on fossil fuels- to a strategy which is essentially based on a renewable sources of energy and clean sources of energy, for example, like nuclear energy. Everyone agrees that the shift has to come about, but the question is how quickly the shift can come about, and the shift can come out more quickly obviously, if technology is available and financial reserves are available, because any transition is a very costly business.

So we have also put forward this particular perspective on technology- one, diffusion of existing technology to create the global platform for collaboration, technological collaboration, which would include developed

as well as developing countries so we can generate the kind of transformation technologies which are required in order to bring about that strategic shift that I spoke about.

To us this was one very important aspect, and in this context, the Prime Minister informed the heads of States and Governments of the G5 countries that India in association with the United Nations Department for Economic and Social affairs is convening a conference on climate change and technology development and transfer, which is going to be take place in New Delhi on October 22 and 23 this year.

The precise objective of this particular conference is what I mentioned to you, that in a collaborative manner bring about a development diffusion and transfer of climate-friendly technologies on a global basis. This essentially is what we discussed during the meetings.

Shankar made reference to the green fund which has been suggested by the Mexican president. Now the Green Fund is a multilateral fund, which Mexico has suggested. But the contribution to this fund would be on the basis of several criteria. For example, he has spoken about the criteria of historical responsibility. That is what is the total emissions that have gone into the atmosphere since the dawn of the industrial age by a specific country. Secondly, what is the current level of emission of countries? What is the current level of development of a country? What is the overall GDP of the country, or what is the current per capita income of the country? There would also be a certain weightage given to per capita emissions of a country. You could make clear some allowances for least developed countries or countries which are small island developing states, which are very specific examples, but the fund is to be structured in a manner that everyone contributes. That is the Mexican proposal.

Some of the ideas we like, the principle that there should be some kind of an assessed contribution by countries would be very helpful in creating a fund which is stable, creating a fund which is predictable, because it would not be subject to the vagaries of a budget decisions or market economy. But there is also the aspect of who should contribute. Of course, as you know in the UNFCCC the principle is that the financial transfers is really the responsibility of the developed countries. So this is something which needs to be discussed further and during the meeting we agreed that the Mexican side will put forward for consideration a much more detailed proposal, which we are ready to look at, but keeping in mind the principles of the UNFCCC.

Last just to mention to you that tomorrow as I said, the major economies forum will be meeting and would be coming up with a declaration and as far as we're concerned that declaration is positive, is forward-looking, but very important that it also has retained some of the principles which are very important to us. For example, while we all agree that all of us share a common responsibility in moving to a much more sustainable path..... enhanced sustainability of economic development. But the overriding priority of economic and social development, of poverty reduction, of developing country must be recognized globally. That is the basis on which we really must construct the new global regime. So, it has been a positive development that we have been able to come together and come up with a declaration which both the major developed as well as the developing countries can agree to, and tomorrow, you can have a look at the declaration. Thank you.

**Question:** Sir, this is about Doha Round talks. Has India made any commitment to the G-8 countries that there will be a timeline for concluding the talks?

**Foreign Secretary:** No, because we have not even discussed it with the G-8 yet. So far it has been a discussion within the G-5. In the preparations when we were discussing the Joint Declaration which we will do with the G-8, the G-8 themselves were not willing to put a clear timeline. There were clearly some differences among themselves as to when they expect to be able to do it. General expectation, if you need a broad sort of sense, is that 2010 will be the year when people will try and finalize it. But nobody seemed ready at that stage, in the preparatory stage, to actually put a date on it.

We will now find out tomorrow. Tomorrow is when the leaders actually meet and they will have one session in the Major Economies format, in the larger expanded format of about 20 countries. Their first hour they will spend on trade issues. So, we will answer your question really tomorrow finally.

**Question:** Mr. Menon, in what way, if any, is the G-5 Declaration new and significant?

**Foreign Secretary:** I think it is new and significant in three respects. One is it is a clear declaration at a time when we now know the shape and size of the global economic crisis. So, it suggests to you what the G-5 think are very important responses to that crisis. Secondly, you will notice it comments

on all the major issues, whether it is trade, whether it is the Doha Round, whether it is a separate declaration by the G-5, whether it is climate change, whether it is restructuring of international governance in its various forms. So, for me it is important because it brings it all together, says it at an authoritative level at a time when the world has changed very drastically. If you look at it, compared to the last time the G-5 met at this level at the summit in Japan the entire global outlook was quite different from what you face today. So, this is why for me it is so important.

**Question:** Considering the statement made by the G-5 leaders today ... the Mexican President .....(inaudible).... and your insistence that the historical ... (inaudible).... Do you see an agreement by developed countries ... If you do not see that, tomorrow are there going to be two statements or one statement on the issue?

**SEPM:** As I mentioned, we already have an agreed statement of the Major Economies Forum which we have already finalized. That particular declaration is going to be issued tomorrow at the end of the Major Economies Forum. So, the basic understanding has already been arrived at. What will happen tomorrow is that the leaders will in a very informal atmosphere be able to exchange a lot of views concerning how to take the process forward particularly in respect to the Copenhagen Process. With regard to whether or not the developed countries recognize historical responsibilities, it is not really a question of whether they recognize it or not because this is part of a consensus treaty. The UN Framework Convention on Climate Change has a very clear acknowledgement by the developed countries that they bear a historical responsibility for the accumulated greenhouse gases in the atmosphere. Sometimes there is, I think a misunderstanding that these are demands being put by developing countries to the developed countries. That is not the case. What developing countries are really saying is that whatever commitments you have freely undertaken in an international treaty, you should deliver that. So, historical responsibility is not a demand of the developing countries on the developed countries. Rather it is a demand that commitments that you have undertaken in the UNFCCC, you should deliver.

**Question:** Do you see an agreement as far as the G-8 countries are concerned?

**SEPM:** As you know, we have not come to the end of those negotiations because the negotiations will go on till December this year. So, we are still currently in the stage of really exchanging views, trying to see what we can

come up with. There is a recognition that there has to be fairly large financial resources which will be required for transfer to developing countries, if there is to be a successful outcome at Copenhagen. But what the extent of that funding would be, in what manner it would be raised, in what manner it would be deployed, these are issues which are still not resolved.

**Question:** We have been told that China and India might have agreed to some binding terms in the agreement ... tomorrow. Could you shed some light on that? ... 2050 target in .....(inaudible)....

**SEPM:** India and China, or for that matter other developing countries in the Major Economies Forum, have not agreed to any binding targets for themselves. What the developing countries have stated is that they are in any case committed, under the UNFCCC, to a path of sustainable development. If you see much of the actions which are already being taken by the developing countries - whether it is India or whether it is China or Brazil - you will see that a considerable amount of effort is going into in fact putting in place sustainable development policies. The question is if you have to do more, how are you going to be able to support that? For that, therefore, we say that developing countries are committed to a deviation from business-as-usual provided that deviation from business-as-usual is supported by adequate finance, technology, and capacity-building. So, that particular position remains the same. There is no difference as far as that position is concerned.

As far as I am aware, there are no individual targets or even group targets for either the developed or the developing countries. As I stated earlier, we insisted that there should be ambitious targets for 2020. That is because unless you have ambitious targets for 2020 how credible would any target be for 2050? But there is no willingness at this point of time by the developed countries to indicate what they are willing to sign on to with respect to 2020.

The other point is the base year. We say the base year should be as it is in the UNFCCC and the Kyoto Protocol which is 1990. Some of the developed countries are trying to change that base year which does not seem to be very ...(inaudible)... to us.

**Question:** Sir, Mr. Hu Jintao could not stay for these discussions. Are you disappointed that he, a senior leader, could not stay? What could he have perhaps brought to these discussions that we perhaps missed out on?

**Foreign Secretary:** This is for him to decide where he goes. But China participated actively in the meetings. Mr. Dai Bingguo was there as their representative. They have been involved in all the preparations and they will

be there tomorrow as well. We look forward to continuing to working with China in this process, both within the G-5 and in our discussions with G-8.

**Question:** Mr. Saran, can you tell us very if that India will ever agree under certain terms and conditions for a certain specific year for carbon emissions deadline? G-8 declaration today also mentioned about this. You were just now saying that it is not there but it is there for the developing countries. So, I just want to understand again. Will India ever agree or not for a specific year deadline.

**Special Envoy:** India agrees that both for developed as well as for developing countries at some point there has to be a peak and then emissions should come down. We also agree, and everybody agrees in fact, that the peaking will be much earlier for developed countries and they will be much later for developing countries. Where it will peak and how substantially it would go down, as I mentioned, depends upon whether or not the financial, technological and capacity-building support is available. Obviously, if sufficient support is available you can peak earlier and you can go down more significantly. If that support is not available, then the peaking cannot be very early nor can the deviations from the business-as-usual be as sharp as it would otherwise be. So, to ask India or any other developing countries to indicate a peak without there being any clarity about what is the level of support which may be available is really not very reasonable.

**Question:** India in any policy paper has not mentioned any such .....(inaudible)....

**Foreign Secretary:** We have made it quite clear that our per capita emissions will not exceed the average of the industrialized countries at any point. We have said that. But the rest is dynamic until you ...(inaudible)....

**Question:** Mr. Menon, do you think today's meeting of G-5 is a kind of an event when you feel that a certain identity-based agenda of G-8 is consolidated now because of today's developments? How far G-5 has gone on the global stage? There are too many groupings. So, it has become mode level or it is on plateau? How will you view today's events?

**Foreign Secretary:** I think the relevance of the G-5 comes from the fact that large developing countries have a certain congruence of their economic and other interests. I think that is where the relevance comes from. In today's situation where the world is in an economic crisis and certainly the



uncertainty in the international system is so high, that relevance increases. So, the higher the uncertainty in the international system, the more relevant groupings like this are. We do have a large degree of congruence among ourselves. We have issued common position papers. We have agreed for five years now you see on the big issues of the day, whether it is climate change, whether it is energy security. On each of these issues we speak with a common voice. So, to me that is the relevance of it. If you ask how far does G-5 have an identity, really the answer to that is please look at what we say, look at what we do together, look at what we represent as a group. Certainly, today it is much more relevant than it was five years ago when it first started.

**Question:** India has been advocating restructuring of the International Institutions of Governance and UN reforms. Was this topic covered during the deliberations today and what was the progress?

**Foreign Secretary:** It was covered both in the discussions in the G-5 and also, you will notice, there is very a strong endorsement of the idea of a restructuring of the Institutions of International Governance in the G-5 declaration which was adopted by the leaders. In the discussions, every single member of the G-5 spoke of the need for restructuring not only of the International Financial Institutions which is what the G-20 had agreed to because they were concentrating on the economic crisis and how to get out of that but also for the UN Security Council and for other Institutions of International Governance. If you look at the declaration, there is a very strong statement there. Every one of them spoke of the need to do this.

**Question:** In the G-5 declaration there is a call for a new Comprehensive UN Convention on Terrorism. Could you elaborate on that?

**Foreign Secretary:** We have been discussing in the UN now for some time, I think eight years or so, the Comprehensive Convention on International Terrorism. Everybody is agreed, I think across the board, that there is the need for one comprehensive international legal instrument which enables us to deal with this phenomenon of international terrorism. But the devil is in the detail, actually in some of the definitional problems, also in some of the exemptions as to what qualifies as terrorism. This is something that is being negotiated in the UN in New York now for eight years. We think we are getting very close to an agreed definition. But I do not want to get ahead of ourselves here. You will notice, the G-5 of course endorsed the idea and said we need to do it. But we are talking to the other major groups in the UN. It is our hope that this convention - which everybody agrees we need,

everybody feels would be useful - we can actually get done together within the next year or so.

**Question:** Coming back to the Doha Round question, what is our position? Are we ready to work on the 2010 timeframe in mind? The second question relates to the conversation PM had with Mr. Gordon Brown. You spoke about PM's assessment. What was Mr. Brown's own assessment ...?

**Foreign Secretary:** Of what?

**Question:** Of whether the situation still continues to be fragile or how the recoveries were?

**Foreign Secretary:** On the first question, our position on Doha Round is clear. We as India have an interest in a predictable, rule-based system for international trade. We feel it is essential especially at a time when the temptation to be protectionist might be very strong in the middle of a crisis, that the entire world actually re-commits itself to an open international trading system; and the Doha Round and the successful conclusion of the Doha Round would be one way of doing so. The terms of reference of the Doha Round are also quite clear. It is a development round; and it is supposed to be of assistance to the developing countries. So, on these terms we are united, and we are very happy to move forward on those terms, on the agreed terms. Whether this happens in 2009, 2010, 2011, we cannot predict. We are ready to do it as long as we are true to its mandate and it does actually do what it is promising to do. We have discussed this before, how important it is at this particular time for the world to take a stand against protectionism and to prevent any kind of lapse. So, this is where it becomes more important today that we move this process forward.

On Mr. Brown, I think Mr. Brown did not disagree. He did not say, "No, this is my analysis." He did not disagree. But frankly he did not give us a clear idea of this is where he sees the world economy is going. But I got the sense that he agreed that yes, it was fragile and that certainly that some stimulus is still required, and that it will be dangerous to start rolling back these steps too early.

**Question:** On the issue of restructuring of institutions of international governance, there is this problem with China regarding accommodation of India in the Security Council. Did that come up for discussion?

**Foreign Secretary:** China is a member of the G-5. China adhered fully to

the declaration. Read the declaration.

**Question:** Do you see that as a change in China's position?

**Foreign Secretary:** No, I do not. China accepts also that these institutions need to be restructured and has said so herself.

**Question:** Does that mean we can say that China ...(inaudible)....

**Foreign Secretary:** Do not put words in my mouth.

**Question:** If one were to analyze the statements made by the five Heads of Government today, the tone of the Mexican President and the Brazilian President was strident; our Prime Minister was quite moderate in the way he actually made his statement; South Africa was almost not there; and China was not interested. Actually it appeared like a developed country over there.

**Foreign Secretary:** This is your opinion. You do not expect me to comment on other Heads of State and Government and what they say or do.

**Question:** Do you see a difference in tenor, in the way these countries have ...

**Foreign Secretary:** I am not going to comment. You know I would not.

**Question:** Did Pakistan figure in the discussion with Mr. Brown?

**Foreign Secretary:** Not that I know of, unless it happened when they were alone. It is possible. I told you what I heard.

**Question:** In Pakistan today actually Mr. Zardari admitted that they had nurtured terrorism for their own strategic interests\*.

**Foreign Secretary:** That was yesterday's interview.

**Question:** Now that they have admitted ...

**Foreign Secretary:** What else. Please read the rest of what he said. He said it is no longer so and nobody makes that mistake any more. Please read the rest of that statement.

**Official Spokesperson:** Thank you.



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\* Please foot note in Document No.362

**080. Media Briefing by Foreign Secretary and Special Envoy of Prime Minister on Climate Change during the G-8 Summit.**

**L'Aquila (Italy), July 9, 2009.**

**Foreign Secretary (Mr. Shivshankar Menon):** Since it is now almost 7:30 pm, I thought we would give you a run down on what happened today.

As you know, we started today with the meeting of the G-8 plus the G-5 and Egypt. The leaders at 10 am in the morning session actually discussed global issues, development policy. That was the main theme. After welcoming the G-5, Prime Minister Berlusconi mentioned to them what the G-8 had discussed the day before. After that he also pointed to the Joint Declaration that the sherpas of both the G-5 and G-8 had drawn up for the first time. He mentioned that this was a step forward where for the first time now in this Summit both the G-8 and G-5 were sitting and meeting for a considerable length of time. It was not just two hours of special session; it was all series of meetings. In fact, all of today they have been together and will be together tomorrow as well when the African countries join them. Then he gave the floor to the various G-5 and Egypt members who had just come to the meeting.

One of the issues that he raised was when he listed the issues at the beginning he listed global economic crisis, recovery, how to find sources of growth for the economy. He also spoke of the global warming and climate change as one of the big issues. Then he said that between the G-8 and the G-5 together - the G-14 is the word he used - we represent about 80 per cent of the world economy. He said that we might consider whether or not we should consider this a stable format for the future. Having outlined these issues, he then threw it open to a discussion.

There were certain common features to what India, Brazil, South Africa, Mexico, Egypt and all. They all pointed out that the economic crisis facing the world today did not originate in the developing world; was not caused by us; but that the effects on the developing world and developing countries are really quite extreme; and that it is, therefore, important that we all take a coordinated approach. All of us spoke, PM as well, about the G-20 having taken good decisions in London but that there was an implementation issue which needs to be followed up before the next G-20 meeting in Pittsburg which will be in September, to which the US has invited all the G-20 members to come.

On the crisis itself, there was some discussion of what had been agreed in the G-20 but all the developing countries spoke very strongly of the need to resist protectionism. In this there was actually no distinction between what the members of the G-5 and the G-8 said. There was a common thread running through that the standstill agreement so far had not been reached in any way which threatened the international trading system, but certainly there had been regression from the standstill agreement, the agreement in London, not to have any fresh protectionist measures. There is a general feeling that this could be the most dangerous thing possible that it would prevent a recovery and would be very dangerous, if there were a return to protectionism.

The President of Brazil spoke about the idea of a G-14 and said that there is a need to review the entire question of global governance, it is not only just the G-20 or the G-14 or which of these. This was a theme that ran through the meeting in the morning, and at lunch there was considerable discussion on this, on global governance and how it needs to be restructured. The end result of that discussion, because most people felt that you do need to work with these structures, was that the G-20 is a good forum to do the financial, the economic issues, purely finance, Finance Ministers have developed the expertise over time to do that. But broader global governance issues, or what one might call political issues, other issues, are probably better dealt with in other fora. There was no conclusion that this has to be done in a G-14. There was no such conclusion.

As I said, this is an informal discussion forum where leaders can air their views, they share their opinions and then opinion forms, just like when the G-5 was first invited to such a summit five years ago. It was a very brief participation. It was more as an outreach. Now it is an actual discussion together of topics. But this thread ran right through of how we shape global governance to deal with the new situation today and to reflect current realities. You will see it in all the declarations.

There was mention not just of the G-20, of the G-40 but also of the MEF itself, of the need to reform UN structures at lunch especially because UN Secretary-General was there and so were the heads of the ILO, the WTO, the IMF, and the World Bank. There was a lot of talk of how they need to be restructured. The international financial institutions they said will be restructuring over the next two years. In fact, by 2012 they are supposed to restructure voting shares in the World Bank and the IMF. There was also

talk of the UN Security Council. But, as I said, this was not a conclusive discussion nor was anything settled, nor was all that what was agreed is in the communiqués which you have seen already. But there was a considerable sense that global governance cannot go on the way it was in today's situation. There were several alternatives mentioned. One of the strongest supporters of this idea of the G-14 which deals with larger governance issues was President Sarkozy actually in this meeting.

The Prime Minister spoke also in some detail about how to get the global economy going. President Obama said that the world will not go back to what it was before the crisis hit; that US consumers will change their habits; that the kind of excessive consumption which was fed by the rest of the world and actually helped to create growth in the rest of the world is unlikely to return any time soon. So, there was some discussion about the alternative sources of growth, where to look for growth in the world economy over the years to come, and what kind of new equilibrium to look at.

Prime Minister made the point that economies like India, even though they might be poor, have a savings rate of 35 per cent, an investment rate of 37 per cent, and are basically domestically driven. Of course, each country will do what it can to generate its own domestic recovery through stimulus packages. He also said that in order to make this sustainable and to make recovery, make the sources of demand to substitute for what was a support of international environment in the past, it is very important that the poor, the young should be empowered and - he used the same phrase that he used yesterday - be made bankable in a sense. He said, if they are trained, if they have the skills, if they are educated, if they have the jobs, then you create this virtual cycle where they themselves the consumption which drives the economy; and that the time has come to look at putting the poor first in development policies and in giving them the skills and the tools, this would lead to a much more sustained and sustainable growth proposition than what there was before. He also spoke about the dangers of protectionism and so on.

Towards the end of the discussion, President Obama also briefed the meeting about his plans to hold a nuclear security summit next year. He said he would be giving more details to the countries which were around the table. He said they were all invited to that. He also spoke about the US assessment of where the recovery process is. He said that certainly there is much greater stability in the financial markets than was expected in April at the G-20 meetings, and the banks have been recapitalized. But there

are still weaknesses in the US and the global economy, he said, which we will need to deal with and over the long run we will have to look at stabilizers for job losses and so on which have already taken place, and look at how to boost demand in the global economy. As I said, that was part of the discussion - where to look for growth. Some of the European members spoke of using climate change, green industries, as a driver for growth creating a whole new industry and of using technology and climate change financing to try and generate growth in the global economy.

Formally speaking, the lunch was supposed to be the discussion of future sources of growth. Much of it had already happened in the morning. So, when they came to lunch actually there were differing estimates of when exactly recovery would happen. Some said it is not imminent, some said end of this year or early next year. So, obviously each country depending on their own situation had their own view of how it was going. Then there was a considerable discussion on how the international organizations need to be restructured to try and help to deal with these issues - with food security, energy security, recovery of growth - and to say that as presently structured they not only do not reflect where growth would come from, but they also do not have the capacity to actually monitor what is happening in the world economy. So, there were some suggestions. Some of the European members said that the IMF's surveillance needs to be strengthened. This is a point that PM had made actually in the Washington G-20 summit that the IMF's surveillance of the world economy has to be much more efficient so that we see the warning signs of what is happening much quicker, and that leaders then have some warning before this happens.

In the afternoon, there was a meeting of the major economies. They first met for about forty minutes where they discussed the Doha Round and trade, and reconfirmed their commitment to fighting protectionism. Many of the speakers spoke of the credibility of leadership itself because the Doha Round has now taken so long, almost nine years, of negotiation. It was decided to start a process of negotiating in the hope of concluding the Round in 2010. This was followed by a considerable discussion in the same forum, the larger MEF forum, with the addition of Denmark because they are the hosts of the Copenhagen Conference on Climate Change. That I will leave to Shyam to tell you about.

In terms of bilateral pull-asides, Prime Minister had a bilateral meeting with Chancellor Merkel. During the meeting, while they were in the same room, he had pull-asides with Prime Minister Rudd of Australia, with President Obama of the US. They spent considerable time. He spoke to Mr. Sarkozy

and also to Mr. Medvedev. They covered the bilateral relationship and of how we plan to take it forward. He had a good conversation with President Obama. Both of them spoke of Secretary of State Clinton's visit to India later this month. They also discussed the situation in the region and how we want to take our bilateral relationship to an enhanced level of partnership and the kinds of elements that we are looking at, that we are working on as we lead up to the Clinton visit.

I will leave climate change to Shyam.

**Special Envoy of Prime Minister on Climate Change (Mr. Shyam Saran):**

I presume that all of you have a copy of the MEF Declaration. This declaration has now been formally adopted by the Major Economies Forum, which was the last meeting that was held today. I will start by giving you some background to this particular document and then get on to what exactly happened during the MEF meeting itself.

This particular declaration is, as I mentioned to you earlier, in the nature of a political document whose objective is to try and give a major impetus to the negotiations that are taking place under the UNFCCC. If you look at the Declaration, it in fact follows very much the kind of language that we have had, for example in Hokkaido during the last G-8 plus G-5 Summit, but there are a few new elements which I would like draw attention to. In the negotiations that we were having on this declaration, as you would expect perhaps the most difficult paragraph was the one on mitigation, which is paragraph one. Here, essentially what developing countries like India, China, Brazil, and South Africa were stressing was that while it is very worthwhile to talk about a long-term goal for 2050 - and we of course welcome the fact that developed countries are willing to sign on to 80 per cent or 85 per cent reduction in their emissions by that time - for this to be credible, it was very important that there should be very ambitious and robust emission reduction targets for the interim period also, that is, for 2020; that if particular figure was not there, then to talk about something for 2050 would not really be very credible to the international community.

Sometimes I think an issue is raised that the developing countries were not willing to sign on to a more ambitious document. But the fact is that that was a very big sticking point that we said that we need to see a very credible mid-term target. As you know, the developing countries themselves have put forward a proposal that there should be at least 40 per cent reduction in the emissions of the developed countries by 2020.



Again, a question was raised that we have to be pragmatic; we would need to follow science. We agree with that. But we also believe that one needs to be, therefore, consistent throughout because science is also saying that unless you make 25 to 40 per cent cut in your developed country emissions by 2020, we may not be able to avoid irreversible climate change. So, in terms of the science again it is very important that there should be interim targets. We were not able to get a figure for the interim targets, which is the reason why that particular aspect has been in fact left open.

It was important to give you this background because I think that there has been some misunderstanding about developing country positions with regard to climate change action. One very important step forward is the recognition that there should be every effort made to keep temperature rise within two degrees centigrade by 2050. That is something new. We do not regard this as an arithmetical target; we regard this as a political decision because, as you know, there is a great deal of uncertainty with respect to what would be the actual rise in temperature which may take place, what would be the consequences of that rise of temperature. The IPCC itself has in fact stated very clearly that there is an uncertainty about this. But nevertheless we believe that it is worthwhile, in recognition of the IPCC report, reflecting this as something which we should aspire towards. That is an important step forward in this particular document.

The other aspect which is worthwhile looking at is that we have also a much stronger paragraph here on technology partnership. This I regard as one of the more important forward-looking results of this particular summit because here we have a clear recognition that technology is going to be a very key component of our fight against climate change; and that we should create a platform where not only do we come together to diffuse climate-friendly technologies, but much more important, can we also work together on a platform to create transformational technologies for the future.

As you will notice here we have in the section on technology there are some very specific projects which have been identified. These include solar energy, smart grids, carbon capture, use and storage, advanced vehicles, high efficiency and lower emission cold technologies; this is something in fact which India had recommended. There are a number of very specific projects on which there is now agreement amongst the major economies to work together. That is an important positive outcome.

On financial resources, while there is recognition that no Copenhagen outcome will be successful unless there is a considerable amount of resources which are mobilized for meeting the requirements of developing countries, not only for the mitigation action but also for adaptation, there would not be a successful outcome. So, while the need is recognized, the document itself does not go into any great detail as to how these resources are to be mobilized, but it does mention possible sources including public sources, including market mechanisms. So, this is something which will need to be obviously fleshed out. The only specific reference here which has been made is to the Green Fund proposal of Mexico and I will have something more to say about that.

But in sum, we believe that given the current state of negotiations what we have been able to achieve in this declaration is a forward-looking document. It does represent an advance, a positive advance, on what we have been able to agree upon in the past. Will it give a fillip to the negotiations? I think it will, modest as it may be.

Now let me come to the MEF meeting itself. The meeting was opened by President Obama. He very much emphasized the importance of action on climate change as being one of the main challenges that is facing us. He said that we need to do all that we can as leaders of the major economies to give a major political push to the negotiations. So, he recognized that this is not the negotiating forum. It is important that that particular point has been acknowledged because this is something which we have been saying all the time that the negotiations are to take place in the multilateral forum.

In terms of what could be the political message which would emerge from the Major Economies Forum, he said there are three or four things that we need to do. One is, it is extremely important that we should come out clearly with a long-term aspiration goal. He also acknowledged that coupled with this there is need to also come out with very clear intermediate course. So, that particular aspect which we have been talking about has been recognized. He also said that we acknowledge that there is a historical responsibility and that whatever package that comes out from Copenhagen must take this fact into account. That is an important element.

Secondly, he also said that between now and Copenhagen we need to find how we are going to mobilize the very large amount of financial resources which would be required, and what would be the possible sources for these financial resources. Not much clarity on that yet, but something that we need to look at. In this context he mentioned two proposals on finance.

One was the Green Fund proposal of Mexico, and the other was the proposal which has been made by Gordon Brown of the UK on how perhaps by 2020 a sum of 100 million dollars could be raised using both private as well as market sources of finance.

Lastly, he said that obviously we need to take into account the fact that while the lead has to be taken in terms of mitigation by the developed countries, unless there is also a contribution made by developing countries whose emissions are likely to rise much faster in a business-as-usual scenario, we may not be able to really tackle the challenge of climate change. So, this is a reality which has to be faced. This is basically his opening remarks.

After that we had a number of interventions. I may not go into much detail but I would like to mention here the Green Fund proposal of Mexico because the President of Mexico explained this in some considerable detail. The key points in the Mexican proposal are - which we believe are positive - he says that if you want predictable and stable sources of finance, one of the best ways to ensure that is an assessment principle. That is, if there are assessed contributions of various countries, this could provide a predictable source of finance and that is a principle we agree with.

On the question of what should be the basis of this assessment, again there are elements which have been mentioned by the Mexican President which also seemed quite attractive to us. For example he has mentioned that the element of historical responsibility should be taken into account. The overall emissions of different countries, the total volume of emissions should be another factor. Individual per capita emissions could also be taken into account. There could be also some weight given to the overall GDP of a country or the per capita income of a country. Perhaps you could have some special arrangement for least developed countries or the small island developing states. Again we have problem there. I think the two areas where we need some further clarity is, what is the weight which is going to be given to each of these criteria, and do the other countries agree with these criteria which have been mentioned.

In the discussions that we have had so far, there has been some cherry-picking that maybe this particular criteria is more important, another criteria is less important. So, we need to have a total picture as to what is the weightage which is going to be given to the different criteria. The other element is that this assessment principle as the Mexicans see it will apply to all countries; that the division that we regard as fundamental in the UNFCC

between developed and developing countries that particular principle is in a sense being set aside here. That has its own implications. This is something which will require a very careful consideration not only just by India but by all the developing countries in the negotiations. So, what we have agreed to do is to look at this proposal and discuss this further.

The UK proposal is, of course, mainly drawing the funding from market mechanisms, that is, the setting up of and the expansion of carbon markets and some proportion of those carbon market proceeds then being made available for developing countries. There is some role given to public finance but only a limited role, a limited role in terms of meeting the requirements of the least developed countries, meeting the requirements of small island developing states. But in fact very little has been said about the adaptation needs of other developing countries. So, there are many questions of that nature which arise from this.

We had also a presentation by the Australian Prime Minister mainly on the issue of carbon capture and storage. As you know, Australia has taken the lead in setting up an institute for carbon capture and storage in Australia. We have also agreed that this is an initiative where we can be an active participant although we have, of course, serious doubts about the applicability of a CCS in a country like India. But he has made this proposal inviting all the countries to join in this particular initiative and this is something again which we are willing to look at. This is essentially the sort of presentations which came from mostly developed country partners.

Prime Minister Singh made a statement\* in which he did respond to some of the issues which were raised by the other speakers. In the intervention that he made, he praised President Obama for making very explicit the link between energy and climate. As you know, this forum itself is called

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\* The Prime Minister Manmohan Singh in his remarks apprised the leaders of MEF what India was doing to combat climate change with an ambitious National Action Plan and assured them that it would work with other countries for the successful conclusion of the negotiations at Copenhagen. He said the challenge was to change the pattern of economic development based on fossil fuels to one supported by clean and renewable sources of energy and that the debate needed to address this link. He was not willing to entertain the thought that the developing countries were complacent or were not interested in addressing the consequences of climate change, despite the fact they were the ones most impacted and were already facing the consequences of climate change. He insisted that the developing countries had a much greater interest in the issue than the developed nations. He drew attention to the India's ambitious National Action Plan that had set a goal of cutting emissions by 20 per cent in its 11th Plan. The country was committed to sustainable development but for up-scaling it, the creation of an enabling international regime was necessary

the Energy and Climate Forum of the Major Economies. In short, of course, it is known as the Major Economies Forum. He said that really energy and climate are two sides of the same coin. That should be fairly self-evident; sometimes it is not. But if we wish to bring about a change in the pattern of economic development, economic activity from what it is currently, based essentially on fossil fuels, to one which is based on renewables and cleaner sources of energy, then unless the issue of energy security is addressed, how you really move towards dealing with climate change. So, it is extremely important that this particular link between the two should be recognized. So, he welcomed the fact that this particular link was established very clearly.

He also stated the point that we as developing countries have a much greater interest in action on climate change because we are the ones who are most impacted by it. The notion that somehow developing countries are less serious about climate change, or the notion that we are complacent about climate change, nothing could be further from the truth because we are the ones who are going to be impacted most. Therefore, if there are countries who have a maximum interest in a successful outcome at Copenhagen, it is countries like India. So, he set at rest that particular notion.

Secondly, he said what is it that we need to put in place in terms of this outcome at Copenhagen. Here he said, of course we recognize that this is a common challenge; of course we recognize that we have to do whatever we can as developing countries in order to address the issue of climate change; but there has to be a recognition that action on climate change cannot be built upon the perpetuation of poverty. So, this is a fundamental issue because it does impact on our developmental prospects. He hastened to add that we in India have done a great deal on our own without any assistance from

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embedding both equity and international responsibility, the prime minister said. He assured his audience that India would do whatever it could to meet the challenge during the negotiations at Copenhagen, but warned that action on climate change could not be built upon the perpetuation of poverty. Therefore it was essential that the agreement at Copenhagen to be "ambitious, comprehensive but, above all, equitable." On the question of emission reductions, the Prime Minister while conceding that very ambitious targets were needed for 2050 called upon the industrial nations to commit themselves to an interim target of cutting their emissions by 40 per cent by 2020. He assured that India was willing to diverge from business as usual and move to a climate friendly path of development. It would be willing to do more if new technologies and funding were made available. The prime minister also spoke on the challenges of the developing countries in adapting themselves to the consequences of climate change. Pointing out that India was already spending 2 to 2.5 per cent of its GDP annually on meeting the consequences of

outside, whether it is in terms of improving energy efficiency, a target of 20 per cent increase in energy efficiency in the Eleventh Five-Year Plan, we have put in place very ambitious national action plan on climate change which includes a great deal of action on solar energy, on use of other renewable sources of energy. We have ourselves committed India to a path of sustainable development. So, we will do whatever we can within the limitation of our resources. But what we really need is the creation of a supportive international climate regime which will enable us to enhance, which will enable us to upscale whatever efforts we are nationally making. That is really the expectation that we have from what must emerge from Copenhagen.

In this, of course, is embedded the issue of equity. Equity means that there should be an acknowledgement by developed countries of their historical responsibility. So, the outcome in Copenhagen must be ambitious; must be very comprehensive because it must include all the different elements which have been identified; but above all it must be equitable. So, the principle that every citizen of this globe has an equal entitlement to the global atmospheric space is something which must be recognized.

In this context, Prime Minister also talked about the emission reduction targets. He did say that while we need to have very ambitious targets for 2050, it is as I mentioned earlier very important that they must be backed by credible and also ambitious targets for the interim. In that context he did mention that at least 40 per cent reduction in current emissions of the developed countries would indicate that level of credibility.

With regard to what countries like India would be prepared to do, we have already indicated our willingness to diverge further from business-as-usual.

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extreme climatic conditions and calamities, but such uncompensated burden will only increase over time on the developing countries. To ensure the success of the outcome at Copenhagen it was necessary that adaptation was equally addressed.

A few days later on July 17 speaking at the Consultative Dialogue on "India's Climate Responsive Roadmap for Development" organized by Oneworld Foundation in New Delhi the Special Envoy Shyam Saran allaying fears that India had diluted its stand on the climate change at the G-8 meeting by accepting carbon emission caps, said India's position remained unchanged and the lead in checking emissions had to be taken by the developed countries. India, he said, would do whatever it could within the limitations of the available resources. "There can be no contradiction between poverty alleviation, economic and social development and climate change." India was committed to an "ecologically sustainable growth path." Mr. Saran pointed out that while India's economy was growing at 8 to 9 per cent annually the energy consumption was less than 4 per cent. Taking a

In fact Prime Minister said that the actions that we are taking are already leading us to a diversion from business-as-usual and we will be able to do more provided supportive financial resources, technology transfer is made available.

President Obama asked the Prime Minister to say a few words specifically on adaptation. Here Prime Minister made the point that while the focus is on mitigation we must not forget that adaptation is an equal challenge, if not even a bigger challenge. Therefore, any action on climate change must take the aspect of adaptation into account. He mentioned that if you are looking at the future, even if emissions were drastically reduced in the near future, climate change will continue to take place because it is taking place not because of current emissions but it is taking place because of accumulated greenhouse gas emissions in the atmosphere. So, that will only come down gradually. In the meantime the impact on climate will continue and the maximum adverse impact will be on developing countries like India. He pointed out that in India itself we are currently spending about two per cent to 2.5 per cent of our GDP on adaptation because we are already facing extreme climatic events. We are facing national disasters which are traced to changes in climatic patterns. There is impact even in urban areas. As you know, there is flooding. The storm drainage systems are being overwhelmed by very heavy incessant rain. These are things which are a reality to us already. This uncompensated burden on us is going to only increase. So, unless there is recognition of this challenge of adaptation - which is almost equal to, if not more, with regard to mitigation - we will not be able to get a very successful outcome at Copenhagen.

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cue from the Prime Minister, Saran pointed out that the National Action Plan on Climate Change had focused on renewable sources of energy and a solar energy document was also almost ready. The massive increase in forest area from 22 percent now, to 33 percent would greatly help in that direction. An additional 6 million hectare of degraded forest would be revived and this would act as a carbon sink, he said.

He hoped that a "comprehensive, balanced and equitable" outcome at the upcoming Copenhagen conference should satisfy the world and be relevant to the people. While adaptation was a great challenge for a country like India, mitigation, finance and technology were the four components that were to be addressed. "We need technological and financial support from the developed countries," he said while hoping that these challenges would be overcome by the time Copenhagen happened. "We are making a slow progress, but we are moving towards an understanding."

He also made a comment on the proposals which were made by Gordon Brown and President Calderon. I have already mentioned to you Prime Minister's willingness to look at the proposal but making the point that this would, as currently formulated, go against the UNFCCC principle of a clear divide between developed country obligations and developing country obligations. But we have said that we will look at this.

On Prime Minister Brown's proposal, while Prime Minister welcomed the fact that a figure had been put on the table, he did say that how the fund is constituted is going to be very important. The reliance on market mechanism is something that we have some reservations about. That is because there can be changes in the market conditions. He pointed out to the fact that only recently in the wake of the economic and financial crisis the price of carbon in the European market fell from something like 30 Euros to less than 10 Euros. Even now it is only about 13 or 14 Euros. On the basis of this kind of volatile market it may be very difficult to get the kind of predictable, stable resources that are required to enable countries to do long-term planning on climate change. So, he did mention that we need to perhaps look at this aspect a little more carefully in the ensuing months.

It was agreed that work continues in the Major Economies Forum. President Obama has said that he will come up with ideas with regard to how the work could be continued. Of course, we look forward to receiving proposals in that respect.

I think I have covered more or less everything. Thank you very much.

**Question:** Could you please confirm if India is willing to host MEF Ministerial meeting in September this year?

**Special Envoy of Prime Minister on Climate Change:** The only conference that we are holding with respect to climate change is a meeting in October - 22nd and 23rd October - which is on climate change, technology development and transfer.

**Foreign Secretary:** I think he means the meeting of Trade Ministers which is going to be held in early September, the meeting of a group of Trade Ministers to discuss how to get the Doha Round negotiations started. That is probably the one that you are referring to.

**Question:** Will it be in Delhi?

**Foreign Secretary:** Location is not decided. It will be in India in September.



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**Question:** This ...(Unclear)... Doha Round talks ...(Unclear)... in Pittsburg in 2010. Will it be the first half or the second half? Anything specific?

**Foreign Secretary:** No, I do not think so. I think until they get the negotiations going again they ...(Unclear)... It also depends on how comfortable they are at home. Each one will have to work with their own industry.

**Question:** The G-8 plus G-5 Joint Statement took more than the expected time today. Was there any dispute?

**Foreign Secretary:** No, none at all. What you have is what was done earlier. Maybe it is just photocopying machine. I do not know.

**Question:** Most of the Joint Statement was ...(Unclear)...

**Foreign Secretary:** Thank you. Frankly, we are dealing with the same issues here. We are dealing with climate change; we are dealing with restructuring of international organizations; we are dealing with recovery from global crisis. So, it is not as though we will cover completely different topics. Some difference in emphasis you will see.

**Question:** Some of the international media agencies, particularly ...(Unclear)... talked about differences, even differences between G-8 and Russia ...(Unclear)... on climate change. A reference has been made that Russia has been differing with the rest of the G-8 countries.

**Foreign Secretary:** I think make up your own mind. Read the documents yourself. You have heard us. We have told you in great detail what happened. Make up your own mind. There is a lot of spin going on. I find the international channels are busy saying developing countries refused. Where did we refuse? In fact, you have just heard how there has been progress. So, do not go by what other people say. You make up your own mind. You have been told in great detail. You have the documents yourselves.

**Question:** The Statement is more or less what you have been saying.

**Foreign Secretary:** Thank you.

**Question:** This is on climate change again. ...(Unclear)... One of the major points that you were all trying to make was that you really needed strong interim targets for the developed nations and that was one reason why you did not feel that you could agree to anything concrete particularly for 2050 until you have had interim targets from the developed countries. Is that what you were saying?

**Special Envoy of Prime Minister on Climate Change:** What we said was we would need to be convinced that there is a credible pathway. So, whatever is put forward for 2050 must be backed by credible interim targets. It was not a question of agreeing or disagreeing with a particular figure, but pointing out that we have to carry credibility with the international community. We also would be signing on to that document and so our credibility is also important. So, we need to be able to convince the international community that we are really looking at a realistic pathway which is backed by not only ambitious targets for 2050 but shows how we are going to get to it. To our mind, supported by science 40 per cent reduction by 2020 is really what is required.

**Question:** One of the major stalemates for Doha Round of talks was between India and the US. So, what must have provoked ...

**Foreign Secretary:** We do not think that we were the cause of the stalemate. Yes, we were not happy with the state of the negotiations at that time. We still did not have enough in there for us to agree. But neither did some of the others. So, it is not an India-US negotiation.

**Question:** No, of course, not. India was kind of representing the developing countries.

**Foreign Secretary:** No, I think we had issues with where it was. But you will notice from the documents it is quite clear. What we are all saying is that the 6th December documents on NAMA, on agriculture, we need to use as a basis to carry the negotiations forward. On services we still expect more which is why a negotiation is necessary in all three of these big areas. It is not as though everything was settled or everything is ready. So, we will have a meeting in September which will start up the process and there will be discussions, whether bilateral or in Geneva through the WTO.

**Question:** The last paragraph of the joint statement talks about commitment to advance reform processes in international organizations. We saw the PM speak about this as well. Are you satisfied with the statement that has come out? Is there future scope for more reform? What is the status?

**Foreign Secretary:** I think it is important that this group of countries - 14 countries and important countries if you look at the membership of this group - actually could make such an unequivocal statement. For me the other impressive thing - and this is partly a result of the economic crisis of the

changed situation in the world today - is that there is broad recognition that we really need to work these institutions, we need to change them. There is already a commitment to change the international financial institutions and to restructure them, to change the voting shares, to do that at the G-20 in London. You will see this is a much longer list. In fact, there were other countries who wanted to add more and more but we said a general reference is good enough. You do not need five pages of names of sixty odd international organizations. Apparently there are more than sixty.

**Question:** It was a shot in the arm for your hopes of changing the UNSC.

**Foreign Secretary:** This is an expression of will. Ultimately we will have to go out and actually work in each of the organizations, in the proper fora. This is not the place where you negotiate. This is a place where you gather opinion when you get leaders at that level committing, and presumably you can take that to the fora and get it done. But yes, certainly it is a step forward and it is a big step to get such a clear statement. But it is because everybody feels that we need to do better.

**Question:** We have seen, as you said, Gordon Brown endorsing Britain's support to India as far as joining the UNSC is concerned. With this particular statement, what are India's hopes? Is this a step forward in any way?

**Foreign Secretary:** We still have to do the hard work in the UN. For the UNSC, we will have to do it in the UN. We have brought it in the UN to the stage where for the first time this year actual negotiations are taking place. It is not just an open-ended working group where opinions are aired. Now there is actual negotiations under the President of the UNGA from April this year. This is one more step. All five of the permanent members have signed on to this. So, we take it one more step at a time and we hope we can carry it through.

**Question:** The G-8 has made a declaration on terror yesterday in the statement. Did you take this opportunity to discuss terror in Pakistan in detail in the bilateral meetings?

**Foreign Secretary:** It was not discussed in the big meeting. In the bilaterals, certainly it was mentioned.



## **081. Declaration of the Leaders of the Major Economies Forum on Energy and Climate Change.**

**L'Aquila, July 10, 2009.**

We, the leaders of Australia, Brazil, Canada, China, the European Union, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Mexico, Russia, South Africa, the United Kingdom, and the United States met as the Major Economies Forum on Energy and Climate in L'Aquila, Italy, on July 9, 2009, and declare as follows:

Climate change is one of the greatest challenges of our time. As leaders of the world's major economies, both developed and developing, we intend to respond vigorously to this challenge, being convinced that climate change poses a clear danger requiring an extraordinary global response, that the response should respect the priority of economic and social development of developing countries, that moving to a low-carbon economy is an opportunity to promote continued economic growth and sustainable development, that the need for and deployment of transformational clean energy technologies at lowest possible cost are urgent, and that the response must involve balanced attention to mitigation and adaptation.

We reaffirm the objective, provisions and principles of the UN Framework Convention on Climate Change. Recalling the Major Economies Declaration adopted in Toyako, Japan, in July 2008, and taking full account of decisions taken in Bali, Indonesia, in December 2007, we resolve to spare no effort to reach agreement in Copenhagen, with each other and with the other Parties, to further implementation of the Convention.

Our vision for future cooperation on climate change, consistent with equity and our common but differentiated responsibilities and respective capabilities, includes the following:

### **1. Consistent with the Convention's objective and science:**

Our countries will undertake transparent nationally appropriate mitigation actions, subject to applicable measurement, reporting, and verification, and prepare low-carbon growth plans. Developed countries among us will take the lead by promptly undertaking robust aggregate and individual reductions in the midterm consistent with our respective ambitious long-term objectives and will work together before Copenhagen to achieve a strong result in this regard. Developing countries among us will promptly undertake actions

whose projected effects on emissions represent a meaningful deviation from business as usual in the midterm, in the context of sustainable development, supported by financing, technology, and capacity-building. The peaking of global and national emissions should take place as soon as possible, recognizing that the timeframe for peaking will be longer in developing countries, bearing in mind that social and economic development and poverty eradication are the first and overriding priorities in developing countries and that low-carbon development is indispensable to sustainable development. We recognize the scientific view that the increase in global average temperature above pre-industrial levels ought not to exceed 2 degrees C. In this regard and in the context of the ultimate objective of the Convention and the Bali Action Plan, we will work between now and Copenhagen, with each other and under the Convention, to identify a global goal for substantially reducing global emissions by 2050. Progress toward the global goal would be regularly reviewed, noting the importance of frequent, comprehensive, and accurate inventories.

We will take steps nationally and internationally, including under the Convention, to reduce emissions from deforestation and forest degradation and to enhance removals of greenhouse gas emissions by forests, including providing enhanced support to developing countries for such purposes.

2. Adaptation to the adverse effects of climate change is essential. Such effects are already taking place. Further, while increased mitigation efforts will reduce climate impacts, even the most aggressive mitigation efforts will not eliminate the need for substantial adaptation, particularly in developing countries which will be disproportionately affected. There is a particular and immediate need to assist the poorest and most vulnerable to adapt to such effects. Not only are they most affected but they have contributed the least to the build up of greenhouse gases in the atmosphere. Further support will need to be mobilized, should be based on need, and will include resources additional to existing financial assistance. We will work together to develop, disseminate, and transfer, as appropriate, technologies that advance adaptation efforts.
3. We are establishing a Global Partnership to drive transformational low-carbon, climate-friendly technologies. We will dramatically increase and coordinate public sector investments in research, development, and demonstration of these technologies, with a view

to doubling such investments by 2015, while recognizing the importance of private investment, public-private partnerships and international cooperation, including regional innovation centers. Drawing on global best practice policies, we undertake to remove barriers, establish incentives, enhance capacity-building, and implement appropriate measures to aggressively accelerate deployment and transfer of key existing and new low-carbon technologies, in accordance with national circumstances. We welcome the leadership of individual countries to spearhead efforts among interested countries to advance actions on technologies such as energy efficiency; solar energy; smart grids; carbon capture, use, and storage; advanced vehicles; high-efficiency and lower-emissions coal technologies; bio-energy; and other clean technologies. Lead countries will report by November 15, 2009, on action plans and roadmaps, and make recommendations for further progress. We will consider ideas for appropriate approaches and arrangements to promote technology development, deployment, and transfer.

4. Financial resources for mitigation and adaptation will need to be scaled up urgently and substantially and should involve mobilizing resources to support developing countries. Financing to address climate change will derive from multiple sources, including both public and private funds and carbon markets. Additional investment in developing countries should be mobilized, including by creating incentives for and removing barriers to funding flows. Greater predictability of international support should be promoted. Financing of supported actions should be measurable, reportable, and verifiable. The expertise of existing institutions should be drawn upon, and such institutions should work in an inclusive way and should be made more responsive to developing country needs. Climate financing should complement efforts to promote development in accordance with national priorities and may include both program-based and project-based approaches. The governance of mechanisms disbursing funds should be transparent, fair, effective, efficient, and reflect balanced representation. Accountability in the use of resources should be ensured. An arrangement to match diverse funding needs and resources should be created, and utilize where appropriate, public and private expertise. We agreed to further consider proposals for the establishment of international funding arrangements, including the proposal by Mexico for a Green Fund.

5. Our countries will continue to work together constructively to strengthen the world's ability to combat climate change, including through the Major Economies Forum on Energy and Climate. In particular, our countries will continue meeting throughout the balance of this year in order to facilitate agreement in Copenhagen.



**082. Press Release by the Ministry of Environment and Forests on the speech of Minister of State for Environment and Forests on the inauguration of the Green Building along with US Secretary of State Mrs. Hillary Clinton.**

**Gurgaon (Haryana), July 19, 2009.**

India is very conscious of the local impacts of climate change within the country and will never allow its per capita emissions to exceed that of the developed countries. In his opening remarks at ITC Green Building event organized in connection with the visit of U.S. Secretary of State, Mrs. Hillary Clinton at Gurgaon today, Shri Jairam Ramesh, Minister of State for Environment and Forests (Independent charge) made it clear that India's position on the on-going climate change agreement negotiations is clear, credible and consistent. Embedded in the United Nations Framework Convention on Climate Change (UNFCCC) and the Bali Action Plan, we are fully alive to our global responsibilities as well. We have done detailed modeling, the results of which are being released very soon, he said. The results are unambiguous. Even with 8-9% GDP growth every year for the next decade or two, our per capita emissions will be well below that of developed country averages he assured. There is simply no case for the pressure that we, who have among the lowest emissions per capita, face to actually reduce emissions. The Minister added as if this pressure was not enough, we also face the threat of carbon tariffs on our exports to countries such as yours.

Talking about India's economic growth he said we are ensuring that our economic growth path is ecologically sustainable-GDP is increasingly Green Domestic Product, not just Gross Domestic Product. Apart from vastly greater financial flows from the developed world, we see a critical role for international technology cooperation in enabling countries like India to adapt to climate change. In collaboration with the UN, the Government of India is

hosting an International Conference on Climate Change and Technology on October 22-23rd, 2009. The New Delhi Statement on Technology and Climate Change will, we hope, be reflected in the Copenhagen Agreement.

Giving details of our comprehensive National Action plan on Climate Change, Shri Ramesh explained that it is driven primarily by our adaptation imperatives but it does not neglect what we should do on our own for mitigation also. The plan is being converted into a large number of specific programmes and projects. All this is in the public domain. The energy sector is key. Our focus is on making technology leaps to ensure lower emissions. Our biggest power utility, National Thermal Power Corporation (NTPC) has the second lowest carbon dioxide intensity in the world-that is, emissions per megawatt of power generated. Our energy consumption per unit of GDP has been falling significantly. Regarding leading steps in technologies, Shri Ramesh added we are world leaders in fast breeder reactor technology. We are also establishing a 182 MW commercial power plant based on indigenously developed Integrated Gasification Combined Cycle (IGCC) technology. WE have launched a major initiative on extracting carbon dioxide from flue gases for propagating algae in bioreactors. Our renewable energy commitment goes back over two and half decades. Sustainable forestry management is of profound importance to us. We are just embarking on a close to \$ 3 billion programme (and \$ 3 billion to begin with) to regenerate our natural forests that already cover some 165 million acres -roughly the size of Texas. This is one of the largest carbon sinks in the world-and a sink that will only grow in size and impact. In this connection, I seek your support for India's proposals to the UNFCCC and Reducing Emissions from Deforestation and Forest Degradation in Developing Countries, REDD+, that is to acknowledge and reward countries who are in the business of actually expanding forest cover.

Shri Jairam suggested that India seeks to engage the world community proactively in the climate change area. He said we also seek to engage the United States of America purposively in three areas where these two countries can cooperate.

Elaborating these areas, the Minister said there are numerous opportunities for joint research, development, demonstration and dissemination projects. This could be in areas like solar energy, biomass, clean coal, high voltage power transmission, smart grids, wastewater utilization, etc. Shri Ramesh proposed to jointly explore the feasibility of establishing an Indo-US Foundation for Climate Change Technology with initial kick-start contributions from our respective governments. This will



catalyze private investment into the corpus as well. The focus on this Foundation should be on transformative, discontinuity technologies that will enable leap-frogging.

Throwing light on the second area, the Environment Minister proposed collaboration in the area of environmental planning, regulation and management. He informed that we are thinking of establishing our own independent, professional, science-based national environmental protection authority. We are planning to set up a National Green Tribunal as some sort of an environmental court. I am convinced that we have much to learn from your long experience in this area. We can also collaborate in the ongoing renewal of our vast forestry and biodiversity science and management establishment.

The third and last area is for building institutional capacity for continuing research on climate change and its impacts as being of fundamental importance. Shri Ramesh said his has to be done by us primarily. He expressed a hope that the US should not overlook the importance of research in the public domain-after all this is what made the Green Revolution possible in the first place. Shi Ramesh believed that this is what will make the Ever Green Revolution, with its underpinning in ecological sustainability and equity, also possible. That is why India has proposed the idea of global technology innovation centers working. He added that America's support is crucial to get such centers going for the benefit of millions of ordinary people.



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Before the inauguration of the building there was a round of discussion participated by Mr. Ramesh and Ms. Clinton on the theme of climate change, which was followed by a press conference. In his remarks at the press conference Mr. Jairam Ramesh said "Both of us are painfully aware of the global effects of climate change. Both of us want a meaningful agreement to be reached at Copenhagen in December of this year, an agreement underpinned by greater flows of national capital and technology cooperation. We have our own perspectives". He said that while taking note of the concerns of the developed countries it was important to "also takes note of the special concerns of countries like India, for continuing with their part of economic growth and the objective of poverty eradication." The Minister underlined the importance of talks to resolve the issues and said "We will continue our discussions, both in multilateral forums and in bilateral forums. Both Madam Secretary of State and I have discussed the desirability of having an engagement between the United States and India, not only in the field of climate change, but in the larger area of environmental management and forestry, I might add, because India is perhaps the only country in the world today to be launching a \$3 billion program for regenerating and restoring her forests." Pointing out that the forest area in India is roughly the size of the big US State of Texas, "in the next six years we will be bringing another 15 million acres of land under forests." Stating that while India and the

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US will continue their engagement in multilateral forums, he said "we will also have bilateral engagement. We will discuss our common concerns. And, most importantly, we will launch a number of partnerships between the U.S. and India in various fields. I have made some specific proposals to Madam Secretary of State."

Mrs. Clinton in her remarks appreciated the recommendation of the three specific ways that the United States and India could work together and promised to immediately take the following up action on that. Underlining the importance of democracy in today's world, she said we want to show to the world that the oldest continuing democracy and the world's largest democracy can deliver and "that is what both the United States and India are committed to doing".

She said "how India and the United States can amplify this partnership and work together to devise a comprehensive, strategic approach to climate change and a clean energy future is an important topic of my trip," and added "the times we live in demand nothing less than a total commitment. The statistics are there for everyone to see. And as both of our nations reaffirmed at the Major Economies Forum just recently held in Italy, and moderated by President Obama, we need a successful outcome in Copenhagen later this year". Agreeing with the concern of countries like India, she conceded that "the United States and other countries that have been the biggest historic emitters of greenhouse gases should shoulder the biggest burden for cleaning up the environment and reducing our carbon footprint."

Assuring that "no one wants to in any way stall or undermine the economic growth that is necessary to lift millions of more people out of poverty, she emphasized that she wanted to make "two points as clearly as" she could. She said: "First, the United States does not and will not do anything that would limit India's economic progress. We believe that economic progress in India is in everyone's interest, not just India's. To lift people out of poverty and to give every child born in India a chance to live up to his or her God-given potential is a goal that we share with you. But we also believe that there is a way to eradicate poverty and develop sustainably that will lower significantly the carbon footprint of the energy that is produced and consumed to fuel that growth. And secondly, we in the United States, under the Obama administration, are recognizing our responsibility and taking action. So, therefore, addressing climate change and achieving economic growth, in our view, are compatible goals. And we know, as we look at the forecast of rising sea levels and changing rainfall and melting glaciers that India is a country very vulnerable to climate change. But it is also a country most likely to benefit from clean energy policies that are key to economic sustainability in the 21st century."

Emphasizing that "there is no question that developed countries like mine must lead on this issue (of climate change). And for our part, under President Obama, we are not only acknowledging our contributions to greenhouse gas emissions and climate change, we are taking steps to reverse its ill effects. We passed a stimulus bill through our congress where we are investing now \$80 billion in clean energy technology. And we have set ambitious new vehicle fuel economy standards. At the State Department we have just established a new program that will link some of our West Coast cities with Indian and Chinese cities to help transfer clean energy technology. And we have taken up our own green diplomacy initiative, which means our embassies, the ones we build, all of those that we currently have in operation, are going to have to become greener."

Answering a question regarding India's deep reservations about accepting mandatory caps or cuts in emissions as part of the negotiations now underway i.e. "can you envision

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a framework in which India could sign on to a global deal that would not include compulsory caps or cuts, and therefore would not, in the Indian argument, impede their economic growth and rising prosperity?" Mr. Ramesh said: "All I can say is that India already has a national action plan of climate change which was unveiled last year. And that action plan is overwhelmingly oriented towards programs and projects that will enable India to adapt to the effects of climate change. But it also has very specific and very pointed policies oriented towards mitigating emissions. So, it is not fair to say -- as we said in the newspaper today, this morning, it is not fair to say that India is running away from the issue. India is not running away from it. India has been saying that its primary focus will be adaptation. But there are specific areas where we are already in a policy framework (inaudible) mitigation, which means actual reduction of emissions. So, whether that will convert into legally binding emission (inaudible) is the real question. And India's position is -- I would like to make it clear that India's position is that we are simply not in a position to take on legally binding emission reduction (inaudible). Now, that does not mean that we are oblivious of our responsibilities for ensuring that (inaudible) emission of greenhouse gases that both Ambassador Stern, (inaudible), and Madam Secretary Clinton spoke about. We are fully conscious of that. Energy efficiency is a very fundamental driver of our economic strategy. India is not (inaudible), but the enormous work it is doing on forestry. We have made specific proposals in the paper which I have been discussing with Special Envoy Todd Stern on giving credit for countries that India could actually -- in the business of expanding forest cover, and not just arresting deforestation. So, I think I agree with Madam Secretary of State that this (inaudible) responsible, to have an international agreement that recognizes common but different shaped responsibilities, which is the language of the (inaudible) convention, and that also involves credible action by countries like India and China to mitigate greenhouse gas emission for the future. I think it is possible. (Inaudible) between now and December in multilateral forums and in bilateral forums. This defines the (inaudible) of engagement that India's 80 percent growth and 90 percent growth is not going to create havoc, as far as global warming is concerned. We are committed to clean energy. We are committed to following a consumption factor that is sensitive to climate change (inaudible). And I (inaudible) somewhat colorfully that I meant every word that I said, that for us GDP is not gross domestic product, but green domestic product. The days of looking at GDP as gross domestic product are over. We have to look at it as green domestic product."

**083. Inaugural Address by Special Envoy of the Prime Minister on Climate Change Shyam Saran at the Conference on "Society, Culture and Politics in the Karakoram Himalayas."**

**New Delhi, July 23, 2009.**

I wish to thank the Himalayan Research and Cultural Foundation, its President Shri Hridaya Kaul, and its Secretary General, Prof. K. Warikoo, for inviting me to inaugurate this very timely and very topical interaction on Society, Culture and Politics in the Karakoram Himalayas. I join others in extending to all our friends from our neighbourhood and beyond a very warm welcome to New Delhi. The region you will be exploring, even if it is Conference-Room exploration, in all its diverse aspects of history, culture and politics, is unique in more ways than one. And to consider that uniqueness, perhaps the Karakorams themselves need to be put in a somewhat broader context.

If you look at the massive and forbidding mountainous zone, in which the Karakoram nestles in all its glory, you would be struck by the fact that there is no other place in the world where there is a comparable geography. There are six major mountain systems which lie linked together. From Afghanistan, running northwest is the Hindu Kush. Crossing the Hindu Kush to the north, across the Oxus valley, is the awesome cluster of peaks dominated by the dome of the Pamirs. The peak of Muztagata or the "Father of Snow Mountains" is literally that. It was with some justification that the Arabs described the Pamirs as Bam-i-duniya or the roof of the world.

Joining the Pamirs from the East is the Kun Lun range, constituting the southern fringe of Chinese dominions, and within the angle formed by these three great mountain systems - the Hindu Kush, the Pamirs and the Kun Lun, is our own Karakoram, described by geographers as being the mightiest of all.

Of course, the Karakorams in turn link up with the great Himalayan range in the latter's western extremity, and with the Pir Panjal which rims the Kashmir Valley.

This knot of mountains, which some have called the top-knot at the head of the world, its centre of gravity, or the very axis on which it revolves, is fully 600 miles long and 300 miles in width, comparable to a France or Germany in its expanse.

What is remarkable is that despite its forbidding terrain, its remoteness and generally inhospitable environment, this mountain zone has nurtured in its nooks and crannies, extraordinarily rich and culturally diverse communities, constituting a veritable ethnic mosaic. These communities have inhabited, for centuries, the fertile valleys and string of oases which lie dotted across this mountain zone. Despite the difficult terrain, ancient trade and pilgrimage routes criss-crossed the length and breadth of this immense cluster of the world's highest peaks. The diverse communities who call this land their own, have long co-existed with one another, rarely confronted one another. Empires and powerful states may have put markers all over, staking their claims and demanding allegiance, but this has been, throughout history, a zone of shifting political tides, not amenable to concepts of boundaries or lines that Nation States are built upon.

As I said, this region is an ethnic jigsaw but a culturally vibrant one. This jigsaw is overlaid by the ebb and tide of the world's major religions - Hindu, Buddhist, Islam and even Zoroastrianism. Each religious influence has had to adapt to more ancient rhythms of life. Ancient caravan routes and the rich trade they carried, made this the home of a veritable cross-roads culture, but a culture that emerged from layer upon layer of influences, assimilated over a vast expanse of time. These cannot be easily uprooted.

This is the legacy which is today under extraordinary stress and in danger of losing its unique but varied identity. The danger comes particularly from an imposition of singularity on peoples who celebrate diversity and take pride in their own rich cultural and linguistic heritage.

To this, I must add, is the more recent stress that I have become aware of in my capacity as a Special Envoy on Climate Change.

The entire region is being rapidly degraded as a result of climatic change and this will only add to the political, social and economic stresses that already bedevil this region.

What we witness taking place across this entire conflict zone is, in essence, a reaction to a whole spectrum of multiple stresses - political, economic, social and environmental - whether it is Swat or Buner, Waziristan or Helmand, Balochistan or Xinjiang. And we see the reverberations of these conflicts in India's own frontier regions, such as Jammu & Kashmir.

Why is the fate of the Karakoram communities important to India? Well, there is the obvious anxiety of the spill-over effect of the conflicts that now agitate this zone of instability. There is also the legitimate interest in

territories and peoples that are part of India but under illegal occupation, both to the West as well as to the East. But there is a larger concern - what do the tides of fundamentalism, intolerance and sectarianism lapping ominously at our doors mean for India's own plural democracy? Therefore, the destinies of the Karakoram communities and the vision of India as a successful and inclusive plurality are in a sense, linked more than symbolically. We have a duty to be engaged more actively in the survival and I would venture to say, revival of these challenged communities.

Do we imply, thereby, a return to the past, imagined or real - of peace, brotherhood and prosperity? We do not believe this will work. What we should look at, in a contemporary context, are the sources of the region's strengths and its role as the cross-roads of trade and interchange.

We should focus on how we can draw upon the strengths of this region, its historical role, straddling major overland trade routes and its value as a syncretic culture. We should aim at the revival and energizing of the corridors that have, over the centuries, interlinked the Karakoram region in an intricate web of interaction. Prime Minister, Dr. Manmohan Singh, has said on a number of occasions that while we may not be able to erase the political lines which have been drawn on the map, but we could try and transcend them by reconnecting our neighbourhoods, allowing free flow of peoples, goods and ideas. The economic prospects of the Karakoram communities would brighten greatly if traditional trade routes could be reopened. Pomegranates from Kandhar could once again grace the markets of northern India, so would the produce of once-rich orchards throughout the region. Think of what this could mean for the well-being of people who now live in poverty and fall prey to the drug syndicates because they need some means of livelihood.

India has taken the lead in this regard. The opening of cross-LOC trade, the bus services between Srinagar and Muzaffarabad and between Poonch and Rawalakot, are already playing a positive role in reconnecting peoples. We have continued to press for opening the Kargil-Skardu route for passenger traffic and eventually as a full-fledged communication corridor. This will not only serve a humanitarian purpose but also help counter the virus of extremism and militancy.

In this context, I would like to emphasize that in its interaction with Pakistan on Jammu & Kashmir, India has always insisted that all cross-LOC links and potential projects for cooperation in specific areas, must cover the entire erstwhile State of Jammu & Kashmir, including Gilgit and Baltistan.

Any consultative mechanism across the LoC must be between self-governing and representative entities and that, too, includes Gilgit and Baltistan.

This Conference must look at how we can promote these corridors of interaction in the Karakoram Himalayas. Equally, one must focus on the extraordinarily rich and varied cultural and linguistic heritage of the region which is in danger of falling off the world's radar screen. It is our collective responsibility to preserve and to promote this varied culture, created by people who have a long history, settled existence and outstanding contributions to civilization. India feels very much a part of this civilizational network which has enriched its own culture. I earnestly hope that through interactions, such as this Conference will enable, we can begin to celebrate the cultural affinity that binds us together.

Thank you for your attention.



**084. Excerpts relevant to Climate Change from the Statement of Prime Minister Dr.Manmohan Singh in the Lok Sabha on his visits abroad.**

**New Delhi, July 29, 2009.**

**On Climate Change**

The Major Economic Forum Declaration adopted at L'Aquila is not a declaration of Climate Change policy by India, nor is it a bilateral declaration between India and another country or a group of countries. It is a declaration that represents a shared view among 17 developed and developing countries, the latter category including China, South Africa, Brazil, Indonesia and Mexico. Therefore, the formulations are necessarily generally worded to reflect different approaches and positions of a fairly diverse group of countries.

It has been argued in some quarters that the reference in the Declaration to a scientific view that global temperature increase should not exceed 2°C, represents a significant shift in India's position on Climate Change and that it may oblige us to accept emission reduction targets. This is a one-sided and misleading interpretation of the contents of the Declaration.

It is India's view, which has been consistently voiced at all forums, that global warming is taking place and that its adverse consequences will impact most heavily on developing countries like India. The reference in a document to 2°C increase as a possible threshold reflects a prevalent scientific opinion internationally and only reinforces what India has been saying about the dangers from global warming. True, this is the first time that India has accepted a reference to 2°C as a possible threshold guiding global action, but this is entirely in line with our stated position on global warming.

Drawing attention to the seriousness of global warming does not automatically translate into a compulsion on the part of India or other developing countries represented in the Major Economic Forum to accept emission reduction obligations. I would like to mention that our position and the Chinese position are nearly identical, and we have been coordinating with that country. Quite to the contrary, the greater the threat from global warming, the greater the responsibility of developed countries to take on ambitious emission reduction targets. That is why, 37 developing countries including India, China, Brazil, South Africa and Indonesia, have tabled a



submission at the multilateral negotiations, asking the developed countries to accept reduction targets of at least 40% by 2020 with 1990 as the baseline.

The Major Economic Forum Declaration reaffirms the principles and provisions of the United Nations Framework Convention on Climate Change, in particular, the principle of equity and of common but differentiated responsibilities and respective capabilities. As is well-known, the United Nations Framework Convention on Climate Change imposes emission reduction targets only on developed countries. Developing countries are committed to sustainable development. The full incremental cost of any mitigation by them must be fully compensated by transfers of financial and technological resources from developed countries. This is fully reflected in the Major Economic Forum Declaration.

Furthermore, at the insistence of India, supported by other developing countries, the Declaration includes an explicit acknowledgement that in undertaking climate change action, the "first and overriding priority" of developing countries will be their pursuit of the goals of economic and social development and poverty eradication. This should allay any apprehension that India will be under pressure to undertake commitments that may undermine her economic growth prospects.

(For Full text please see Document No.43)



**085. Question in the Lok Sabha: "Impact of Green House Gas Emission".**

**New Delhi, July 29, 2009.**

Will the Minister of State (Independent Charge) in the Ministry of Environment and Forests be pleased to state:

- (a) the total quantity of Green House Gas (GHG) emitted in the country, State-wise and the reasons therefor;
- (b) the details of the adverse impact of GHG on environment and human beings;
- (c) whether the Government has taken any action to check the GHG emission from crops and their residues;
- (d) if so, the details thereof alongwith the outcome of the action taken so far; and
- (e) the effective measures taken/ being taken by the Government to check emission of GHGs including the action taken against those violating the norms of emission?

Minister of the State (Independent Charge) in the Ministry of Environment and Forests (Shri Jairam Ramesh)

- (a) to (e) A Statement is laid on the Table of the House.

**STATEMENT**

- (a) India's total greenhouse gas emission was 1228 million tonnes of CO<sub>2</sub> equivalent, as per the official statistics reported in the first National Communication of India (NATCOM) to the UNFCCC in 1994. State wise details are not collected. However, Sector wise break up of greenhouse gas emissions is as follows

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Energy (including Power, transport & industry)	- 744 Mt CO <sub>2</sub> eq.
Industrial Processes	- 103 Mt CO <sub>2</sub> eq.
Agriculture	- 344 Mt CO <sub>2</sub> eq.
Land use, Land use change & Forestry	- 14 Mt CO <sub>2</sub> eq.

Others (including Municipal Solid Waste)	-	23 Mt CO2 eq.
Total	-	1228 Mt CO2 eq.

- (b) According to the 4th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) published in 2007, there has been an increase in global average air and ocean temperatures, widespread melting of snow and ice and rising global average sea level. Human beings are exposed to climate change through changing weather patterns, for example, more intense and frequent extreme events and indirectly through changes in water, air, food quality and quantity, ecosystems, agriculture and economy.
- (c) & (d) Agriculture contributes only 28% of total greenhouse gas emissions in the country. Use of agriculture residues in biomass cogeneration projects for generation of electricity and steam in the industry will help in reducing emissions from agricultural crop residues. India has approved 334 projects involving 'Biomass' under the Clean Development Mechanism (CDM). These projects, if registered by the CDM Executive Board, have the potential to reduce 88 million tonnes of CO2 equivalent by 2012.
- (e) India is signatory to the United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol. While India does not have any green house gas (GHG) abatement commitments under the Kyoto Protocol, a range of policies and programs have been followed in this regard. These include improving energy efficiency & conservation as well setting up of Bureau of Energy Efficiency, power sector reforms, promoting hydro and renewable energy, promotion of clean coal technologies, coal washing & efficient utilization of coal, afforestation and conservation of forests, reduction of gas flaring, use of cleaner and lesser carbon intensive fuel for transport, encouraging mass rapid transport systems and environmental quality management. These measures help achieve better energy intensity while addressing climate change as co-benefit.

India has also released its National Action Plan on Climate Change in June 2008 with a view to advance actions aimed at adapting to climate change and enhancing the ecological sustainability of India's development path.

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**Shri Eknath Mahadev Gaekwad :** Madam, we need to work on a war footing to deal with the problem of climate change. We have to save our farmers from the dangers of climate change otherwise our agriculture based economy will be in trouble.

Madam, I would like to ask the Honourable Minister through your good offices as to whether they intend to make pollution controls even more stringent in order to control emission of green house gases and can he give details of the National Plan of Action?.....(Interruption)

**Shri Shailendra Kumar:** Madam, this is a very serious matter .....(Interruption)

**Shri Jairam Ramesh:** Madam Speaker, last year in June of 2008, the Government of India announced a National Action Plan on Climate Change and the National Action Plan on Climate Change had different components. It had eight different missions and 24 critical initiatives for making India adapt to climate change. Five of these missions relate to adaptation to climate change and two of these missions relate to mitigating greenhouse gases, of which carbon dioxide is the most important. ... (Interruptions)

(Interruption)

**Shri Jairam Ramesh:** These missions are being implemented. The President's Address has said that these missions will be finalised and implementation thereof will start by the end of 2009. ... (Interruptions)

**Shri Eknath Mahadev Gaekwad:** Madam Chairperson, the Law Commission in the year 2003, in its 176th report had recommended the establishment of an Environment Court. My question to the Honourable Minister is whether the government has taken any decision on the establishment of such an environment court. And if yes, then will the people found violating the norms specified for greenhouse gas emissions be brought under the jurisdiction of this court?.....(Interruption)

**Shri Jairam Ramesh:** Madam Speaker, just last week the Union Cabinet approved the Bill to set up a National Green Tribunal to deal with cases relating to environment and forests. We are in the process of introducing this Bill in the Parliament in this Session itself. ... (Interruptions)

(Interruption)

**Shri Jairam Ramesh:** This National Green Tribunal is based on the recommendations of the Law Commission and it is through this National

Green Tribunal that substantial cases of environment arising out of the implementation of various laws relating to environment and forests will be adjudicated. ... (Interruptions)

**Madam Speaker:** Only what the Minister is saying will go on record. (Interruptions) ... (Not recorded)

**Shri Jairam Ramesh:** I urge the hon. Member to await introduction of this Bill. After this Bill is introduced, it will go to the concerned Standing Committee. We hope that by the Winter Session of this Parliament, the National Green Tribunal will come into being

(Interruption)

**Shri Bhaskarrao Bapurao Patil Khatgaonkar:** Madam Chairperson, the Honourable Minister has not answered the 'D' part of the question that has been asked. In the 'D' part of the question it was asked what action the government will take against people who violate the criterions laid down regarding greenhouse gas emissions. I have not got the answer for that.

My second question is....(Interruption)

**Madam Chairperson:** Please ask only one question

**Shri Bhaskarrao Bapurao Patil Khadgaonkar:** Madam, it is a complementary question.

**Madam Chairperson:** Okay, ask.

(Interruption)

**Shri Bhaskarrao Bapurao Patil Khadgaonkar :** Madam, I have not yet asked my question. I had only pointed out the shortcomings of the answer that was given and the portion of the previous question that had been left unanswered.....(Interruption)

Climate change is one of the biggest challenges the world is facing today. Glaciers are melting and the water level in the oceans are increasing. The wrath of natural calamities like floods and droughts are a reality today. The main reason for such calamities is the green house gas emissions. A recent media report says that India has given its confirmation regarding reduction of green house gas emissions in the recently concluded summit of G8 countries in Italy. Is this true? And if it is true that India has confirmed its acceptance to reduce, then to what extent will we be reducing green house

gas emissions and what will be its impact on the Indian economy especially the impact on our poverty eradication programmes.

**Shri Jairam Ramesh:** Madam Speaker, in response to the first Question of the hon. Member, we do not have any laws, as of now, that control the emissions of Green House Gases (GHG) most notably Carbon-di-Oxide. There is no question of violation. As and when, this issue gets discussed over the next few years, we can consider imposing caps on the emissions. But, as of now, the policy of the Government of India is not to agree to any limits or any caps on the emissions of Carbon-di-Oxide, which accounts for about 65 per cent of the GHG emissions. Now, as far as the second part of the Question is concerned, it is true that at the G-8 meeting held in L'Aquila in Italy, a statement was issued. This meeting was attended by our hon. Prime Minister. There was an aspirational goal, which is mentioned in this statement that all the countries -- that were represented at the forum -- aspire to limit the increase in the global temperature by 2°C by the year 2050. It is not a target, and it is not an operational objective. It is an aspirational goal. But you cannot take one sentence out of a three or four page document and say that India has compromised. India has not compromised because India's right to economic and social development is fully protected in this statement, and this goal of 2°C limit is only an aspirational goal, which all countries will try and will endeavour to meet.

Therefore, I want to assure the hon. Member that India has not capitulated; India has not compromised; and India has not weakened its position of climate change negotiation, which remains. We will not accept any caps legally binding emission reduction targets, now or later.

**Dr. Murli Manohar Joshi:** Madam Chairperson, this is a very important question. Actually it should be discussed by the whole house. On viewing the whole question it seems that the talk is about reduction of emissions in agriculture. This will be detrimental to our country's agriculture if it is said that the methane gas emitted from the processing of our agricultural produce has to be stopped or because of this the processing itself has to be stopped or the animals from which methane gas is emitted, they have to be stopped or our cattle stock has to be eliminated because of methane gas emission. Please let us know the policy of the government with respect to emissions in agriculture and to what extent is it effective. Does the government have any intention to stop emissions in agriculture or is there any scheme for the country to make put the emissions to good use, is there any programme to

this effect. Is there any intention or programme for the effective utilisation of the gases emitted from agricultural waste. Do you have any scheme in the offing.

Second, can you keep before the house a time bound comprehensive programme with regard to this problem of climate change. Glaciers melting, reduction in gas emissions and its impact on industrial production, how do you intend to work on this whole problem and what is your Integrated Comprehensive Plan in this regard. Can you keep the same in front of the house. It is a very important thing.

**Shri Jairam Ramesh:** Madam Speaker, the hon. Member has asked a series of questions. Let me try to answer each one of them. The first question that he has raised relates to whether India is going to accept any cap on the emission of methane from our agriculture. Let me reiterate clearly and categorically that India remains committed to the use of fertilizers, India remains committed to its agricultural strategy, and there is absolutely no question of imposing limits on the use of inputs which may lead to methane emissions. There is absolutely no question. I want to reassure the hon. Member that when we are talking of controlling emissions of Green House Gases, largely, we are thinking in the context of controlling or making the carbon dioxide much lower, which is relatively easier, by using modern technology in our power stations. As far as agriculture is concerned, I would like to inform the hon. Member, which he is well aware of, that in the National Action Plan on Climate Change, which most MPs would have seen, the hon. Member of Parliament would have certainly seen it, one of the eight Missions is the National Mission on Sustainable Agriculture. We need, not because the world is telling us to do so, to look at alternatives to chemical fertilizers. In the States of Punjab and Haryana, for example, the yield levels have reached a certain plateau because the incremental yield that we are getting from the use of fertilizers has levelled off. In a State like Andhra Pradesh, which accounts for 40 per cent of the pesticide consumption, the hon. Member is well aware of the social consequences of using such large quantities of pesticides. One of the Missions is a National Mission on Sustainable Agriculture which uses organic manure, which uses new methods as an alternative to the use of chemical fertilizers and chemical pesticides. I am glad to inform the hon. Member that the State of Andhra Pradesh, this year, almost 10 per cent of the total cultivated area in the State would come under non-pesticide use, would come under organic farming, which has major implications on cotton cultivation in the State.

So, we are moving towards sustainable agriculture, not because the world is telling us to reduce methane emissions, we are looking at sustainable agriculture because it is in our interest and it also increases the net returns that are available to farmers.

Finally, Madam Speaker, the hon. Member has raised the question of a comprehensive plan to deal with the effects of....

**Madam Speaker:** Hon. Minister, I think only one supplementary question should be answered. I find, increasingly, the Members are making so many parts in one question, it becomes very long.

**Dr. Murli Manohar Joshi:** Madam, the question I have raised is related to this.

**Shri Jairam Ramesh:** Madam, I am only a responsive Minister.

**Dr. Murli Manohar Joshi:** I am only a responsible Member.

**Shri Jairam Ramesh:** I have absolutely no hesitation in agreeing to a detailed discussion on this subject. I have absolutely no hesitation. Whenever you decide to have this discussion, I will be prepared.

**Dr. Murli Manohar Joshi:** Will you give some incentives to organic farming?

**Shri Revti Raman Singh:** Madam Chairperson, thank you very much. I would like to know that there has been no acceptance from India's side regarding 'Gas' in Italy. But if you see the text, then India has said that we will reduce gas emission and carbon dioxide emissions. The method that you have prescribed is renewable energy Hydro power of clean coal will be used.

Sir, have you made any technology in respect of clean coal in which there will be absolutely minimal carbon dioxide emissions. Will our existing power houses and the new ones that are being made, will they be able to use this. Have you made this mandatory and if you haven't, then by when will you make it so.

**Shri Jairam Ramesh:** It is absolutely wrong to say that we have given any confirmation or acceptance in the G8 statement in respect of reduction of carbon dioxide emissions. It has not been mentioned at all. If the Honourable member so desires, I can give a copy of the statement to him and he can see for himself that our Prime Minister has not given any such confirmation on India's behalf that we will cut either carbon dioxide or greenhouse gas



emissions. All the Presidents and prime Ministers of the G8 countries plus the 4 other countries that participated in the meeting had only given a statement that by the year 2050 we would try to limit the increase in global temperature to two degrees Celsius. This is only an aspirational goal and not target, it is not a limit nor is it a responsibility that we have undertaken. I wish to assure the house that the acceptance given by the Prime Minister to the G8 statement is only a collective global statement and in that there is no mention of India's responsibility. Our responsibility will be according to our National Action Plan which has been announced last year. In that Action Plan as I have already mentioned, there has been mention of 8 missions and there are 24 such initiatives in which as the Honourable Member mentioned, clean coal is one important part. Our Coal Minister is sitting here, in the power sector we are trying to increase the efficiency of our power stations. If the efficiency increases, then the carbon dioxide emission will decrease. India's first super critical power plant will be commissioned in Mundra, Gujarat next year and you will see that in the coming years the power plants that will be put up by NTPC and other private companies, they will be mostly with the use of super critical technology in which there will be reduction in the emission of carbon dioxide. The Honourable Minister spoke about Coal gasification, India's first Electricity plant based on coal gasification is coming up in Vijayawada in Andhra Pradesh. It is expected to get commissioned in the next three years and when that happens, India will be among the world's 3-4 countries where this technology is being used.



**086. Address by the Prime Minister Dr. Manmohan Singh at the National Conference of Ministers of Environment and Forests.**

**New Delhi, August 18, 2009.**

I am happy to have this opportunity to address this very important National Conference of State Ministers of Environment and Forests. This is an area which is of great national importance and I am very happy that I have this opportunity to meet such distinguished group of representatives of our people debating an issue of critical importance to the future of our country.

The multiple environmental crises that confront our country have created in many ways an alarming situation. Climate change is threatening our fragile ecosystems. We are staring at the prospect of an impending drought. Water scarcity is becoming a way of life. Pollution is a growing threat to our health and to our habitats.

The agenda before you is, therefore, wide ranging and of great critical importance. I think the first task is to educate people not just on the impact of the crisis we face but also to encourage deeper reflection on what this obliges all of us to do. There are fundamental choices that we have to make about our lifestyles; about how we wish to produce and consume, the things we ought to do and the things we ought not to do. I sincerely believe that the greatest challenge facing humankind today is the challenge of arriving at a new equilibrium between man and nature.

The challenges we face are not insurmountable. We are blessed with nature's bounty but as a people, we also have a deep cultural sensitivity to our environment. In fact, it was Smt. Indira Gandhi's vision and love of nature that led to the setting up of a Ministry of Environment in the Government of India. She initiated Project Tiger in 1972 and was instrumental in the enactment of legislations such as the Wildlife Protection Act and the Forest Conservation Act. These monumental measures were ahead of their times. It is this far-sightedness, commitment and concern for our natural heritage that we need to invoke as we deal with the challenges that confront us now.

Climate change is today a major global challenge. The world is seriously concerned about it. So are we. There should be no doubt in anybody's mind that we fully recognize not just how important this issue is to our country's future but also our own obligation to address it. We are conscious

of our responsibilities to both the present and the future generations and we seek to enhance the ecological sustainability of our development path.

I seek your cooperation in making a success of the eight National Missions and other initiatives that are the key components of our National Action Plan on climate change. I would urge each State Government to create their own State level action plans consistent with the strategies in the national plans. We need much broader consultation with the States on this issue and I sincerely hope that this would be an important theme of this Conference.

There is a pressing need to modernize the existing Forest and Wildlife management system in our country. It is apparent that we have to modernize our forest departments with improved resources, communication and improved training of our personnel. I am concerned that there are a large number of positions of front line personnel lying vacant in many states in the Forests and Wildlife sector. I urge the Hon'ble Ministers of the concerned States to redress this situation on a priority basis.

Another critical issue is the need to ensure that local communities benefit from conservation so that they can be increasingly involved in the efforts of conservation. Our tribals are our environmental foot soldiers. They have guarded our forests and evolved a sophisticated way of living in harmony with nature over the centuries. Their wisdom and their experience should be utilised to preserve our forests, to nurse them rather than making them orphans of the environment. The tribal rights act is an opportunity to guarantee the legitimate rights of forest dwellers and to bring them in the frontline of the environment movement for regeneration.

The Green India campaign is a major initiative that will have many spin-off benefits. We need to quickly operationalise the Compensatory Afforestation Management and Planning Authority (CAMPA) by constituting State level authorities. I am very happy that Jairam has brought a new sense of purpose and earnestness to this department and what he has told us about the transfer of funds from the CAMPA account to the States is the forerunner of things to come of greater collaboration, cooperation between the Centre and the States. So, I congratulate Jairam for this initiative.

Our country is blessed with mighty rivers that are inextricably linked with our history, our religious beliefs, our culture and our customs of our people. It is a matter of great concern therefore that we have not been able to reverse the degradation of this very important natural inheritance.

We have decided to adopt a different and more holistic approach taking the river and not the city as the unit of planning as we have done until now. The essence of this approach is not just to focus on river pollution but more comprehensively on catchment area treatment, protection of flood plains, ensuring ecological flows and restoration of the river ecosystem.

We have established the National Ganga River Basin Authority (NGRBA) as an empowered body under the Environment Protection Act, 1986. We hope that this model will be adopted for other major rivers in our country based on the experience we gain in its implementation. We have substantially increased the allocation for river conservation programme in this year's budget, including a special provision of Rs.250 crores for the river Ganga.

It is vital that institutional structures are set up by all States for synergizing the river conservation efforts at the national and state levels. States should explore mobilizing additional resources for river cleaning through innovative models like Special Purpose Vehicles. I would also request State Governments to effectively enforce legal provisions through State Pollution Control Boards to curtail the discharge of untreated industrial effluents that account for nearly 25% of the total pollution load in our river systems.

We are all aware of the adverse impact climate change would have on our coastal areas. The Coastal Management Zone (CMZ) Notification issued in the year 2008 has been thoroughly reviewed by a committee headed by Prof. M.S. Swaminathan. I understand that this report has suggested an integrated approach in coastal area management for Andaman & Nicobar Islands and also for Lakshadweep Islands. I suggest that the Island authorities work in close coordination with the Centre to evolve an integrated approach.

I wish to draw your attention to the view that environmental clearances have become a new form of Licence Raj and a source of corruption. This is a matter that needs to be addressed head-on. There are trade-offs that have to be made while balancing developmental and environmental concerns. But the procedures must be fair, transparent and hassle free. Decisions must be taken within a specified time.

I am told that some times there are discrepancies in the Environmental Impact Assessment Reports. The September, 2006 Notification of the Ministry of Environment and Forests is a major attempt to rationalize the system of giving mandatory environmental clearance. I hope that we can improve the system further in the light of the experience gained. I would

urge all the States who have not yet established State EIA Authorities to do so at the very earliest. Effective coordination between the Union Ministry of Environment and Forests and the State Ministry is vital if we are to build a credible and efficient system of assessment and clearance.

The recent introduction of the National Green Tribunal Bill in Parliament is a positive step forward. This will strengthen environmental adjudication and settlement of disputes. We should consider setting up a National Environment Protection Authority supported by regional Environment Protection Authorities.

In dealing with the challenge of climate change and environmental degradation we face the unfair burden of past mistakes not of our making. But, as we go forward in the march of development we have the opportunity not to repeat those past mistakes. Our growth strategy can be and should be innovative and different. It must be different. We are still at early stages of industrialization and urbanization. Our energy needs will increase sharply in the decades to come. We can and we must walk a different road, an environment friendly road.

For this we need access to new technologies that are already available with the developed countries. We must also make our own investments in new environment-friendly technologies. We need to strengthen the scientific foundations of our environment policies and strengthen our capacity to deal with the challenges that lie ahead. We must involve more stakeholders particularly our youth to lead the movement for environmental protection and regeneration.

I urge all of you to use your collective knowledge and wisdom and experience to seek new pathways to reverse the environmental degradation and resource depletion that threatens our economic security and well being. With these words, I wish your Conference all success. I thank you.



**087. Press Note issued by the Ministry of Environment and Forests suggesting that India's per capita GHG emissions in 2031 would be well below global average in 2005.**

**New Delhi, September 2, 2009.**

India's per capita emission of Greenhouse Gases (GHG) will continue to be low until the year 2030-31. In fact, it is estimated that India's per capita emissions in the year 2031 will be lower than the per capita global emission of GHG in the year 2005. These significant findings were contained in a Report "India's GHG Emissions Profile: Results of Five Climate Modelling Studies" released here today by the Deputy Chairman of the Planning Commission Shri Montek Singh Ahluwalia. The Minister of Environment & Forests Shri Jairam Ramesh presided over the function. The Chairman of Unique Identity Authority of India, Shri Nandan Nilekani was also present on the occasion. As per the estimates of the five different studies, India's per capita GHG emissions in 2030-31 would be between 2.77 tonnes and 5.00 tonnes of CO<sub>2</sub>e (Carbon Dioxide equivalent). Four of the five studies estimated that even in 2031, India's per capita GHG emissions would stay under 4 tonnes of CO<sub>2</sub>e which is lower than the global per capita emissions of 4.22 tonnes of CO<sub>2</sub>e in 2005. This would mean that even two decades from now, India's per capita GHG emissions would be well below the global average of 25 years earlier.

In absolute terms, estimates of India's GHG emissions in 2031 vary from 4.0 billion tones to 7.3 billion tones of CO<sub>2</sub>e, with four of the five studies estimating that even two decades from now, India's GHG emissions will remain under 6 billion tones. The key drivers of the range of these estimates are the assumptions on GDP growth rates, penetration of clean energy, energy efficiency improvements etc. All the five studies show evidence of a substantial and continuous improvement in India's energy efficiency of GDP. India's energy use efficiency has been steadily improving over the years which is reflected in the decline of its energy intensity of GDP from 0.30 kgoe (kilogram of oil equivalent) per \$ of GDP in 1980 to 0.16 kgoe per \$ GDP in PPP (purchasing power parity) terms. This is comparable to Germany and only Japan, UK, Brazil and Denmark have lower energy intensities in the world. An Enhanced Energy Efficiency Mission has recently been approved in principle under the National Action Plan on Climate Change.

Of the five studies on GHG emissions profile in India, three were conducted by the National Council of Applied Economic Research (NCAER)-Jadavpur University, The Energy Research Institute (TERI) and the Integrated Research and Action for Development (IRADe) with the support of the Ministry of Environment & Forests. Two other studies by TERI and Mckinsey and Company were conducted with support from other agencies. These studies were taken up with a view to develop a fact based perspective on climate change in India that clearly reflects the realities of its economic growth, the policy and regulatory structures and the vulnerabilities of climate change.

The Ministry of Environment & Forests functioned as the facilitator, bringing together the five studies undertaken independently, enabling a thorough review process and publishing the results with a view to generate a meaningful and informed dialogue on the subject of Climate Change.



**088. Address by Special Envoy of the Prime Minister on Climate Change Shyam Saran at the Seminar organised by the Indian Council of World Affairs.**

**New Delhi, September 8, 2009.**

**Shri Shyam Saran:** Thank you very much Sudhir for the very warm words of welcome. I would also like to greet Mr. Raj Chengappa, Editor, India Today, who is a colleague on the Prime Minister's Council on Climate Change and has followed the climate change debate very extensively over the past few years.

What I thought I will do is to just give you in about twenty minutes a brief overview of the negotiations as they are. That is what perhaps you might have greater interest in and certainly is something that I am more familiar with. So, I would rather stick to something that I am more familiar with. Then perhaps Mr. Raj Chengappa can also give his own views. Then perhaps we can have an interaction.

Let me try and give you a sense of the multilateral negotiations which are taking place under the UN Framework Convention on Climate Change. The current negotiations draw their mandate from the Bali Conference which was held in 1997. This was the 13th Conference of the Parties to the UN Framework Convention on Climate Change. What this conference did was to first of all reaffirm all the principles and provisions of the UN Framework Convention on Climate Change, which is more popularly known as the Rio Convention. You would recall, this historic convention took place in 1992 and was billed as a very major global event. The issue of climate change is not new. We had already been discussing climate change for several years in the 1980s. It was through very complex and rather difficult negotiations that we were finally able to come up with what is now known as the Rio Convention or the UN Framework Convention on Climate Change.

Fifteen years down the line when the Bali Conference of the Parties took place, something new has happened so that this Conference of Parties in Bali became so important. What Bali said was that while we do have the UN Framework Convention on Climate Change, since it was negotiated not much progress has taken place on the implementation of that convention; and there was need to enhance and in fact recognise the urgency of the problem of climate change because there have been recent events which show that this challenge is much nearer and much more serious than perhaps had been envisaged in the past; and, therefore, as Conference of



Parties we need to get together and decide how we do enhance the implementation of the various provisions and principles of the UN Framework Convention on Climate Change.

So, the Bali Action Plan has a kind of a package. The package says that we should aim to come up with, in two years at Copenhagen at the 15th Conference of Parties, a package which should have four pillars. These four pillars are: enhanced action on mitigation, which means reduction of greenhouse gas emissions; we should have enhanced action on adaptation recognising that even if tomorrow by some miracle emissions became zero, climate change would still continue to take place because climate change is taking place as a result of accumulated greenhouse gases in the atmosphere. So, even if it became zero tomorrow, because of that accumulated stock of carbon and greenhouse gases in the atmosphere, climate change would continue to take place. Therefore, it is extremely important that we also have enhanced action on adaptation. In order to bring about the enhanced action on both adaptation and mitigation we need the third pillar which is adequate financial resources. Unless you have adequate financial resources, how do you bring this about?

Fourth, you must have technology recognising that the answer to this challenge, particularly in the long-term, would be our ability to shift our current dependence on fossil fuels or carbon-based fuels to a pattern of production and consumption which is essentially based on renewable sources of energy or new sources of energy. So, technology is critical in terms of enhanced action both with respect to mitigation as well as adaptation. This has to be packaged in a long-term vision of what we need to do in the future. This is really the mandate which was given to the negotiators by the 13th Conference of Parties.

As you will note, we are not negotiating a new climate change treaty. I say this because there is a great confusion in the public mind, not only in India but certainly elsewhere as well, that somehow or the other the negotiations that we are engaged in are meant to negotiate a new climate change treaty. There is no such thing. The climate change treaty is already there from 1992. The mandate for these negotiators, therefore, in the multilateral negotiations is to come up with a package which will actually enhance the implementation of what you already have as the climate change treaty.

There is a second track. That second track is the Kyoto Protocol track. After the UN Framework Convention on Climate Change was concluded, as you know the UNFCCC enjoins upon the developed countries, the so-

called Annex-1 countries, to bring about a targeted reduction in their emissions. The Kyoto Protocol which was concluded in 1997 in fact has, therefore, legally binding obligations on developed countries to reduce their emissions by whatever amount has been put down in the Kyoto Protocol by the year 2012, which is the first commitment period. We have been also negotiating parallelly with the Bali Action Plan the second commitment period targets for the Kyoto Protocol.

Again it is not that we are looking for a successor treaty to the Kyoto Protocol, which again is something which is always current in our discourse. There is no such thing. We are not looking for Kyoto Protocol expiry and we are now going to come up with something new. That is also not the case. In fact, the Kyoto Protocol has very clear provisions for dealing with noncompliance. That is, if a country has not met its commitment by the year 2012, then whatever is the balance of its commitment must carry forward to the next commitment period commencing 2013, and must also have a 30 per cent penalty. So, whatever is the target which has been given to that country for the first commitment period, not only should it make up the balance in the second commitment period but it must also add 30 per cent to its next target. So, as I said, there is a parallel track which is going on with regard to the Kyoto Protocol.

Where are we at the moment? I am afraid we are nowhere near this particular package that we have been mandated to come up with. We are nowhere near the parallel track of Kyoto Protocol where developed countries are supposed to indicate the targets they will assume in the second commitment period. Nothing is very clear. What is really happening is that there is a very concerted attempt to get away from the principles and provisions of the UN Framework Convention on Climate Change. So, while there is a rhetorical affirmation of the UN Framework Convention on Climate Change and its principles and provisions, in actual fact when we sit down for negotiations, that is not what you see.

For example, if the UN Framework Convention on Climate Change says that in recognition of the historical responsibility of the developed countries for the accumulated stock of carbon in the atmosphere they must take the lead and developing countries are not required to take on any emission reduction targets. Now we have a situation where in the negotiations what is being put forward is unless we have the major developing countries also taking on emission reduction targets, we cannot come up with a package for Copenhagen.

The UNFCCC says that the financing mechanism for adaptation and for mitigation must be located within the UNFCCC. That is, it must be a multilateral body and it should have balanced representation of both the developed as well as developing countries in order to avoid any kind of donor-driven approach; also that the payments into these financing mechanisms should be looked upon as payment for obligation, payment of in a sense debt. So, there are entitlements for developing countries as far as the financing mechanism is concerned. It is not charity from the developed to the developing countries. But today what we have is a refusal to look at any such financing mechanism and really to focus attention on how perhaps from the carbon market some money can be made available or how the financing mechanism can be actually just an expanded role for the multilateral development banks like the World Bank, something which is quite different from what was envisaged in the UNFCCC.

Another aspect that I would like to mention is technology. Where there is a clear reference in the UNFCCC that whatever mitigation actions have to be taken by developing countries voluntarily, these have to be fully compensated by both financial resources as well as technology transfer. When we come to technology transfer what are we being told? We are being told essentially, "Well, Governments do not have the technology, these are with private sector, and really what you need to do is to open up your own markets, reduce your tariffs on climate friendly technologies and goods, and offer better IPR protection than you have, and then technology will move. So, there is no willingness to consider any kind of technology transfer.

I am giving you these as a few examples. Then you may ask me, "Does India have some kind of an alternative package that it has put forward?" That is because frequently we hear that while India keeps saying no to whatever is being put forward by developed countries, India itself does not have anything to offer as an alternative. But that is not the case. We have made very detailed submissions; we have put forward our own vision very clearly. What is that vision? We say that this package obviously has to have very significant emission reduction commitments by developed countries. Why? That is because they have not whatever they were supposed to meet in the earlier period. So, they must make up for it. So, the peaking of developed country emissions was supposed to have been reached by the year 2000. But, of course, we all know that no peaking has taken place. The developed country emissions are still rising. So, in order to make up for what has not been achieved in the previous period, it stands

to reason that there must be a much more significant reduction in developed country emissions if all of us agree that we are facing a more serious situation than we had envisaged before.

Because of the refusal of the developed countries to really indicate very clearly what they are willing to sign on to with the exception perhaps of the European Union which has taken the lead in this respect, and we appreciate that they have indicated 20 per cent reduction by 2020 in comparison to 1990 which is the base year in the Kyoto Protocol, most other countries have not really come out with what they are willing to take on as emission reduction targets. The indications which have come, for example in the Waxman-Markey Bill, is a meagre four per cent reduction if you take 1990 as the base year. That is simply not good enough. So, because we were not getting any kind of response from the developed countries, along with 36 other developing countries we have put forward at an earlier session in Bonn a proposal that developed countries should commit themselves to at least 40 per cent reduction in their emissions by 2020 with 1990 as the base year. On the basis of historical responsibility, on the basis of the current GDP, current per capita emissions, we have made a schedule for what could be likely targets to be taken by different countries. We have said, "If you do not agree with what we have put forward, then sit down at the table and negotiate with us. But there has been no response."

Then with regard to adaptation we say that do not make climate change a kind of a unifocal issue. If you look at the global discourse on climate change, it is almost entirely about current emissions. You do not hear other aspects of climate change. But climate change is actually a much broader subject, and for us as developing countries, adaptation is perhaps as important, if not more important than mitigation. Because of the element that I mentioned to you that even if by some miracle we had zero emissions tomorrow, climate change will continue to take place, we would still have to adapt to climate change. So, this is a very serious challenge for us and in whatever package comes out at Copenhagen we have to take cognizance of this challenge and provide for the resources, both technological as well as financial, to meet this challenge.

There is an adaptation fund which has been set up at a conference in Nairobi. This fund is being made operational. It has a governance structure which is very much in line with what we wanted. It has a balanced representation of both the developed as well as the developing countries. But the problem is that it simply does not have enough funds. The current

funding is two per cent from the proceeds of the Clean Development Mechanism. So, it has about a couple of hundred million dollars available which would probably not be enough for even one or two adaptation problems. So, unless there is a very large scale transfer of resources to this adaptation fund, it will really not make much difference. So, we say that in any package we come up with at Copenhagen you must have a very major component focusing attention on adaptation.

In most of the discourse we have the developed countries seem to suggest that with the exception of the LDCs and the Small Island Developing States, other developing countries must look after their own adaptation requirements. There may not be much support available from developed countries.

Thirdly, on finance as I mentioned to you that there is no willingness to look at adequate, stable, predictable funding for any kind of mitigation action which must be undertaken by developing countries. So, instead of locating a fund within the UNFCCC, providing for its financing, according to us the financing should be done on what basis? We say there should be some kind of an assessed contribution system, an assessed contribution system according to which developed countries, in accordance with their historical responsibility, their capability in terms of their GDP, in terms of their per capita income, should be putting in a predictable amount of fund into this financing mechanism. And there should be a governing structure then which deploys these funds.

With regard to technology which is I think one of the key elements, what is the Indian submission? The Indian submission is that if you all recognise that technology is going to be a key element in our response to climate change, then does it not make sense that if there are a large number of existing climate-friendly technologies whose widespread adoption, whose rapid adoption would make an impact in our dealing with climate change? Should we not have a global mechanism which enables us to do that? So, at Copenhagen can we create a mechanism through which the most rapid and the most widespread diffusion of existing climate-friendly technologies can take place, and parallel to that there should be also a global mechanism for capacity-building. That is because even if you have technology, unless there is a capacity to absorb it, to assimilate it, it means really not very much. So, through the United Nations process you can have both a mechanism for the diffusion of technology as well as for capacity-building, and also recognising that you will need in the future transformational

technology which help you bring about that shift that I mentioned to you from your current reliance on fossil fuels to a pattern of production and consumption which is essentially based on renewables. This will require transformation of technology.

In order to bring about those transformational technologies, create those technologies, is there some way in which we can pool together the scientific and technical resources of both the developed countries as well as the major developing countries to in fact generate those technologies in the future which could then again be made available as public goods? So, this is our vision of how the technology issue should be dealt with. So, we have come up with a very coherent package. This is a package which also enjoys support amongst the other developing countries. Not only an Indian approach, it is something which most other developing countries are supportive of. So, this has been put forward.

The difficulty is that in negotiations when somebody comes up with a proposal there should be some response. Or you should sit across the table and say, "Well, this part I do not agree with, how about this?" There is a certain degree of back and forth which takes place in any negotiation. The difficulty here is that whatever proposals, whatever submissions have been made by developing countries including India, there simply has not been any kind of response from the developed countries who continue to just keep pressing unilaterally what they think Copenhagen should come up with. So, there is no surprise that we have not really managed to get very far in terms of the package for Copenhagen.

So, what may happen at Copenhagen? What we think will happen is that we may yet again come up with maybe some kind of a framework declaration, something which puts down again certain pointers to negotiations which must take place post-Copenhagen. I do not see that Copenhagen is kind of end of the road or it is a make or break. We will try and make as much progress as possible to come up with some meaningful outcome at Copenhagen. But I think we should be quite prepared that we may not get a very substantial outcome.

Perhaps it might be more realistic to think in terms of some kind of a framework declaration which reaffirms the UNFCCC, reaffirms our commitment to coming out with a global response to climate change, maybe has some pointers with regard to areas that we must cover in the follow-up negotiations to Copenhagen. Frankly speaking, unless something very dramatic happens in the next few months I do not see

how we will be able to come up with something which would be in consonance with the international expectations or the international rhetoric that has been built up.

Thank you very much.



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**The Director General of the ICWA Mr. Sudhir Devare** in his introductory remarks pointed out the irony that "even a natural development like climate change is creating a sharp divide between the developed world and the developing countries." He said "it is the industrialised countries which over centuries had caused carbon accumulation in the atmosphere. Yet, it is the poorest countries which are most severely affected by climate change today." He underlined the responsibility of the developed countries "to provide the finance and technology to help the developing countries to meet this challenge rather than calling for national emission reduction targets." He pointed out the enormity of the problem by suggesting that if the rise in global temperature was to be brought down by two degrees Celsius, "industrialised countries will have to reduce their emission by more than 100 per cent below 1990 levels by 2050."

**Answering questions from the floor, Shri Shyam Saran said:**

"With regard to the question on financial crisis and how we anticipate what will happen in the future, the rhetoric is quite different. The rhetoric is that the financial and economic crisis is actually an opportunity. Why? Because action on climate change can actually become one of the answers to deal with the economic and financial crisis. Why? Because if you are going to invest money on climate change action, for example on renewable energy, on energy efficiency, all this would lead to a revival of economic activity; it will create new jobs; it will trigger technological innovation. Therefore, in theory at least people seem to suggest that if you were to actually plan action on climate change, this could be one of the ways in which you could revive the global economy. That is the rhetoric.

But in actual fact we are not seeing that at all. What we are seeing is that much of the action which was being taken actually, say in the United States of America, on start-ups for renewable energy has stopped. Funding of most of the start-ups in the solar energy or biomass has dried up. Much of the work that countries have planned on making this adjustment in their industry moving away from very high energy intensive methods to low energy intensive methods also is stalling because Governments are saying there is simply not enough money to do those kinds of things. So, while we could say that the economic and financial crisis is a challenge and climate change action could actually provide one of the answers to that challenge, we do not see that actually translated into practice.

My guess is that as long as this crisis continues - perhaps it may deepen, perhaps it may ameliorate in the next couple of years - we will not see much action on climate change. We will not see much action in terms of domestic action in the developed countries themselves, and we will certainly not see much action in terms of enabling developing countries to take on climate change actions, whether it is for adaptation or whether it is for mitigation.

A point was made that the US has not ratified the Kyoto Protocol and where it stands. Our view has been that Obama Administration when it came in, on another issue, the CTBT for example, has exactly the similar situation that it had signed the CTBT but the

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Senate did not ratify it. He has said that one of the major points on his agenda would be to get the CTBT ratified by the Congress. Why cannot the same thing be done for the Kyoto Protocol? The Kyoto Protocol was signed by the United States. Certain obligations were undertaken. Therefore, the simplest way of the US demonstrating its commitment to action on climate change is perhaps joining the Kyoto Protocol.

What the US has been saying is that it cannot join the Kyoto Protocol; it would not be politically possible for it to join the Kyoto Protocol. Therefore, it will take on commitments but it will take on commitments which will be comparable to the commitments which will be taken by other developed countries. Maybe there will have to be some kind of an implementing agreement. But questions arise about how compliance will be built into it. There are issues like that which have not been sorted out in the negotiations themselves. So, this is a bit of a murky kind of a situation. Also please remember that while the US may not have ratified the Kyoto Protocol, it is not exempt from all the obligations it has undertaken under the UNFCCC which is the primary treaty. That has been signed and ratified by the United States of America. So, the United States of America is fully governed by the UNFCCC.

A question was asked about the difference between ODA and the other kind of funding. If you look at the UNFCCC it is very clear that the financing mechanism has to be located under the UNFCCC. Therefore, it must be a multilateral fund. It also talks about, as I said, historical responsibility; talks about how any incremental cost for mitigation to be undertaken by developing countries voluntarily must be fully compensated by financial resources as well as technology transfer. This financial obligation is not in terms of a voluntary contribution, which the ODA is. ODA is not a legal obligation. On the other hand, this particular payment under the UNFCCC is an obligation. So, what is the best way in which this obligation can be delivered? This obligation can be best delivered to our mind by some kind of an assessed contribution system which fixes what would be the mandatory contribution which has to be made by different developed countries to this fund taking into account what the totality of that fund should be. We have said that that fund should not be less than 0.5 per cent of the total GDP of developed countries. Perhaps if you are looking for a really ambitious response, it should be nearer one per cent. But this is very different in character from ODA. It is also very different in character from funds which come through, say, multilateral development banks such as the World Bank. What the UNFCCC does is while it attaches primacy to the financial mechanism which must be set up under the UNFCCC, nevertheless it does provide a role for other bilateral and multilateral sources of funds. But those funds or those contributions cannot be taken as fulfilment of commitment under UNFCCC. They are supplementary in character. That is the difference.

On the carbon tariffs, this issue has been in fact looked at carefully. We ourselves have done some work on this. You might have read that during the last meeting of the Working Group in Bonn, with the support of virtually all the G77 countries we put in an amendment which could be even passed as a resolution at Copenhagen which clearly stated that any kind of imposition of carbon tariffs or border tariffs in relation to climate change action would be illegal under the UNFCCC and would not be WTO compliant. So, this has already been put in in the negotiations precisely to forestall the kind of action which we see threatened by the United States and some of the other developed countries.

There is some work going on at the moment to see whether or not there are any kind of provisions under the WTO where this may be justified under some clauses. But our



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current view is that it is not WTO compliant. In any case, the point we have been making again and again is that if you look at the UNFCCC, actions on climate change to be taken by developed countries are not made conditional upon any other factor. That is, you cannot say climate change action will be taken provided it does not affect our industrial competitiveness, or climate change action will be taken provided there is a level-playing field. These are extraneous issues which have been brought in at a much later stage in the negotiations; and we completely reject that because there is no provision for that within the climate change treaty itself.

There are other variations of that. For example, there is a sectoral approach which says, "Okay, if you cannot have these emission reduction standards on a national basis, we should select certain energy intensive industries like power, iron and steel, cement, paper and pulp, textiles, etc, and we should have some kind of a universal norms - you can make some adjustments for the level of development but these should be legally-binding kind of norms - which should be cross-cutting across the world. And those countries which are not up to the norm will in a sense be then open to penalisation by the imposition of certain compensatory tariffs. So, we have been also resisting that approach. When we are talking about a sectoral approach in the UNFCCC it is essentially in the nature of creating a platform for collaboration, creating a platform for sharing of best practices rather than for a sanction for legally-binding norms in different industries.

On whether the western development paradigm is sustainable or not, the problem is that we are sometimes told, "Do not make the same mistakes as we have done. You should follow a different path. You should be showing us the way." Whether we do follow our own path is a national decision. That is something which India has to decide as to what the values are by which its people would live. Yes, I think a lot of Indians will say that we should not be aping the western lifestyles; we should be going back to a more sustainable or more ecologically friendly lifestyle that we have had in the past. There are views like that.

The difficulty is this. A question I am very frequently asked is, "What will happen to the world? The world will get fried if every Indian wants to have a Nano!" My answer to that is, "Well, why do not you ask the same question yourself? What will happen to the world if we continue with our own lifestyles as they are in the West?" So, somehow or the other the manner in which the issue is put forward is, "We have made mistakes but let us continue making those mistakes. Do not question us on we making those mistakes. But you do not follow our mistakes. If I am smoking, I will continue smoking but it is very bad for you." That argument I am afraid is very difficult to sell politically in India. So, whether we should do some soul-searching; not have more millionaires; not have the kind of disparities which are coming up in India; whether we should not go in more for public transportation rather than encourage private transportation; all that is granted. I think we have to do that. There is no way that we can actually in a long-term have a sustainable pattern of growth if we do not do that.

We have tried to make some modest move in that direction in the National Action Plan on Climate Change. For example, we have the National Mission on the Sustainable Habitat. There we are in fact trying to promote public transportation. There should be more metros for example in large cities. There should be more promotion of bus services in the cities. We are at least trying to see how we can shift the emphasis of long range cargo transportation from its current very heavy reliance on road transportation to railways. So, there are efforts of that kind being made in some of those national missions. Take for example the Agriculture Mission linked to the Water Mission. Essentially for the last forty years we have followed a pattern of growth, intensive agriculture development programme

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being really the basis for that which is essentially chemical fertiliser intensive, pesticide intensive, water intensive, using hybrid seeds but almost like mono crop culture. The focus of that strategy has been not the farmer but has been the crop. How do you increase the yield of a particular crop? You have not been looking at the totality of the farmer's economy. So, what we are trying to do through the Agriculture Mission is to see whether or not it is possible for us to bring about a shift from that kind of water intensive, chemical fertiliser intensive, pesticide intensive growth which has a lot of downside even in terms of health consequences. Can we not shift to a strategy of development which is not water intensive? It is possible.

You have heard of the new strains of rice which are being grown in many parts of the country. Can we have an agricultural strategy which is not so dependent upon chemical fertilisers? Can we wean the farmer away from chemical fertilisers and use more traditional methods? With some very targeted use of chemical fertilisers, get rid of the use of pesticides completely. There are parts of India where chemical pesticides are no longer being used. Very effective alternative methods like bio-pesticides and local multi-cropping patterns have been tried out which themselves in fact bring about a resistance to pests. So, there are various things that are on the anvil in terms of these plans.

With regard to water the biggest difficulty is pricing of water. Unless you have a proper price for water, water conservation is very difficult to bring about. And that has become unfortunately a political issue. Unless you can build up a political consensus around that, it is very difficult to implement it. So, all the other things that we can do for water conservation we are trying to do like encouraging industry in urban areas to become water neutral. Can the water they are using in their industrial operations be recycled and reused? There are several companies which have actually become water neutral. As the demand for water in urban areas keeps on multiplying, these are the kind of things that you will have to do in terms of the use of water.

In terms of a national strategy the Government is trying to move in that direction. But if you ask me, "Have we really turned the ship around in that respect?", No. How do you change a value system in our country? That is a very difficult question to answer because willy-nilly what is the standard of success in the country today. You should have a lot of money, you should have big cars, you should be living in a big house, you should be living a lifestyle which is a very wasteful lifestyle. Unfortunately, that has become the value system in the country. Changing that requires education; changing that requires a certain lead to be given by political leadership, by social leadership. These are somewhat difficult questions to answer in the narrow field that unfortunately I work on.

There is a stirring, not just in India but in other countries too, of what I call - I have written something on this - the Three Rs, which is you have to move yourself to a strategy of economic development and consumption which is based on renewables, recycleables, and reusables. Take reusables for example. If you are looking at consumption, it is use and discard. Disposability is preferred to durability. But then it was not so long ago that you actually put a huge value on durability in this country. You like to buy a thing because it would last longer. You are now in a phase where you actually prefer something which you can use and dispose of. So, how do we bring about that kind of a change where we are looking at a cycle rather than a linear kind of a growth pattern? Culturally I would say that our trades in our own culture, civilisation which put a value on that kind of thinking. Maybe we must start going back to that as was mentioned by some people here.

**Shri Sudhir T. Devare:** Before we conclude Shyam, I have a few questions to ask. I have seen that the Government has announced that by 2015 we can bring down the

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energy consumption by five per cent. Can the National Action Plan on Climate Change take off in such a short time so that we can bring down the energy consumption by such a large chunk as five per cent? Secondly, India the largest number of Clean Development Mechanism (CDM) projects mainly relating to renewable energy. Can we be expected to show the way in addressing this problem through this record of ours in the CDMs as you go to Copenhagen in the next few months?

**Mr. Syham Saran:** Yes India has a very large number of CDM projects. But CDM is not really in a sense the answer to the climate change problem. CDM is a flexibility mechanism which has been provided to enable developed countries to meet their emission reduction targets in an economically cost-effective manner by doing those projects in developing countries. So, you cannot double count. If you did a particular project in your own country, the cost may be much higher. But if you did it in a developing country the cost will be much lower. So, for the emission reduction which has been achieved as a result of doing that project in India, certain credits are available, which is what you get for the projects that you are doing. The difficulty is that currently the CDM is project-based and the procedure for taking on these kinds of projects on to the CDM list, working out exactly what is the amount of credit which is earned by that particular project it is very cumbersome. There is a lack of transparency and predictability about it. So, this is something which we are trying to address in the discussions which are taking place through suggesting maybe we should go in for more pragmatic kind of CDM projects which are larger scale in nature. Once certain guidelines or certain norms have been set for a particular project or for a particular programme, if a similar kind of project comes or a similar programme comes, then you should not have to go through the entire rigmarole again. This is something which is part of the reform of the CDM process which is taking place.

With regard to your question on the five per cent, I think it is more than doable. In the Enhanced Energy Efficiency National Mission the great advantage is that we already have a legal basis for that which is the Energy Conservation Act and we have the Energy Conservation Building Board, these two instruments. So, in the Energy Conservation Act you have nine energy intensive industries which have been identified. Some of those I mentioned like iron and steel, cement, paper and pulp, textiles, power. Several energy intensive industries have been identified. The Energy Conservation Act provides for a compulsory energy audit of industrial units under these nine different industry areas. The Bureau of Energy Efficiency is able to set energy efficiency standards for each of these installations. You have to meet those. What is happening now is this is being done on a voluntary basis. But now we are moving into a mandatory basis. So, if you do not meet those targets, then there is a penalty to be paid. What we are trying to do is to put in place some kind of a market mechanism which would allow trade in energy efficiency certificates, that is, those units which meet their target and do better get credits and those who are unable to meet their norms will then have to buy those credits in order to meet them. So, this is now going to be put in place. As I said, the advantage here is that the legal basis is already there in the Energy Conservation Act.

Also you would have seen a very rapid popularisation of the Star Rating System for domestic appliances like for refrigerators, air conditioners, cooking stoves. These are going to be extended. There is also going to be fairly strict emission standards on automobiles. So, if you take all these into account, a five per cent is not actually very ambitious target. I think it actually could have been more.

**089. Memorandum of Understanding between the Government of the Republic of India and the Government of the Kingdom of Denmark on Cooperation in areas of Environment.**

**New Delhi, September 11, 2009.**

**The Government of the Republic of India and the Government of the Kingdom of Denmark** (hereinafter referred to as "the Parties");

**Recognizing** the global nature of many environmental issues and the urgency of finding cost effective and lasting solutions that are coherent with the need for economic growth and the fight against poverty; Noting that environmental degradation is among the major global challenges;

**Considering** the strategic role of clean technology in addressing current global challenges and development needs; Wishing to promote mutually beneficial cooperation in the field of sustainable development;

**Bearing** in mind that this Memorandum of Understanding is intended to provide a general framework for cooperation and to express the cooperative intent of the Parties,

**Have** reached the following understanding:

The objective of this Memorandum of Understanding is to promote a mutually beneficial partnership between the Parties in the field of environmental sustainability.

Within the field of environmental sustainability the following areas have been identified as high priority areas for cooperation between the Parties under the framework of this Memorandum of Understanding:

- a. Water pollution control;
- b. Air pollution control;
- c. Waste Management;
- d. Biodiversity conservation including;
  - (i) Bio-safety
  - (ii) Survey of Bio-resources
  - (iii) Wetland management

- e. Harmful chemicals management;
- f. Clean technologies including:
  - (i) clean water and air technologies;
  - (ii) waste handling technologies;
  - (iii) environmental monitoring technologies;
  - (iv) technologies to support substitution of harmful chemicals in processes and products.

1. Cooperation between the Parties under this Memorandum of Understanding may be conducted in the form of:

- a) exchange of information and documentation;
- b) exchange visits by experts, scholars and delegations;
- c) jointly organized seminars, workshops and meetings involving experts, scientists, private companies and other relevant agencies;
- d) collaborative projects;
- e) other forms of cooperation as mutually agreed upon.

2. Subject to national legislation and international agreements in force in both countries, the Parties shall adopt appropriate measures to protect the intellectual property rights arising under the implementation of this Memorandum of Understanding.

3. The conditions for the acquisition, maintenance and commercial exploitation of intellectual property rights over possible products and/or processes that might be obtained under this Memorandum of Understanding will be defined in the specific programs, contracts or working plans, which shall also set out the conditions regarding the confidentiality of information whose publication and/or disclosure might jeopardize the acquisition, maintenance and commercial exploitation of intellectual property rights obtained under this Memorandum of Understanding.

The Parties shall encourage organizations, private companies, government institutions at all levels and research institutions on both sides to establish cooperation activities aimed at fulfilling the objectives of this Memorandum of Understanding.

Each Party shall designate Senior Officials responsible for international affairs of the environment and forestry sector to serve as its Coordinators to supervise and coordinate the planning, performance, evaluation and approval of the cooperation activities to be carried out by the Parties under this Memorandum of Understanding. A Joint Working Group will be constituted to coordinate the work being undertaken under this Memorandum.

The Joint Working Group shall meet alternatively in India and Denmark to review and analyze the progress of activities and shall keep their respective Ministries, duly informed of progress and achievements.

The location of bilateral meetings will alternate between the Parties, the sending side bearing the cost of such visits.

Nothing in this MOU shall affect the obligations of the Parties under other treaties or agreements related to environmental protection.

This Memorandum of Understanding may be amended at any time by the mutual written consent of the Parties.

Any dispute about the interpretation or implementation of this Memorandum of Understanding will be resolved through consultations between the Parties.

This Memorandum of Understanding shall enter into force on the date of signature.

This Memorandum of Understanding shall be valid for five (5) years, automatically renewed for a further period of five (5) years. Either Party may terminate this Memorandum of Understanding by means of a written notice to the other Party.

**Done** at New Delhi in two originals, in English and Hindi language, on 11th day of September, 2009.

**For the Government of the  
Republic of India**

(Vijai Sharma)

**Secretary, Ministry of Environment  
to the and Forests**

**For the Government of the  
Kingdom of Denmark**

(Ole L0nsmann Poulsen)

**Ambassador of Denmark  
the Republic of India**



**090. Question Relevant to Climate Change asked from Foreign Secretary Mrs. Nirupama Rao at the media briefing for the Prime Minister's visit to Pittsburg for the G-20 Summit.**

**New Delhi, September 19, 2009.**

**Question:** On the G20 meeting in Pittsburgh, the EU had a summit of Heads of States and Governments where they made several proposals regarding climate change. One was that all G20 States should participate in financing climate change measures in least-developed countries. What does India think of this proposal? Does it support it? Secondly, France and Germany propose that the EU levy a carbon tariff on imports if there will be no agreement in Copenhagen. What does India think of this proposal?

**Foreign Secretary:** On your question about forums like G20 being seized with the climate change issue, I just wanted to say that obviously all these various mechanisms including the G20 structure give an impetus to the multilateral negotiations under the UNFCCC through a strong political message. But these are not negotiating fora in themselves and cannot substitute for the mechanisms already established under the UNFCCC insofar as climate change issues are concerned.

On the issue of the carbon tariffs and the Indian position on that, as you know climate change is a global environmental concern and it requires a global response. Such a response has to be based on the principle of equity and common and differentiated responsibility and respective capabilities. And most of all it should take into account the imperatives of poverty reduction and economic development in developing countries. So, any long-term goal or any conditionalities that you set should always take into account the centrality of the need of the developing countries in this regard.

**Question:** Foreign Secretary, what has brought about the change for us to say that we will now cut emissions voluntarily?

**Foreign Secretary:** You are asking me whether India is ready to accept quantifiable emission targets?

**Question:** Yes. Because the Minister had first said, during the visit of the Danish Prime Minister, that we were a bit hesitant on this issue a while earlier but then now that has changed. So, what I am asking is what has prompted this change?

**Foreign Secretary:** Let me put it in context for you. Climate change takes place because of the cumulative accumulation of greenhouse gases in the earth's atmosphere. This has happened over two centuries of industrial activity and high consumption lifestyles in the developed world. There is thus a historical responsibility involved on the part of the developed countries. On the other hand the per capita emissions of developing countries are still very low. For example, India's per capita CO<sub>2</sub> emissions are currently only 1.1 tonnes when compared to over 20 tonnes for the United States and over 10 tonnes for most OECD countries. It is in recognition of these facts that a legally binding emission and production target has been stipulated by the international community under the Kyoto Protocol of the UNFCCC, while there is no such obligation for the developing countries. Despite this India has already declared that even as it pursues its social and economic development objectives, it will not allow its per capita greenhouse gas emissions to exceed the average per capita emissions of the developed countries. We have thus accepted a limit on our emissions, but at the same time provided an incentive to our developed country partners to be more ambitious. The more significant their reduction of emissions will be, the lower the limit we would need to accept for our own.

[For full text of the briefing please see Document No.218]





**091. Intervention by External Affairs Minister S. M. Krishna at the Round Table during the Climate Change meeting at the UN.**

**New York, September 22, 2009.**

**Hon'ble Co-Chairs.**

Permit me to begin by appreciating the admirable manner in which you are guiding our discussions. I am also appreciative of the Secretary General for convening this meeting.

It is imperative that our meeting galvanizes political momentum for the real negotiations at the UN Framework Convention on Climate Change.

**Hon'ble Co-Chairs,**

India faces one of the most enormous development challenges in the world. Nearly 200 millions live on less than 1\$ a day and nearly 500 million do not have access to modern sources of energy.

Our overriding priority, therefore, has to be eradication of poverty for which we must address our energy poverty and use all sources of energy, including fossil fuels.

Climate change has now posed for us a huge adaptation challenge too as we are severely affected.

We have a major interest in ensuring a substantive and constructive outcome in Copenhagen and we will be part of the solution, even though India has not caused the problem in any way\*.

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\* A day earlier on September 21, addressing a press conference in New York, the Environment Minister Jairam Ramesh said India will be a "deal-maker" and not a "deal-breaker," and part of a solution to hammer a new global climate pact. Mr. Ramesh said the present crisis on climate change was the "inability" of the United States to put on the table credible emissions reduction targets for 2020. "We are not part of the problem but we want to be part of the solution," he said. He emphasized that it was wrong to blame India for the deadlock on the global climate change talks. It was prepared to be an "active player in working towards an agreement." Asked about India being dubbed unhelpful and stubborn, Mr. Jairam said: "Not at all. I think the world is completely wrong on this. We have got an image that is contrary to what we have been doing. The message that I am trying to convey is that we have not caused the problem of global warming but we want to be part of the solution at Copenhagen. We want to be a deal-maker, not the deal-breaker." India's national climate plan envisaged voluntary mitigation measures

The outcome must be rooted in equity and respect the provisions and principles of the Convention, especially common but differentiated responsibilities and also historical responsibility.

It must also ensure that developing countries can pursue accelerated development, also so that they have the resources to cope and adapt to climate change.

**Hon'ble Co-Chairs,**

The background paper for today's event has posed important questions with the one on lifestyles, perhaps, being the most pertinent.

Here we cannot get away from the fundamental fact that unsustainable lifestyles and patterns of production and consumption in the developed world have caused climate change. This cannot continue.

And, the way forward must ensure that developing countries can pursue growth and poverty eradication.

Scientific evidence suggests limiting global emissions by the middle of this century to a level that would keep the temperature rise to 2 degrees Celsius.

It is imperative that this aspirational global goal includes an equitable burden sharing and that all citizens of the world have an equal right to the global resource of the atmosphere.

Moreover, developed countries must commit and deliver on significant reduction in their emissions of at least 40% by 2020 from the agreed 1990 baseline.

**Hon'ble Co-Chairs,**

India's per-capita emissions are only around 1 tonne of CO<sub>2</sub> equivalent per annum, which is a quarter of the global average and half that of the

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by 2020, he said.

Warning that the impact of climate change will make some countries "failed states," top climatologist and chairman of the U.N. Intergovernmental Panel on Climate Change (IPCC), Rajendra Pachauri, said world leaders have a "sacred duty" to protect the earth. Mr. Pachauri in his intervention at the United Nations, said that heat waves, droughts, melting glaciers, loss of the Greenland, ice sheet and other dangers are fast approaching. "If all the delegates present in the gathering do not act on time, then all of us will become leaders and citizens of failed states because we would be failing in our sacred duty to protect this planet which gives life to all species," said Mr. Pachauri. "The science leaves us with no room for inaction now," he said. According to his estimate, around 12 countries will become "failed states" due to climate change problems like soil degradation and lack of food.

developing countries as a whole. Moreover, our contribution to the stock of carbon dioxide is negligible.

We have also repeatedly reaffirmed that our per-capita emissions would never exceed the average per capita emissions of the developed countries, even as we pursue our development objectives.

We are taking many domestic adaptation and mitigation actions on a voluntary and systematic basis.

These include national missions and other actions in the area of solar energy, extensive deployment of renewables, use of clean coal technologies, boosting energy efficiency, adoption of green building codes, large scale reforestation efforts and promotion of green agriculture, among others.

Many of the mitigation efforts in different sectors like energy, transport, industry, agriculture and forestry will have specific quantitative and time-bound domestic goals, with even mid-term deadlines, that would enable our national democratic institutions to monitor and check their implementation.

The creation of mechanisms along with provision of financial resources and access to technology which will enable us to upscale our national efforts is an important expectation that we have from Copenhagen.

Naturally, efforts that are supported by external sources will be subject to international monitoring, but it is important that the ambition levels of domestic actions are not crimped by an international review obligation.

And while private funding is important, government commitment for funding, both for mitigation and adaptation, has to be a key element, to ensure predictability and to catalyze other flows.

For new green technologies to be deployed effectively in the developing world, rewards for innovators would need to be balanced with the needs of humankind. This, along with collaborative R&D activities, I believe is the critical piece of the climate puzzle.

In this connection, I would like to mention here that India is organizing a major conference on technology cooperation for climate change in collaboration with the United Nations in Delhi in October this year. This Conference will feed into Copenhagen substantively.

**Hon'ble Co-Chairs,**

Climate negotiations should be focusing on the developed countries from where the problem has emanated and who are reluctant even to meet their commitments on emission reduction, let alone provide technological and financial support to developing countries on the vast scale that is required.

Instead, the onus for action is sought to be shifted to developing countries, which have contributed little to the accumulation of greenhouse gasses and face the huge burden of adaptation.

Protectionist trade and border tax response measures, which basically seek to protect their competitiveness, are being talked about in developed countries under the garb of climate change.

And, regarding financial resources for developing countries, even in so far as the minimalist amounts that appear forthcoming, all efforts are underway to ensure that their governance remains outside the UNFCCC and squarely in control of developed countries.

There is a tide of change in world economic relations. Climate negotiations should not seek to stem this tide.

Thank you.



## **0092. Media Briefing by Special Envoy of Prime Minister on Climate Change Shyam Saran.**

**Pittsburg, September 24, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** As many of you had requested, the Special Envoy to Prime Minister Mr. Shyam Saran, who had participated on the 22nd of September at the high-level event on Climate Change at UN in New York, is here to talk to you, to give you a perspective on issues pertaining to climate change and energy security. After his opening remarks he will be happy to take a few questions.

The Special Envoy is joined by Ambassador of India to USA to his left, Mrs. Meera Shankar. To her left is the Media Advisor to Prime Minister Dr. Harish Khare.

**Special Envoy to Prime Minister on Climate Change (Shri Shyam Saran):** Thank you very much and a very good evening to all of you. I thought I will just give you a brief perspective on the issue of energy security and climate change which will, of course, figure in the G20 Summit but has been also the focus of several high-level events in the recent past.

The G20 Summit which will convene tomorrow will have as its focus on the global economic and financial situation. Recognising, however, that climate change and energy security related issues are very closely interlinked, we expect the Summit to convey a significant commitment to accelerating a shift away from a pattern of economic activity based on depleting and finite reserves of fossil fuels through the promotion of renewable and clean sources of energy.

The Summit is expected to reflect an acknowledgement by the G20 leaders that success in the ongoing multilateral negotiations on climate change requires the mobilisation of new and additional financial resources to support both mitigation and adaptation action in developing countries. This will provide political momentum to our deliberations under the UN Framework Convention on Climate Change.

We do not see the G20 as a forum for negotiating on climate change issues, and that includes the finance issue as well. The sole negotiating forum for climate change is the UN Framework Convention on Climate Change. Nevertheless, a strong political message from the G20 leaders that they are committed to a comprehensive, balanced, and above all an equitable outcome at Copenhagen would have a favourable impact on the

negotiations. In this respect the G20 Summit will be able to build upon the success of the recently concluded Summit on Climate Change which was convened by the UN Secretary-General on September 22, in New York.

The Secretary-General's summary, if you have had a chance to look at it, reflected the strong determination on the part of world leaders to spare no effort to ensure a successful outcome at Copenhagen. From our perspective it is a matter of satisfaction that the UN Secretary-General's summary reflected, broadly speaking, our own approach in particular the need to locate climate change response within the context of sustainable development and poverty eradication.

The External Affairs Minister Shri S.M. Krishna, and the Minister of State for Environment and Forests Shri Jairam Ramesh participated in the interactive roundtable, which followed the opening plenary. External Affairs Minister made a brief presentation outlining our perspective on climate change and acquainting the Heads of State and Governments present with India's own significant actions to deal with the twin challenge of energy security and climate change.

I wish to give you also a brief outline of our discussions at the Major Economies Forum on Energy and Climate Change which was convened in Washington on September 16 and 17. There we reviewed the developments in climate change negotiations since the adoption of the L'Aquila declaration on climate change. It was agreed that we need to place greater emphasis than hitherto on adaptation to climate change by developing countries for which both financial resources as well as technology transfer would be required.

There were a number of presentations on technology cooperation among the MEF countries themselves. These included energy efficiency, solar energy, wind power, smart grids, carbon capture and storage, and clean coal technologies. India and Japan by the way are the co-leaders on the last mentioned project, the clean coal technologies, and have drawn up a work plan to promote cooperation in this area. This was very well received at the meeting.

The Washington meeting also considered the issue of mitigation, and in particular the manner in which voluntary national actions being undertaken by developing countries could be reflected in a Copenhagen agreement. India has recommended that these national actions such as those incorporated in India's own National Action Plan on Climate Change could

be reflected in the national communication to the UN Framework Convention on Climate Change, which is already provided for in that Convention. There appears to be a growing receptivity to this approach.

Like the G20 we see the Major Economies Forum also as a useful forum in which major economies can exchange views in an informal manner on several issues confronting the climate change negotiations. These deliberations can be helpful in promoting consensus at the negotiations but, of course, cannot be a substitute for those negotiations. In our view, substantive decisions can only emerge through the multilateral process since that is where all the stakeholders are represented.

Thank you very much and I will be very happy to answer any questions that you may have.

**Question:** I was wondering whether you could comment on this announcement from President Obama on reducing the subsidies on fossil fuels. Is India prepared to act on that and to remove direct subsidies and incentives on fossil fuels?

**Special Envoy:** That is one of the issues which are going to be under discussion at the Summit. As you may be aware, we look upon subsidy as something that should be retired over a period of time. At the same time we have to take into account the fact that in a country like India there are also large social needs of a population which does not have any access to energy at all. Therefore, whatever measures we take in respect of the rationalisation of fuel subsidies will have to cater for the interests of those sections of our population.

**Question:** Basically I wanted to elaborate on this question itself. We have set up Committee after Committee on lowering subsidies and allowing our long-term commitment to decontrol the retail fuel prices. Climate change apart, there are domestic compulsions of energy efficiency, economic efficiency, which require us to do this. Unless we show this minimum political courage to do what we undertook as a Government policy way back in 1998, how seriously will the rest of the world take our commitment to climate change?

**Special Envoy:** I do not think I need to go beyond what I have already said. That is, as a policy objective certainly we need to rationalise energy prices. That is something which is conceded. I think we are already making moves in that direction. But as I mentioned to you, we also have to take into account that there are very large sections of our population whose

energy requirements will also have to be met in some manner. Therefore, while we are taking this policy forward, we will have to be sensitive to the requirements of that section of our population.

**Question:** Before you all came to the US, earlier in the month we had the Indian position that India would not bend to US demands for legally-binding caps on carbon emissions. It was made very clear that that was the position that you would not bow to any threats or demands from the US side. Now that you are here and this is on the agenda, can we hope in terms of maybe a softening of India's stance, a change perhaps, a clarification, that would bring the two sides closer together? Or are you going to stick to that stand?

**Special Envoy:** I do not think that emission reductions or issues which are there before the climate change negotiations are going to be considered here at Pittsburgh. That is not the focus of the meeting here. The meeting here will be essentially on the global economic and financial situation. As far as the issue of emission reductions is concerned, I think it continues to be our position that we will not be able to take absolute emission reduction targets of the kind which developed countries are obliged to take under the UN Framework Convention on Climate Change. However, that does not mean that India is not taking a number of significant mitigation actions itself. We have a National Action Plan which covers both mitigation as well as adaptation, and there are several national missions whose objective would be in fact to mitigate emissions. That is quite well understood. What we have conveyed is that there are things that we will be able to do within the limitation of our own resources. However, if we are to do more then it is obvious that unless there is enabling support both in terms of financial resources as well as technology transfer, taking such action will in fact impact on our growth process. I think this is something which is fairly well understood by our developed country partners. I do not think it is true that we are facing demands or facing threats that we should undertake emission reduction targets. I think there is an understanding that India is doing quite a great deal, but there must be some way in which this could be reflected as far as the Copenhagen agreement is concerned. What we have indicated, as I mentioned in my opening remarks, is that those actions, whatever we have done and what we intend to do in the future, could be very well reflected in the national communication to the UNFCCC which is an instrument which has already been provided for under the Convention.



**Question:** Just going back to the fuel subsidies, you said that in the medium term you recognise the need to phase out fuel subsidies. Can you give us a timeframe on that? We have heard that there was going to be a timeframe of around five years mentioned in the G20 communiqué. What kind of timeframe is India looking for?

**Special Envoy:** I will not anticipate or prejudge what the result of the deliberations would be in the G20 because those deliberations are still to take place. I would also like to point out here that the aspect of fuel subsidies should be taken in the correct perspective. If you take the prices of fuel in India relative to the disposable incomes in India, in fact energy prices in India are probably the highest in the world. When we are looking at the aspect of energy pricing we should also keep in mind what is the level of development that a country has. Having said that, it is important for India as for other countries, if there are distortions in terms of energy pricing it is in our own interest to try and remove those distortions. A general commitment to that objective is likely at this Summit. But in what form it will appear, we should wait and see the communiqué.

**Question:** What would be the relationship between national commitment and international obligation? Would it be the case that India will take national actions and notify an international agency so that that becomes an organisation that notes and records actions of countries like India but enforces actions taken by other countries? Would it have then a dual role of noting information from some countries and enforcing action in others?

**Special Envoy:** Please be aware that as far as the UN Framework Convention on Climate Change is concerned, it obliges only the developed countries to take on absolute emission reduction obligations. Developing countries are not expected to take on such obligations, although developing countries are encouraged to take mitigation actions with the provision that these need to be supported by adequate financial resources and technology transfer. That is the legal position. That is how in the Kyoto Protocol, which was concluded in 1997, you have an Annex-I list which is basically developed countries with quantitative reduction targets that they are supposed to achieve by the year 2012. That is the first commitment period. Developing countries are parties to the Kyoto Protocol but they are not expected to take on any quantitative reduction targets. That is the legal position. What we have conveyed in the negotiations is that not because we are under pressure but because we believe that this is something which is good for India, there are number of things that we are doing and will continue to do within the limitation of

our own national resources. These actions by India can be reflected in the national communication which is an instrument which is already provided for under the UN Framework Convention on Climate Change. No new instrument is required. What will this national communication do? It will give the international community a clear picture of what we have been able to do and what we intend to do in the future. So, if the international community is looking for a picture of what India is doing both in respect of mitigation as well as adaptation, this is where that information will be available. But this is quite different from the absolute emission reduction targets, quantitative targets which have to be undertaken by the developed countries, for which there is also in the Kyoto Protocol a compliance procedure.

**Question:** Mr. Saran, if I could ask a question about national security partly related to energy security, can I get your reaction to the Security Council Resolution this morning asking all non-signatories of the NPT to sign? What is India's position and what is your reaction?

**Special Envoy:** This is straying a bit far away from climate change. I will only repeat what has officially already been stated by the Government of India, that is, we do not intend to be a party to the NPT as a non-nuclear weapon state. We have also said that we are committed to the goal of nuclear disarmament; that we have also reaffirmed our commitment to a unilateral moratorium on nuclear testing. As far India's position is concerned, that has been very clearly laid out. I really do not have anything more to add to that.

**Question:** Sir, you mentioned about additional funding. There are some countries which are looking at funding through the existing multilateral institutions. Does India support that view, or are we looking for a separate mechanism?

**Special Envoy:** We draw our position from what is stated in the Framework Convention itself because that is really the starting point of what we are trying to negotiate. What the Convention says very clearly is that there should be a financial mechanism set up within the UNFCCC itself and that it should be, therefore, multilateral in character. In pursuance of that we actually already have an institution which has been set up for adaptation. We have an adaptation fund. That adaptation fund is multilateral; that adaptation fund has a governing structure which has a balanced representation from both developed as well as the developing countries. The problem really is that there is not enough money in the adaptation

fund. What we are looking for in the negotiations is similarly the setting up of such a multilateral institution located within the UNFCCC and having a similar kind of governance structure, but it must have access to sufficient, predictable, stable financial resources. That is really the challenge. This does not mean that we reject financing that may be available through the multilateral development banks. There may be financing available even through bilateral sources. That is also provided for in the Convention. But these cannot be taken as fulfilment of the legal obligation which is incorporated in the Convention. So, we have a very clear perspective on this that we need to have a multilateral institution within the UNFCCC itself.

**Question:** Watching the way things have been unfolding in the last one week one gets the feeling that climate change has become the single biggest, most important issue in international negotiations. Perhaps that is reflected by the fact that as Special Envoy of PM on Climate Change you have been a common factor at three major meetings in the last one week. You were at the Major Economies meeting; you were at the SG's Climate Change Summit, and you are here. So, overall, where would you place climate change in the hierarchy of international diplomatic negotiations at the moment? Secondly, would you say that SG's summary on the Summit on 22nd is an accurate reflection of international thinking on the issue? I understand that at the various roundtables all the participants including our two Ministers got only one and a half minutes to speak. So, how can you state any position in one and a half minutes' time? So, is the summary an accurate reflection of what the thinking is?

**Special Envoy:** Please do not ask me to paraphrase what the UN Secretary-General has projected as the basic understanding amongst the leaders who took part in this high-level event. I can only go by what he has stated because we were obviously not present at all the roundtables. We were present only at one roundtable. It would be fair to say that no doubt the climate change today is at the very top of the international agenda. One of the reasons is also because we are only a few weeks away from Copenhagen where we need to come up with an agreed outcome on climate change related issues. So, there is a certain sense of urgency; there is a certain sense that we are coming very close to the decision point; and, therefore, we need to mobilise international opinion, the political will amongst leaders, in order to ensure that we come up with an outcome which meets the expectations of the international community. From that point of view, the high-level event in New York did serve the purpose of bringing together a fairly large number of important

leaders to first of all give a very clear political message that (1) the leaders in the world recognise this as a major challenge, (2) that all the leaders who attended the special event are committed to ensuring that there is a successful outcome at Copenhagen, (3) that whatever is required in terms of the national efforts which have to be made by different countries in terms of facilitating this outcome, that will be forthcoming. As I said, this is not the negotiating forum.

Neither is the G20 a negotiating forum nor for that matter MEF is a negotiating forum. But the value of these fora lies in the fact that they represent a certain strong political will amongst major countries, and give a signal that we attach a lot of importance to coming up with a comprehensive, a balanced and above all an equitable outcome at Copenhagen. Several of these ideas, as I mentioned, are reflected in the summary which has been provided by the Secretary-General.

**Question:** You talked about our own national action plan and how we are going about reducing emissions. Are we in a position right now to quantify that in the next five years these are the kind of reductions that would happen? There were talks that a legislation is also being planned on the lines of the fiscal legislation that we have in India. Secondly, in terms of financing, what are the financing needs of India till 2020? The UN estimated that to be about 500 billion dollars.

**Special Envoy:** Firstly, as I mentioned earlier, the National Action Plan has eight National Missions. These eight National Missions include mitigation actions; they also include adaptation action; and by the way they also include a very strong technology component. We also have a National Mission on Strategic Knowledge because we need to have a much more detailed database for dealing with climate change issues than we have now. So, it is a much more broad ranging kind of action plan which is not focused entirely on mitigation. However, take for example the National Mission on Enhanced Energy Efficiency which was recently approved by the Prime Minister's Council on Climate Change. In a Mission like that obviously there will be targets. For example, we are looking at something like a 20 per cent improvement in energy efficiency by the year 2020. You can very well reduce that to some kind of a carbon figure too because reducing energy intensity also means the requirement of reducing carbon intensity. If you take for example the project that we have on renewable energy, obviously if we are going to meet a certain target by say 2020 on solar energy or

other renewable sources of energy, then you can say we have been able, through this, to avoid carbon emissions of such an amount. So, in some cases obviously we can put targets. In other cases we may not be able to put targets. Take forestry. Yes, of course, you can put a target.

We have already put a target of increasing our forest area by something like six million hectares, which is really creating a very large carbon sink in the country. These are very significant actions which we are taking, but these actions are not only related to emission reduction but they are also related to the much broader issue of sustainable development. We look upon climate change issues, as far as India is concerned, not narrowly from the perspective of only reducing emissions but from the larger perspective of promoting sustainable development. That is the approach that we take. In terms of what is the kind of financing which is required, we are not looking at the financing question in the UN Framework Convention on Climate Change as only related to India. But we certainly do have a sense of what may be required in terms of financing requirements of developing countries as a whole. taking into account the fact that there are a whole series of challenges that we face not only again in terms of mitigation but also adaptation. In fact for many developing countries adaptation challenge is perhaps the greater challenge. What is the kind of scale of resources that we need to have for meeting these requirements? Our own view is that it is something between the range of 0.5 per cent of developed country GDP to one per cent of developed country GDP. If we say we require a very ambitious response, the mobilisation should be closer to one per cent. But perhaps, maybe realistically only 0.5 per cent of the developed country GDP may be available. This is something which is still under negotiation. We have not yet come to a conclusion on this point.

**Question:** Mr. Saran, you said that the G20 is not the forum for negotiating any kind of emission targets. So, why bring up the issue here because on both the sides the stated positions are quite obvious? You are not going to accept any legally-binding norms and they have their own position. Secondly, you mentioned that India expects that the G20 will affirm some kind of commitment towards the successful completion of the Copenhagen round. Is there a feeling that probably you would not have a successful conclusion of the Copenhagen Summit from the position right now and it will probably end up like the Doha round of talks?

**Special Envoy:** The reason why climate change has entered the agenda of the G20 is because there is a link between energy security and climate change. Energy-related issues are very much the province of the G20. In that sense the linkage is something which is worth looking at from the point of view of the leaders. At the same time, these are 20 of the world's top leaders who are meeting here. If at their level, without going into the nitty-gritty detail, there is a very clear message which comes across that they are committed to a successful, to an ambitious outcome at Copenhagen, this is a very strong signal to those of us who are actually sitting down in the negotiations. This is the value of the kind of message which may emerge from the G20 not necessarily in terms of this and that specific issue. So, take for example the issue of financing. Unless there is a large scale mobilisation of financial resources, how do we ensure that there is an ambitious outcome? If there is a clear commitment which emerges at G20 that we acknowledge the need for the mobilisation of these large scale resources and we are committed to finding those resources which may be required, that would be a very valuable outcome from the G20. That is the sort of message that we are looking for.

**Indian Ambassador in the USA (Shrimati Meera Shankar):** If I may add, this is not the main focus of the G20 meeting, as the Special Envoy to PM has said. The main focus will be to review the international economic situation, assess the impact of the measures that various countries have taken for national stimulus plans within their own economies and what impact this has had globally. You have had the Finance Ministers' meeting in London which came to the conclusion that these had had an impact in terms of moderating the economic recession; and that countries should begin to look at exit strategies but continue these for sometime because there was still uncertainty about the economic situation. They will look at that. They will review the decisions they had taken in London. They will look at the regulatory measures for the financial system which have been discussed. They will look at the whole issue of more representation in the international financial architecture for emerging economies. There are a range of issues on the table. This is one of the issues which they will be looking at. But those discussions are going to take place still tomorrow. Therefore, we are really not in a position to comment on what the outcome would be.

**Question:** The position is that G20 is not the negotiating forum for the climate change related issues. On the other side there have been lots of reports in different newspapers and media organisations that the UNFCCC

as a forum may not be able to clinch a deal on these issues as per the deadline. What do you think will be the way out to stick to the deadline and meet the targets?

**Special Envoy:** We are very clear in our mind that the only negotiating forum for climate change is in fact the UNFCCC process. Why? Because 20 countries sitting here, or even a smaller number of countries sitting somewhere else, cannot make decisions on behalf of a very large number of other countries who are represented in the UNFCCC. They are also parties to the UN Convention. You cannot say that you take on the right to determine for them because these things are better done in smaller fora with regard to several of these important issues which will impact on them as much as they would impact on us. However, what these fora can do is to facilitate those negotiations to encourage the process of consensus-building, to encourage confidence. Those are the kind of things that can be done. But we have no doubt in our mind that the place where these decisions have to be taken is the multilateral forum. There are challenges, of course. There are a number of issues on which we have not been able to get common views. That is why there is a value to what we are doing here or what we have been doing in the Major Economies Forum or what the Secretary-General has been trying to do in New York. Can we at the political level give a certain impetus, give a certain momentum to those negotiations? Hopefully, on some of the outstanding issues on which we continue to have differences, we will be able to bridge those differences in the time that is remaining. I think that is the perspective in which you should see it.

**Question:** I know that Indian per capita emissions are much less than China's. You cannot compare the two. But insofar as there is a tendency to club major developing countries together, do you feel that President Hu Jintao's commitment or assurance recently that China was willing to accept some kind of non-quantifiable but significant reductions? I think the phrase used was major cuts.

**Indian Ambassador in USA:** Reduction on the growth of emissions, not absolute emission reduction.

**Question:** Exactly. It was a new kind of language which certainly India has not spoken yet. Do you feel that this may increase pressure on India to also follow suit? Secondly, I get the sense on the eve of all these multilateral discussions that India gets pushed into a sort of holding operation. There is a huge amount of discussion as to how India is not doing what it needs to

do and the entire burden of global discussion seems to be on getting somebody who is contributing actually very little to global emissions, to do more and more. There seems to be much less focus, much less discussion and emphasis on actually getting the major polluters to stick to their commitments embodied in the Framework Convention. Can you give us an insight into the kind of discussions that happened around the table when you are with these powers as to their willingness to engage and actually delivering on their commitments?

**Special Envoy:** As far as your first question is concerned, I think what China has announced in New York is very much in line with what India has also announced. I think there you are wrong that India has not used that same kind of language. I think what India has very clearly stated on a number of occasions is that while India may not be in a position to take on targets for absolute emission reductions, India has signed on to, along with other major developing countries, bringing about a significant deviation from business as usual emission trajectories provided there is sufficient amount of financial resources and technology transfer which is available. I think what China has been saying is very much in line with the position which China as well as other major developing countries have taken. I will draw your attention to the G5 declaration; I will draw your attention to the L'Aquila declaration. In all those you can find this very clearly reflected. It is not just a Chinese position, this is actually a common position taken by the major developing countries.

**Question:** Is the Chinese position ...(Inaudible)... by financial requirement?

**Special Envoy:** Even in our case, after all what have we been saying? There are things that we are able to do within the limitation of our own resources. If we have to do more than that, then we require financial support and technology transfer. If you look at the Chinese statement, there also there is a very clear reference to the need for developed countries to transfer financial resources and technology to developing countries. I do not think there is any difference of opinion in that respect.

As far as why is there a pressure on India, certainly sitting in the negotiating chamber I do not see why we should be defensive at all. As you mentioned, the legal obligation to reduce emissions is really that of the developed countries. What we have been saying is that whatever you were supposed to achieve under those legal obligations you have not been able to achieve. Therefore, for the subsequent period you need to do much more to make for lost time because you yourself are saying, and which we agree with,



that we are very close to the tipping point. You cannot say that we are close to the tipping point and then not come up with the kind of reductions which are required. The year 2000 was the year when the developed country emissions should have peaked. They did not peak. Now we are talking about peaking by maybe 2020. We have already lost a lot of time. That is the reason why India, together with a number of other developing countries, has put forward a formal proposal in the negotiations calling for at least a 40 per cent reduction in developed countries' emissions by 2020 with 1990 as the base year. Only if this kind of a target is actually signed on to would there be credibility to the much higher targets which developed countries say they would be ready to take by the year 2020. Credibility of that target is very much dependent upon what developed countries are ready to do in the interim period. I do not think there is an issue of India being under pressure here. I think we are on a very strong wicket.

**Question:** A swift clarification on the last point. How much of support do we have for this position of 40 per cent reduction by developed countries by 2020?

**Special Envoy:** There are 37 developing countries which have signed on to this proposal and which includes all the major developing countries like China, Brazil, South Africa, India, Indonesia. All the major developing countries are represented in that 37, plus a very fairly large representative section of the developing countries.

**Question:** What is India's view on market-based instruments for carbon trading?

**Special Envoy:** As I mentioned to you, what is required under the UNFCCC, and what is also there in the Bali Action Plan, is for a financial mechanism to be set up under the UNFCCC for mobilising and for deploying financial resources to support adaptation as well as mitigation in developing countries. I also mentioned that an adaptation fund on these lines has already been set up under the UNFCCC. So, what we are really looking for is much more resources to be put in the adaptation fund, and also having a major fund which would deal with the mitigation actions in developing countries. Having said that we have no problem with carbon trading; we do not have any problem with mobilisation of resources through other means such as emission trading scheme or through auction of assigned units. There are several such instruments which are available. We have no difficulty with that. But those cannot

be taken as the fulfilment of the legal commitment which is there in the UNFCCC. That is our position.

**Question:** Ambassador Meera Shankar, do you think India suffers from an image problem on the issue of climate change in western countries in general and particularly in America? What I mean is, what looks so obvious from Delhi and Bombay and what hardly needs any explanation or logic or support, it is so debatable here. Mr. Saran, before Copenhagen, do you have any plan for major talks with China or any other Asian countries or developing countries to have a major strategy?

**Indian Ambassador in the USA:** I think most countries tend to look at these issues from their perspective. What we see reflected in the US media quite often is the US perspective on climate change. Clearly the Indian position is not as well understood as we would like it to be. But as the Special Envoy to PM said, when we actually sit down in the negotiating or discussion forums like the Major Economies Forum, actually the degree of understanding is more than is reflected sometimes in news reports. In terms of the facts of the situation really, as Siddhartha said, we emit roughly about 1.4 tonnes per capita. Our Prime Minister has said that India is determined that its per capita GHG emissions will never exceed those of the developed countries. That is an incentive for the developed countries also to do more because the lower the level to which they reduce their emissions, the lower would be the threshold that India would undertake not to cross. Then as Special Envoy to PM said, in the meetings at L'Aquila and elsewhere India has indicated that we would be willing to look at how we can reduce the growth of emissions even as we develop. Because of our development requirements, we have to see how we can see that we develop in a way which deviates from business as usual. That is, if in the normal course your emissions would have grown by a factor of 'x', can we undertake actions at a national level which would ensure that that growth of emissions is 'x' minus?

**Special Envoy:** Concerning consultations with other developing countries, this is a constant process. In fact, we have very close consultation with all the major developing countries like China, South Africa, Brazil. We have the G5 format in which Mexico is also included. There are the BRIC consultations. So, there are a number of fora where there is a very regular and continuous process of consultation and coordination of our positions. On the sidelines of many of the meetings such as the one which is being held here, there would also be similar kind of coordination. As far as visits

are concerned, you are probably aware that our Minister for Environment and Forests visited China recently where he had very extensive discussions with our Chinese friends. I have visited the Maldives to talk to our friends, particularly from the Group of Small Island Developing States. I have also earlier visited Mauritius in the same connection. We have a constant engagement with the United States itself. Whenever I have come to Washington, I also have bilateral meetings with our counterparts in the United States. There is a constant engagement, a very intense engagement which is taking place between India and all its partners, both developed country partners as well as developing country partners.

**Question:** ...(Inaudible)...

**Special Envoy:** In terms of the developing country positions, you will find that much of the positions that we have taken on major issues are the same. Otherwise, how do we come up with G77 plus China submissions? How do we come up with the kind of submission that I mentioned to you. All those are the result precisely of that kind of coordination and consultation. In all the multilateral negotiations that we have, our effort is to try and see whether we can mobilise a consensus position amongst the G77 and China because our interests on certainly the broad issues are very much similar. There may be specific issues by the way where our perspectives may be somewhat different. But on the broad issues, the broad approach, I think we are more or less on the same pitch.

**Question:** The Japanese Prime Minister made a recent announcement that you would like to have some sort of an IPR understanding to solve the issue of technology transfer on the climate change issue. What is our view about such an IPR understanding? Would we be prepared to apply that to any IPR that India may have in that area? Secondly, you spoke about national communication. Could you explain how you think that is going to play a role in the Copenhagen position that India will be taking?

**Special Envoy:** The last question first. The issue has come up that even though developing countries need not take absolute emission reduction targets and we acknowledge that developing countries like India, China and others are already doing quite a great deal in terms of climate change action including on mitigation, there must be some way that this should be reflected as part and parcel of the outcome in Copenhagen. In that connection what we have pointed out is that you do not have to look too far because there is already a legal obligation on the part of all countries who are parties to the UNFCCC to submit national communications to the

UNFCCC on the basis of certain norms which have been agreed upon, certain guidelines which have been agreed upon, under the IPCC. There could be the need for making those national communications more frequent. Okay, we are willing to look at it. Perhaps these norms need to be revised. Maybe you need more detailed information. Okay, we are willing to look at that. But the requirement that there should be something like a legal instrument through which this reflection should be made, to us, is already available within the UNFCCC itself and, therefore, why not use it. As I mentioned in my opening remarks, this is a position we are finding that people are becoming more receptive to. Hopefully we can take this forward.

**Question:** And you think this would answer the question about India is not doing enough ...(Inaudible)...

**Special Envoy:** I do not think that the argument today is India is not doing enough. I think there is a recognition that India actually is doing quite a great deal. But the question is, is India ready to convert whatever it is doing into legally-binding targets under an international instrument? Frankly, the answer is 'no'. We are not in a position to do that. What we are in a position to do is that whatever we are doing domestically we have no difficulty in transparently reflecting this in an instrument which is already available to us.

With regard to the IPR issue, what we have been saying is, if we all agree that we are facing an elemental threat to humanity, that we are really confronted with an extraordinary challenge represented by climate change, then it seems to us very logical that if there are a whole suite of available climate friendly technologies, as many of the developed countries themselves say are already available, does it not make sense to come up with a global mechanism at Copenhagen through which there can be the most rapid and the most widespread diffusion of these technologies? Secondly, we will probably also need a global mechanism for capacity-building in developing countries. You may have a technology but unless you have the capacity to absorb it, to assimilate it, that technology is of no use. Our view is that with regard to several of those technologies which are already available, let us try and find a mechanism through which we can bring about this wide diffusion accompanied by a capacity-building mechanism as well.

It is in this context that the IPR issue becomes important. If there are these technologies, then unless you adjust the IPR how do you bring about that rapid diffusion? The argument against that is, "Oh! But this will mean that

you are harming the interests of the innovator or whoever is holding the IPR. Or you are talking about technology transfer but you know this technology is not available with us governments, it is available with the private sector. How do we ensure that there should be transfer taking place?" We do not think that these are really valid arguments because you can think in terms of a global mechanism where you can actually buy the ideas, or you can lease these ideas, licence them and then make them available to the developing countries as public goods. That is possible as far as we are concerned. Also, it means that if we are looking for creating transformational technologies for the future, can we create a global platform on which developed as well as developing countries can work together so that in ten to fifteen years' time they can really generate those kinds of transformational technologies. Even though we are a developing country we have some modest scientific and technical resources available. We are willing to bring that to the table. To answer the other part of your question, we have no difficulty in engaging in collaboration which comes up with technologies which can then be distributed as public goods. We have benefited from this in the past ourselves. We have no hesitation in taking that route now as far as climate change is concerned.

**Question:** If I can turn this around and ask you a question from the ground up, if I am an average Indian citizen and my energy consumption is only modest, actually dismal, what am I being asked to give up? What should I be prepared for? What is my Government going to commit me to do in Copenhagen and thereafter?

**Special Envoy:** Very simply, no Government in India will commit its citizens to a prospect of not being able to meet the very basic energy requirements that 400 million people in India today confront. This is the argument that we are giving that you cannot separate the issue of action on climate change from the larger developmental context. We are prepared to do whatever is possible. It makes sense for us to do many of these things. But the bottom line is that there should not be an impact on our developmental prospects, on our ability to continue to deal with poverty in our country, to deal with many issues which are survival issues not just issues of lifestyle. This particular aspect is today perhaps better understood outside. When we talk about 400 million Indians not having access to basic energy services, if I can make an effort to meet those requirements to the extent possible, not through burning fossil fuels but through renewable energy, yes, I will try because it makes sense. In many areas in India perhaps taking the grid is not a viable proposition. But distributing for example solar lighting systems,

solar heating systems may be a viable alternative. So, we are willing to look at that. Actually we have a plan precisely to spread the use of solar lighting systems in very large parts of rural India. Those are the kinds of things that we are prepared to do. In that respect obviously if there is a favourable global climate regime, it will enable us to do much more than what we can do on our own.

**Question:** I just want to know whether the developed countries ...(Inaudible)... whether they again made a case for sectoral emission cuts and whether there is a possibility of India ever accepting this demand?

**Special Envoy:** Let me make it very clear that we have no difficulty in terms of creating a global platform for sharing of best practices on a sectoral basis. For example, whether it is the iron and steel industry or the cement industry, there are best practices in developed countries but by the way there are also best practices in India. There are some very efficient units in India too. There are very efficient iron and steel industries in India as well. We have no problem in terms of placing this on a global platform where we can all benefit from this. But, problem arises when you say, "We are going to set internationally-binding norms for industries; and those who are not up to the norm, in order to bring about some kind of a level-playing field, this could be the basis for, for example, equalising carbon tariffs". That is the route that we are not ready to travel on. We have to first understand what really is meant by a sectoral approach. Are you talking about a sectoral approach which really involves the sharing of best practices amongst countries? We have no difficulty with that. If you are going to say, "Let us do joint projects for improving energy efficiency in certain areas", yes, certainly we have no problem with that. We are already doing a joint project with Japan in terms of improving efficiency of coal-based power. That is a very good joint project. But we draw the line when you say, "We cannot agree perhaps on national targets, but can we not agree upon internationally-binding sectoral targets which then be opening the door to protectionism under agreement", that is not what we are prepared to accept.

Thank you very much, indeed. Thank you.



**093. Question relevant to Climate Change answered by Prime Minister at his press conference held on the conclusion of the G-20 Summit.**

**Pittsburg, September 25, 2009.**

**Question:** Mr. Prime Minister, to expand a little bit on the climate change issue, there is a speech by President Hu at the United Nations talking a little bit about climate change. There is only about two months' time left before Copenhagen. Are you optimistic about reaching an agreement at Copenhagen? And what actions could either developed or developing countries take to reach an outcome?

**Prime Minister:** Let me say that I am not an astrologer. There are difficulties. On the signs of climate change, now there is a broad agreement. But how to bring about the adjustments in emissions is a complicated matter which requires an exercise in burden-sharing. There is no agreement about the rules of the game as to how this burden-sharing is to be brought about. Developing countries are of the view that the major responsibility for bringing about this situation is that of the developed countries and, therefore, they should carry out credible action in order to control emissions; and that if the developing countries are required to take any national action, for that financial resources as well as technological support should be provided. There is a broad, vague agreement that any agreement in which developing countries are also required to take any national action will have to be accompanied by credible action on the part of developed countries by way of additional provision of finance and also in ensuring flow of technologies at affordable price. But other than expressing a pious wish with regard to the success of the framework convention meeting in Copenhagen, the Group of 20 did not go into the mechanics of these things.



**094. Extract Relevant to Climate Change from the Communique issued by the Leaders of the G-20 at the end of their Summit deliberations.**

**Pittsburg, September 25, 2009.**

**Energy Security and Climate Change**

28. Access to diverse, reliable, affordable and clean energy is critical for sustainable growth. Inefficient markets and excessive volatility negatively affect both producers and consumers. Noting the St. Petersburg Principles on Global Energy Security, which recognize the shared interest of energy producing, consuming and transiting countries in promoting global energy security, we individually and collectively commit to:

- Increase energy market transparency and market stability by publishing complete, accurate, and timely data on oil production, consumption, refining and stock levels, as appropriate, on a regular basis, ideally monthly, beginning by January 2010. We note the Joint Oil Data Initiative as managed by the International Energy Forum (IEF) and welcome their efforts to examine the expansion of their data collection to natural gas.

We will improve our domestic capabilities to collect energy data and improve energy demand and supply forecasting and ask the International Energy Agency (IEA) and the Organization of Petroleum Exporting Countries (OPEC) to ramp up their efforts to assist interested countries in developing those capabilities. We will strengthen the producer-consumer dialogue to improve our understanding of market fundamentals, including supply and demand trends, and price volatility, and note the work of the IEF experts group.

- Improve regulatory oversight of energy markets by implementing the International Organization of Securities Commissions (IOSCO) recommendations on commodity futures markets and calling on relevant regulators to collect data on large concentrations of trader positions on oil in our national commodities futures markets. We ask our relevant regulators to report back at our next meeting on progress towards implementation. We will direct relevant regulators to also collect related data on over-the-counter oil markets and to take steps to combat market manipulation leading to excessive price volatility.



We call for further refinement and improvement of commodity market information, including through the publication of more detailed and disaggregated data, coordinated as far as possible internationally. We ask IOSCO to help national governments design and implement these policies, conduct further analysis including with regard with to excessive volatility, make specific recommendations, and to report regularly on our progress.

29. Enhancing our energy efficiency can play an important, positive role in promoting energy security and fighting climate change. Inefficient fossil fuel subsidies encourage wasteful consumption, distort markets, impede investment in clean energy sources and undermine efforts to deal with climate change. The Organization for Economic Cooperation and Development (OECD) and the IEA have found that eliminating fossil fuel subsidies by 2020 would reduce global greenhouse gas emissions in 2050 by ten percent. Many countries are reducing fossil fuel subsidies while preventing adverse impact on the poorest. Building on these efforts and recognizing the challenges of populations suffering from energy poverty, we commit to:

- Rationalize and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption. As we do that, we recognize the importance of providing those in need with essential energy services, including through the use of targeted cash transfers and other appropriate mechanisms. This reform will not apply to our support for clean energy, renewables, and technologies that dramatically reduce greenhouse gas emissions. We will have our Energy and Finance Ministers, based on their national circumstances, develop implementation strategies and timeframes, and report back to Leaders at the next Summit. We ask the international financial institutions to offer support to countries in this process. We call on all nations to adopt policies that will phase out such subsidies worldwide.

30. We request relevant institutions, such as the IEA, OPEC, OECD, and World Bank, provide an analysis of the scope of energy subsidies and suggestions for the implementation of this initiative and report back at the next summit.

31. Increasing clean and renewable energy supplies, improving energy efficiency, and promoting conservation are critical steps to protect our environment, promote sustainable growth and address the threat of climate

change. Accelerated adoption of economically sound clean and renewable energy technology and energy efficiency measures diversifies our energy supplies and strengthens our energy security. We commit to:

- Stimulate investment in clean energy, renewables, and energy efficiency and provide financial and technical support for such projects in developing countries.
- Take steps to facilitate the diffusion or transfer of clean energy technology including by conducting joint research and building capacity. The reduction or elimination of barriers to trade and investment in this area are being discussed and should be pursued on a voluntary basis and in appropriate fora.

32. As leaders of the world's major economies, we are working for a resilient, sustainable, and green recovery. We underscore anew our resolve to take strong action to address the threat of dangerous climate change. We reaffirm the objective, provisions, and principles of the United Nations Framework Convention on Climate Change (UNFCCC), including common but differentiated responsibilities. We note the principles endorsed by Leaders at the Major Economies Forum in L'Aquila, Italy. We will intensify our efforts, in cooperation with other parties, to reach agreement in Copenhagen through the UNFCCC negotiation. An agreement must include mitigation, adaptation, technology, and financing.

33. We welcome the work of the Finance Ministers and direct them to report back at their next meeting with a range of possible options for climate change financing to be provided as a resource to be considered in the UNFCCC negotiations at Copenhagen.



**095. Media Interaction of Minister of Environment and Forests Jairam Ramesh after launching the refurbished website of the Ministry.**

**New Delhi, September 29, 2009.**

Minister for Environment and Forests Jairam Ramesh told journalists on September 29 that "India will walk out" of the Copenhagen Climate Change summit to be held in December this year (2009) if the Western world insisted on enforcing any kind of legal bindings on emission trajectory. He said the European nations were adopting a fundamentalist approach, which was destroying the Copenhagen agenda. "There is no question of monitoring, reporting and verification (MRV) for domestic projects and actions. We are open to this idea for internationally funded projects... something which has been even stated by Prime Minister Manmohan Singh time and again. There is no weakening of India's position and our initiatives will only give us the required strength to negotiate in the international forum," said Mr. Ramesh.

He said MRV for domestic projects was totally unacceptable. "Where we are getting international finance and technology, we can certainly consider a role for MRV. That's reasonable. But MRV is certainly not agreeable for our National Action Plan for Climate Change," he said. He said the decision to submit regular reports to the United Nations on domestic climate change actions was nothing new. "We were doing it every six years and now it will be done on a more regular basis. There is no weakening of our stand nor are we going to succumb to any pressure on such issues."

Mr. Ramesh said that for India adaptation measures were more fundamental than mitigation. For all this, technology was going to be critical. "We are holding a Climate Change and Technology Conference in New Delhi on October 22-23, 2009 with 190 countries participating. This will be one of our major contributions to Copenhagen. GDP does not mean gross domestic product; it means green domestic product. Unless we start to think of green economic growth, our growth will not be sustainable." Replying to a question, Mr. Ramesh said India would not take on legally binding emission reduction targets. "We will not get into it because our per capita emissions are low. We have eight points that are non-negotiable. India continues to lay emphasis on per capita

emissions. The two-degree goal is new but no quantitative figures have been given."

[This report is based on *the Hindu* of September 30, 2009]



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\* Meanwhile a media report in *the Hindu* of September 30th said that the EU Ambassador Ms. Daniel Smadja had a meeting with EU-member countries' Ambassadors in New Delhi to consider the subject of Climate Change. She said the EU did not expect India to bind its emissions reduction, but wanted it to have its own national plan that could be part of a treaty. The EU, she said, was looking at quantifying targets and encouraged by Minister of State for Environment and Forests Jairam Ramesh's statement that New Delhi would be part of the solution. She said an equivalent to the WTO-term NAMA, which elaborates as Nationally Appropriate Mitigating Action, was needed whereby developing nations could quantify the standards and put them on the table. The EU representatives said India, China and Brazil would have a major role in joining the international effort to contribute towards mitigating the effects of climate change. "The developed countries have a historic responsibility, and we agree. That is why the EU has committed unconditionally to cut its emissions to at least 20 per cent below 1990 levels by 2020 and take it to 30 per cent if other [industrialised] countries agree," French Ambassador Jerome Bonnafont said. The EU was not asking the developing countries to reduce emissions but to control their growth. If a developing country agreed to control emissions by a certain percentage, the goal should be binding. He suggested that verification could be part of the process with financial support and clean technology forming part of the negotiating package. The EU, Ms. Smadja said, had accepted that by 2020, its member-states would affect a 20 per cent cut in emissions; use 20 per cent of the renewable energies; and improve energy efficiency by 20 per cent. It also estimated that at least • 100 billion would be needed each year under the financial package for the developing countries. Of this, 20 to 40 per cent would come from domestic funding, 40 p.c. from global markets and the rest from international public finance depending on emission cuts and the capacity to pay.

**096. Opening Statement by the Special Envoy of the Prime Minister Shyam Saran at the Press Conference in Bangkok.**

**Bangkok, October 9, 2009**

**Dear Friends and Representatives of the Media,**

I welcome this opportunity to meet the distinguished members of the media and to share with you our assessment of the current state of play in the ongoing negotiations leading up to Copenhagen. This will be a brief opening statement so that we have more time for interaction and give you an opportunity to pose any question that you may have.

The talks being held at Bangkok in the two tracks are critical to the success of the Climate Conference that will be held in Copenhagen later this year. While there is progress in the consolidation of texts in the Working Group on Long-Term Cooperative Action, further work will be necessary on substantive issues. We have achieved greater congruence of views on adaptation. On technology, we have been able to advance towards a shared perspective, though as yet in broad terms, on the institutional framework and the nature of activities that we need to pursue, including capacity building. These are encouraging milestones as we head towards Copenhagen.

However, the picture in the second track, the Kyoto Protocol track, has gone in the reverse direction. It had been our expectation that our developed country partners will announce deep and ambitious emission reduction targets in the course of these talks in the run up to Copenhagen. We have, however, been dismayed by the lack of willingness on the part of several of our developed country partners to move in this direction. Developed country parties to the Kyoto Protocol should have announced their respective individual and overall emission reduction targets for the second commitment period, commencing in 2013. Those who had not joined the Kyoto Protocol should have announced comparable commitments, as had been agreed upon in the Bali Action Plan.

It is a matter of regret that several Annex I countries are unlikely to meet their emission reduction obligations set for the first commitment period. And it is a matter of even deeper concern that there has been no progress on achieving the key objectives of our negotiations, that is the announcement

of the second commitment period targets, which must be of a scale equal to the challenge we face from global climate change. Except for a few countries like Japan and Norway, the individual targets that have been indicated so far fall far short of what is required, and now there are inadmissible attempts to abandon the Protocol altogether. We hope that by the time we return to Barcelona in November, this unsatisfactory state of affairs will change. A Copenhagen outcome without clarity on this important issue is unlikely.

At this penultimate stage of our negotiations, new concepts and instruments have been proposed, which taken together, would mean firstly, the setting aside of the Kyoto Protocol altogether; secondly, the diminishing rather than enhancing of the level of commitment as well as ambition with regard to mitigation; and thirdly, the rewriting of key principles and provisions of the UNFCCC itself. As you would appreciate, this is not the mandate we agreed upon by consensus at Bali.

India takes the challenge of climate change seriously and has undertaken a number of significant policy measures to address both mitigation and adaptation. As part of our National Action Plan on Climate Change, we have recently finalised two of the eight National Missions included in the Plan. These are the National Solar Mission and the National Mission on Enhanced Energy Efficiency. Both have ambitious goals and will constitute an important contribution to the global action on climate change. Other Missions will be finalized shortly in the meetings of the Prime Minister's Council on Climate Change. India's Minister of Environment and Forest, Mr. Jairam Ramesh has, in recent statements, indicated the significant scale of ambition these Missions represent. He has also conveyed flexibility in the manner in which information on these climate actions could be made available to the international community within the framework of the UNFCCC.

I would like to inform you that on October 22 and 23, 2009, India is convening a Conference on Technology and Development related to climate change in New Delhi in collaboration with the United Nations. A large number of Ministers and senior officers from across the world will be attending the conference, which will be inaugurated by the Prime Minister of India. The President of the Maldives will be the Chief Guest and will deliver the keynote address. We welcome you to this important event and this is our hope that the conference will make a contribution to advancing our work on the road to Copenhagen.

India, as always, will continue to play a positive and constructive role in the on-going negotiations and will make every effort possible to ensure a successful outcome at Copenhagen\*.



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\* On October 7 Mr. Saran had told the Indian journalists in Bangkok that India strongly opposed "the concerted efforts to put the Kyoto Protocol aside." "They can't unilaterally do this by backdoor methods," he said. "There has to be some comparability between the US and EU commitments. Now there is uncertainty regarding law, scope and nature of commitments." He complained that "Nothing is going on," regarding the US not setting emission targets and committing funds for developing countries to combat climate change before the UN climate treaty is renegotiated in Copenhagen in December. He expressed India's opposition to industrial countries' demand that major developing countries should also accept emission cuts. "The US, as the world's largest economy and emitter, has to take the lead," he emphasized. A EU delegate indicated that it was prepared to go along with a US proposal to "widen the participation" of developing countries and have a single legal instrument to replace the Kyoto Protocol which included the US and "large developing country emitters". Senior G77 members walked out of a meeting in Bangkok during climate talks saying they would not discuss a future without the Kyoto Protocol.

**097. Press Release issued by the Prime Minister's Office on the meeting of the National Mission on Strategic Knowledge for Climate Change.**

**New Delhi, October 13, 2009.**

The Prime Minister chaired a meeting of the National Council on Climate Change to give shape to the National Mission on Strategic Knowledge for Climate Change. Dr. Manmohan Singh underlined the importance of developing our own skills, knowledge and capacities in the science of climate change. In particular the Prime Minister stressed that as we find ourselves having to engage with the global community on climate change, it was necessary to have the ability to prepare and read scientific data related to climate change. He cautioned against compartmentalized thinking in various concerned ministries and suggested an integrated approach to capacity building.

The meeting emphasized the importance of building a vibrant and dynamic knowledge system for effectively promoting ecologically sustainable development with the NMSKCC working as a service mission of the National Action Plan on Climate Change. It outlined the objectives of the Mission as networking existing knowledge institutions for exchange and sharing of data, building institutional and human capacities and improving the understanding of key climate processes and climate risks. The Mission would also define sustainability pathways and work towards building alliances and partnerships through global pathways.

The mission serviced by the Science and Technology Ministry will seek to build synergy with the NATCOM process of the Ministry of Environment and Forests. The Science and Technology Ministry was asked to incorporate the suggestions made by the civil society representatives, who had forcefully pointed out that the success of the Mission would hinge on a public - private partnership. The civil society representatives also emphasized that this Mission should plan its strategies only after reaching out to the public.

The meeting was attended by the Finance Minister, The Deputy Chairman Planning Commission, Minister of State for Environment and Forests, Chairman - Economic Advisory Council, Chairman - National Manufacturing Competitiveness Council, Foreign Secretary, Secretary Science and Technology, Dr. R.K. Pachauri, Director General -TERI, and other non-official members of the Council on Climate Change.





**098. Statement issued by the Minister of State in the Ministry of Environment and Forests Jairam Ramesh clarifying his position with reference to reports appearing in the media about the Note he sent to the Prime Minister setting the negotiating position on Climate Change.**

**New Delhi, October 20, 2009.**

Yesterday, a leading newspaper had carried a news-item\* on a discussion note that I wrote on climate change. The news-item has quoted only partially and selectively from this note, and significantly added its own editorial interpretations, thereby completely distorting and twisting its meaning. Let me reiterate India's non-negotiables in the ongoing international climate change negotiations.

While India is prepared to discuss and make public periodically the implementation of its National Action Plan on climate change, India will never accept internationally legally binding emission reduction targets or commitments as part of any agreement or deal or outcome. India will never accept any dilution or renegotiation of the provisions and principles of the United Nations Framework Convention on Climate Change (UNFCCC). In particular, we will never agree to the elimination of the distinction between developed ("Annex I") countries and developing ("non-Annex I") countries as far as internationally legally binding emission reduction obligations are concerned. Internationally legally binding emission reduction targets are for developed countries and developed countries alone, as globally agreed under the Bali Action Plan.

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\* The daily *Times of India* on October 19 carried a news item purporting to be quoting from the letter claimed to have been written by Minister Jairam Ramesh to the Prime Minister suggesting that he had asked the Prime Minister to 'junk the Kyoto Protocol, de-link itself from G77 -- the 131-member bloc of developing nations -- and take on greenhouse gas emission reduction commitments under a new deal without any counter guarantee of finances and technology'. The news item said the minister justified the proposed shift of gears arguing that India need not be seen as a deal-breaker and should try to curb emissions in its own interest. The paper said If the proposal of the Minister was accepted by the government, 'it would radically shift India's stand away from its position on climate negotiations that governments of all political hues have backed since 1990 and which was defended robustly as recently as at the UN talks in Bangkok earlier this month'. The report further claimed that the Minister's letter said to have been written on October 13 argued for a deviation from the Kyoto Protocol under which only the developed countries -- listed in Annexure 1 -- are required to take obligations for emission cuts, suggesting that it would also help in a better alignment with the US. "We must welcome initiatives to

India will agree to consider international measurement, reporting and verification ("MRV") of its mitigation actions only when such actions are enabled and supported by international finance and technology.

India, like other developing countries, fully expects developed countries to fulfill their obligations on transfer of technology and financial transfer that they committed to under the UNFCCC and the Bali Action for both mitigation and adaptation actions.

There has always been a broad political consensus regarding the Indian position on climate change. India has been engaged in climate change negotiations, whether in UNFCCC or multilateral fora, based on a clear and definite brief which has not changed since 2004.

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bring the US into the mainstream, if need be through a special mechanism, without diluting basic Annex 1/non-Annex distinctions. If the Australian Proposal of a schedule maintains this basic distinction and nature of differential obligations we should have no great theological objections," the letter was claimed to have said. In the lengthy report the paper said: "The minister has also suggested diluting India's strong stance -- enshrined in the UN Framework Convention on Climate Convention (UNFCCC) -- on demanding compensation from the industrialized countries in terms of funds and technology for having caused the climate change problem to begin with. "The position we take on international mitigation commitments only if supported by finance and technology needs to be nuanced simply because we need to mitigate in self-interest," the Minister was reported to have suggested.

*The Times of India* commenting said 'Besides their radical import, his proposals are significant because they come just a week after India vigorously stuck to its known negotiating guns at the Bangkok round of negotiations. The UN talks in the Thai capital saw India leading the attack by G77 and China on the Australian Proposal which the environment minister now favours in his letter to the PM.'

*The Times of India* report created a sort of political storm and the political parties were unsparing in their criticism of the Minister's suggestions as appearing in the paper. Media reports said that the Prime Minister's Office was particularly unhappy and took the stand that the Minister's proposals merely reflected his personal views.

On October 21, the *Times of India* quoted an officer of the PMO who was also on the PM's Council on Climate Change to say that 'he was happy with the clarification the PMO had given'. He said, "In my view, the PMO has clarified the position in a timely and welcome manner. It is now clear that the document in question is only a note for discussion, not official policy. It has also been clarified that there will be no shift except on the basis of consensus and with the sanction of Parliament. This is most appropriate since our climate change policy has always been based on national consensus."

The Communist Party Marxist Politburo said "The minister's letter is a complete move away from country's basic positions and seems only to focus on strategically aligning India with the US on climate policy and breaking ranks with the entire bloc of developing countries." The Bharatiya Janata Party leader and Leader of Opposition in Parliament Arun Jaitley deplored the "effort to alter India's negotiating position on climate change" calling it an act of sabotage. "Is the Environment minister giving his personal views or is

My note suggested the possibility of some flexibility in India's stance, keeping the above non-negotiable firmly intact and keeping India irrevocably anchored in the UNFCCC of 1992 and the Bali Action Plan of 2007. I have never at any stage considered or advocated abandoning the fundamental tenets of the Kyoto Protocol, as was stated in the article- this is a mischievous interpretation of the newspaper. My basic point is that India's interests and India's interests alone shall dictate at our negotiating stance. As far as the insinuations by the newspaper that I am reflecting a pro-US bias, I will let my actions speak for themselves. India is working, and will continue to work, closely with our partners in the G-77 and China in articulating a common position on this issue, while also engaging with other countries to our benefit.

I had written a comprehensive 7-page letter to a large number of MPs from all political parties and to all Chief ministers in early October 2009 detailing our thinking, making our position very clear and stating that accountability for our actions on Climate change-through outcome-based legislation, if found acceptable by our Parliament-is to our Parliament and to our Parliament alone. I welcome the feedback that I have been receiving on it. Earlier, in August, I had written to the Speaker of the Lok Sabha suggesting that four Member of Parliament-based on posts that they hold-be included in the official delegation to the UNFCCC Conference of Parties (COP-15) to be held at Copenhagen in December, 2009. I will continue to keep political leadership across party lines and civil society fully engaged on this issue over the coming weeks and months.



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he stalking horse on behalf of a larger lobby. If these are his personal views, can he continue as India's key negotiator? But if he is a trial balloon for a larger lobby, the issue acquires even greater seriousness. It is, in that event, UPA's Diwali gift to the US and other developed countries at the cost of India's poor". Mr. Abhishek Singhvi the Spokesperson of main constituent of the ruling Alliance, the Congress party in distancing the party from the Minister's statement said: "Let us be very clear that clarification in this regard will have to be sought either from the Minister or the PMO-it is not a matter about which the party would like to say anything."

**099. Delhi Statement on Cooperation in Environment among the SAARC member countries adopted at the SAARC Conference on Environment.**

**New Delhi, October 20, 2009.**

**The Ministers of Environment of the Member States of the South Asian Association for Regional Cooperation (SAARC)** met in New Delhi, India on 20th October 2009 for the Eighth Meeting of the SAARC Environment Ministers.

**Recognizing** that one of the mandates of SAARC is to promote and support the protection, management and enhancement of the environment in the South Asian region;

**Convinced** that SAARC could benefit from exchange of the accumulated positive experience, strengthened regional dialogue and adopting a collaborative regional approach to tackling common environmental problems;

**Emphasizing** that SAARC can play an important role in carrying out collective action to address these challenges for mutual benefit and the common good;

**Underscoring** the need to substantively enhance regional cooperation as per SAARC principles on matters related to the environment.

**Hereby** adopt the Delhi Statement on Cooperation in Environment: Environmental Planning & Management

1. The Ministers recognized the critical importance of effective planning and management of environmental protection systems, including environmental pollution, and conservation of aquatic and marine ecosystems. They emphasized the need for cooperation in devising measures to develop capability for enhanced environmental management.
2. The Ministers appreciated and acknowledged the support of India in SAARC Meteorological Research Centre (SMRC) and reaffirmed the decision of SMRC to set up a network of SAARC weather stations to monitor weather patterns, especially storms, across the member states, starting with the establishment of fifty automatic weather stations, three GPS Sonda Stations and a Doppler Radar in Nepal, Bhutan and Bangladesh in the first phase. Afghanistan and Pakistan would be covered in second phase with Maldives and Sri Lanka in the third phase. They directed that the deployment of this network across other member states be accelerated.

3. The Ministers agreed to accelerate consultations between the apex environmental management and pollution control agencies of the Member States ("apex group"), and directed that they develop a Regional Cooperation Plan on environmental management and pollution control within a period of six months from the date of adoption of this statement.

#### **Biodiversity and Afforestation**

4. The Ministers noted the critical need to conserve, preserve, rehabilitate and protect the rich, varied and unique biodiversity of the South Asia region. They noted the need for biodiversity protection and regulation, including through scientific methods.

5. The Ministers re-affirmed the importance of the region's forests as a unique treasure, both for their rich biodiversity and for the livelihood they provide to the forest-dependent people of South Asia. They emphasized the need to give a new impetus to afforestation and the sustainable management of forests and its resources, including through communitybased methods.

6. The Ministers emphasized the need to identify transboundary biodiversity zones and develop a framework for transboundary biodiversity conservation, including exploration of potential biodiversity conservation corridors. The Ministers directed the Technical Committee on Environment to examine the Concept and develop a framework for consideration of member states within a period of six months thereof.

7. The Ministers underlined the need for afforestation and sustainable management of forests to be an integral part of any agreement on forestry that is concluded under the UN Framework Convention on Climate Change (UNFCCC). They emphasized that the "REDD Plus" proposal before the UNFCCC is an appropriate basis for such an agreement.

#### **Climate Change**

8. The Ministers recognized that the South Asia was amongst the regions most vulnerable to climate change. They stressed that sustainable development and adaptation to Climate Change remained the appropriate way to address the threat of climate change. They agreed that it was central, including through acceleration of the development process, to build up capacity in the region to cope with the extreme weather events and other adverse effects of climate change.

9. The Ministers recalled the SAARC Declaration on Climate Change adopted by the Twenty-ninth Session of the Council of Ministers held in New Delhi on 7-8 December 2007, and emphasized the SAARC Action Plan on Climate Change adopted by the SAARC Ministerial Meeting on Climate Change held in Dhaka held on 3 July 2008, wherein specific areas of possible actions by the Member States were identified.

10. The Ministers welcomed the proposal by Bhutan to adopt 'Climate Change' as the key theme of the Sixteenth SAARC Summit to be held in Thimpu in April 2010 and also noted the concept paper prepared for the Summit.

11. The Ministers underlined the crucial importance of close cooperation in the run-up to the UN Climate Change Conference of Parties (COP-15) in Copenhagen, with a view to enabling the full, effective and sustained implementation of the UN Framework Convention on Climate Change (UNFCCC). They also underscored the need to fully implement the commitments under the Convention in accordance with its principles, especially that of equity and common but differentiated responsibilities and respective capabilities.

12. The Ministers also noted the importance of the High Level Conference on Technology Development and Transfer organized by the Government of India in cooperation with UNDESA and expressed hope that this will be an important contribution to the agreed outcomes at Copenhagen.

13. The Ministers recommended that the Member States may undertake cooperation with respect to adaptation, supported with resources as mutually agreed, to address the adverse effects of climate change.

14. In particular, the Ministers underscored the need to undertake and enhance cooperation in areas related to environment amongst the Member States in order to have a coordinated response to climate change. To this end, the Ministers agreed to institutionalize an annual workshop - a South Asia Workshop on Climate Change Actions (SAWCCA). The Ministers welcomed the offer of the Government of India to host the first workshop in early 2010.

#### **Cross-cutting measures for cooperation**

15. The Ministers further agreed on a series of cross-cutting measures for mutual cooperation between Member States across areas of the environment:

- Strengthen mechanisms at policy, practice and implementation level to take better account of the indirect, induced, cross-sectoral and crossboundary impacts, based on best practices available in SAARC region and beyond;
- Identify and create opportunities for activities achievable through regional cooperation and south-south support in terms of technology and knowledge transfer;
- Agree to continued sharing of experience within SAARC for development of common approach to the environmental challenges; through workshops, seminars, conferences and expositions, training programmes and to foster the regional cooperation on priority environmental issues;
- Exchange Students and Faculty between Universities and Research Institutions of Member States.

16. The Ministers took note of the Draft SAARC Treaty on Cooperation in the field of Environment, and directed that an Inter-governmental Expert Group Meeting be convened at an early date to discuss and finalize the draft Treaty for signature at the forthcoming Sixteenth SAARC Summit.

17. The Ministers directed that the draft SAARC Agreement on Natural Disaster Rapid Response Mechanism be finalized for signing at the Sixteenth SAARC Summit at Thimphu, Bhutan, in April, 2010.

18. The Ministers appreciated the offer by the Government of India to provide US\$ 1 million each to the SAARC Forestry Centre, Thimphu and the SAARC Coastal Zone Management Centre, Malé to strengthen those Centres.

19. The Ministers expressed deep appreciation to the Government of India for hosting the Eighth Meeting of the SAARC Environment Ministers and for the warm hospitality extended to all the delegations.



**100. Agreement between the Government of the Republic of India and the Government of the People's Republic of China on Cooperation on Addressing Climate Change.**

**New Delhi, October 21, 2009.**

**The Government of the Republic of India and the Government of the People's Republic of China** (hereinafter referred to as "the Two Sides"),

**Desirous** of further promoting friendship between India and China,

**Acknowledging** that climate change and its adverse effects are the common concern of humankind, which need to be addressed through international co-operation,

**Emphasising** that the United Nations Framework Convention on Climate Change and its Kyoto Protocol are the most appropriate framework for addressing climate change,

**Reaffirming** the principle of common but differentiated responsibilities, in particular that developed countries should take the lead in and continue to reducing their greenhouse gas emissions and providing financial resources, technology transfer and capacity building support to developing countries,

**Noting** that India and China have announced their National Action Plans on Climate Change to achieve a sustainable development path which provides, inter alia, for international cooperation for research, development, sharing and transfer of technologies in relation to climate change,

**Determined** to enhance dialogue, communication and pragmatic bilateral cooperation between the Two Sides in addressing climate change,

**Desirous** of intensifying collaboration, particularly in the areas of energy efficiency, renewable energy, clean energy technologies, sustainable agriculture and afforestation,

**Have reached the following Agreement:**

**Article 1**

The Two Sides agree to establish the India-China Partnership on Combating Climate Change to strengthen their bilateral dialogue and practical cooperation on climate change. In this connection, the Two Sides agree to hold ministerial consultations as mutually convenient between the two countries to deepen mutual understanding, strengthen coordination and enhance cooperation,



and conduct regular exchange of views, including in the margins of various international occasions and meetings.

#### **Article 2**

The Two Sides agree to establish an India- China Working Group on Climate Change (hereinafter referred to as "the Working Group"). The Working Group will hold annual meetings alternately in China and India to exchange views on important issues concerning international negotiation on climate change, respective domestic policies and measures and the implementation of related cooperative projects.

#### **Article 3**

The Two Sides agree to strengthen their exchange of views and cooperation, inter alia, on mitigation policies, programmes, projects, technology development and demonstration relating to greenhouse gas emission reduction, including, but not limited to:

- (a) Energy conservation and energy efficiency;
- (b) Renewable energies;
- (c) Clean coal;
- (d) Methane recovery and utilization;
- (e) Afforestation and sustainable management of forests and ecosystems;
- (f) Transportation;
- (g) Sustainable habitat.

#### **Article 4**

The Two Sides recognize the equal priority of adaptation and mitigation in tackling climate change and decide to enhance cooperation in the area of adaptation, particularly

- (a) Evaluation of adverse impacts of climate change and vulnerability;
- (b) Adaptation-related polices, measures and technologies;
- (c) Adaptation-related capacity building activities.

#### **Article 5**

The Two Sides agree to strengthen their cooperation in basic capacity building, including observation and monitoring of climate change, public awareness-raising, academic exchange, education, training and personnel exchange, and undertake

mutually cooperative activities and programmes as appropriate. Such cooperative Activities under this Agreement may take the following forms:

- (a) joint research and development activities, including commercially viable research and development;
- (b) demonstrations of technologies and application development;
- (c) organization of scientific seminars, symposia, conferences and workshops as well as participation of experts in those activities;
- (d) Public Private Partnerships (PPP);
- (e) Any other mode of activity jointly agreed in writing by The Two Sides.

#### **Article 6**

The Government of India designates the Ministry of Environment and Forests and the Government of China designates the National Development and Reform Commission as the implementing authorities for this Agreement, responsible for carrying out activities under this Agreement.

#### **Article 7**

The Two Sides agree to settle any differences arising out of the interpretation and implementation on this Agreement through mutual consultation and negotiation.

#### **Article 8**

The Agreement will enter into force on the date of signature and be valid for a period of five (5) years. It shall be automatically renewed for a further period of five (5) years, unless one Side notifies the other of its intention to terminate the Agreement, with an advance notice of six (6) months. All activities arising from this Agreement which have started prior to the termination of this Agreement will, after the termination thereof, remain subject to the provisions of the Agreement until the completion of such activities.

**Done** at New Delhi on October 21, 2009, in two originals each in the Chinese and English language, both texts being equally authentic.

**For the Government of  
the People's Republic of China**

**For the Government of  
the Republic of India**



**101. Address by the Prime Minister Dr. Manmohan Singh at the New Delhi High Level Conference on 'Climate Change: Technology Development & Transfer'.**

**New Delhi, October 22, 2009.**

I am very pleased to be here in your midst today to inaugurate this very important Conference. I extend a very warm welcome to His Excellency President Nasheed of the Maldives. Mr. President, you are a respected friend of our country and an untiring champion of global cooperation to address this formidable challenge of climate change. You are very welcome in both your capacities. I also extend a very warm welcome to all the distinguished Ministers and other participants at this Conference.

Developing countries face critical challenges in enhancing their capacity to adapt to climate change. President Nasheed has been most eloquent champion in raising awareness across the world of the threat to the survival of small island states from global warming.

In our country, we are deeply conscious of the vulnerability faced by least developed countries and island states. We too have large and vulnerable populations living in our island chains and in low-lying coastal areas. Whatever modest capabilities we possess to tackle this problem will be at the disposal of countries like the Maldives.

The challenge before the developing world is how to achieve our developmental goals while at the same time minimising ecological costs.

Developing countries cannot and will not compromise on development. But as responsible members of the global community we also do recognise that we, along with other members of the global community, must do our bit to keep our emissions footprint within levels that are sustainable and equitable.

Technology and its diffusion will be a key element in meeting the challenge of climate change.

The key issue before us is that of developing the appropriate technologies and then collapsing the time from their first commercialization to their large-scale adoption in poorer developing countries. We need technology solutions that are appropriate, that are affordable and that are truly effective.

They have to be backed by the establishment of appropriate financial arrangements to facilitate technology transfers. Industrialized countries have

the capacity to shift to new energy efficient processes even if it involves additional costs. Developing countries do not have this capacity and it is therefore only appropriate that the shift in their case should be facilitated by adequate financial support. Hopefully as the new technology spreads more widely the costs involved will fall making it much more affordable. Initially however, the transition in developing countries will need critical financial support.

The United Nations Framework Convention on Climate Change should play a leading role in directing effective and collaborative actions in this vital area.

We believe that continuation of the process of incentivizing the adoption of climate friendly technologies in developing countries in the second commitment period of the Kyoto Protocol should be a priority global concern.

The Clean Development Mechanism under the Kyoto Protocol has proved to be an effective vehicle for promoting sustainable development in many developing countries, while helping developed countries accomplish the abatement of their GHG emissions at lower cost. CDM revenues often take some of the sting out of the risks associated with the introduction and adoption of newer and cleaner technologies.

Climate friendly and environmentally sound technologies should be viewed as global public goods. This implies that the IPR regime applied to those goods should balance rewards for innovators with the need to promote the common good of humankind. Suitable mechanisms must be found that will provide incentives for developing new technologies while also facilitating their deployment in developing countries at affordable cost.

Such an approach has been adopted successfully in the case of pharmaceutical technologies for the benefit of HIV/AIDS victims in developing countries. The moral case of a similar approach for protecting our planet and its life support system is equally compelling.

An important barrier to technology adoption is the poor absorptive capacities of large number of developing countries. This situation cannot be remedied through forced harmonization of standards. We have to strengthen the limited innovation capabilities in many countries to realize the potential of these new technologies.

India has proposed the setting up of an international network of Climate Innovation Centres (CICs) which should act as vehicles for enhancing technology innovation and capacity building in developing countries.

These Centres could assess and identify locally-relevant key technologies and support their successful and faster development and deployment. Each such centre could focus on a key technological product that addresses climate change. Their task may also include addressing the diverse range of capacity, business and regulatory barriers to the development and diffusion of the specific technologies. The CICs in different countries may also cross-fertilize each other by sharing of "learning-by-doing" experience.

India's development path has been relatively benign from the climate change perspective thus far. Our per capita consumption of primary energy is less than one-fourth of the world average and our per capita emission of CO<sub>2</sub> is among the lowest in the world. Moreover, the energy intensity of our output has been continuously declining in the last 30 years.

Nevertheless, as GDP rises, our energy use and total emissions will rise unless new technology enables us to increase energy efficiency and reduce emissions intensity.

I have stated earlier that we stand committed to ensure that our per capita carbon emissions will never exceed the average of the per capita carbon emissions of developed countries. Equating GHG emissions across nations on a per capita basis is the only just and fair basis for a long-term global arrangement on climate change which is truly equitable.

I have no doubt that if developed countries make a serious effort to bring their per capita emissions within tolerable levels, they will unleash large resources directed towards research. This will generate an upsurge of technology that will make it much easier for other countries to follow suit.

Meanwhile, we are acting to do what we can within our limited capacity. We are committed to further evolving and pursuing our sustainable growth strategy for reasons of our own vital national interests. India will adopt purposive domestic actions to enhance its climate change management. The focus of our efforts will be targeted towards achieving time-bound outcomes related to the energy efficiency of our economy, the share of renewable in our fuel mix and several other sector specific initiatives.

These objectives are reflected in our National Action Plan on Climate Change which contains 8 National Missions focussing on both mitigation and adaptation.

Needless to say, a comprehensive, balanced and above all, an equitable outcome at Copenhagen will enable us to do much more in all these areas.

As we move towards Copenhagen, we must keep to the mandate for our deliberations agreed upon by consensus at Bali. Our objective is to enhance the implementation of the principles and provisions of the UN Framework Convention on Climate Change.

We need to work towards a significantly enhanced and scaled-up set of arrangements for technology under a multilaterally supervised mechanism. We need to act across all the stages of the technology cycle - from research leading to new breakthroughs, to the development & adoption of new technologies and to the transfer of existing & mature technologies.

We should endeavour to create a global platform to bring together the best scientific and technological resources from across the world in a collaborative effort to deliver transformational technologies for the future. We have good examples to guide us, including the ITER project or fusion energy project and the work of the Consultative Group on International Agricultural Research (CGIAR).

The expectations from your Conference are indeed very high. People everywhere, both within our governments and civil society at large, will keenly follow your deliberations. I assure you that India will do its utmost to play a constructive role in global efforts to combat climate change.



**102. Summary from the Chair of the Delhi High Level Conference on 'Climate Change: Technology Development and Transfer'.**

**New Delhi, October 23, 2009.**

**Dear Colleagues,**

1. This brings us to the conclusion of the Delhi Conference on Climate Change: Technology Development and Transfer 2009. Before I close the conference, may I share the joint impressions of Ambassador Sha Zukang and myself as the co-hosts of the conference, on what we have learned during the last two days?
2. First, I am sure you will agree with us that this was a highly successful conference. This was largely because of your sustained and thoughtful engagement. We have had the pleasure of hosting 58 delegations, of which 30 were at the ministerial or vice ministerial level. Their Excellencies, the Prime Minister of India and the President of the Maldives graced the inaugural session with their presence and gave us much to consider. The Finance Minister of India also graciously joined us to inaugurate the Clean Technology Exhibition organized by CII with the involvement of 148 companies from around the world. We were joined by around 30 experts who shared their knowledge of key aspects of technology transfer and deployment. More importantly, the discussions and engagement by the participants were consistently of a high order. This has enabled us to agree on a Delhi Statement, which I hope would help advance the discussions at Barcelona and later at Copenhagen.
3. On substance we have also learned a few things, reiterated a few things, and disagreed on a few things.
4. Perhaps the most important lesson we will take away from this conference is that there is no point in talking about technology development and transfer in the abstract. We must become more specific, with regard to place, with regard to technologies and with regard to mechanisms. We need to think concretely how we can join our hands together to put in place international cooperative mechanism for technology development and transfer. We have to address the concerns regarding technology transfer and development, insufficient R&D, and the barriers arising from inadequate funding, weak capacity, market failure, and policy distortions.
5. I want to mention first the message of his Excellency President Nasheed as well as the Distinguished Minister from Mauritius, both of whom reminded

us of the vulnerability of the small island developing states. Speaking for myself, I am greatly moved by their statements. It should reinforce our commitment to take rapid action on climate change, both on mitigation and adaptation, not only to enable vulnerable countries to cope, but to ensure that they will not be confronted with the most tragic of choices.

6. On specific technologies, as you know, the last two days heavily emphasized renewable energy technologies. More importantly, a consistent theme, which got repeated several times, was that the only sure way of addressing the climate challenge is to make such technologies affordable by poor countries and poor communities. These technologies are currently too expensive, and although many developing countries, including India, are investing heavily in them, the urgent need is to speed up this process through far more extensive international cooperation and technology transfer.

7. We have also learned, and this idea was also repeated by several speakers, including experts as well as Ministers or other delegation members, is that the quickest way of lowering the cost of many renewable options is to scale up their rate of deployment and diffusion in developing countries, the green technology accelerator, as one delegate called it, or the quantum leap in renewable energy deployment, as another one phrased it. This will require international cooperation and international financing, something like a global Marshall Plan for renewable technology.

8. Dear Colleagues, we should consider seriously whether the technology agreement in Copenhagen should have a dispensation for renewable energy options. The goal of such a dispensation would be simultaneously to ramp up their deployment and diffusion in developing countries and to bring down their costs.

9. The second lesson we will take away from here is what President Nasheed called a Green Power Revolution, learning from the lessons of the Green Revolution in which India led the way, with international cooperation, in the 1960s and 1970s, to address what was then the most formidable threat faced by developing countries, the threat of famine and food insecurity. Several speakers alluded to the CGIAR network as a model for addressing the challenge of climate change as well as energy poverty. As you are aware, the Green Revolution relied on an elaborate mosaic of interlocking institutions for research, education, credit, marketing, inputs provision, and most importantly, extension-getting the knowledge into the hands of those who needed it. Within 10 years we had transferred knowledge from a few hundred scientists to millions of farmers, the vast majority of



whom were illiterate. The CGIAR network provided international support and cooperation in research and education.

10. India has already proposed the idea of technology innovation centers, which build regional, national and local capacities, identify measures to overcome barriers to adoption and diffusion, and enable cross fertilization and sharing of ideas. As one delegate put it, however, these must be centers of excellence, for otherwise they have no meaning. A CGIAR type of global network could provide international support for research and cooperation and ensure that they become centers of excellence. In many areas, the technologies and solutions are well known; we need to find a way of getting them to people who can use them.

11. Dear Colleagues, we should also consider whether the technology decision in Copenhagen should have a dedicated plank on a CGIAR type system intended to promote the diffusion and deployment of climate friendly technologies.

12. Third, while there will continue to be a need for further consultation on the role of IPRs, I was happy to note that all delegations and experts in this meeting approached this question seriously. In the context of IPRs, we have to discuss some of the details of the ideal regime, and especially how to provide broader and more universal access to intellectual property and knowledge, how to democratize access to technologies that would determine whether or not we will successfully address the climate crisis while pursuing sustainable development and poverty eradication, how to make sure that IPRs do not become a barrier to the achievement of common global goals.

There is a broad agreement that governments must create the right kind of incentives, the necessary level of predictability and transparency, and the appropriate level of protection to stimulate creativity as well as learning, innovation as well as diffusion, growth as well as equity, in particular the access of developing countries to technology and knowledge at the most affordable cost. We heard many interesting recommendations on how these goals could be achieved, and I hope these discussions have brought us one step closer to a consensus in the climate negotiations. We have recognized that there are different views on the subject. Yet, this remains a central issue in our discussion. We need to evolve a common understanding on the issue and reflect the central concern in the statement.

13. Fourth, many of us urged for accelerated investment in research and development, including collaboration in research between advanced and developing countries, and support for capacity building in the latter countries.

14. Fifth, we also need to move towards specificity in the global mechanisms for technology development, deployment, and transfer. What I have said up to now is of the nature of a bottom up approach, and this needs to be combined with a top down approach. Here too, we have learned several lessons from your comments, and at two different levels. At the first level, there was a welcome set of references to practical experiences, to models that have worked in practice, to success stories. I have mentioned the reference to the Green Energy and CGIAR model, as well as the Marshall Plan. There were also references to the Montreal Protocol, the growth of the Internet, and others.

15. Beyond this, we heard several specific proposals for such a global mechanism. Our distinguished colleague from Poland was the most eloquent, in the context of Poland's generous commitment to provide its share of global financial and other resources, to challenge us to ensure that we work out a burden sharing formula based on emissions as well as ability to pay, so that this formula can continue to be used transparently and predictably in the future.

16. Finally, there was a wide recognition of the need for a special mechanism under the UNFCCC for technology transfer, development, and deployment, supported by a special fund, with periodic assessment of performance, and a mechanism to oversee the functioning of the IPR regime for climate and development goals. This could take the form of a specific subsidiary body on technology of the Conference of Parties under the UNFCCC. This subsidiary body could have specific dedicated programs, including the two I mentioned earlier, namely one on renewable energy, and another on a CGIAR-type model. Such a platform could support and receive support from the CGIAR type system described earlier. For instance, and this is another concrete proposal, that the special mechanism should include a technology assessment panel, a verification panel, and a strategic planning council.

17. In the end, we would like to thank all the country party delegations and representatives of various stakeholders, like academia, trade and industry, and civil society, from India and abroad for their extremely valuable contributions without which this conference would not have been successful. We hope that discussions will prove to be an important input to the forthcoming negotiations at Barcelona and Copenhagen and help us in reaching an agreed outcome.



### **103. Delhi Statement on Global Cooperation on Climate Technology.**

**New Delhi, October 23, 2009.**

1. We, Ministers and Government Representatives, having met at the Delhi High-Level Conference on Climate Change Technology Development and Transfer, recall the Beijing High-Level Technology Development and Technology Transfer held in November 2008, reaffirm our commitment to the objective, provisions and principles of the United Nations Framework Convention on Climate Change, to the Bali Road Map and to the Bali Action Plan, which seeks to enhance implementation of the Convention, culminating at Copenhagen in December 2009, and state the following:

#### **Climate Change**

2. Climate change is one of the most pressing global challenges facing the international community requiring global cooperation on an unprecedented scale.

#### **Technology for addressing climate change**

3. Technology has a central and fundamental role in addressing climate change and promoting sustainable development. We believe that there is an urgent need to accelerate the large scale global deployment of environmentally-sound and climate-friendly technologies and to minimize the time lag between their initial development, transfer and deployment particularly in the developing countries. This will be promoted by sustained and enhanced international cooperation as well as appropriate national action.

#### **Global Cooperation Mechanism**

4. Enhanced cooperation worldwide is essential at all stages of the technology cycle. Existing mechanisms, as well as any new and innovative mechanisms in the public and public-private domains for global cooperation, should enhance adaptation and deployment of environmentally sound and climate-friendly technologies, and the joint research and development of new technologies and products which are at a nascent stage of development. Capacity building, training, public awareness and education are key to the successful uptake of technologies for adaptation and mitigation.

**Lessons from Successful International Partnership**

5. Any future international cooperative mechanisms for technology cooperation, development, transfer and dissemination may draw lessons from the experiences of successful examples of partnerships.

**Technology Network**

6. Concepts such as a centre, or networks of centres, to support and stimulate rapid development and deployment of innovative technologies for climate mitigation and adaptation should be explored. Such a centre, or network of centres, should also promote close collaboration between governments, industries and research communities of developed and developing countries.

**Technology Assessment**

7. We believe that the wide diversity of available technologies and the conditions of their applicability indicate a need for periodic assessment, evaluation and expert guidance on new and emerging technologies.

**Technologies for Adaptations**

8. There is a critical need to improve the identification of, access to, and deployment of technologies for adaptation, especially to developing countries that are most vulnerable to the adverse impacts of climate change. Research, development and deployment of technologies for adaptation, including of indigenous technologies, would be enhanced by international cooperative actions.

**Technology Financing**

9. We recognise also the roles of both public and private financing to enable the accelerated large-scale development, transfer and deployment of technologies for adaptation and mitigation. Public financing, in particular, could catalyse and enhance activities such as capacity building, needs assessments, and the more rapid deployment and adoption of technologies for mitigation and adaptation, especially in those developing countries that are most vulnerable to the impacts of climate change. The importance of mobilising private sector financing should also be noted.

**International Conferences/Congresses**

10. We recognize that countries face uncertainties about appropriate technological choices, and that good decision-making requires regular

provision of high quality information that can come from multiple sources. We support regular conferences/congresses for such purposes. We also appreciate the offer of the Government of India to host such conferences/congresses along with UN-DESA.

### **Technology in the Copenhagen Outcome**

11. We strongly urge the Conference of Parties to the United Nations Framework Convention on Climate Change, at their fifteenth session at Copenhagen, to take into consideration the elements of this statement.

### **Contribution by Stakeholders**

12. We welcome the participation of, and the contribution made, at this Conference, by governments, civil society, the private sector, academia and other experts, and emphasize the importance of their continued role in promoting climate-related technology development and cooperation.

13. We express our deep appreciation to the Government of India for the organization of this Conference, and for their hospitality. We also appreciate the United Nations - Department of Economic and Social Affairs (UN-DESA) for their role in helping to organize this Conference.



**104. Extracts from Introductory Remarks by Prime Minister Dr. Manmohan Singh at the Meeting of Prime Minister's Council on Climate Change on the National Mission on Sustaining the Himalayan Eco-system.**

**New Delhi, October 26, 2009.**

Let me thank you for being present for a very important meeting of this Council, since we are considering a long-term policy framework to deal with one of the most serious ecological challenges facing our country, in fact, facing the entire subcontinent. To my mind, the National Mission for Sustaining the Himalayan Eco-System is one of the most critical of the various Missions under the National Action Plan on Climate Change. It impacts directly on Water Security as well as Food Security and, therefore, involves the livelihood of hundreds of millions of our people. We all know that the entire Himalayan zone, including the high mountains, the foothills and the terai area, constitute an extremely fragile ecological zone. Over the years, there has been steady degradation of this sensitive zone as a result of deforestation, demographic pressures, rapid and often uncontrolled urbanization and road building and construction with only marginal attention being paid to environmental safeguards. Now, however, these stresses and strains are already beginning to be accentuated by the adverse consequences of Climate Change. While the larger challenge of global Climate Change has to be addressed, we need to prepare our country and people to anticipate and respond to its consequences. And part of the adaptation response lies in halting and reversing the ecological degradation that has already taken place in the Himalayas.

I am happy to see that the Mission document has come out with a long-term plan to carefully and comprehensively monitor all the key indicators of climate change phenomena in the Himalayan zone. We have anecdotal evidence that glaciers may be receding, but we need precise and carefully vetted data, both through satellite imaging and ground surveys. The establishment of a Centre for Glaciological Studies is welcome. I would also like to compliment the Minister of Environment and Forests, for the initiative he has taken to commission a study on Himalayan glaciers in

collaboration with ISRO. This initiative must become an integral part of this National Mission and must be institutionalized so that the longer-term trends are monitored and analysed. Only then would it be possible to formulate appropriate and effective adaptation strategies.

I am happy that the National Mission has a section devoted to socio-economic challenges with a set of concrete immediate and long term measures to deal with them. The involvement of local communities is indispensable in ensuring the successful implementation of this Mission. The reference to drawing upon local and traditional knowledge and practices is laudable. We must find ways to institutionalize this. It is extremely important that we lose no time in implementing the practical measures that have been identified. While the State Governments have been sensitized to the need for such measures, I will invite the Chief Ministers of the Himalayan States to join in a national effort to safeguard the Himalayan eco-system. My intention is to institutionalize this interaction by making it an annual feature.

While a large part of the Himalayan range lies within Indian territory, there are other countries who share the mountain ranges with us. These include Nepal, Bhutan, China and Pakistan. Any comprehensive Climate Change Action Plan for the entire Himalayan zone will, of course, require coordinated action among all stakeholder countries. Some bilateral initiatives are being taken, for example, with China and with Bhutan. But we have to recognize the need for much greater engagement and coordination with all our neighbours which share the Himalayas.



**105. Statement by the Prime Minister's Special Envoy on Climate Change Shyam Saran at the Closing Plenary Session of AWG - LCA of UNFCCC Climate Change Meeting.**

**Barcelona (Spain), November 6, 2009.**

Mr. Chairman,

We associate ourselves with the position of G-77 and China.

I would like to express our sincere appreciation for the significant contribution you have made to our work in the AWG- LCA. We know that you have a difficult task as the skipper of our ship and more turbulent waters lie ahead of us. We count on your navigating skills to see us safely on shore. Our appreciation also goes to the Government of Spain, Government of Cataluna and the beautiful, historic city of Barcelona for outstanding hospitality extended to us.

2. Mr. Chairman, we categorically reject attempts that are being made to already declare failure at Barcelona and downgrade our expectations from Copenhagen. To talk about a political agreement instead of a legally binding outcome, to suggest that we may be able to achieve some result only by the end of 2010, these are prophecies which we must dismiss. The clock has not stopped ticking at Barcelona, although I did hear alarm go off at mid day today. This reminds us that when we resume work at Copenhagen, we must utilize the time available to us before the HLS commences, to deliver on the mandate to which we have all signed onto by consensus in the Bali Action Plan. In other consultative fora, it will be our effort to reinforce the prospects of success in the multilateral negotiations under the UNFCCC.

3. I wish to emphasize that India is not prepared to give up at this stage. I am confident that neither is the vast majority of Parties represented here. We intend to keep faith with our people, and with humanity at large, particularly with the youth and spare no effort to deliver on an international legally binding outcome that is equal to meeting the urgent and compelling challenge of global climate change. We will retain the audacity to hope.

4. Therefore, while we are disappointed by the lack of progress in our deliberations, this only reinforces on our determination to work even harder at Copenhagen to achieve what we set out to do - a comprehensive, balanced and above all an equitable outcome.



5. Mr. Chairman, if those who have promised to take the lead, wish instead to fall behind, we, for our part, as developing country will not slacken our effort. In many ways, developing countries are already doing much more on climate change than our developed country partners. We are doing so despite the severe limitation of our modest resources. And more important we are taking these significant activities, despite there being no legal obligation on our part to do so. Without making these conditional upon what others are prepared to do, something we see as a constant refrain in the debate on developed country targets. We are going round in circles. " I will show you my targets, when you show me yours."

6. In Barcelona, the various contact groups have further advanced their work, narrowed difference and identified areas where convergence is possible. This is valuable work and sets the stage for us to continue to aim for a substantive outcome at Copenhagen. The key component, of course remains the willingness of the Annex-I parties to come up with significant emission reduction targets, both for the medium term and the long term. Kyoto Protocol parties must do so as part of their legal obligations. They need to commit to specific, legally binding targets for the second commitment period commencing 2013. Those who are not parties to the Kyoto Protocol, must commit themselves to comparable commitments, as they are obliged to do under Bali Action Plan. This order cannot be reversed, i.e., it is not that Kyoto Protocol Parties have the option to reduce the level of commitments to that which may be set by non- Kyoto Protocol Parties. Rather non- Kyoto Protocol Parties must come up with targets which are comparable to what Annex-I parties are legally obliged to commit to, under the protocol. The BAP is quite clear on this.

7. I wish to conclude with another important concern of my delegation. Whatever outcome is possible at Copenhagen, we must ensure that post-Copenhagen, UNFCCC continue to remain the foundation of our climate change action. The BAP equally will continue to provide the mandate of our subsequent work. We must guard against a weak, declaratory outcome, which then become the template for our future work that would be a setback.

Thank you Mr. Chairman.



**106. Statement by Prime Minister's Special Envoy on Climate Change Shyam Saran at Press Conference.**

**Barcelona (Spain), November 6, 2009.**

**Dear Friends from the Media,**

Today is our final day at Barcelona and we are in the process, as delegations from our respective countries, of taking stock of where we are and how we take the negotiating process forward at Copenhagen, barely a month away from now. I am aware that both civil society groups and international media have been following our work very closely and I can also appreciate the sense of disappointment and even anxiety over the apparent lack of progress in our deliberations. However, we must all recognise that these negotiations are complex and difficult, and we as India, are not prepared to give up too early and already settle for a weak and merely declaratory outcome. We will continue to exert all our efforts towards what the Bali Action Plan has mandated us to do i.e. aim for a comprehensive, balanced and above all, an equitable outcome at Copenhagen, which has a level of ambition in consonance with the urgent and compelling nature of the global challenge of climate change.

Let me give you a sense of the process as it will unfold on the road to Copenhagen. I understand that there will be a report from the Chairman of the Ad-Hoc Working Group on Long Term Cooperative Action, which will put together the various non- papers on specific elements of the Bali Action Plan, as they would have culminated at the end of the day. This, along with the compilation of submissions made by parties, which is our guiding document, will go to Copenhagen, where negotiations will continue in the first week and beyond until the High Level Segment meets. A similar report will also emanate from the parallel negotiating track i.e. Ad- Hoc Working Group on Kyoto Protocol.

In Barcelona, the various contact groups have further advanced their work, narrowed differences wherever possible and identified areas where convergence appears achievable. This is valuable work and sets the stage for us to continue to aim for a substantive outcome at Copenhagen. The key component, of course, remains the willingness of Annex I parties to come up with significant emission reduction targets, both for the medium term and the long term. Kyoto Protocol parties must do so as part of their legal obligation. They need to commit to specific, legally binding targets for the second commitment period commencing 2013. Those who are not

parties to the Kyoto Protocol, must commit themselves to comparable commitments, as they are obliged to do under Bali Action Plan. This order cannot be reversed i.e. it is not that Kyoto Protocol Parties should reduce their level of commitments to that which may be determined by non-Annex parties. The Bali Action Plan is quite clear on this.

Whatever outcome is possible at Copenhagen, we must ensure that post-Copenhagen, the United Nations Framework Convention on Climate Change continue to remain the foundation of our climate change action. The Bali Action Plan equally must continue to form the mandate of our continuing work. We must guard against a weak, declaratory outcome, which then becomes the template for our future work.

Questions are raised about what countries like India are prepared to. We have announced an ambitious National Action Plan on Climate Change with 8 National Missions. Unlike actions being pledged by several developed countries, we have not made our national actions conditional upon international support. We will do what we can within the limits of our resources. But it is reasonable for us to say that we can do more, if global support was available in the form of financial and technological resources.



## **107. Intervention by Minister of Environment and Forests Jairam Ramesh at the Pre-COP meeting.**

**Copenhagen, November 16, 2009.**

1. India is prepared to reflect in any agreement its commitment to keep its per capita emissions below that of the developed countries. India's per capita approach has drawn wide support including from two Nobel Laureates (Schelling and Spence) and from the German Council for Climate Change, an influential think tank. India's per capita emissions are now around 1.2 tonnes of CO<sub>2</sub> equivalent and are expected to be around 2 to 2.5 tonnes by 2020 and 3 to 3.5 tonnes by 2030. The per capita limit is an onerous limit that India has imposed on itself.

2. India has several nationally appropriate mitigation actions (NAMAs) which it is considering to convert to nationally accountable mitigation outcomes (NAMOs) by indicating specific performance targets in industry, energy, transport, agriculture, buildings and forestry for the year 2020 and 2030. These NAMOs could be institutionalised through either legislative or executive action and are derived from the National Action Plan on Climate Change and the 11th Five Year Plan document.

3. India is prepared to submit a National Communication once every two years to the UNFCCC covering both supported and unsupported actions and their outcomes as well as their impacts on emissions. This National Communication could be used as a basis for international consultations with the UNFCCC.

This will more than meet the demand for international reflection of domestic commitments and obligations taken on unilaterally. The format of reporting could be decided by the UNFCCC after discussions and consensus among Parties.

4. India will make low carbon sustainable growth a central element of its 12th Plan growth strategy. This will mean taking on commitments to reduce energy to GDP intensity and corresponding emission reduction outcomes for the year 2020.



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On November 19 Mr. Ramesh while releasing the "State of World Population 2009" report said in New Delhi "We need to distinguish international commitments from our domestic obligations. Our position in international fora will strengthen if we are seen to be serious with our domestic obligations." He however added that domestically India would have to be relentless and ruthless in moving on a low-carbon trajectory to minimise the effects of climate change on the country. He did not agree with the proposition that increase in green house gas emissions was linked to population increase. Quoting the example of China he said despite a negative population growth rate between 1985 and 2005, emissions in China went up by 43 per cent. "It's not so much a population issue but one of lifestyle and consumption patterns," he said.

**108. Extract Relevant to Climate Change from the Address of Prime Minister Dr. Manmohan Singh to the American Council of Foreign Relations.**

**Washington (D. C), November 23, 2009.**

Ladies and Gentlemen: The negotiations heading toward Copenhagen are proving more difficult than we would have liked. There is disagreement among industrialized countries and between industrialized and developing countries. It is important for all countries to make every effort to contribute to a successful outcome at Copenhagen. India was a latecomer to industrialization and as such we have contributed very little to the accumulation of greenhouse gas emissions that cause global warming. But, we are determined to be part of the solution to the problem. We are willing to work towards any solution that does not compromise the right of developing countries to develop and lift their populations out of poverty. We recognize that we have to act on climate change in our own interest, since we are among the countries most impacted by climate change. It is for this reason that we have adopted an ambitious National Action Plan on Climate Change. We are committed to ambitious and time-bound outcomes that will increase the energy efficiency of our economy, the share of clean energy including nuclear power in our energy mix, and our forest cover. All this will require considerable resources. We have undertaken to do what we can with our own resources. We will do more if there is global support in terms of financial resources and technology transfer.



**109. Extract Relevant to Climate Change from the Joint Statement issued between Prime Minister Dr. Manmohan Singh and President Barack Obama.**

**Washington (D. C), November 24, 2009.**

**ENSURING SUSTAINABLE GLOBAL DEVELOPMENT AND A CLEAN ENERGY FUTURE**

Recognizing that energy security, food security, climate change are interlinked, and that eliminating poverty and ensuring sustainable development and a clean energy future are among the foremost global objectives, the two leaders agreed to enter into a Green Partnership to address these global challenges.

They two Leaders reaffirmed their intention to promote the full, effective and sustained implementation of the United Nations Framework Convention on Climate Change (UNFCCC) in accordance with the Bali Action Plan. Recognizing their special role in promoting a successful and substantive outcome at the UNFCCC 15th Conference of Parties at Copenhagen in December, 2009, they reaffirmed their intention to work together bilaterally and with all other countries for an agreed outcome at that meeting.

The two leaders also affirmed that the Copenhagen outcome must be comprehensive and cover mitigation, adaptation, finance and technology, and in accordance with the principle of common but differentiated responsibilities and respective capabilities, it should reflect emission reduction targets of developed countries and nationally appropriate mitigation actions of developing countries. There should be full transparency through appropriate processes as to the implementation of aforesaid mitigation actions. The outcome should further reflect the need for substantially scaled-up financial resources to support mitigation and adaptation in developing countries, in particular, for the poorest and most vulnerable. It should also include measures for promoting technology development, dissemination and transfer and capacity building, including consideration of a center or a network of centers to support and stimulate climate innovation. India and the United States, consistent with their national circumstances, resolved to take significant national mitigation actions that will strengthen the world's ability to combat climate change. They resolved to stand by these commitments.

Recognizing the need to create the clean energy economy of the 21st century, Prime Minister Singh and President Obama agreed to launch a Clean Energy and Climate Change Initiative. The goal of the Initiative would be to improve the lives of the people of both countries by developing and improving access to technologies that make our energy cleaner, affordable and more efficient. The Initiative will include cooperation in wind and solar energy, second generation bio-fuels, unconventional gas, energy efficiency, and clean coal technologies including carbon capture and storage. The success of this Initiative is expected to enhance the ability of India and the United States to provide new economic opportunities for their people and create new clean energy jobs.



**110. Press Release on the signing of the India - USA Memorandum of Understanding to "Enhance Cooperation in Energy Security, Energy Efficiency, Clean Energy and Climate Change".**

**Washington (D.C), November 24, 2009.**

Please see Document No.623



**111. Intervention by Prime Minister Dr. Manmohan Singh on Climate Change at CHOGM.**

**Port of Spain, November 27, 2009.**

Mr. Chairman,

Let me express my deep appreciation to your Excellency and the Government and people of Trinidad and Tobago for the wonderful hospitality and warm friendship extended to my delegation and to me personally since our arrival in your beautiful island country. Excellency, you are hosting the Commonwealth Summit at a very critical juncture, in particular, as regards the challenge of global climate change. We are only days away from the convening of the 15th Conference of Parties to the UN Framework Convention on Climate Change in Copenhagen. Our special session this afternoon, devoted to Climate Change, is therefore, particularly opportune. It enables us to send a powerful political message to Copenhagen so as to ensure an ambitious, substantive and equitable outcome.

I welcome the participation of His Excellency, the Prime Minister of Denmark. His perspective on the multilateral negotiations is particularly useful. I wish to assure him that my delegation will play a constructive and positive role and support all his efforts to secure a successful outcome.

President Sarkozy's presence at our deliberations adds to their quality. We have benefited from his insights and his wisdom and, in particular, his concern over the challenges posed to developing countries by Climate Change.

His Excellency, the Secretary-General of the United Nations has played a key role in raising awareness of the dangers posed by Climate Change to humanity and has repeatedly stressed the need for urgency in our actions. We agree with his assessment that the time for action is now.

Mr. Chairman, I wish to express India's complete solidarity with the sentiments expressed by several leaders from Small Island Developing States and our brothers from Africa. They are the least responsible for climate change and yet are the most vulnerable to its impact. Their very survival is at stake. We appreciate their concern because India, too, has extensive island territories and low lying coastal plains, which are vulnerable to sea-level rise and extreme climatic events. We have modest resources at our disposal but we are willing to share whatever we have to build adaptive capacity among the least developed countries and the Small Island Developing States.



Mr. Chairman, let me share with you and my colleagues assembled here India's perspective on the forthcoming Conference of Parties in Copenhagen.

The multilateral negotiations under the UNFCCC have been proceeding on two parallel tracks for the past two years. The first track derives its mandate from the Bali Action Plan adopted by consensus in December, 2007. Its mandate for the multilateral negotiations is very clear and unambiguous. We are to work towards an Agreed Outcome at Copenhagen which would represent enhanced implementation of the UN Framework Convention on Climate Change. The Bali Action Plan calls for enhanced implementation specifically in respect of mitigation, adaptation, finance and technology. And why was it necessary to enhance implementation in these respects? Precisely because the provisions of the UNFCCC had barely been implemented and in the meantime, the threat of Climate Change had become more compelling than had been envisaged when the Rio Convention was concluded in 1992. Therefore, if the outcome at Copenhagen diminishes rather than enhances the implementation of the UNFCCC in respect of the specific components of mitigation, adaptation, finance and technology, it would represent a serious setback, no matter how we seek to characterize this result.

A view has been expressed that given the limited amount of time available, we should aim for a political outcome rather than a legally binding outcome. Our view is that we should not pre-empt the Copenhagen negotiating process. Whatever time is still available to us before the High Level Segment meets from December 16, should be used to achieve as much convergence as possible. If the consensus is that only a political document is feasible then we must make certain that the post-Copenhagen process continues to work on the Bali mandate and the UNFCCC continues to be the international template for global climate action. We must avoid any lowering of sights.

Mr. Chairman, India has repeatedly emphasized the need for the Copenhagen outcome to be comprehensive, balanced and above all, equitable. It must be comprehensive in the sense that it must cover all the inter-related components of mitigation, adaptation, finance and technology. This means we should resist a partial outcome. Furthermore, there must be balance and equal priority given to each of the 4 components. Mitigation is important but cannot take precedence over adaptation which, for many countries represented here, poses a greater challenge. And most important from our perspective, is the need to ensure an equitable outcome corresponding to the principle of common but differentiated responsibilities

and respective capabilities. India is willing to sign on to an ambitious global target for emissions reductions or limiting temperature increase but this must be accompanied by an equitable burden sharing paradigm. We acknowledge the imperative of science but science must not trump equity. Climate Change action based on the perpetuation of poverty will simply not be sustainable.

I would like to emphasise that Climate Change is a challenge of global dimensions. It deserves a global and a collaborative response. It is unfortunate that the global discourse on Climate Change has become enmeshed with arguments about maintaining economic competitiveness or level playing fields. Climate Change is becoming the pretext for pursuing protectionist policies under a green label. This would be contrary to the UNFCCC and a violation of the WTO as well. India and other developing countries will strongly resist this.

Before I conclude, I wish to say a few words about the second track in the multilateral negotiations, which is the Kyoto Protocol track. Contrary to impressions which have been mistakenly circulated, the Kyoto Protocol will not expire in 2012. 2012 marks the end of the first commitment period for developed country parties to fulfill their legally binding obligations to reduce their economy-wide emissions by a specific quantified figure. The negotiations under way are to review progress achieved in meeting the targets by 2012 and to sign on to more significant obligations in the second commitment period commencing in 2013. Despite the efforts of the developing country parties to the Protocol, no progress has been achieved in fulfilling the mandate of the Working Group on Kyoto Protocol, which has been meeting for the past three years. The attempts by some countries to dispense with the Kyoto Protocol altogether has generated avoidable misgivings and has been strongly resisted by all developing countries without exception. We hope that a legally valid instrument to which we too are parties, will not be set aside in a cavalier manner. This will undermine credibility in any future legally binding instrument.

Mr. Chairman, India has adopted an ambitious National Action Plan on Climate Change with 8 National Mission covering both mitigation and adaptation. We have not made their implementation conditional upon obtaining international support. However, we can certainly do more if there is a supportive global regime. Each of the National Missions, including those on renewable energy, enhancing energy efficiency and expanding forest cover, are platforms on which we would be happy to pursue cooperative partnership with sister Commonwealth countries.

We welcome the proposal made by Prime Minister Gordon Brown for the mobilization of at least \$ 100 billion by 2020 for supporting climate change action in developing countries. We also welcome the priority he has given to the needs of Least Developed Countries and Small Island Developing States. However, much of this finance is market-based and hence subject to market volatility and unpredictability. We can hardly plan long-term action on this basis. Furthermore, adaptation requirements do not lend themselves to market based finance\*.

I thank you for your attention



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\* The Official Spokesperson of the Ministry of External Affairs told the media in Port of Spain after the Prime Minister's separate meetings with the British Prime Minister Gordon Brown and the special invitee the French President Sarkozy that India had a major stake in the Copenhagen meet and would like to see a "balanced, ambitious and equitable outcome" from it. Dr. Singh emphasised on transfer of adequate resources and technology to developing nations, which was the "key" to the fight against climate change, the Spokesperson reportedly said. While noting that India was one of the worst affected by climate change, Dr. Singh apprised Mr. Sarkozy and Mr. Brown of the unilateral steps taken by his government to tackle the problem through the National Action Plan, he said.

(India is pressing for a "legally-binding substantive" outcome at the Copenhagen meet, disapproving the attempt by the United States and some other developed countries to defer a cut in greenhouse gas emission.)

Separately the Special Envoy of Prime Minister on Climate Change Shyam Saran told a TV channel on November 29, in the Port of Spain that there was no question of taking any binding carbon emission cuts, indicating the coordinated approach major emerging economies including Beijing and New Delhi were likely to adopt at the climate change summit in Copenhagen. "There cannot be any emission cuts... that is what we have said and also something the developed countries have said... they [industrialised nations] don't expect countries like India to actually sign on the emission reduction target, but rather to sign to a deviation from business as usual," he added. He maintained that, "it is a question how this [mitigation steps] has to be reflected at Copenhagen. And what we have stated is that we are in a position to reflect whatever we are doing in the form of our national communication to the U.N. Framework on Climate Change [UNFCCC]." Pointing to China's voluntary offer he said "China has essentially not announced an emission reduction target, but has announced a slowing down of its emission growth". "It is reducing the energy intensity and then the carbon intensity of its future growth, which means its [rate of] emissions will grow slower than they would normally have," he explained and added: "That [what China is doing] is not very different from what India has been saying, that even though its energy efficiency is already quite impressive, it is in position to continue with this improvement in its energy efficiencies and probably reach a figure of about 25 per cent by 2020."

He pointed out that, "the country delivered 8 to 9 per cent growth in the last 10 years or more with 3.8 or 3.9 per cent growth in energy per annum, which means, the energy intensity growth is coming down and this trend is expected to continue."

**112. Declaration on Climate Change issued by the Heads of Government of the Commonwealth countries at their Summit meeting.**

**Port of Spain, November 28, 2009.**

**The Challenge of Our Time**

1. Climate change is the predominant global challenge. We convened a Special Session on Climate Change in Port of Spain to discuss our profound concern about the undisputed threat that climate change poses to the security, prosperity, economic and social development of our people. For many it is deepening poverty and affecting the attainment of the Millennium Development Goals. For some of us, it is an existential threat.
2. We reaffirm our commitment to the Lake Victoria Commonwealth Climate Change Action Plan and its further implementation, in particular by contributing to the efforts of member states in transforming their economies and strengthening the capacity and voice of vulnerable groups.
3. We recognise the unprecedented opportunity of our meeting just ahead of the 15th Conference of the Parties to the UN Framework Convention on Climate Change in Copenhagen. We approach Copenhagen with ambition, optimism and determination. We welcome the attendance of leaders at the Copenhagen conference. The needs of the most vulnerable must be addressed. Their voice must be heard and capacity to engage strengthened. Many of us from small island states, low-lying coastal states and least developed countries face the greatest challenges, yet have contributed least to the problem of climate change.
4. In keeping with the spirit of the theme of CHOGM 2009, 'Partnering for a more equitable and sustainable future', we warmly welcomed the United Nations Secretary General, the Prime Minister of Denmark and the President of France.
5. We represent a third of the world's population in all continents and oceans, and more than one quarter of the Parties to the United Nations Framework Convention on Climate Change. We have the global reach and diversity to help forge the inclusive global solutions needed to combat climate change.
6. Science, and our own experience, tells us that we only have a few short years to address this threat. The average global temperature has

risen because of the increase in carbon and other greenhouse gas emissions. The latest scientific evidence indicates that in order to avoid dangerous climate change that is likely to have catastrophic impacts we must find solutions using all available avenues. We must act now.

7. We believe an internationally legally binding agreement is essential. We pledge our continued support to the leaders-driven process guided by the Danish Prime Minister and his efforts to deliver a comprehensive, substantial and operationally binding agreement in Copenhagen leading towards a full legally binding outcome no later than 2010. In Copenhagen we commit to focus our efforts on achieving the strongest possible outcome.

#### **Copenhagen and Beyond**

8. A global climate change solution is central to the survival of peoples, the promotion of development and facilitation of a global transition to a low emission development path. The agreement in Copenhagen must address the urgent needs of developing countries by providing financing, support for adaptation, technology transfer, capacity building, approaches and incentives for reducing emissions from deforestation and forest degradation, and for afforestation and sustainable management of forests.

9. In addition, we will strive to significantly increase technological and technology support to developing countries to facilitate the deployment and diffusion of clean technologies through a range of mechanisms. We will work to facilitate and enable the transition to low-emission economies, climate resilience, and in particular, support, including through capacity building, for increasing the climate resilience of vulnerable economies. We will also aim to develop cleaner, more affordable and renewable energy sources. We must explore global mechanisms through which those identified technologies can be disseminated as rapidly as possible.

10. Ensuring the viability of states should underpin a shared vision for long-term cooperative action and a long-term global goal for emission reductions. In building towards an international agreement, all countries will need to play their part, in accordance with the principle of common but differentiated responsibilities and respective capabilities.

11. We need an ambitious mitigation outcome at Copenhagen to reduce the risks of dangerous climate change without compromising the legitimate development aspirations of developing countries. We stress our common conviction that urgent and substantial action to reduce global emissions is needed and have a range of views as to whether average global temperature

increase should be constrained to below 1.5 degrees or to no more than 2 degrees Celsius above pre-industrial levels. We also recognise the need for an early peaking year for global emissions. Developed countries should continue to lead on cutting their emissions, and developing countries, in line with their national circumstances, should also take action to achieve a substantial deviation from business-as-usual emissions including with financial and technical support, and also supported by technology and capacity building.

12. Progress towards predictable and adequate finance for adaptation and mitigation measures must be achieved in any new multilateral approach. Public and private financial resources for developing countries will need to be scaled up urgently and substantially by 2020. We recognise that adaptation finance in particular should be targeted towards the poorest and most vulnerable countries. The provision of finance should be additional to existing official development assistance commitments. In this respect, we acknowledge the potential role of the private sector and carbon markets.

13. In addition, we recognise the need for an early start to the provision for financial resources. Fast start funding, constituting grant funding, should provide substantial support for adaptation, REDD plus<sup>1</sup> and clean technology. We welcomed the initiative to establish, as part of a comprehensive agreement, a Copenhagen Launch Fund starting in 2010 and building to a level of resources of \$10 billion annually by 2012. Fast start funding for adaptation should be focused on the most vulnerable countries. We also welcomed a proposal to provide immediate, fast disbursing assistance with a dedicated stream for small island states, and associated low-lying coastal states of AOSIS<sup>2</sup> of at least 10% of the fund. We also recognise the need for further, specified and comparable funding streams, to assist the poorest and most vulnerable countries, to cope with, and adapt to the adverse impacts of climate change. We recognise that funding will be scaled up beyond 2012.

14. We agree that an equitable governance structure to manage the financial and technological support must be put in place. We agree that a future governance structure should provide for states to monitor and comply with arrangements entered under a new Copenhagen agreement.



**113. Information given in the Lok Sabha by the Ministry of Environment and Forests on Emission Reduction Mechanism.**

**New Delhi, December 2, 2009.**

India has consistently argued that developing countries have no emission reduction obligations and they will take nationally appropriate mitigation actions on voluntary basis as supported and enabled by finance and technology provided by developed countries. Voluntary actions of developing countries will be subject to international monitoring, report and verification (MRV) as per agreed procedures to the extent that these actions receive international support

India's position on Climate Change negotiations is anchored in the principle of equity and "common but differentiated responsibilities and respective capabilities" of Parties as enshrined in the United Nations Framework Convention on Climate Change and its Kyoto Protocol. India and other developing countries have also consistently stated that the developed countries must fulfill their commitments under the Convention to provide resources to developing countries to enable them to undertake actions for adaptation to and mitigation of climate change. Negotiations on these issues are underway and the Parties are expected to reach an agreed outcome on the negotiations in Copenhagen in December 2009.

*[This information was given by the Minister of State for Environment and Forests (independent charge) Shri Jairam Ramesh in a written reply to a question by Smt. Jaya Prada in Lok Sabha.]*



**114. Interview of Minister of State for Environment and Forests Jairam Ramesh with the daily *Indian Express*.**

**New Delhi, December 2, 2009.**

**Question: Is the government working on declaring some targets on climate change apart from what we have heard on the National Action Plan on Climate Change?**

**Answer:** The Prime Minister has said that we shouldn't get isolated, but we should also keep our national interests in mind. The Chinese declaration on carbon intensity is a wake-up call for us. The Ministry of Environment and Forests is talking to the Planning Commission and the Bureau of Energy Efficiency for setting some performance targets. We are looking at energy efficiency, carbon intensity, domestic performance target for sectors like transport and industry. We are working on getting numbers and targets together before December 18. Without taking any emission cuts, we are looking at targets that we can make public.

**Q: China has declared its targets for carbon intensity - bringing down levels of carbon in relation to per unit of GDP by 40 per cent by 2020. Is this is a good model for India to follow?**

**A:** The Chinese have taken a leadership position. At the same time, our emissions are very low when compared to China. Perhaps what China will achieve in 2020 after all the carbon intensity target is what India was emitting in 2005. Expectations from India should be low as our emissions are low. But the carbon intensity model is a good one and we should definitely consider it as an option.

**Q: After your meeting with Brazil, South Africa, China (BASIC countries), is there a consensus on the stand? What does the negotiating draft say?**

**A:** Yes. The draft of the Copenhagen agreement was prepared in China. I went through the draft and we have agreed on the final draft after some changes. This is what the BASIC countries hope will be the outcome of Copenhagen. The draft contains long term-vision, action on mitigation of climate change and adaptation to climate change. In the draft there is no peaking year for emissions for the developing countries. India has made it clear that it will not take any legally binding emission cuts for climate change. India has rejected the Danish proposal which advocates 2025 as a peaking year for emissions for developing countries after which carbon emissions are expected to decline.



**Q: The BASIC countries, especially China, have very different emission levels from India. Does it not harm India's interests to ally with them?**

**A:** This is just the beginning. We don't know if the BASIC countries will stick together.

**Q: We still don't have a definition of 'forests' in India. How does this affect our proposal for fiscal incentives for planting and preserving forests?**

**A:** We will define forests when we have to cross that bridge. India has put forward the Reducing Emissions from Deforestation and Forest Degradation proposal to the United Nations Framework Convention on Climate Change. If it is approved, foreign money will come in to protect our forests. Then the definition and perception of forests will have to change. India has said that it is willing to open any project which is funded internationally for international scrutiny.



**115. Speech of the Minister of State for Environment and Forests Jairam Ramesh while replying to the Short Duration Discussion in the Lok Sabha on climate change.**

**New Delhi, December 3, 2009.**

Mr. Chairman Sir. It has been a four-hour short duration discussion. I would not have minded had it been of longer duration. I am prepared to sit here as long as the House wants and I am prepared to stand here on any day to explain the Government's stand on climate change. We have had 18 speakers today on this subject. The opening batsman was a very distinguished physicist himself and one of the tail-enders was a very distinguished mathematician. A Ph.D started the discussion and a Ph.D almost ended the discussion today. I am referring to Dr. Raghuvansh Prasad Singh who is a Ph.D. in Mathematics. We have had some excellent interventions. I want to mention specially that today the younger Members have been truly outstanding. By Indian political standards, even I am considered young, but I am not young. But I think, Shri Sandeep Dikshit, Shri Jayant Chaudhary, Shrimati Supriya Sule, and last but not least, Dr. Jyoti Mirdha made truly outstanding presentations and I want to compliment them for this. Permit me to deal with many of the important issues that have been raised today. There are policy issues that have been raised and each individual Member has raised some specific issues. Today, I will deal with the larger issues of policy. I would like to seek the indulgence of the House to respond to the specific issues of each individual Member separately with the Member concerned, like the Loharinag Pala issue of Dr. Jyoti Mirdha, and the forestry issue of my good friend, Shri Anant Kumar Hegde. My colleague from West Bengal, including Shri Panda, raised the issue of Sundarbans. So, on specific issues, if I may be permitted I will respond to each individual separately in writing.

I want to spend this evening discussing some of the larger issues of policy that have been raised. I want to begin by saying that today I found remarkable degree of agreement that climate change is a serious issue. This is very important. You yourself are from Orissa. Your colleague from Orissa has also spoken. Members from Uttar Pradesh and Members from West Bengal have spoken. Cutting across party lines, cutting across States, there was a clear message today that climate change is a very serious issue. On November 24th there was a Calling Attention Motion in the Rajya Sabha. In the Rajya Sabha, the issue was me. I am glad that in the Lok Sabha the issue is climate change, although some Members have made

some reference to me and I will respond to them to the best of my ability. So, climate change is a very serious issue for India. Forget Copenhagen for the time being. Climate change is of great significance to our country. Ever since I became the Minister on 29th of May, I have been trying to spread this single message that the most vulnerable country in the world to climate change is India, not Maldives, not Bangladesh and not America, but India. There is no country that is as much impacted by climate change as India. Now, why do I say this?

First, we are dependent on monsoons, the south-west monsoon and the north-east monsoon. They are the lifeline of our country. Two out of every three Indians still depend on agriculture for their livelihood. What happens to the monsoon determines what happens to our economy and what happens to our general mood. We are depressed when the monsoons fail and we are happy when the monsoons are good. Monsoons are not only part of our economy but also part of our culture and part of our civilisation. Now, the uncertainty caused by climate change on the monsoon is of first and over-riding priority for India.

Secondly, Sir, we have the Himalayan Glaciers - anywhere between 9000 and 12000 Glaciers. There is a great deal of scientific debate on what is happening to these Glaciers but we do not have to wait for perfect science. The warning signals are already there. Most of the Glaciers are receding. Why are they receding? We cannot say it with hundred per cent certainty. Is it the natural process of cyclical change? Or, is it because of global warming? Scientists are still debating this issue. But what happens to the Himalayan Glaciers will determine the water security of our country. That is the second point of vulnerability.

Thirdly, we have vast critical ecological areas. My friend Shri Anant Kumar Hegde is not here. He also initiated the Short Duration Discussion. He comes from the Western Ghats. What happens to the Western Ghats will determine the future not only of Karnataka, Goa, Maharashtra and Kerala but indeed of the entire country. Take our North East. The North East has only four per cent of India's geographical area but 25 per cent of our forest cover is in the North-East. What happens? People have talked of Chirapunji. Chirapunji used to be the world's rainiest place. It no longer is. What happens to the Western Ghats? What happens to our North-East? What happens to the Andamans? What happens to Lakshadweep? This is the third area of vulnerability.

Fourthly, if you look at the map of India, if you see where the forests are located, if you see where the coal mines are, where the bauxite is, where

the iron-ore is, it is in the same region. The more coal we produce, the more iron-ore we produce, the more bauxite we produce, the more forests we will have to give up. We know that giving up forests leads to more green house gas emissions.

There is no country in the world which has all these four dimensions of vulnerability. That is why, I have been saying time and again that India, of all the 192 countries in the world, owes a responsibility not to the world but to itself, to take climate change seriously. We are not doing the world a favour. Please forget

Copenhagen; forget the UN. We have to do it in our own self-interest. Our future as a society is dependent on how we respond to the climate change challenge. Let me go to the second point. Today, the sad fact is that if you ask me what is going to be the impact of climate change on the Sunderbans, I cannot give you a good answer. I can only tell you Aila happened; Aila might happen. But I cannot give you a good answer. If you ask me what is going to be the impact of climate change on our monsoon, I can only say that there is uncertainty; monsoon in the North-West India might increase, monsoon in the North-East India might decrease. So, I cannot tell you. The reason for this is that so far, all the scientific studies on climate change have been done in the Western countries.

India has made no investment in studying the impact of climate change on India. This is a very important point. Today, all our knowledge on climate change is derived from the Western publications. It is derived from Western media, it is derived from Western political leaders and we have no independent source of information and data. This is a pathetic state of condition. A country like India, with its great scientific expertise, should have invested in climate change research 20 years ago.

Let me give you an example of what happened 20 years ago and Dr. Joshi will recall this example because he has been a distinguished Minister for Science and Technology. In 1990, the United States of America, a country with which I am allegedly very close to, issued a report saying that methane emissions from India's wet paddy cultivation was 38 million tonnes per year. This report caused international headlines. All the newspapers and the media went to town saying that Indian agriculture is contributing to global warming. There was one Indian scientist who disbelieved this figure. He is no more, a very distinguished physicist - Dr. Joshi knows him very well - Dr. A.P. Mitra, who was the Director of the National Physical Laboratory. I happened to work in the Prime Minister's Office at that time and Dr. Mitra came to me and said, I do not believe these numbers

and I want to start my own experiment to generate my own data'. I went to the Finance Minister who happens to be our Prime Minister today and I said, Sir, we need to give this scientist and his team some money'. The money was sanctioned and a three-year project was started. At the end of three years, Dr. Mitra and his team conclusively established that methane emissions from Indian wet paddy cultivation was not 38 million tonnes per year, but between 2 and 6 million tonnes per year and today I must inform the hon. Members that the internationally accepted figure for methane emissions from Indian wet paddy cultivation is about 4 million tonnes per year, which is the median of 2 and 6. This is what we need to do.

There is a lot of sensationalism that is going on in the name of science. We must, on our own, understand what is going to happen to our own ecosystem on account of climate change. I would like to inform the hon. House that on the 14th of October this year, we launched, what is called, the Indian National Network on Comprehensive Climate Change Assessment and I will circulate a copy of this document to all the hon. Members. We have created a network of 97 research institutions in our country, 250 scientists have been brought together as a team and every year they will conduct and make public an assessment of what is happening on account of climate change. The first report will come in November of 2010 and this will be a report which will give an assessment by Indian scientists on what is going to happen because of climate change to the Sunderbans, to the Northeast, to the Western Ghats and to our agriculture. This is what India needs to have done 20 years ago. It did not do it for some reason. But I am not taking credit for it. I am only an instrument of policy. But what I want to say is, this is a very important step that we have taken. Forget Copenhagen; we must have our own scientific capacity to understand the impact of climate change.

We are a very varied country. We can have positive effect in one region and negative effect in another region. Rainfall might increase in Punjab and Haryana but rainfall could also decrease in Assam and Meghalaya. India is very varied. So we must understand the impact of climate change in India in all its eco-diversity. This is the second point I want to make because Members have raised this issue. One of the failures on my part amongst many other failures has been a failure to communicate to each individual Member of Parliament the full substance of what we have done. I thought that by putting it on our website, it becomes automatically public. I did not bargain for the reluctance of many of my colleagues to spend time on websites. I will now ensure that in the next couple of days all this literature and material will be available to you in hard copy in your residential

addresses so that we can establish a constant process of communication. I have also decided that we will now place on the Table of the House many important documents that we release from time to time.

My young friend Jayant Chaudhary referred to forests. Just four days ago, we released the State of the Forest Report in India, 2009. This gives you the most comprehensive assessment of what is happening to forest cover in different States of the country. I have asked for the permission to lay this on the Table of the House. I hope that once such documentation becomes available, many of the questions that have been raised by Members of Parliament relating to the impact of climate change would get answered. This is my second submission.

Thirdly, let me talk a little bit about the Copenhagen process because that is the real issue that everybody wants to hear. All this is a sort of prelude; the real masala is Copenhagen. I entirely agree with my young friend Jayant Chaudhary, but my advice to him is: Do not be too bold at such a young age. It will create many problems for you. Go with the grain of conventional thinking before you become too much of an out-of-the-box thinker. Thinking out of the box in our country does not pay in the long run. You have to be in the box and occasionally get out of the box and come back into the box. On the international arena, when I took over as Minister for Environment and Forests on the 29th of May, the Prime Minister's instructions to me were: India has not caused the problem of global warming. But try and make sure that India is part of the solution. Be constructive; be proactive. That was all he told me. Then I asked myself what is India's position when it comes to international negotiations. The only position India had: Our per capita is very low; your per capita is very high; therefore we would not do anything. Sir, per capita is an accident of history. It so happened that we could not control our population. That is why, we get the benefit of per capita. When you divide anything by one billion, and that one billion is increasing by 12 million every year, it is no great credit for us. Our single biggest failure in the last 60 years has been our inability to control our population growth rate. Now the only position we have is: Do not touch us; our per capita is very low. It is an important point because per capita is the only instrument of ensuring equitable distribution. But it cannot be the only point. That is the point. So, when I first started looking at this international canvass, I was struck by the fact that India's position was: Our per capita is low and, therefore, we are entitled to pollute more till we reach your per capita levels. Since you have caused the problem, you must fix the problem. That was, broadly speaking, our position.

Sir, this is my personal belief, and you can question my judgment but do not question my motives. My personal belief is that India must negotiate from a position of strength; that India must negotiate from a position of leadership. I agree with Dr. Joshi that we must demonstrate an alternative model of growth; we must not follow the prosperity equal to pollution model of growth. I entirely agree with him. I may have political differences with him but on this I am entirely in agreement with him. It should not remain just a slogan; we have to take many important steps. So, I ask myself this question: Can we go beyond per capita? Per capita is the basic position. Our per capita is low. Our Prime Minister has said that our per capita emissions will never exceed per capita emissions of the developed world. I said that our per capita emissions will remain below that of the developed world. My friends from the Left Parties accused me of compromising the Prime Minister's statement. Sir, this is English language. This is semantics. I had a similar argument in the Rajya Sabha. ...

(Interruptions)

I have listened to you. Please listen to me, and then we can have another argument. I had a similar argument in the Rajya Sabha. To my simple mind, I do not see any difference between 'will not exceed' and 'will remain below'. It is the same thing. This is all, tearing hair on the English language. ... (Interruptions)

. ... (Interruptions) The curse is that, you know, we are experts in the English language. Therefore, that is the starting position of our negotiations. The hon. Members have asked: "*on what basis are you going to Copenhagen?*" *The basic point is*, per capita emissions will always remain below/never exceeds per capita emissions of the developed world. But, Sir, we have to offer something more to ourselves, not to the world. Let me now use this opportunity. A lot of Members of Parliament have asked me: What are the non-negotiables for India at Copenhagen. Sir, we are all patriotic. We all want to protect India's interests. I hope that much you will grant to me. I am not buying a ticket to Copenhagen to sell India's interest down the drain.

Sir, I have gone out of my way to ensure transparency in this whole process. I have written to all the Chief Ministers on the 1st of October, an eight-page letter on our stand on Copenhagen. I have written to 80 Members of Parliament. I should have written to all the 700 and odd Members of Parliament but I admittedly wrote to only 80 Members of Parliament on what our stand on climate change is. Sir, I wrote four months ago, to the

hon. Speaker and to the hon. Chairman of the Rajya Sabha: Please nominate Members of Parliament as part of the official delegation to Copenhagen. Sir, you will be pleased to know today how jokingly, one of my colleagues, who is not here, said that I should take all those who speak today to Copenhagen. Unfortunately, Sir, I cannot do that. The hon. Speaker has nominated three MPs from the Lok Sabha; and the hon. Chairman of the Rajya Sabha has nominated two MPs from the Rajya Sabha. So, five MPs are going to be part of our official delegation to Copenhagen. Not only that, in 2030, 2040 and 2050, most of us will not be around, and we are discussing what is going to happen in years when most of us will not be around. That is why, for the first time as part of our official delegation, I am taking two school children and two college going students. We had an essay contest and an essay competition. Call it the new gender empowerment, all the prizes were won by girls... (Interruptions) We are taking two school children and two college going girls as part of our official delegation. Not as hangs on, but as part of our official delegation to convey to the world India's seriousness of doing something for the future generation. Sir, we cannot have 70 years old or 50 years old like me, talking about future generation. We could have the younger people talking about the future generation. That is why in the composition of our delegation, I think, you will see not only political representation but also generational representation.

Sir, there was a lot of confusion and a lot of criticism on the so-called differences between what my position has been and what the Prime Minister's articulation has been. Let me say, I am a Member of the Union Council of Ministers. I am a relatively junior Member of the Council of Ministers and it is inconceivable that I will survive in the Council if I articulate views that are different to that of the Prime Minister. You must, at least, grant me that much common sense that I will not say anything, which does not broadly correspond to what the Prime Minister believes. Occasionally, I might express it in a language that is colourful, I might express it in a language that more conservative people would not do so. But the thought, the principle, the concept, I cannot make public unless I know that the Prime Minister shares these views. That is the principle of collective responsibility and the principle of leadership. So, what are these new ideas that we have tried to bring into our thinking? We are going to Copenhagen in a positive frame of mind. Prepare to be - and I am using a word, which my Left friends are never happy with - flexible. I will define for you what flexibility means. We are going with a positive frame of mind; and we want a comprehensive and equitable agreement at Copenhagen. I am realistic enough to know that such an agreement may not materialize. But we will work overtime with likeminded countries, with China and other



countries to ensure that there is a comprehensive and equitable arrangement.

.....Sir, I went to China over last weekend. China, South Africa, Brazil and India have tabled a draft in Copenhagen yesterday on what the Copenhagen Agreement should look like. Denmark as the host country also has a draft. But we participated in the discussions in Beijing and we came up with what we considered to be a draft which protects our interests. Let me also say for the information of the hon. Members that in the last few months, relations between India and China have had their ups and downs. But on the 21st of October, India and China signed a Partnership Agreement on Climate Change. This was the first agreement for China and the first agreement for India.

Now, China and India are not comparable. China is here with 23 per cent of world Green House Gas emissions. It is the number one emitter. India is here with 4.7 per cent of world Green House Gas emissions. It is number five in the world. So, we are not in the same boat as far as emissions are concerned. They have to do far more than what we have to do. But on negotiations, we are in the same boat. We have a strong alliance with China, a strong alliance with Brazil and a strong alliance with South Africa. We are also part of G-77. At the same time, many MPs have said about *Vasudhaiva Kutumbakam*. What does *Vasudhaiva Kutumbakam* mean? *Vasudhaiva Kutumbakam* means, you do not have hostility to anybody. So, we have to engage with everybody. Just because we are members of G-77 does not mean that we do not talk to America, and every time we talk to America does not mean that we are selling our country down the drain. So, I would like my Left friends to please understand the geopolitical realities in which India is. We are a developing country. We have global aspirations. We want to be recognised as a world power. But having global aspirations and assuming global responsibilities are two sides of the same coin. So, we are talking to everybody. We are talking to the Europeans. We are talking to the Americans. We have this agreement with the BASIC countries.

**Dr. Murli Manohar Joshi:** Mr. Minister, may I say a sentence? With flexibility, you will show the desired firmness.

**Shri Jairam Ramesh:** No, Sir. Let me explain. I am coming to this. If you have a little patience, I will explain to you what the contours of the flexibility are. Sir, there are some non-negotiables for us at Copenhagen. Let me categorically state what these non-negotiables are. My colleague, Mr. Mahtab is joining me in Copenhagen. This has not been fixed by me. This

is a choice of the Speaker. He has already quoted what I have said on the non-negotiables. First one is.... The first non-negotiable is that India will not accept a legally binding emission reduction cut. *We are not willing to accept any legally binding emissions reduction agreement.* I want to say this absolutely, clearly and categorically. There is no question of India accepting a legally binding emission reduction target. Second, there are some attempts by some countries to say that developing countries should announce when their emissions will peak. Let me say that this is the second non-negotiable for us. We will not accept under any circumstances an agreement which stipulates a peaking year for India. *If it is said that a country like India's emission profile will reach its peak by 2025 or 203, it will be impossible for us to accept this.* We will not accept this agreement. These are the two complete, dark, bright, red lines, and there is no question of compromising on these two non-negotiables.

There is a third non-negotiable. Today, it is non-negotiable, but depends on the concessions that we can get from the western countries. Perhaps, we could modulate our position in consultation with China, Brazil and South Africa. We are prepared to subject all our mitigation actions, whatever we do, which is supported by international finance and technology to international review. There is nothing wrong with it as we are getting money from outside and we are getting technology from outside. *The technology-giver and the money-giver is asking for scrutiny, we should have no objection.* The problem arises on the mitigation actions, which are unsupported, that is, which we are doing on our own. We certainly would not like the unsupported actions to be subject to the same type of scrutiny that the supported actions are subject to. *What we do with our own efforts and what we do with the help of others, there should be differentiation. Shri Raghuvansh had been talking about accountability during the last five years, and suggested that what we do with the cooperation of others will be separate and that we do ourselves will be separate. We can consider this, because we are a democratic country. We have a Parliament, we have a civil society, we have the media, we have greater accountability in our country compared to many other countries, We should have no problem if we were to say that we approach the problem from the long-term point of view. Hence, Dr. Joshi, very early on I mooted the concept of Nationally Accountable Mitigation Outcome. I want to tell you some thing of history. Under the Bali Action Plan, the responsibility of countries like us are restricted to National Appropriate Mitigation Action, only action; it is my experience that in our country there is no problem of action, we lack results and efforts. We are quite an expert in writing 500 pages, but on the outcome*

*of that we are left behind.*

*Therefore I suggested for National Accountable Mitigation outcome and accountable to our parliament; not to any international organization. I do hope that you will appreciate that our accountability is to our parliament. I want that whatever we do should be under the laws made by our parliament. I want that whatever long-term accountability we have we have it should be to our parliament and not under any international agreement or under any international organization. Why there should be any problem with that, I do not understand? I was indeed surprised that this idea struck me in Beijing when I went there in September.*

**Shri Murli Manohar Joshi:** *There must have been some problem then!*

**Shri Jairam Ramesh:** *I will tell you the difference in the way we think and the way the people abroad think. We should recognize this because we think we know the entire science and what we do is ok. I want to tell you that there are other countries that also think; when I went to Beijing, I ask the Minister there what they were doing? He told me that they intend to bring a law in their National People's Congress, which is like our parliament, about China's policy about emissions. I started thinking that between China and democracy there was a vast difference, and if China could think of making a law in the National Peoples' Congress, Our country which is the world's largest democracy, why should we not do so in our country. Then only I thought of this and since then I am being criticized that I am speaking for someone else. But the fact is National Accountable Litigation outcome, meaning, we will come to the Parliament and if we say that by 2020 we shall install 20,000 MW solar power, then every year we should tell the parliament, what has been the deficit, what progress has been made, the members should have the right to ask all these questions. For this a law is necessary. I am ready for this. Where a law is required, we should have one, Whatever we do, it should be under our domestic law; not under international agreements: that is leadership: Our tendency is to wait till the last moment, we think there is still time, but the time passes; When we want to do something, people feel we are doing under pressure, We have to change, we have to plan anew, so that in international matters we can present our point of view: in this timing has a role to play.*

China has announced a 40-45 per cent cut in emission intensity. Brazil has announced a 38 per cent cut in emissions. Indonesia has announced a 26 per cent cut in emissions. *What is our response, we are below per capita, what is our responsibility in terms of population; with only 5 % responsible*

*for green house emissions. But the world wants to know what are we thinking. We have not done any pollution for 200 years, but in the next few years we shall be making a contribution in this.*

That is why I think we must be 'flexible' - I am sorry to use this word over and over again - without compromising our basic national interest. Basic national interest means no legally binding emission cuts, no legally binding emission peaking year and, as far as possible, distinguishing between supported mitigation action and unsupported mitigation action. Let me take a couple of minutes because I know, in the last few days, there has been a lot of speculation. *What are we doing before Copenhagen? I want to make it absolutely clear that there is no pressure on us, We can tell in Copenhagen that whenever there is an international agreement we can commit ourselves that per capital emission of India will never exceed the per capita emission of the developed countries. We agreed with that.*

We are prepared to reflect in any international agreement our per capita principle that Dr. Manmohan Singh our hon. Prime Minister enumerated last year. But, Sir, for India to show leadership, for India to have a moral position, *because today we are talking of morality, of Gandhijee, We are the land of Mahatma Gandhi who is considered to be the Param Acharya of the environmental movement. Today the prime ministers and presidents of all the countries of the world want to go to Copenhagen, When in 1972 the first UN Conference on environment was held in Stockholm's, only one head of the state went there-and she was Mrs. Indira Gandhi. No other prime minister of any country went there, except the Swedish Prime Minister, because Swede was a host country. The country with a long tradition of environment, if it stays like a frog in the well and says nothing, the world will laugh at us.* Is this the India that wants to take a global role and a global responsibility? But more importantly, India must show leadership to its own people, to Sunderbans, to Western Ghats, to Uttarakhand, to Himalayas, to the North-East. We must show action. What is that action? That is the issue now.

In the last few months, the Planning Commission has been doing a variety of exercises as part of the Midterm Appraisal of the 11th Plan. *In the 12th Five-year plan, starting 2012 we have said that we will adopt low carbon strategy, a new model. It cannot happen overnight. A transition period is required. Next two years will be the transition period. We are committed that the next Five-year plan is based on low carbon emissions. This will happen for the first time and I think, it is in the interest of our country, our countrymen, the poor of this country and the farmers. What is the meaning of*

*low carbon? Has it been examined in the planning commission? They have got statistics from many organizations. There is a thinking and I want to tell the parliament; I have not said this outside of parliament, because this is a sacred place, whatever I say in the parliament, I say it with full responsibility, I am not giving my personal opinion, this discussion in the House, as Shri Joshi said and many other members said, that if we have to go the low carbon way in the next ten, twenty years, if we have to give the world a new development model, then we need to think, what the speed of our emissions intensity will be. Between 1990 and 2005, our emission intensity declined by 17.6 per cent.*

*I am not talking about emissions, it is on the rise; but emission intensity is on the decline. What does 'intensity' mean? Intensity is a figure. Emission divided by GDP. The one you emit, and divide it with output, that is emission intensity. What does it mean? One of my colleagues said, be simple. I am trying to make it easy. Excuse me, whether I succeeded in it or not but I am trying. What is the meaning of emission intensity? It means, if the emission intensity comes down, then for one rupee of GDP there will be need for less emission, and it also means, with one unit of emission we get still more GDP. In the last fifteen years, between 1990-2000 the emission intensity came down by 17.6 percent and GDP increased. Emission increased but emission intensity came down. On empirical basis we can say with confidence that in the next 15-20 years emission intensity can further come down. Based on the exercises that the Mid-Term Appraisal in the 11th Five Year Plan, if the emission intensity has declined by 17.06 per cent between 1990 and 2005, the Planning Commission has concluded that we can have a 20 to 25 per cent reduction in emission intensity between 2005 and 2020. We are not taking this as a legal binding. We are not putting it down in any international agreement. We are telling the world, that India is unilaterally and voluntarily ready that in the next fifteen years by 2005 and 2020 will reduce the emission intensity by 20 to 25 percent. In the last fifteen years it went down by 17.6 percent. In the next 15 years it can come down between 20 to 25 percent. Most likely it can be 25 percent. What will happen at Copenhagen? We are going to do it because it is essential for our life security. We will show it in the mid-term review of the 11th Five-year plan and in the 12th Five-year plan that in the next 15 years Our emission intensity will reduce between 20 and 25 per cent.*

*I may tell you that the emission will increase but its speed will come down.*

*This should be clear. In the next 10-15 years until this transition takes place, this is what Mr. Joshi wants, the emission will go on increasing; but we can certainly take the responsibility that the speed of emission will come down; and with one unit of emission we can get still better output. You can ask if it is a political statement? Whether any home work has been done? ...interruption...I have to assure you fully..... Interruption...*

How will this emission intensity be cut? That is the question. We are planning a series of policy measures. On some of which we will come back to Parliament. I want to assure the hon. Members of the House that we will come back to Parliament on: We are going to legislate mandatory fuel efficiency standards for our vehicles by December, 2011.

We will come to Parliament. We will mandate mandatory fuel efficiency standards for all vehicles. This will reduce and manage the greenhouse gas emissions from our transportation section. We will come back to Parliament with a model energy conservation building code and we will recommend to the States and to the Municipal Administrations mandatory green building codes. We are going to come to Parliament with amendments to the Energy Conservation Act to introduce what we call the energy efficiency certificate which will enable energy intensity decline in our industry.

We will come to Parliament. Parliament will discuss these amendments.

I am going to lay this Report on Forests on the Table of the House hopefully next week. We are going to come to Parliament regularly to report on the state of our forest cover. Today, in response to the question raised by many Members, our forests are absorbing 10 per cent of our annual greenhouse gas emissions. I will come back to Parliament on that. We are going to ensure that increasingly more and more of our coal based power plants of the type that are coming up in my friend, Shri Mahtab's State which is causing him great concern, will come from clean coal technology.

This does not require law. It requires us to take decisions on super critical technology, ultra super critical technology, coal gasification - Dr. Joshi knows as when he was the Minister for Science and Technology many of these initiatives had started. We will ensure that 50 per cent of all new capacity that is going to come will be based on clean coal technology. That will substantially reduce the CO<sub>2</sub> emissions from our power stations. So, we have an action plan in transportation, industry, buildings, forestry and in various sectors of our economy which will ensure 20 to 25 per cent cut in

energy intensity between 2005 and 2020. At Copenhagen if we have a successful agreement, if we have an equitable agreement, if we are satisfied with this agreement, we are prepared to do even more. *This is the base line for us. This we will do ourselves, not with the help of any body else. We will reduce ourselves our emission intensity by 29 to 25 percent. If there is help from the international community, if the Copenhagen Agreement is reached successfully, is an equitable agreement, our doubts are removed, then we are prepared to say that we can do even more than this.*

*Now I will summaries it:* I separate domestic responsibility from international obligation. I want to be aggressive on domestic obligation and I want to be pro-active on international obligation because in international obligation there is only one thing that counts. Ultimately, when I go to Copenhagen, it is not G-77 or China or America or Brazil or South Africa, it is India's interest that counts. What is in India's interest? That is what ultimately is the only deciding factor. What is in India's interest, that is what we have to do. I believe that our negotiating position is strengthened considerably if we go to Copenhagen from a position of leadership, taking these pro-active measures and taking the responsibility as part of the 11th Five Year Plan, 12th Five Year Plan and thereafter between 2005 to 2020 our emission intensity would reduce by 20 per cent to 25 per cent on our own, in a legally non-binding agreement and to be reflected in any international agreement. Sir, I want to thank the hon. Members for listening to me very patiently. I know that many of your doubts may still be there but I do want to assure the hon. Members that when I used the word 'flexibility', it does not mean the sell out. Flexibility only means the ability to move to rapidly evolving international situations. We are not living in isolation. We are living in an international community. We have to see what is happening in the world. We are a large country. Let us not be defensive about ourselves. Let not any Minister who is going abroad be told: 'Do not sell the country'. It is an insult to my personal honour and dignity to be told: 'Do not go and sell the country's honour'. No Government, no Minister, no Prime Minister and no Minister for Environment will do that. We are going there to get the best agreement for India and the best agreement for India internationally is what we do domestically. What we do domestically, in my view, is an obligation to our own people that we have to undertake. Now, I thank you for this opportunity.

(The text in italics is free translation of the Hindi text)



**116. Interview of Jairam Ramesh Minister of State for Environment and Forests with Nitin Seth of the daily *Times of India*.**

**New Delhi, December 5, 2009.**

**Q: Do you see Thursday as a clear mandate for flexibility for the government?**

**A:** It was good as far as it goes. A broad mandate and there are people who still have doubts and questions. It's only a period of time... we will be able to address their questions. What Thursday demonstrates in my view is the absolute importance of taking Parliament into confidence at every step. Every government tries to take Parliament for granted and we tend to go to Parliament at the end stage. I have engaged Parliament from day one, through letters. I wish this debate had been held in an earlier session.

But it was good. It was surprisingly substantive and not personalised like the Rajya Sabha debate. I think that is what added value to the exercise. There is a mandate for flexibility. There is no question about it. Let me put it this way, there is a mandate for constrained flexibility. It's not unlimited. It's defined within the parameters that there will be no peaking year and no compromise on the legally binding nature of the commitment that we take.

**Q: But you got some room on the issue of MRV (international scrutiny of unsupported Indian actions)?**

**A:** I think there we have got room. That was a big step forward. Much to the discomfort of many people, including activists and journalists, we have moved the debate on MRV inch by inch. And frankly my position is... my advantage is I have worked in both. finance and commerce, I know how these functions are performed. The PM knows it because he has been in finance for donkey's years. There is no black box in this system if we are not hiding anything. You cannot equate the IAEA type of review with the WTO type of reviews, because in the IAEA type of review you don't want to review some strategic assets. But the whole world knows your financial data, whom are you hiding from? Today, the best reports on Indian economy are produced by investment bankers sitting in New York. They have all the databases. Even how much foreign exchange we have, it is all known.

See, there are two issues in my view -- the debate in India has not really been on a realistic level. The MRV debate is one of them. We were stuck in a position. This difference between supported action and unsupported action is largely overdrawn. Bulk of our actions are going to be unsupported actions. As a negotiating tactic, it is good but we must distinguish the negotiating tactic from a operational strategy. As an operational strategy, this distinction does not make



much sense to me... that is why I took the position on MRV. But look, let's put everything in the public domain, and while you can have an MRV in the western sense of the word of the supported actions, you can have a consultative process in the IMF/WTO sense of the term for unsupported actions. For that I got some support from Parliament on Thursday.

On technology also, the debate is unrealistic in this country. You cannot compare the IPR issue in the pharmaceutical industry to climate change. You are talking of a product patent or a process patent for a molecule. Here you are talking of a whole array of technologies.

The same IPR issues that dominated the pharmaceutical debate are now coming to dominate the climate change debate. It's a different class of technology issues we have to deal with. I think we have not really thought through. The fact that we continue to use the word technology transfer... I am saying from day one it's not technology transfer, it's technology development and other things.

One thing that was missed on Thursday by the media... the biggest gain was the idea of a domestic law. You saw the thumping of desks. That was a big thing. Of course, the opinion is divided in the government whether you should do a comprehensive law or a piecemeal law. We have to do a law for things like fuel efficiency; my idea was to put it all into one national greenhouse gas mitigation law. By the way, I got the biggest cheers for that. The NAMO concept has now been accepted domestically. That was a big gain.

**Q: A part of the government still has problem that when you delink technology and finance from actions, you take away one of the planks of Bali Action Plan and that weakens your negotiating position.**

**A:** I think after the emission intensity cuts, our negotiating position has instead strengthened, it has not weakened. It's strengthened when we demonstrated flexibility on the MRV issue. We were the ones who brought in the concept of two year enhanced NATCOM that will bring in supported and unsupported action. It was India's contribution.

**Q: But Thursday gave you width for more than that.**

**A:** Yes.

**Q: Today we heard Arun Jaitley.**

**A:** Yes.

**Q: The most contentious point was the population issue -- you calling it a historical error. Everyone has made statements against that. You could have projected India as having done so much better at**

**carbon intensity despite the large population. The accusation is that you have thrown the plank of convergence of per capita emissions away.**

**A:** But the fact of the matter is it is a historical accident that our per capita emissions are so low. If we had controlled our population and all our Plan targets had been met, we would have been sitting at 23% emissions today. The fact that we did not fulfill any of our planned targets -- this is the law of unintended consequences. The fact that we did not fulfill our power addition targets...

**Q: But in India this evokes the Emergency era population control issues.**

**A:** *Theek hai yaar*, (This is ok) we have to think beyond. I have said per capita is a base, it's a starting point. For one-and-a-half years, it was the only plank of our negotiations. Can it be the only plank? My argument is that it cannot.

**Q: In your view, is per capita convergence of emissions at 2050 central to Indian position?**

**A:** *Theek hai* (ok), we can work towards 2 tonnes per capita.

**Q: So it's not central to the Indian position?**

**A:** There are too many things to be gained at a larger scale. Let's see how it pans out; there are too many things to be gained at a larger scale. We are not abandoning the per capita idea. We will reflect the per capita commitment in any international agreement. But the weakness of our position was that it was the only thing we were offering. And frankly it had become a sleeper of an argument.

**Q: What is the most optimistic deal one can expect out of Copenhagen? Not a comprehensive deal?**

**A:** No, that is not on the cards. Look at the way the Danish draft and the BASIC draft -- the contrast between them. I don't understand what the Danes meant when they said they want a politically binding agreement but that seems like the only thing that is feasible.

**Q: But you have asked what that phrase means?**

**A:** Yes we have. Right now we don't know what it means. The Danes unveiled their version of a politically binding agreement -- it was asking for commitments. The BASIC draft was in that sense more realistic, it took everyone along. The Brazilians have now apparently dropped a spanner in the works by saying that the idea of a separate schedule for the Americans

is not acceptable to them.

**Q: I haven't read this.**

**A:** Someone told me this on Thursday. And if that is the case, we are back to square one. The Brazilians are saying that by giving a window to the Americans, we are giving the Europeans a reason to further fight. It's a bit of Catch-22 situation. They agreed to the BASIC statement in Beijing.

**Q: Now that you have a set of targets, will this become the business as usual line for India? You said we will do more if we get technology and finance.**

**A:** In fact, in my view, the way we are headed with our actions, our actual intensity decline would probably be knocking on 25% rather than 20%.

**Q: But will that become the benchmark for the country for others to ask more internationally now?**

**A:** We might in fact cross 25% in the country. The key to this is that 50% of our coal based capacity in 12th Plan is supercritical. And if we ensure over 75% of our capacity in 13th Plan is supercritical, I can give a guarantee that we could be closer to 30%.

**Q: Are you talking about emission intensity or carbon intensity?**

**A:** Emission intensity as measured in CO<sub>2</sub> per unit of GDP.

**Q: Only CO<sub>2</sub>?**

**A:** We have left it open. We can't give everything away.

**Q: What is the worst that could happen at Copenhagen if things don't thaw?**

**A:** I am actually worried. Because this peaking year issue is a bummer. I have told the Danes that peaking year will not be acceptable to us. We will not be able to carry forward any discussions if this becomes a sticking point. I said we will be flexible on MRVs and on emission intensity that we were likely to announce. They are now looking at an alternative formulation. I have said we will agree to a formulation that says we remain below two degrees if it is qualified by the clause of equitable burden sharing.



**117. Editorial on Climate Changed which was carried by 56 newspapers in 45 countries. In India it was carried by *the Hindu*.**

**Chennai, December 7, 2009.**

Today 56 newspapers in 45 countries take the unprecedented step of speaking with one voice through a common editorial. We do so because humanity faces a profound emergency. Unless we combine to take decisive action, climate change will ravage our planet, and with it our prosperity and security. The dangers have been becoming apparent for a generation. Now the facts have started to speak: 11 of the past 14 years have been the warmest on record, the Arctic ice-cap is melting, and last year's inflated oil and food prices provide a foretaste of future havoc. In scientific journals the question is no longer whether humans are to blame, but how little time we have got left to limit the damage. Yet so far the world's response has been feeble and half-hearted.

Climate change has been caused over centuries, has consequences that will endure for all time, and our prospects of taming it will be determined in the next 14 days. We call on the representatives of the 192 countries gathered in Copenhagen not to hesitate, not to fall into dispute, not to blame each other but to seize opportunity from the greatest modern failure of politics. This should not be a fight between the rich world and the poor world, or between east and west. Climate change affects everyone, and must be solved by everyone. The science is complex but the facts are clear. The world needs to take steps to limit temperature rises to 2C, an aim that will require global emissions to peak and begin falling within the next 5-10 years. A bigger rise of 3-4C - the smallest increase we can prudently expect to follow inaction - would parch continents, turning farmland into desert. Half of all species could become extinct, untold millions of people would be displaced, whole nations drowned by the sea.

Few believe that Copenhagen can any longer produce a fully polished treaty; real progress towards one could only begin with the arrival of President Obama in the White House and the reversal of years of US obstructionism. Even now the world finds itself at the mercy of American domestic politics, for the President cannot fully commit to the action required until the US Congress has done so. But the politicians in Copenhagen can and must agree the essential elements of a fair and effective deal and, crucially, a firm timetable for turning it into a treaty. Next June's UN climate meeting in

Bonn should be their deadline. As one negotiator put it: "We can go into extra time but we can't afford a replay."

At the deal's heart must be a settlement between the rich world and the developing world covering how the burden of fighting climate change will be divided - and how we will share a newly precious resource: the trillion or so tonnes of carbon that we can emit before the mercury rises to dangerous levels. Rich nations like to point to the arithmetic truth that there can be no solution until developing giants such as China take more radical steps than they have so far. But the rich world is responsible for most of the accumulated carbon in the atmosphere - three-quarters of all carbon dioxide emitted since 1850. It must now take a lead, and every developed country must commit to deep cuts which will reduce its emissions within a decade to very substantially less than its 1990 level. Developing countries can point out they did not cause the bulk of the problem, and also that the poorest regions of the world will be hardest hit. But they will increasingly contribute to warming, and must thus pledge meaningful and quantifiable action of their own. Though both fell short of what some had hoped for, the recent commitments to emissions targets by the world's biggest polluters, the United States and China, were important steps in the right direction.

Social justice demands that the industrialised world digs deep into its pockets and pledges cash to help poorer countries adapt to climate change, and clean technologies to enable them to grow economically without growing their emissions. The architecture of a future treaty must also be pinned down - with rigorous multilateral monitoring, fair rewards for protecting forests, and the credible assessment of "exported emissions" so that the burden can eventually be more equitably shared between those who produce polluting products and those who consume them. And fairness requires that the burden placed on individual developed countries should take into account their ability to bear it; for instance newer EU members, often much poorer than "old Europe," must not suffer more than their richer partners.

The transformation will be costly, but many times less than the bill for bailing out global finance - and far less costly than the consequences of doing nothing. Many of us, particularly in the developed world, will have to change our lifestyles. The era of flights that cost less than the taxi ride to the airport is drawing to a close. We will have to shop, eat, and travel more intelligently. We will have to pay more for our energy, and use less of it. But the shift to a low-carbon society holds out the prospect of more opportunity than sacrifice. Already some countries have recognised that embracing the

transformation can bring growth, jobs, and better quality lives. The flow of capital tells its own story: last year for the first time more was invested in renewable forms of energy than producing electricity from fossil fuels. Kicking our carbon habit within a few short decades will require a feat of engineering and innovation to match anything in our history. But whereas putting a man on the moon or splitting the atom were born of conflict and competition, the coming carbon race must be driven by a collaborative effort to achieve collective salvation.

Overcoming climate change will take a triumph of optimism over pessimism, of vision over shortsightedness, of what Abraham Lincoln called "the better angels of our nature." It is in that spirit that 56 newspapers from around the world have united behind this editorial. If we, with such different national and political perspectives, can agree on what must be done then surely our leaders can too. The politicians in Copenhagen have the power to shape history's judgment on this generation: one that saw a challenge and rose to it, or one so stupid that saw calamity coming but did nothing to avert it. We implore them to make the right choice.



**118. The question of Conflicting Statements on climate change raised in the Rajya Sabha with the Permission of the Chair by the Leader of the Opposition.**

**New Delhi, December 7, 2009.**

**The Leader of the Opposition (Shri Arun Jaitley):**

Mr. Deputy Chairman, Sir, two weeks ago, this hon. House called the attention of the Minister on the issue of India's stand in the Climate Change Negotiations. And, this House was categorically assured by the hon. Minister, in the course of the discussion, that there would be no substantial change from the stand that this country had adopted over the last 17 years in these negotiations. The Minister also said that he will take Parliament into confidence before he proceeds to Copenhagen and the country's stand is spelt out. Sir, this Calling Attention was called in the backdrop of some apprehension that the Minister was not in agreement with the stand of the Government of India, which was being conventionally taken. Now, we find that the hon. Minister and the Government of India, have unilaterally altered their position substantially over what India has been saying all these years. We have now announced, without waiting for what developed countries say, that we are going to make a 20-25 per cent cut in our carbon intensity on the 2005-level till 2020. Now, this country has, consistently, followed a policy that there is a per capita principle, that is, we have as much a share as members of developing countries in the carbon space, as much as a citizen of a developed country has. The hon. Minister had addressed a letter to certain Members of Parliament, and I also received this letter, on the 29th of September, 2009, where till 29th September, the Minister has said, and I quote from his letter: "The equal per capita entitlement principle is the only legitimate internationally acknowledged measure for reflecting equity. As stated by our hon. Prime Minister, India's per capita emission levels will never exceed the per capita emission levels of the developed countries." Today, Sir, what appears to be happening is that the legally binding cut, which the developed country had to face, is something that they want to get out of, as a result of which various drafts are being internationally circulated. And, as a part of those drafts, one of the suggestions being made is, "Please go by domestic measures". What we seemed to have done is, we completely altered our principle; irrespective of what the developed world does, we have unilaterally announced that we are going to make cuts of 20-25 per cent. Now, Sir, our difficulty today is that a major part of this negotiation, the deal, is still to be settled. Who is

going to make the entire investment involved in India, as also in the various developing countries, as far as this reduction of carbon intensity or emission intensity of 20-25 per cent over the next few years is concerned?

Sir, when the business was as usual between 1990 and 2005 ... (Interruptions)... Sir, I will just take a minute or two more. Between 1990 and 2005, we had in this emission intensity a 17.6 per cent cut. That was one per cent compounded annually. Now, if we are to achieve this figure, then a lot of investment would be required because it would be almost about one-and-a-half per cent per year which is required till 2020. Now, one of the essential aspects of this deal has to be as to who is to bear the cost. Is the cost to be borne by those who are the victims of environmental pollution or is the cost to be borne by those who have substantially polluted the environment? Now, Sir, the original understanding was that there would be substantial cuts being made by the developed countries, and today, having really bared our hands completely on the eve of negotiations, we do not know what the developed countries are going to do. Experts in the field are now indicating that the cuts will only be three to four per cent on the 1990 emission levels, as far as the developed countries are concerned, and we would be rendered completely helpless in a situation of this kind. Sir, there are two or three aspects I wish to highlight. It is bad strategy for the Government of India on the eve of a crucial negotiation to bare its hands and disclose all its cards. Our disclosed cards today become the baseline of further negotiations. We have raised our own baseline which was absolutely not necessary. Secondly, Sir, today, we have no reciprocity in return. Thirdly, we are in a state of turmoil on the eve of these negotiations. The negotiations' first phase begins today itself. Our negotiators appear to be sulking. From what has appeared in the newspapers, some of them, day-before-yesterday, refused to board the flight and said, 'unless we have a clear assurance from the Government of India that we will not be really reversing our stand, we are not willing to go'. And, lastly, Sir, the question was also asked by one of our colleagues in the Question Hour as to what is the international observation or verification of our unsupported domestic actions. Sir, earlier our stand categorically was this will never be acceptable. Now, the Minister has now coined a new buzz word which is flexibility. And, flexibility says, we will see, if necessary, we will allow it. His interview to one of the leading newspapers of the country almost seems to indicate that we will allow that also. Now, this is, entirely, Sir, unacceptable, and I suggest, Sir, that the Government gives a categorical assurance to this House that there will be no change in India's categorical stand which has been there all these years on this subject.



.....Interruptions

Shri Sitaram Yechury: I am going to give him a hint of what I am going to say in Copenhagen also. The Minister, Sir, had assured the Parliament and the country that there are two red lines that will not be crossed. One is that there will be no binding emission cuts that will be acceptable to India. Second is that there will be no deadline of peaking of our emissions. Now, whatever has been stated earlier and what the Minister has been stating now in the media somehow seems to contradict this. Our voluntary announcement of 20 to 25 per cent reduction; we presume, it is on reduction in carbon intensity because it is gone by the past record of 17 per cent reduction from 1990 to 2005, which is the compound rate of one per cent per year. Now, whether it is emission intensity or energy intensity or carbon intensity, these three are very different concepts and impact on the country differently. We do not know what the Government is talking about. But, presuming it is carbon intensity, it means that by 2020, we will have to reduce by 150 per cent of what we have reduced in the last 15 years. What does it mean? Today, 55 crores of my countrymen do not have electricity, 70 crores of my countrymen survive on bio-gas fuels without any carbon emission.

If this 1.5 per cent reduction is to be brought about, then it will come at the expense of the two-thirds of India. Are we today prepared to widen the gap between the rich and the poor in the country as a result of this, and has it come under any pressure? That is my point. The pressure is that on the 4th December, the White House releases a press note. I am reading from it, Sir, which is a public document. It says, "After months of diplomatic activity, there is progress being made towards a meaningful Copenhagen accord in which all countries pledge to take action against the global threat of climate change." No annexure-1 or annexure-2. No division between the developed and the developing. "Following bilateral meetings with the President and since the United States announced an emissions reduction target that reflects the progress being made in Congress towards comprehensive energy legislation, China and India have for the first time set targets to reduce their carbon intensity. There has also been progress in advancing the Danish proposal for an immediate, operational accord that covers all of the issues under negotiation."

Danish proposal is document where there is no differentiation between the developed and the developing countries. Hours after this was announced, the Prime Minister of India announces that he is also going. So, the suspicion that comes up is, is this happening under pressure? Therefore, Sir, since

you asked us to restrict our time, I would be brief. Article 4, para 7 of the framework so far clearly talks in terms of annexure-1 and annexure-2 countries and the responsibility of the developed world. Therefore, Sir, we want assurances from the hon. Minister. Firstly, the per capita emission standards cannot be diluted. It cannot be given up. Secondly, the historical responsibility of advanced countries must be ensured. Thirdly, the cut-off date that has been changed from 1990 to 2005 should not be accepted, we should stick to 1990; and, our voluntary cuts must be conditional upon three things. One, that the developed countries ensure a mandatory cut in their emissions. Two, the financing of the shift to greener technologies will be provided and they take much of the burden on financing of such a transfer to greener technologies. Three, the transfer of technologies should be beyond the purview of the Intellectual Property Rights and they should be transferred to the Third World without this Intellectual Property Rights royalties. We want these assurances from the Minister.

**SHRI D. RAJA:** Sir, agreeing with the speakers before me, I would like to draw the attention of the House to one international climate scheme. Our Government has been supporting on international climate scheme called REDD, Reducing Emissions from Deforestation and Degradation of Forests. Even though this scheme the scheme has major implications for the livelihood of crores of Adivasis and forest dwellers, the Government has never publicly discussed this scheme. Even the issue was not discussed in Parliament. The proposed scheme would make it possible for companies and Governments to earn tradable carbon credits from forest protection in developing countries. Our Government has gone beyond this and wants aforestation and plantation projects to be eligible for carbon credit also.

Sir, as of now, the Forest Right Act, 2006 is not being properly implemented in many areas. When the Government is not giving the people secure rights to their lands and forests, what can the Government do to prevent companies and Government agencies grabbing the same lands to earn carbon credits under this scheme? The Government's aforestation programmes are already resulting in conflict, in many States, for instance in Orissa, Andhra Pradesh and Chhattisgarh. So, my point is, the Government must be very categorical and clear on what it is going to do. Replacing natural open areas with mono-cultural plantations...

**Mr. Deputy Chairman:** No, the subject is, 'conflicting statements' and not on this, please.

**Shri D. Raja:** Sir, no, it is part of Copenhagen Summit that is beginning today. It is part of the climate scheme and the Government's position.

**Mr. Deputy Chairman:** That we have already discussed. This is only on 'conflicting statements.'

**Shri D. Raja:** Sir, this is a new thing which the Government has been supporting and the Government has not discussed it in Parliament!

**Mr. Deputy Chairman:** That is correct, I am not disputing it. But the question which we have admitted is.... (Interruptions)

**Shri D. Raja:** What I am trying to say is, the Government cannot support this international scheme REDD. If Government has anything like this, Government should share what Government is going to do in Copenhagen. That is what we are asking the Minister. Let him respond.

**Shri Sitaram Yechury:** Government should take it seriously because Mr. Raja is opposing REDD! You please understand. If Mr. Raja is opposing REDD, it is a serious matter.

**Shri D. Raja:** So my humble request is, Sir,...

**Mr. Deputy Chairman:** Your three minutes are also over.

**Shri D. Raja:** Let him respond.

**Shri Jairam Ramesh:** Sir, I am grateful for yet another opportunity for clarifying and before I go on Thursday, I am sure there will be more opportunities of such topics raised. So, I am grateful that...

**Shri Arun Jaitley:** Mr. Yechury is also going to be with you. So, we are going to keep an eye on you even there.

**Shri Jairam Ramesh:** Dr. Swaminathan also will be there. Sir, I am grateful to the Leader of the Opposition. Today, the discussion has not been oriented towards me personally and has been substantive on issues of climate change unlike the Calling Attention Motion where I felt as if I was an accused on a trial. Sir, let me respond to whatever each of these speakers have said in as serious a manner as possible.

**Mr. Deputy Chairman:** And as briefly as possible.

**Shri Jairam Ramrsh:** Yes, as briefly as possible. But, allow me to say Sir, that I am sometimes perplexed by the shifting stands of our distinguished Leader of

the Opposition. When I meet the Leader of the Opposition outside this hall, I get one view and when he stands up and speaks as the Leader of the Opposition, I get a different view. But, Sir, that is inherent in our political system.

**Shri M. Venkaiah Naidu:** It is unbecoming on the part of a leader to mention something what is being said outside. Sir, it is never done. It is never done. (Interruptions) Sir, he should withdraw it. (Interruptions)

**Mr. Deputy Chairman:** No, no, I think, in the interest of the...(Interruptions)...What you discuss privately should not form a part of it. (Interruptions) What they discuss privately should not be part of this. (Interruptions)

**Shri Jairam Ramesh:** Sir, let me respond. (Interruptions)

**Mr. Deputy Chairman:** Please sit down. (Interruptions) Please don't refer to your personal conversation.

**Shri S. S. Ahluwalia:** One should not refer to a personal conversation. You talk only about this issue. (Interruptions)

**Mr. Deputy Chairman:** Let us confine to what is going on inside the House.

**Shri Arun Jaitley:** Since he has referred, let me clarify it. At the major economies forum after the Government of India diluted its stand I felt quite happy as most of India did when the US Secretary of State was here and their Environment negotiator referred to our stand a diluted stand there. The Minister had the courage to stand up and contradict that. We all congratulated him. So did I. But, after he shifted his position in the Lok Sabha, I categorically told him that I disagree with his stand.

**Shri Jairam Ramesh:** Sir, I will not get into this any further. I will respond to the points that have been raised. Sir, let me first talk about the non-negotiables which will continue to be non-negotiables till the 18th of December, 2009 and beyond. The first non-negotiable is that we will under no circumstances accept a legally, binding emission reduction cut. This is my first point. Secondly, we will not reflect whatever we do, the emission intensive cut as an example. This is not an internationally legally binding commitment. This is a unilateral domestic obligation that we have taken in our own interest and we are announcing to the world that this is what we are going to do as part of the 12th and 13th Plan and if you want us to better it, if you want us to you have to reflect it internationally you have to support us both in terms of finance and technology. This is the second non-negotiable.

The third non-negotiable is: we comprehensively and categorically reject the notion of a peak India. We will, under no circumstances, accept any draft which suggests that India's emissions should peak by 2025, 2030, 2040, 2045. This is simply not on our agenda.

Sir, the fourth non-negotiable is this. Please bear with me. Sir, since there is a fine distinction involved here and this has caused much consternation amongst the Members of Parliament, I would like to respond to it as openly and transparently as I can. The fourth nonnegotiable is: Why we accept international scrutiny of supported actions?

We will not accept the same level of international scrutiny and the same type of international scrutiny for the unsupported actions. So, wherever the world supports us in terms of finance and technology, they can come and verify what we are doing. But, where you are not supporting us -- the bulk of our actions will be unsupported actions -- we will not subject these actions to international scrutiny. However, we are in an open system. We are in a democratic system. We are accountable to Parliament. What I have stated and what the Government of India's position is, we are prepared to submit to the UN Framework Convention on Climate Change a national communication, say, once in two years, which will have both the supported and unsupported actions for consideration of the UNFCCC. That is all we have said, Sir. There will be a scrutiny only when we are supported financially and technologically. But, for the unsupported actions, we are only going to submit a report - - of course, we will come before Parliament with -- to the UNCCC for consideration. Sir, please bear with me...

**Shri Sitaram Yechury:** But then, why submitting a report?

**Shri Jairam Ramesh:** Please bear with me. We have nothing to hide. Our country has nothing to hide.

**Shrimati Brinda Karat:** Why do you want to submit a report?

**Shri Jairam Ramesh:** Madam, can I please finish?

We have nothing to hide. All that we do is in the public domain. We have a National Action Plan on Climate Change. We have a Plan document. Everything is debated in Parliament. We come to Parliament and say that this is the extent to which our solar energy plan has gone. This is the extent to which our energy efficiency plan has been implemented. And whatever information we are putting in the public domain, we are going to give it to international consideration. What is wrong with this? I am not

saying international scrutiny. International scrutiny means, international observers coming, asking questions, looking at...

**Shri S. S. Ahluwalia:** You don't require any observer.

**Shrimati Brinda Karat:** What is consideration? Please define what you mean by the word 'consideration.'

**Shri S.S. Ahluwalia:** Through big boss satellite they can observe everything. They do not need to send a man here.

**Shri Jairam Ramesh:** Mr. Ahluwalia, please listen to me. These are not nuclear power plants we are talking about which need to protect. These things are all in open. We are not doing anything secretly.

**Shri Sitaram Yechury:** What is consideration?

**Shri Jairam Ramesh:** Sir, consideration will be defined by the UNFCCC. This is all going to be based on the guidelines. What is our proposal? Our proposal is according to guidelines framed by the UNFCCC. This is our proposal. But, according to the guidelines of the UNFCCC, we will subject all the supported actions to international scrutiny. Unsupported actions will not invite international scrutiny but will be a part of our reporting to the UNFCCC. Sir, it cannot be any hon. Member of Parliament's case that what we have made public to Parliament cannot form a part of the document that we are going to submit to an intentional body. That is not the case.

**Shri Sitaram Yechury:** Actually, the point is...

**Shri Jairam Ramesh:** Can I finish? Then, you can seek any clarification you want. You let me finish. I am trying to explain the whole thing.

**Mr. Deputy Chairman:** It is not a debate; it is only clarifications.

**Shri Sitaram Yechury:** Sir, it is a very important subject.

**Mr. Deputy Chairman:** I agree that it is important...(Interruptions)...

**Shri Jairam Ramesh:** I am trying to come clean as much as I can. I am not trying to hide anything. I feel the transparency is the best way to strengthen one's negotiating position. I would like to reassure this House, categorically, that this proposal does not mean international monitoring, reporting and verification of our unsupported actions.

It does not mean that. I would like to reassure the Leader of Opposition and I would like to reassure my colleague who is coming to Copenhagen

with me that this is not what it means. All that it means is, there will be a document which we will submit to the UN Framework Convention on Climate Change, which will be once in two or three years, whatever is decided, but will have a compendium of all our actions on climate change wherever the international community has supporters, financially and technologically, but will be verified. Everything else will be just there for information. And our accountability, ultimately,

Sir, as I said in the Lok Sabha, is to Parliament and Parliament alone. In fact, Sir, if the hon. Leader of the Opposition could kindly re-read the letter I have sent him, my proposal is that we convert all our national appropriate mitigation actions to a nationally accountable mitigation outcome. You may read that letter. Mr. Javadekar will recall --I have spoken to him-- that I would like, not NAMA, which is what the world is talking about, but NAMO. And, what is NAMO? NAMO is, to come to Parliament and tell Parliament every year that this is what we are doing in climate change. If I am not accountable to Parliament, whom am I going to be accountable to? Our primary and only accountability is to Parliament, not to any international organisation. So, please, be reassured. Now, this debate is taking place in the Government whether we should have a comprehensive legislation or whether we should have piecemeal legislation. Once this debate is settled, we will come back to Parliament, but I want to reassure and reiterate to the distinguished Leader of the Opposition that my accountability on all the actions on behalf of the Government of India is to Parliament, and what reports we put out to Parliament, we will make available to any international body. I do not say...

**Shri Sitaram Yechury:** Sir,...

**Shri Jairam Ramesh:** May I finish? (Interruptions) Whatever reports that we come to the Parliament with will be in the public domain.

(Interruptions)

**Mr. Deputy Chairman:** What is this? You are extending the scope of Zero Hour. You are converting it into a debate. This is not correct. (Interruptions)

**Shri Jairam Ramesh:** Sir, please, can I finish?

Sir, the hon. Leader of the Opposition talked of reciprocity. It is true that our 20-25 per cent emission intensity cut offer by 2020 is a unilateral offer, not dependent on reciprocity. Now, why did we do this?

I don't mind sharing this with you, Sir. Every major country in the world has a major offer on the table. We also have an offer on the table. But, under no circumstances, our per capita emissions should exceed -I have taken your caution and not using the word 'below'-- the emissions of the developed world. That is our offer on the table. I believe, our emission intensity offer, which is a unilateral offer, which is a domestic offer, which is a non-legally binding offer, strengthens our negotiating position to demand greater cuts from the West. We have to negotiate...(Interruptions) May I finish, and then you can respond to what I said?

**The Leader of Opposition (Shri Arun Jaitley):** Since you are on the issue, you might as well just clarify this. Quite to the contrary, it demolishes your negotiating position because the moment you say that my per capita emission will be lower than yours, this is my existing offer and I am now going to further lower it by 20-25 per cent, whether you reduce or not, it means that you completely destroy the per capita equity argument which we have conventionally taken.

**Shri Jairam Ramesh:** I am afraid, the hon. Leader of the Opposition is profoundly mistaken on this. Let me say that the Chinese have offered a 40-45 per cent cut.

**Shrimati Brinda Karat:** Their emissions are so many more times...(Interruptions)...

**Shri Jairam Ramesh:** Madam, we have gone through this in a Calling Attention Motion. We can have one more round of discussions on this. The Brazilians have offered a cut. The Indonesians have offered a cut. The Mexicans have offered a cut. It is true that last year we voluntarily offered our per capita emission constraint. That remains a constraint as far as we are concerned. We are not going to deviate from the per capita principle. I want to reassure the hon. Leader of the Opposition that the two pillars of our negotiating strategy remain the per capita convergence, ultimately, which is the only equity instrument that I have pointed out in my letter, and the historical responsibility.

It is because of the historical responsibility that we will refuse to take legally-binding targets of any kind. The hon. Leader has asked what is flexibility. Sir, whatever we have done we are not going to be in a position to better whatever we have done unless there are substantial emission cuts made by the developed countries, unless there is a substantial financial package offered by the developed countries and unless there is a substantial liberalisation of technology flows by the developed countries. This we have



made amply clear. I made this clear in my statement in the Lok Sabha as well that there is absolutely no doubt in our mind that any further movement on India's part is conditioned on three things, that is, a substantial improvement on emission cuts by the developed countries, a substantial financial package by the developed countries and a substantial liberalisation of technology flows by the developed countries. Sir, as far as the timing of the American Press release is concerned, I also got to know about it; I saw it later and I can assure this House that this was not done under any foreign pressure.

**Shrimati Brinda Karat:** Sir, ..(Interruptions)..

**Shri Jairam Ramesh:** In fact, if Madam can bear with me, this exercise has been going on for the last couple of months. The Planning Commission, as a part of the Mid-Term Appraisal, has consulted a large number of independent bodies, individuals and think-tanks and the consensus view that emerged as part of the Mid-Term Appraisal was that without jeopardising our economic growth, without jeopardising our poverty alleviation and without jeopardising our electricity supply target to every household, we can take a 20 to 25 per cent cut in our emission intensity which means our emissions would still continue to grow, but our emission intensity would fall. I plead with the hon. House to give some time for this to work out and I can assure the House that if this emerges as a constraint we would be the first to re-look at it. But I am confident in my mind that emission intensity will not jeopardise the prospects. The hon. Leader of the CPM has rightly pointed that we are going to Copenhagen with the objective of not accepting any agreement that would put a constraint on expanding electricity supply to rural households, for livelihood security and for all the other economic objectives. Sir, as far as the point that my distinguished colleague who is opposing REDD is concerned, the REDD Proposal was made by Brazil and Indonesia who are contributing to deforestation and who wants financial incentives to stop deforestation. India took the lead for saying that okay if you are giving financial incentives for stopping deforestation, what about giving financial incentives for reforestation. That is our REDD plus proposal. It is not secret. It is in the public domain. I have sent you a copy of what our REDD plus proposal is. It is there in the letter that I have written to you, and I want to re-assure you that if there is any REDD Plus project in India which violates the Forest Rights Act, 2006, it is simply not acceptable. I want to tell you this categorically. In fact, I don't know whether you are aware that two months' ago from my Ministry we have issued a guideline that henceforth all clearances under the Forest Conservation Act ..(Interruptions)..

.....interruptions.....

That all clearances under the Forests Conservation Act, 1980 will be given only after the Forest Rights Act, 2006 is fully implemented. In fact, this is one of the grounds in which we have issued a letter to the Orissa Government on the Niyamgiri project that the Forest Rights Act, 2006 is not implemented.

..(Interruptions)..

Sir, let me summarize. ..(Interruptions).. Let me summarize. ..(Interruptions)..

Sir, our negotiating team is in Copenhagen. We have over ten Negotiators in Copenhagen. It is true that one or two Negotiators had some questions on my statements. I have had a discussion with them. I have tried to convince them that there is no dilution of our stand and these two Negotiators are going to Copenhagen in a day or two. In closing, I want to re-assure this House that while stands do evolve over time in response to changing circumstances, there is a certain basic code which we are not violating. We are not violating the per capita principle. We are not going to transgress the historical responsibility...(Interruptions). Actions speak louder than words.

**Shrimati Brinda Karat:** But, now, only words are speaking...(Interruptions).

**Mr. Deputy Chairman:** Now, we are converting it into another Calling Attention Motion, another debate. But, there is no further scope under Zero Hour, and only because there was an understanding...(Interruptions).

**Shri Jairam Ramesh:** Sir, I would suggest to the hon. Member to give a notice for Calling Attention Motion on 20th of December, and I will respond to my actions, and not to my words...(Interruptions).

**Mr. Deputy Chairman:** 20th December is Sunday.

**Shri Jairam Ramesh:** Sir, I mean, on 21st December.

**Sitaram Yechury:** Sir, I would suggest that instead of saying

'please submit them for their consideration to the United Nations', why don't you say, 'you submit them for information'. Consideration has lot of other implications.

**Shri Jairam Ramesh:** Yes, we will discuss it in flight.

**Shrimati Brinda Karat:** Sir, what is this? He is trivialising the issue.

**Shri Jairam Ramesh:** Sir, I am not trivialising...(Interruptions).

**Shrimati Brinda Karat:** He has not answered the question on international monitoring...(Interruptions).

**Shri S.S. Ahluwalia:** Sir, he is responding to the questions raised by the Members of Parliament. And, now he is answering, "we will discuss it in flight". It is not a personal affair that they will discuss it in flight. Is he taking the whole House by flight? When he is answering it, he should answer it properly. He should address the Chair, and through the Chair, he should inform the House.

**Shri V. Narayanasamy:** Sir, the Minister has replied to all the points.

**Shri Jairam Ramesh:** Okay, I withdraw the statement. I am trying, but once in a while, ..... Sir, I am trying my best. I am prepared to come tomorrow. I am prepared to come day after tomorrow. I leave on Thursday, and before that, I am prepared to come to this House on as many occasions as you want to address the doubts that you have. I want to re-assure this House that there is simply no compromising on India's national interest. We have a counter draft to the Danish Draft prepared by China, Brazil, South Africa and India. Ours is the BASIC draft. I was in Beijing. I went to Beijing myself. I contributed to the BASIC draft, and we are hoping that the BASIC draft will form the basis of our negotiations. Sir, I am as patriotic and as mindful of the national honour as any other hon. Member...(Interruptions).

**Shrimati Brinda Karat:** Sir, he has not answered any of the basic questions...(Interruptions).

**Mr. Deputy Chairman:** He has answered the questions.

**Thr Leader of the Opposition (Shri Arun Jaitlay):** Sir, the basic doubt we have is that what we are getting from the developed countries. We don't have a single word on this. On the reciprocity principle, the reply merely says, "Yes, we believe in reciprocity." We have not got a single...(Interruptions).

**Shri Jairam Ramesh:** I am afraid, he has not heard it.

**Shri Arun Jaitley:** The per capita principle has been completely negated, and we are completely dissatisfied with this reply.

**Shri Jairam Ramesh:** I have answered every point that the Leader of the Opposition had raised.

**Shri Arun Jaitley:** We are completely dissatisfied with the reply and we walk out.

**(At this stage, some hon. Members left the Chamber)**

**Shri Jairam Ramesh:** That is pre-planned anyway.

**Shrimati Brinda Karat:** Sir, we completely disagree with this entire thing...(Interruptions).

**(At this stage, some hon. Members left the Chamber)**



**119. Speech by Minister of Environment and Forests Jairam Ramesh on Climate Change at the COP-15.**

**Copenhagen, December 16, 2009.**

**Mr. President, Excellencies, Ladies & Gentlemen,**

It is my privilege to speak on behalf of the Government of India. We continue to derive inspiration from the Father of our nation, Mahatma Gandhi who is an icon for the environmental movement everywhere.

India is already and will be even more profoundly impacted by climate change. In many ways, we have the highest vulnerability on multiple dimensions. We have a tremendous obligation to our own people by way of both adaptation and mitigation policies and programmes. That is why we have already announced a number of ambitious measures proactively.

We have a detailed national action plan on climate change with eight focused national missions and twenty four critical initiatives. Under this plan, we have already launched a solar energy mission aimed at 20,000 Mw by 2022 and a domestic market-based mechanism for further stimulating energy efficiency in industry. Other national missions for accelerating afforestation, for promoting sustainable habitats, for expanding sustainable agriculture and for protecting the crucial Himalayan ecosystem are on the anvil. New GHG emission-reducing technologies in coal-based power generation are being deployed on a large-scale. Mandatory fuel efficiency standards in the transport sector will soon become a reality.

We have established our own version of an IPCC comprising more than 120 of our leading scientific and technological institutions to continuously measure, monitor and model the impacts of climate change on different sectors and in different regions of our country. In addition to establishing a nation-wide climate observatory network, we are going to launch our own satellite in 2011 to monitor GHG and aerosol emissions globally.

Derived from our detailed National Action Plan on Climate Change, we are now considering nationally accountable mitigation outcomes in different sectors like industry, energy, transport, building and forests. Over the last decade we have added over 3 million hectares to our forest cover and today our forest cover is sequestering close to 10% of our annual greenhouse gas emissions. We will endeavour to maintain that level.

India has been a major participant in the CDM. If all our projects are approved and implemented as scheduled by 2012, carbon credits amounting to a further 10% of our annual GHG emissions will be available to developed countries to enable them to meet their KP commitments.

We are convinced that a low-carbon strategy is an essential aspect of sustainable development. While we already have one of the lowest emissions intensity of the economy, we will do more. We are targeting a further emissions intensity decline of 20-25% by 2020 on 2005 levels. This is significant given our huge developmental imperatives.

Deeply conscious of our international responsibilities as well, we have already declared that our per capita emissions will never exceed the per capita emissions of the developed countries. We have recently unveiled projected GHG emissions profiles till the year 2030.

Aware of the need for enhanced transparency, we have suggested using the National Communication process, in a format and frequency to be agreed to, as a mechanism to reflect internationally the nature and impact of actions taken domestically. Let me add here that India has probably the most rigorous MRV system that any government can go through - with its democratic Parliament, activist judiciary, vigilant NGOs and watchful media.

We are transforming environmental governance systems. A judicial National Green Tribunal and an executive National Environmental Protection Agency is on the anvil. We have just announced a new generation of national ambient air quality standards that is on par with the strictest in the world.

Our entire approach to this Conference is anchored in the sanctity of the troika--the UNFCCC, the Kyoto Protocol and the Bali Action Plan. We believe that the well-known and widely accepted principles of (i) common but differentiated responsibility; and (ii) historical responsibilities are sacrosanct.

As a global goal, India subscribes to the view that the temperature increase ought not to exceed 2 degrees Celsius by 2050 from mid-19th century levels. But this objective must be firmly embedded in a demonstrably equitable access to atmospheric space, with adequate finance and technology available to all developing countries.

Excellencies, one of the two heads of state to address the first UN Conference on the Environment held in Stockholm thirty seven years back was Mrs. Indira Gandhi - the other being the host Prime Minister. What she said on the historic occasion brought the development agenda into the mainstream of the discourse on environmental concerns. We recall that message and reiterate our resolve to be integral part of the solution to global warming-now and always."



**120. Statement by Prime Minister Dr. Manmohan Singh Prior to his Departure for Copenhagen to attend the Summit of World Leaders on climate change.**

**New Delhi, December 17, 2009.**

"I am leaving today to attend the 15th Conference of Parties of the United Nations Framework Conference on Climate Change in Copenhagen (UNFCCC).

The UNFCCC and its Kyoto Protocol embody the international agreed regime for addressing the global challenge of climate change. The UNFCCC is founded on the principle of equity and common but differentiated responsibilities and respective capabilities. At the 13th Conference of Parties in Bali, the Parties had agreed to launch an Action Plan to enhance the implementation of the UNFCCC. The Bali Action Plan seeks to ensure full, effective and sustained implementation of the UNFCCC through long term cooperative action of the Parties upto and beyond 2012.

It is India's view that global warming is taking place and taking place here and now and its adverse consequences will impact most heavily on developing countries like India. As a responsible member of the international community, India is therefore fully committed to working with the rest of the world to preserve and protect our environment. This is our common heritage, and this is what we must bequeath to our succeeding generations.

At the same time, climate change cannot be addressed by perpetuating the poverty of the developing countries. Every citizen of the globe has equal entitlement of the global atmospheric space. It is in keeping with this principle that I had earlier announced in Heiligendamm in 2007 that we will maintain our per capita emissions at a level lower than the average per capita emissions of developed countries.

We have, as a responsible member of the international community, announced that we will reduce the emissions intensity of our growth by 20-25% in 2020 as compared to 2005. India has also launched a comprehensive Action Plan on Climate Change and the eight National Missions have been set up. We are willing to do more provided there are credible arrangements to provide both additional financial support as well as technological transfers from developed to developing countries.

I look forward to constructive deliberations in Copenhagen which meet the collective aspirations of all humankind and enable us to move forward in the global efforts to combat climate change."



**121. DRAFT RESOLUTION BY THE GROUP OF 77 AND CHINA****Capacity-building for Developing Countries****The Conference of the Parties,**

**Recalling** Articles 4.1, 4.3, 4.5, and 4.7, taken within the context of Article 3, and also Articles 5 (c) and (b) of the Convention;

**Recalling** further the provisions for capacity-building for developing countries contained in Decision 7/CP.4 (Work Programme on Mechanisms of the Kyoto Protocol); Decisions 10/CP.2 and 12/CP.4 (National Communications of non-Annex I Parties); Decisions 9/CP.3 and 4/CP.4 (Development and Transfer of Technologies); Decision 5/CP.4 (Implementation of Article 4.8 and 4.9 of the Convention); Decision 6/CP.4 (Activities Implemented Jointly under the pilot phase); Decision 14/CP.4 (Research and Systematic Observation); and Decisions 11/CP.2 and 2/CP.4 (on Guidance to the Global Environment Facility);

**Underlining** that capacity-building is for and by developing countries, and activities for capacity-building are to be undertaken in developing countries, within the context of the FCCC, and under the guidance of the intergovernmental process of the Convention;

**Recognising** that the developing countries, in particular the least-developed countries and the small island developing states amongst them, because of their vulnerability to the adverse effects of climate change and exposure to natural disasters, require special capacity-building initiatives;

**Recognising** further that the main constraints to capacity-building in developing countries, in particular the least-developed countries and small island developing states amongst them, include lack of access to necessary technologies and know-how, including information technology, lack of appropriate institutions, the lack of financial resources, including for participation in meetings, workshops and seminars, and lack of a regular forum for exchange of information and development of positions among developing countries;

**Emphasising** that capacity-building, including education, training, public awareness and research are pre-requisites for the meaningful participation of developing countries in the FCCC and the Kyoto Protocol processes, which participation should require the cooperation of the public and private sectors, civil society, relevant financial institutions and development partners;



**Emphasising** further that capacity-building is a continuous process to be undertaken at all levels, including long-term planning, and aiming at strengthening relevant institutions such as FCCC national focal points or national authorities designated to handle climate change activities, universities, sub-regional and regional institutions, as well as human resources development, in order to provide a critical mass of specialists in all areas relating to the implementation of the Convention;

**Decides,**

1. To conduct capacity-building activities for the implementation of the Convention in accordance with the provisions of this decision, and the prioritised capacity-building needs for developing country Parties, contained in the Annex to this decision;
2. To provide the necessary financial and technical support to strengthen UNFCCC national focal points or national authorities designated to handle climate change, including training, exchange programmes and equipment;
3. To support national activities to develop and promote climate-related research and studies for the implementation of the FCCC through;
  - the development and strengthening of national centres of excellence;
  - assistance to these centres to enable them provide information on climate change with the use of information technology;
  - the identification of developing country institutions that can undertake activities at sub-regional, regional and international levels; and
  - support for the networking of these developing institutions among themselves, and between them and relevant institutions in developed country Parties;
4. to promote capacity-building of national institutions and expertise through:
  - the use of national experts or consultants to undertake studies, design, and implementation of projects at national level;
  - the setting-up of collaborating centres on climate change-related activities in developing countries at sub-regional or regional levels, and to use these centres to promote national capacity-building; and
  - training, seminars and exchange programmes for the personnel of developing country institutions, in relevant institutions in other developing countries or in developed countries; and

5. to ensure that workshops for capacity-building are undertaken with the participation of developing country Parties concerned, including the approval of the programmes, the presentation of technical papers, and the drawing up of conclusions.
6. To request the Chairman of the Subsidiary Body for Implementation (SBI) and the Chairman of the Subsidiary Body for Scientific and Technological Advise (SBSTA):
  - (a) to examine the conformity of capacity-building activities undertaken under the Convention with the provisions contained in this decision; and
  - (b) to consider capacity-building for the implementation of the Convention as a regular item in its agenda;
7. To request the Secretariat:
  - (a) to prepare, for the consideration of the subsidiary bodies at their 12th sessions, a plan to facilitate capacity-building activities for developing countries under this Convention, taking into account the prioritised list of needs contained in the Annex to this decision;
  - (b) to continue to coordinate with the Secretariats of relevant UN agencies and international organisations, and bilateral and multilateral institutions on their climate change capacity-building activities in support of the implementation of the Convention, and to report on this coordination, including information on the financing of these activities; and
  - (c) to report on the implementation of the provisions of this decision on a regular basis.

## **ANNEX**

### **LIST OF CAPACITY-BUILDING NEEDS OF DEVELOPING COUNTRY PARTIES**

#### **1. Institutional Capacity Building**

- Strengthening of national FCCC Focal Points or national authorities designated to coordinate climate change activities.

- Strengthening of relevant and key academic, research and NGO institutions.

## **2. Capacity Building under the CDM**

- Establishment of institutional linkages required for implementation of the CDM.
- Project identification, formulation and design.
- Monitoring, verification, auditing and certification of project activities.
- Development of criteria including for sustainable development indicators, e.g. for adaptation.
- Development of baselines.
- Project negotiation skills.
- CDM demonstration projects to enhance capacity building (learning by doing), including assessment of costs/risks (long and short-term).
- Data acquisition and sharing.

## **3. Human Resource Development**

- Fellowships and scholarships for formal training at higher levels, specialized training and informal training.
- Development of a "pool" of expertise and skills.
- Climate change and other relevant studies such as climate change detection and climate variability, impact assessment, vulnerability and adaptation studies, and policy analysis.
- Workshops (including workshops to discuss the implementation plan).
- Exchange programmes among Parties.
- Integration of climate change into educational curricula.
- Networking and coordination at local, national, regional and international levels.

**4. Technology Transfer**

- Identification and assessment of appropriate technologies.
- Appropriate technology information needs including support for office and other relevant equipment.
- Analysis of constraints to the transfer of technology (non-Annex I and Annex I).
- Exchange programmes. ?

**5. National Communications**

- Development of local emission factors.
- Data collection, analysis and archiving.
- Establishment of a Technical Assistance Group, e.g., non-Annex I expert group.
- Vulnerability assessments, including scoping, modeling, analysis, method selection and reporting.

**6. Adaptation**

- Development of Adaptation project guidelines.
- Case studies of extreme weather events, documentation and dissemination of study reports.
- Capacity-building/enhancement in the marine sector, such as coastal zone management.
- Identification and promotion of traditional knowledge, skills and practices which enhance adaptation.

**7. Public Awareness**

- Develop public awareness programmes.
- Development and production of public awareness materials.
- Workshops.
- Involvement and consultation.

**8. Coordination and Cooperation**

- Coordination programmes at the individual, community, local, Government, non-government, national and regional levels.
- Involvement and consultation.
- Linking and learning.

**9. Improved Decision Making**

- Awareness and knowledge.
- Research, data and information.
- Technical and policy.
- Integrating climate change policies into national development strategies/plans.



**122. Speech by Minister of State for Environment and Forests Jairam Ramesh at the High Level Segment of the UN Climate Change Conference.**

**Copenhagen, December 16, 2009.**

Mr. President, Excellencies, Ladies & Gentlemen,

It is my privilege to speak on behalf of the Government of India. We continue to derive inspiration from the Father of our nation, Mahatma Gandhi who is an icon for the environmental movement everywhere.

India is already and will be even more profoundly impacted by climate change. In many ways, we have the highest vulnerability on multiple dimensions. We have a tremendous obligation to our own people by way of both adaptation and mitigation policies and programmes. That is why we have already announced a number of ambitious measures proactively.

We have a detailed national action plan on climate change with eight focused national missions and twenty four critical initiatives. Under this plan, we have already launched a solar energy mission aimed at 20,000 Mw by 2022 and a domestic market-based mechanism for further stimulating energy efficiency in industry. Other national missions for accelerating afforestation, for promoting sustainable habitats, for expanding sustainable agriculture and for protecting the crucial Himalayan ecosystem are on the anvil. New GHG emission-reducing technologies in coal-based power generation are being deployed on a large-scale. Mandatory fuel efficiency standards in the transport sector will soon become a reality.

We have established our own version of an IPCC comprising more than 120 of our leading scientific and technological institutions to continuously measure, monitor and model the impacts of climate change on different sectors and in different regions of our country. In addition to establishing a nationwide climate observatory network, we are going to launch our own satellite in 2011 to monitor GHG and aerosol emissions globally.

Derived from our detailed National Action Plan on Climate Change, we are now considering nationally accountable mitigation outcomes in different sectors like industry, energy, transport, building and forests. Over the last decade we have added over 3 million hectares to our forest cover and today our forest cover is sequestering close to 10% of our annual greenhouse gas emissions. We will endeavour to maintain that level.

India has been a major participant in the CDM. If all our projects are approved and implemented as scheduled by 2012, carbon credits amounting

to a further 10% of our annual GHG emissions will be available to developed countries to enable them to meet their KP commitments.

We are convinced that a low-carbon strategy is an essential aspect of sustainable development. While we already have one of the lowest emissions intensity of the economy, we will do more. We are targeting a further emissions intensity decline of 20-25% by 2020 on 2005 levels. This is significant given our huge developmental imperatives.

Deeply conscious of our international responsibilities as well, we have already declared that our per capita emissions will never exceed the per capita emissions of the developed countries. We have recently unveiled projected GHG emissions profiles till the year 2030.

Aware of the need for enhanced transparency, we have suggested using the National Communication process, in a format and frequency to be agreed to, as a mechanism to reflect internationally the nature and impact of actions taken domestically. Let me add here that India has probably the most rigorous MRV system that any government can go through - with its democratic Parliament, activist judiciary, vigilant NGOs and watchful media.

We are transforming environmental governance systems. A judicial National Green Tribunal and an executive National Environmental Protection Agency is on the anvil. We have just announced a new generation of national ambient air quality standards that is on par with the strictest in the world. Our entire approach to this Conference is anchored in the sanctity of the troika--the UNFCCC, the Kyoto Protocol and the Bali Action Plan. We believe that the well-known and widely accepted principles of (i) common but differentiated responsibility; and (ii) historical responsibilities are sacrosanct.

As a global goal, India subscribes to the view that the temperature increase ought not to exceed 2 degrees Celsius by 2050 from mid-19th century levels. But this objective must be firmly embedded in a demonstrably equitable access to atmospheric space, with adequate finance and technology available to all developing countries.

Excellencies, one of the two heads of state to address the first UN Conference on the Environment held in Stockholm thirty seven years back was Mrs. Indira Gandhi - the other being the host Prime Minister. What she said on the historic occasion brought the development agenda into the mainstream of the discourse on environmental concerns. We recall that message and reiterate our resolve to be integral part of the solution to global warming-now and always.



**123. Press Conference of Foreign Secretary Mrs. Nirupama Rao on Prime Minister's visit to Copenhagen for Conference of Parties -15 meeting.**

**New Delhi, December 16, 2009.**

**Official Spokesperson (Vishnu Prakash):** Good evening and nice to see you in numbers. As you are aware, Prime Minister of India would be leaving for Copenhagen tomorrow to attend COP15 Summit. Foreign Secretary is here to brief you about Prime Minister's visit. After her Opening Remarks, she will be happy to take a few questions. Madam, the floor is yours.

**Foreign Secretary (Smt. Nirupama Rao) -** Thank you, Vishnu. Good Afternoon.

The Prime Minister would be visiting Copenhagen from 17-18 December. As you are aware, the Conference of Parties (COP-15) to the United Nations Framework Convention on Climate Change (UNFCCC) started in Copenhagen on 7 December and would conclude on 18 December 2009.

2. The Copenhagen Conference is not a Summit-level meeting on Climate Change. The Danish Prime Minister has invited Heads of State/Government to the concluding days of the Conference on 17-18 December 2009. The exact format of the Heads of State/Government level session on December 18 is still evolving. However, a formal plenary session with country statements is not expected. We understand that the Danish hosts would provide for a more interactive session.

3. Prime Minister's participation at the Copenhagen Conference demonstrates how seriously India views the challenge of climate change and importance that we attached to intensifying international cooperation to address it.

4. At Copenhagen, the Parties are expected to conclude the process of negotiations launched under the Bali Action Plan (BAP) by the 13th Conference of Parties (COP-13) in December 2007 and reach an agreed outcome of all elements of the BAP. At the same time, the Conference of Parties serving as the meeting of Parties to Kyoto Protocol (KP) has to decide on the quantified emission to KP on the second commitment period beginning 2013.

5. From the current state of negotiations, it appears that the developed countries are not prepared for a comprehensive outcome at Copenhagen that would bind them to fulfill the commitments for emissions reductions



under Kyoto protocol and the UNFCCC. It appears that the CoP 15 Chair is working towards a political agreement, and not a legally binding agreement, that would cover immediate and strong action on all areas of the Bali mandate that would set the Parties on track for a comprehensive legal framework (in due course) during 2010.

6. From our perspective, we need to ensure that this expression of a fresh political commitment does not become a template for a new mandate that detracts from the Bali Action Plan and dissolves the fundamental differentiation in the nature of commitments/actions amongst developed and developing countries as visualized in the BAP.

7. India is working in the BASIC coalition, with Brazil, South Africa and China. We are also in close touch with our friends in Africa. The G-77 and China, as the largest grouping of developing countries is performing an extremely useful role in helping member states coordinate their approach to climate change negotiations, although there are groups within the G-77 with a very specific perspective, such as the small island states.

8. A key objective for India and its coalition partners is to ensure that any further work in the post- Copenhagen phase of negotiations proceeds on the basis of the principles and provisions of the UN Convention, and the Bali Action Plan. As you are probably aware, a conference in Mexico, to be held sometime in the second half of 2010, has been mooted in this connection.

**Question:** Madam, about Headley and Rana. The point is that Headley was clearly here in India sometime ago. He had applied for a visa in Chicago and it appears that the visa application papers and photographs and things seem to be misplaced or missing. Can you tell us a little about it?

**Foreign Secretary:** I am aware of the report, on the issue that you just raised. I want to tell you that I have sought a factual report from our Consul General in Chicago in this regard.

**Question:** My question is on climate change. What is the Indian Prime Minister carrying to Copenhagen and what are India's expectations from the Summit? Is there a proposal that India is going to table at the talks there and what are the country's expectations from these talks?

**Foreign Secretary:** As you know, our negotiators are already in Copenhagen and our Minister for Environment and Forests has been there for the last few days. What we want, and we have stressed this all along, is

an effective and equitable outcome at Copenhagen and we are playing a constructive role in these negotiations. We have stressed that developed countries need to come up with ambitious emission reduction numbers. This is at the heart of the outcome at Copenhagen and will be critical to its success. The numbers put on the table so far, unfortunately, are disappointing.

**Question:** Headley has been here five times before 26/11 and once in March this year. Now that it has come out in the open that Headley has been working as a double agent, as an informer of DEA as well as working for Lashkar-e-Tayyiba, what is the Government of India going to do in this case? Has the Government of India approached the US at least for having access to him? I believe that it was done some months back and it has been denied. Are we going to approach the US authorities once again in that matter? And what about Rana?

**Foreign Secretary:** Rajiv, these investigations are ongoing. Obviously there is a case that is under way and you cannot expect me to divulge the details of the investigations in the media. That is the first point that I want to establish. I want to emphasise that we are getting very good cooperation from the United States' Government in this regard on the case that you have referred to, and our concerned agencies are in touch with each other. What the US Government has told us is that at all levels they will cooperate with us in the investigations into this case.

**Question:** I have a question again about climate change. The Alliance of Small Island States (AOSIS) has apparently taken a position that is somewhat different to the original G77 plus China position that hoped for a consensus. The Danish are apparently backing the AOSIS on a slightly different tack thereon. What exactly is the BASIC position vis-a-vis the AOSIS in this? Has there been a commonality or has there been a bridging of the gap between the two?

**Foreign Secretary:** Obviously we would like a bridging of the gap and we would like full harmonisation of positions among developing countries. That is what the BASIC group - our coalition of the countries that I mentioned, South Africa, Brazil, China and India - are working with the G77 to achieve. We are trying to achieve a harmonisation of positions. Of course, we have understood that the Small Island Developing States, the least developed countries, have certain valid concerns about the effect of climate change on their future, on their development. But the issue at the heart of this Conference and at the heart of the debate on climate change is really how

we protect and how we advance the cause of sustainable development, poverty eradication, energy security, and basically the cause of all of us in the developing world.

**Question:** The way things are going at Copenhagen, it looks like there may not be an agreed draft on the table when the Heads of Government and Heads of State meet. Our Minister had said very clearly that our Prime Minister would not be going to Copenhagen to negotiate on the fine print. So, where do things stand? The last thing I read was that everybody is hoping that when Obama comes the whole dynamics will change and that is when the real negotiations will begin. So, where do we stand on this, Madam?

**Foreign Secretary:** Obviously I cannot predict what the outcome would be. It has been a complex set of negotiations in Copenhagen and the entire world has seen that happening in living colour. But what we want to ensure from India's side - and I believe this is shared by our coalition partners in BASIC and G77 - is that the whole template of these negotiations should not be shifted, should not mutate in a manner that does not serve the cause that we have fought so long for. That is really at the heart of this. I just mentioned it also. On the issues of mitigation, adaptation, technology, finance, all that we need in the developing world is to advance our defences against climate change and at the same time promote our development. That is at the core of what we are doing.

**Question:** How optimistic are you that some kind of a draft will be ready before they arrive?

**Foreign Secretary:** I do not think it would be appropriate for me to say that I am optimistic or I am hopeful at this stage. I am realistic about the complexities of the negotiations involved. But that does not mean we should give up our struggle or that we should give up the fight. We are determined to push the case that we have fought for all this time, and to ensure that those issues that are non-negotiable from our side are not in any way compromised.

**Question:** Madam, are any bilateral meetings planned, say with Chinese Premier or a pull aside with President Obama? And what is the kind of financial support we are looking for from developed world? Can you give us a precise figure over which some negotiations are going on?

**Foreign Secretary:** I cannot give you a precise figure over which negotiations are on. A number of suggestions have been put forward.

Especially at the Commonwealth Summit you had Prime Minister Gordon Brown speak of a fast-start fund, and some new figures have been put forward during the negotiations at Copenhagen. So, I do not want to start speculating on what a ballpark figure would be. Suffice it to say that we need sufficient finance and we need the right technology to deal with the issues relating to mitigation of climate change factors and dealing with adaptation, from the technological point of view, to have more clean energy, to be more energy-efficient but at the same time preserving the goals of sustainable development. As far as bilateral meetings are involved, no bilateral meetings as of now.

**Question:** Not even a meeting with Premier Wen Jiabao?

**Foreign Secretary:** Nothing on the cards as of now. I emphasise 'as of now'.

**Question:** Madam, the way talks have progressed with China including Prime Minister's talks with the Chinese Premier, what will be India strategy in the light of talks with the developing countries and the walk outs at Copenhagen? What type of deal will materialize? Secondly on the Headley front, Was he a double agent? You have not clearly stated whether he was a double agent and whether India knew about it? (free translation from the Hindi text)

**Foreign Secretary:** I do not want to comment on the fact whether he was a double agent? This is an ongoing investigation and I do not think it would be professional for me to be telling the media whether he was or is or was not a double agent. I am sorry; I will not be able to comment on that. And on the issue of what we want from Copenhagen, I have emphasised it that our attitude is balanced, it's constructive. But we want an equitable outcome and we want to work to preserve our basic concerns. We will not be able to negotiate on certain issues which are of core concern to us obviously. You must, of course, be aware of what these non-negotiable issues are but I will repeat them for you. Basically we will not accept a legally-binding emission reduction cut. We will not, under any circumstances, accept an agreement which stipulates a peaking order for our emissions. And the voluntary mitigation actions financed from our own domestic resources will not be subject to international monitoring or measuring, review or verification.

**Question:** Foreign Secretary, what are the chances of a political statement out of Copenhagen being a disappointment to India and to the G77? And if it is just a political statement alone and not any legally-binding measures, would you judge this as success or failure?

**Foreign Secretary:** Well it certainly would not measure up to our expectations, if that were to happen. But it does not mean that we will give up the fight or give up the struggle. Obviously there is life beyond Copenhagen. We have to focus on the post-Copenhagen phase of negotiations obviously. What we want to ensure is that the principles or provisions of the UN Convention and the Bali Action Plan should continue to be adhered to.

**Question:** Madam, how hopeful are you to have a legally-binding agreement in Mexico in the next conference?

**Foreign Secretary:** I think that is looking very far ahead but we are eternally hopeful, let me say that.

**Question:** Madam, when Prime Minister went to US we read a report that within ten or twelve days there would be a final deal, that the 123 Agreement will reach the next stage. Why is it delayed? On the issue of Headley and Rana, Madam, we understand your saying that you do not want to comment. But so many announcements have been made that India and US are having a good joint cooperation on counter terrorism and all such issues. In view of that, one understands that there is an anti-climax on diplomacy of counter terrorism between India and the US.

**Foreign Secretary:** No, I would not agree with that sort of label being put on the cooperation that we are now engaged in on this particular case and in general in counter terrorism cooperation with the United States. What I am saying is that these issues by their very nature should not be discussed through the media when there is an ongoing investigation. This is a case involving national security. It is a case involving the activities of individuals engaged in actions detrimental to our security, engaged in terrorist plots and conspiracies. Obviously, it is a very sensitive matter. I think it would be in the interest of our people and of our country not to be discussing these details through the media. You and I are both citizens of this country and I am sure you will understand what I mean.

**Question:** In fact, we are upset about this.

**Foreign Secretary:** We are upset naturally. We have seen the way details of the case have come out and obviously there is a lot of cause for concern about the activities that were believed to have been carried out by these two individuals. There is certainly definite cause for serious concern and we attach the highest importance to the unravelling of this conspiracy properly, to the completion of these investigations and obviously for us to have full access to

the investigation, the information that is coming out of these investigations. The investigating agency on the American side and our concerned agencies are in close touch. I want to tell you that 24/7 they are in close touch.

To answer your other question, the next round of talks has not been scheduled as yet. It will be done shortly. We hope to finalise the agreement at the earliest - I am talking about the agreement on arrangements and procedures - and it will certainly be within the timelines of the bilateral agreement on civil nuclear energy. The agreement basically provides for these talks to conclude within one year, basically before July 2010.

**Question:** Foreign Secretary, India has accepted legally-binding treaties in the past. What exactly is our problem in accepting one at Copenhagen now?

**Foreign Secretary:** I am talking of legally-binding emissions. Obviously, you cannot be subject to a legally-binding control on your emissions at this stage of your development. What we have said is we are taking our national actions for mitigation. We are perfectly transparent about these actions. We are communicating the details to the United Nations and to the multilateral bodies, and we will continue to do that. But we are not going to accept externally induced or externally imposed legal levels on our emissions at this stage. It is a question of the finance, the technology that the developed world is prepared to provide so that we can undertake all the mitigation actions that we are required to do, that we will need to do. We are not denying the fact that we need to be sensitive to the issues of climate change because it affects us all. It is not that this is some distant drama that is taking place well away from our shores. It is happening to us here and now. Already our National Action Plan on Climate Change elaborates the importance that we attach, the policies that we are putting in place to deal with climate change. Domestically we have very far-reaching and ambitious programmes designed to enhance energy efficiency of the economy, diversifying our fuel mix which will help us lower the growth of our greenhouse gas emissions. In fact, our emissions intensity, as our Minister announced in Parliament, will decrease by 20 to 25 per cent according to the calculations, very scientific calculations by the Planning Commission experts, by 2020 over 2005 as a result of these domestic actions, which are voluntary and based on our own financial and technological resources. But we cannot accept a peaking period on our emissions under any circumstances as this denies us the legitimate space for our social and our economic development and it would constrain our efforts for eradication of poverty.

**Question:** This is even if we get the technology and the finances. Is that the position?

**Foreign Secretary:** No, at this stage of our development it will not be possible for us to accept legally-binding emission reduction targets.

**Question:** Madam, I wish to understand one point. We know all what India has said is non-negotiable. We also understand what Denmark and Australia have said. What therefore appears is that there shall be little progress at Copenhagen Summit. Will that be good for India? (free translation from Hindi text)

**Foreign Secretary:** I know this question has been asked before. It is not that we are naysayers or that India is a country that is saying no. But India is a country that will stand up to protect and safeguard its interests. I think there is virtue in that position. And I believe our developing country partners are solidly with us on this. It is not a question of just one country against the rest of the world. We have a huge proportion of developing countries working together on this.

**Question:** Mrs. Rao, I just want a clarification on an earlier comment which was made on information on the Headley-Rana investigation. You said India wants full access to the information. Would we be happy with access just to the documents? Or are we still seeking access to the two individuals as well?

**Foreign Secretary:** Obviously at some stage we would want access to the two individuals. We are not denying that. The investigations are ongoing. Information is being shared with us and we are happy with the cooperation that we are receiving from the American side on this issue.

**Question:** Mrs. Rao, this is regarding the ULFA Chief Paresh Baruah. Any information of his presence in Myanmar? And what kind of cooperation do we seek in getting him back to the country?

**Foreign Secretary:** As you know, our External Affairs Minister was recently in Myanmar in the context of the BIMSTEC Summit. During this visit he met with the leadership of Myanmar and had useful discussions on various issues of mutual interest with them. On the question of security cooperation and the presence of Indian insurgent groups in Myanmar, this is an issue we have consistently taken up with the Myanmar side, and they in turn have assured us that they would not let their territory to be used for anti-India activities. There is no confirmation about the presence of Paresh

Bauah in Myanmar. But we will continue to take whatever steps necessary to see that our security interests are addressed.

**Question:** Madam, there is this treaty that India is going to sign with Bangladesh, at least an agreement, about prisoners. Supposing an Indian prisoner is held in Bangladesh, he is going to be returned. I think it is coming in the Cabinet today. Will this relate to the ULFA people because they may have been tried and found guilty in India? Will that apply then?

**Question:** I have a related question. The Bangladesh Prime Minister was supposed to be coming over the next couple of days. I believe that visit has been deferred for a while. Are there any new dates for that? And why was it deferred?

**Foreign Secretary:** I want to tell you that Her Excellency the Prime Minister of Bangladesh has been invited to visit India. We are looking forward to that visit. The visit is very likely to take place in the second week of January 2010. Since both Prime Ministers are visiting Copenhagen for the climate change meeting, they mutually decided that we should postpone the visit till after the Copenhagen Summit. That is the reason why we have decided to have it in January. As far as the issue of security cooperation is concerned, I will deal with it in the general context with Bangladesh, I want to say that this is an ongoing issue and we are happy about the level of cooperation that exists between both countries in order to deal with antisocial elements, terrorists, insurgents. Obviously during the forthcoming visit of the Prime Minister of Bangladesh we will have the opportunity not only to discuss these issues further but to consolidate the level of cooperation in this regard.

**Official Spokesperson:** Thank you.





## **124. Prime Minister's Statement Prior to his Departure for Copenhagen.**

**New Delhi December 17, 2009.**

"I am leaving today to attend the 15th Conference of Parties of the United Nations Framework Conference on Climate Change in Copenhagen (UNFCCC).

The UNFCCC and its Kyoto Protocol embody the international agreed regime for addressing the global challenge of climate change. The UNFCCC is founded on the principle of equity and common but differentiated responsibilities and respective capabilities. At the 13th Conference of Parties in Bali, the Parties had agreed to launch an Action Plan to enhance the implementation of the UNFCCC. The Bali Action Plan seeks to ensure full, effective and sustained implementation of the UNFCCC through long term cooperative action of the Parties upto and beyond 2012.

It is India's view that global warming is taking place and taking place here and now and its adverse consequences will impact most heavily on developing countries like India. As a responsible member of the international community, India is therefore fully committed to working with the rest of the world to preserve and protect our environment. This is our common heritage, and this is what we must bequeath to our succeeding generations.

At the same time, climate change cannot be addressed by perpetuating the poverty of the developing countries. Every citizen of the globe has equal entitlement of the global atmospheric space. It is in keeping with this principle that I had earlier announced in Heiligendamm in 2007 that we will maintain our per capita emissions at a level lower than the average per capita emissions of developed countries.

We have, as a responsible member of the international community, announced that we will reduce the emissions intensity of our growth by 20-25% in 2020 as compared to 2005. India has also launched a comprehensive Action Plan on Climate Change and the eight National Missions have been set up. We are willing to do more provided there are credible arrangements to provide both additional financial support as well as technological transfers from developed to developing countries.

I look forward to constructive deliberations in Copenhagen which meet the collective aspirations of all humankind and enable us to move forward in the global efforts to combat climate change."



**125. Remarks by Prime Minister Dr.Manmohan Singh at the Plenary of Heads of State/Government at the 15th Conference of Parties.**

**Copenhagen, December 18, 2009.**

**Ladies and Gentlemen,**

I would like to thank Prime Minister Rasmussen for his efforts in trying to build a global consensus on highly complex issues, involved in climate change, attempting to balance divergent and varied interests.

We have all worked hard to reconcile our different points of view. The outcome may well fall short of expectations. Nevertheless, it can become a significant milestone. I therefore support calls for subsequent negotiations towards building a truly global and genuinely collaborative response to climate change being concluded during 2010.

**Ladies and Gentlemen,**

As we embark on future negotiations, we would do well to take stock of what we have learnt from our efforts over the past two years. I draw three lessons, which should guide us in the task ahead.

Firstly, the vast majority of countries do not support any renegotiation or dilution of the principles and provisions of the UNFCCC, in particular the principle of equity and common but differentiated responsibilities and respective capabilities.

Further, the need for action on our part is more and not less than what was envisaged at the time of the Rio Convention or the Kyoto Protocol. That is why the Bali Action Plan commits us to enhancing the implementation of the UNFCCC.

To settle for something that would be seen as diminished expectations and diminished implementation would be the wrong message to emerge from this Conference. We should therefore reaffirm categorically that our negotiations will continue on the basis of the Bali mandate.

Secondly, the Kyoto Protocol should continue to stand as a valid legal instrument. Parties to the Protocol should deliver on their solemn commitments under the Protocol. It would go against international public opinion if we acquiesce in its replacement by a new and weaker set of commitments.

Finally, it is clear that any agreement on climate change should respect the need for development and growth in developing countries. Equitable burden sharing should underlie any effective global climate change regime. Any new regime will have moral authority and credibility only if it acknowledges that every citizen of the globe has an equal entitlement to the global atmospheric space.

India has a vital stake in the success of the negotiations as we are among the countries most likely to be severely impacted by climate change.

We have therefore adopted and started to implement a major National Action Plan on Climate Change, relying upon our own resources. Our targets include installation of 20,000 MW of solar energy capacity by 2022, improving energy efficiency by 20% by 2020 and adding an additional 6 million hectares of forests over the next several years.

Excellencies, each one of us gathered here today acknowledges that those worst affected by climate change are the least responsible for it. Whatever emerges from our negotiations must address this glaring injustice, injustice to countries of Africa, injustice to the Least Developed Countries, and injustice to the Small Developing States whose very survival as viable nation states is in jeopardy. We in India, too, are vulnerable, but nevertheless as responsible citizens of the globe, we have agreed to take on a voluntary target of reducing the emission intensity of our GDP growth by around 20% by 2020 in comparison to 2005. We will deliver on this goal regardless of the outcome of this Conference. We can do even more if a supportive global climate change regime is put in place.

Excellencies, we have a difficult task ahead of us. I hope we will all play a positive and constructive role so that we can bridge differences and come up with a balanced and also an equitable outcome during the coming year. India will not be found wanting in this regard.

Thank you.



## **126. Press Conference by Foreign Secretary and Special Envoy of Prime Minister on sidelines of COP15.**

**Copenhagen, December 18, 2009.**

**Media Adviser to PM (Mr. Khare):** Good afternoon. Welcome to this press briefing by Mr. Shyam Saran, Special Envoy of the Prime Minister on Climate Change; and Foreign Secretary Mrs. Nirupama Rao. They will give a brief overview and then will take a few questions.

**Foreign Secretary (Mrs. Nirupama Rao):** Thank you, Mr. Khare.

Before I invite the Special Envoy of the Prime Minister on Climate Change to brief you on the negotiations at the proceedings this morning, I would just like to give a brief overview of developments.

As we know, the BASIC countries - Brazil, South Africa, India and China - and the G77 including many African countries have been working together to ensure a balanced and equitable outcome to this Climate Change Conference and those efforts have continued over the last few days and into today. This morning, the leaders of these countries had an informal discussion on the sidelines of the Conference. During those discussions it was very clear that their resolve to work together to ensure that balanced and equitable outcome in a manner that would protect the interests of sustainable development and poverty eradication was very strong and determined. That in itself was an indication of the strength and the determination with which these countries are approaching the deliberations.

Our Prime Minister had a meeting with Premier Wen Jiabao of China this morning at 8:30. It was a meeting that lasted about half an hour. This was a meeting at the delegation level between the two countries also, led by the two Prime Ministers. Prime Minister Wen of China stressed that the understanding, the support and cooperation that existed between India and China in these discussions on climate change at the Conference, was very much reflective of the friendship not only between the leaders of the two countries but also between the countries themselves. He stressed the need to build consensus among the developing countries and he was very appreciative of the tremendous efforts that India has made in tackling climate change. He spoke of the importance of focussing on the draft text that was being discussed at these deliberations, about the emission reduction targets that had been discussed, on the MRV review, and on the issue of finance. As you know, there are two texts on the table - my colleague will elaborate

on that later - and the Prime Minister stressed that these two texts should form the basis of an outcome for this Conference.

Both leaders agreed that we should not in any way alter the principle of common but differentiated responsibilities, and that the developed countries had certain obligations in this regard that they must fulfil. They both agreed that without unity, without cooperation, without continuous consultation between India and China and the other countries within BASIC, the success of the Conference could not be assured, that such cooperation was essential, was crucial to the success of our deliberations, and indeed without unity, and cooperation between India and China we could not have an Asian century.

There was also a brief discussion on bilateral relations. Both leaders stressed the importance of our bilateral cooperation, our continuing dialogue to resolve outstanding issues between the two countries. As has already been reported by some sections of the media, Premier Wen made a reference to the Joint Statement issued between China and the United States following the visit of President Barack Obama to China recently. He said that the formulation in a certain section of that Joint Statement relating to South Asia was not directed or targeted at India, that China respects India and would like to pursue relations with India on the basis of equality, that it did not have any intention to interfere in the affairs of our region, that it wanted solidarity and prosperity among all the countries concerned, and that there should be no misunderstanding between the two countries in this regard.

Prime Minister, in turn, reiterated that we would like to work to strengthen our friendship with China in every possible way. He appreciated what Premier Wen had told him about the US-China Statement. He said that the people of India wanted good relations with China, and that pending the resolution of outstanding issues between the two countries we should maintain peace and tranquillity in our border areas. He also agreed that without the sustained development of India and China in the 21st century that century could not be an Asian century, and that our relationship is a powerful factor for peace and prosperity in Asia and the world as a whole.

Prime Minister said that we were very happy that there is good cooperation in this current Conference among the BASIC countries and between India and China as part of this, and we need to work continuously and consult continuously with each other to ensure that our goals in regard to dealing with the challenge of climate change are met satisfactorily and comprehensively.

I would now invite Mr. Shyam Saran, our Special Envoy, to speak.

Special Envoy to Prime Minister on Climate Change (Shri Shyam Saran):  
Let me just pick up from where Nirupama has left off.

Following this meeting in the morning between the Prime Minister's of China and India, just before the plenary session began this morning, there was also a meeting on the sidelines amongst the BASIC countries, i.e., India, China, Brazil and South Africa. This meeting was a very important one because these four countries have very common perceptions with regard to what is the nature of the outcome which should come out from this Conference, what are the key principles which in a sense are redlines for these four countries and for most developing countries, and what could be the way forward.

One of the very important points which were stressed was that there needs to be a transparent and an inclusive process. That is, whatever is going to emerge from this Conference must be something which is truly the result of a multilateral process. So, it was agreed that whatever be the outcome, that outcome must follow the normal process of the Conference of Parties. As you know, we have two documents already with us. One is the Report of the Ad Hoc Working Group on the Kyoto Protocol and we also have a Report of the Chairman of the Ad Hoc Working Group on the Long-Term Cooperative Action which is essentially the elaboration of the Bali Action Plan. Now it is true that those two documents have a number of brackets. There are areas where we have convergence, there are areas where we do not have convergence. There are still outstanding issues. So, the normal process would be for the Chairmen to perhaps have some kind of a general statement which would recognise the work that has been done so far and set the stage for subsequent negotiations in 2010.

There is an effort at this point of time to try and agree upon some kind of a declaratory statement - a three-page or a four-page statement - which would have basically some broad propositions reflecting where we have agreed, for example, to engage in technological cooperation. As you know, some offers have been made with respect to both a fast-start fund for the next three years. There have also been references made to perhaps a medium-term fund for 2020. So, there are several issues of this kind where there is a degree of convergence. So, a statement that could reflect that and also list out what are the outstanding issues on which we need to work further.

What the four BASIC countries stressed is that this particular process of coming out with any kind of Conference outcome document must be a

transparent process, must be an inclusive process. They also agreed that it is not the job of the Heads of State and Government to actually engage in textual negotiations. That is not their job. And that should not be something that we would welcome that if a document is produced at the last moment which then we are asked to adopt, this would not be possible. We would need to go through the normal process of examining the document, looking at the various propositions which may be there. It could be one of the things which could be considered in the subsequent negotiations, but this is not the manner in which we can ensure a successful outcome.

Amongst the specific issues I would like to pick on three or four points which were also reflected in the speeches made by Prime Minister Dr. Manmohan Singh himself. I think the text of that statement will be circulated to you shortly. But it was also a theme which was there in the statement made by the Prime Minister of China, the President of Brazil. One point is that we must be sure that the UN Framework Convention on Climate Change is not in any manner diluted; its principles and provisions must be reaffirmed. So, we are not negotiating a new treaty. So, we must remain within the parameters of the UN Framework Convention on Climate Change. This is something on which all the four countries are entirely agreed.

Second point is that whatever be the nature of negotiations that we carry on in the post-Copenhagen period, those negotiations must be in accordance with the mandate of the Bali Action Plan, that it cannot be at a diminished level, it cannot be with diminished expectations. Yes, we recognise that there are certain outstanding issues which remain to be addressed. But in addressing those issues, the mandate must be the Bali mandate. This is a very key point and this is also something which the four countries I mentioned are entirely agreed upon.

The third point, which is also very important, is what happens to the Kyoto Protocol? Here again these four countries have an unambiguous position on this that the Kyoto Protocol is a legally valid instrument and this instrument must remain effective, operative as we take this process forward post-Copenhagen. These are some key elements on which there is a meeting of minds.

You may have heard about the issue of MRV and how is this principle going to be applied. Here again these four countries have taken the position that as far as those actions for which we are seeking financial support, for which we are seeking technological transfer, certainly we have no difficulty in accepting any kind of international scrutiny, any kind of accountability. But when it comes to actions which we take domestically, voluntarily, with

our own resources, those kinds of actions cannot be subjected to the same MRV process. However, we have no difficulty in being transparent about what we are doing and, therefore, we have no difficulty in having an arrangement through which we can reflect these actions to the international community, to the UN Framework Convention, as information. But this is not something which is subject to any kind of scrutiny. This is something again which the four countries who had a meeting on the sidelines were entirely agreed upon.

The Prime Minister, as I mentioned to you, made a statement just about half an hour ago in which he, of course, expressed a degree of disappointment that the outcome which may emerge - because the outcome is still to emerge - may not correspond to international expectations, may not correspond to the comprehensive, balanced, equitable outcome that we have all been looking for. But it is still possible. If it is handled properly, if it is an inclusive document, if it is something which all of us have put our stamp of approval on, this can still be a significant milestone as we carry these negotiations forward.

Apart from stating those three-four points that I mentioned, he also said that it is extremely important to recognise that climate change action must take into account the priority of development, the priority of poverty eradication for developing countries. He drew attention to the fact that there must be an acknowledgement of the grave injustice which is there - injustice for countries of Africa, injustice for the least-developed countries, injustice to small island developing states, countries which have the least to do, least blameworthy for the phenomena of climate change and yet are the worst-affected. Whatever emerges from this process must address this injustice. This was the very important point that Prime Minister made in his statement.

What I would like to conclude with is that our understanding is that some negotiating process is currently taking place with regard to this document that I mentioned to you which may be something with which the reports of the two Ad Hoc Working Groups will be carried forward for further negotiations. We hope that at some point we will have an agreed document which will enjoy the support of all the 192 countries who are gathered here because it is only on the basis of consensus, it is only on the basis of a truly multilateral, transparent process that we can have an effective basis on which to carry our work forward.

Thank you very much. We would happy to take questions from you.

**Question:** Has the Government of India been given the document that is



to be adopted later? And do you have enough time to go through it and accept it? Would you characterise the Copenhagen meeting as heading for a failure?

**Special Envoy:** No, I would not say that the Copenhagen meeting is heading for a failure. I do not think we should approach these negotiations with that frame of mind. There is a document which we have seen which was put forward in the early hours of the morning which emerged from the Chairmen of the Conference of Parties. As I mentioned to you, there have been a number of discussions on that particular draft. But in addition there have been also certain alternative drafts which have been put forward. So, the situation has become a little confusing. All that I can really say in all honesty is that that particular process of negotiation is still taking place. This is very much a work in progress. Perhaps later during the day we may be able to give you perhaps some more concrete news concerning these negotiations.

**Question:** Mr. Shyam Saran, this is again related to the same question. Around 3 o'clock is when the adoption of this so-called political statement is expected to be ...(Inaudible)... on time. It is 1:45 right now. Do you think there is going to be enough time for the Indian Delegation to really go through it and for the negotiators to really approve it by 3 o'clock? Secondly, there is information that Prime Minister Wen Jiabao also discussed some reservations about this umbrella paragraph that would not be in that text and there are some fears that India and China expect from this Conference. What is your deadline of how long you can wait for this draft and how much time you will take to actually okay it?

**Special Envoy:** I can only say that we still have till the end of the day for the Heads of State and Government to essentially adopt or endorse an outcome document. As I mentioned to you, the Chairmen's reports on those two Ad Hoc Working Groups are already there. Those documents are in any case available. It is a question of what is it that it would be sent with for further negotiations. So, that is basically a kind of an agreed outcome document of a general character. The effort is to try and see whether we can have a document which in a broad way can reflect some of the areas where we have convergent opinions and can also identify some of the outstanding issues on which we will need further work. That is really what we are working on. As I said, all that I am able to really convey to you at this point of time is that this is a work in progress. Our delegation is also very much taking part in those negotiations. We are hopeful that as a result of these negotiations we would be able to come up with some kind of an

agreed document. That remains the hope. We will make, as I said, every effort possible to contribute to that outcome document. Premier Wen Jiabao did mention his reservation about some kind of an umbrella document. Essentially he was referring to the fact that last evening there was some kind of a meeting amongst a limited number of Heads of State and Government who talked about what could be the substance of such a document. China was not represented at that particular meeting and, of course, our Prime Minister was also not there because he arrived only late in the evening. So, he was expressing reservation about that essentially because he said such a process needs to be an inclusive process. Such a process, when we are having a multilateral conference, cannot pick and choose which countries will be taking part in the negotiations, which countries will be kept out. That is not the way in which you approach multilateral negotiations.

Let me tell you that the Prime Minister of India in the conversation which took place with Premier Wen Jiabao entirely endorsed this view that this has to be an inclusive process, this has to be a multilateral process. So, let us see what is the outcome of these very intense negotiations which are currently taking place. Hopefully during the day we would be able to convey to you whether or not we have really an outcome document ready for the Heads of State and Government to adopt.

Question: ...(Inaudible)... statement ...(Inaudible)... and have a legally-binding climate ...(Inaudible)... by the year 2010. Coming back to MRV, why on the national actions that you ...(Inaudible)... want to have MRV? Because since ...(Inaudible)... there is some ...(Inaudible)... enhance what you are doing ...(Inaudible)... reducing carbon emission etc., and also I always thought that there is no reason for any developing country not to take sector-based targets of emission reduction ...(Inaudible)...

**Special Envoy:** Firstly, let me make what I think is a very important point. I think somehow the attention has got shifted to MRV from much a more serious question which is the Kyoto Protocol. Kyoto Protocol has today internationally legally-binding commitments and there is an enforcement mechanism. There are penalties for non-performance. This is what is being rejected. So, what is it being replaced by? It is being replaced by something which is not internationally binding. That means there is no international enforcement procedure. Basically what you are saying is, "Let us pledge something and let us review it". As far as developing countries are concerned, they are saying, "Please do not diminish the level of commitment." It is not we who

are saying that you should diminish the level of commitment. This idea of MRV is a bit of a red herring. As far as we are concerned, we have no difficulty. No developing country has any difficulty in accepting international scrutiny, accountability with respect to any action which we take for which there is international support in the form of technology, in the form of financial resources. No difficulty at all. We also do not have any difficulty in reflecting whatever we do voluntarily with our own domestic resources in the form of National Communications to the UNFCCC. There is an international obligation under the UNFCCC already which obliges Parties to the Convention to actually make the international community aware of what they are doing in terms of their climate change action. We are saying, 'We are willing to go much further.' You can make this more frequent, if you wish. You can make it biannual if you wish. You want to make it more detailed?

We have in India no problem with this. In India we have a Parliament. Everything that the Government does has to be reported to Parliament in great detail. The Government has to face tremendous scrutiny on the part of our legislators. We have no problem with transparency. Let us not quibble about this word 'verification'. The real issue here is not verification of actions which have to be taken by developing countries. The real issue here is, there are countries who are trying to get out of what are legally-binding commitments today with an international enforcement mechanism, and instead want to replace it with something which will be much more diluted. That is the issue.

**Question:** Could you confirm to us who is representing India in the talks right now on that particular document? Is the Indian Government okay if that document does not reflect numbers from the KP? Do you think it is violation of our own idea of transparency because select group of countries is right now negotiating that document and it is not being discussed actually with all the countries, and it will be taken to the rest of the countries later?

**Special Envoy:** We have a negotiating team here and that negotiating team is led by the Minister of Environment Mr. Jairam Ramesh. That particular team is engaged in these negotiations. As I said, it is a work in progress. So, to the specific issues that you are raising, I am afraid you will have to wait for a little time before we can give you answers because each of these issues is still something which is under negotiation. So, just be a little patient. I think we can forward with answers for you.

**Question:** I have two quick questions. President Barack Obama has just announced the 100 billion US dollar assistance. How much of it will India

actually get in that India welcomed this announcement because there is a stipulation that adds to it? Secondly, Jairam Ramesh yesterday said that there is 75 per cent agreement with the US and 25 per cent disagreement. What is this 25 per cent disagreement?

**Special Envoy:** The 25 per cent disagreement is with respect to the nature of the reporting and whether or not the report that we make is going to be subject to some kind of an international verification meaning thereby is there going to be some kind of an international team which will come and examine your figures to work out whether it is really accurate or not, which will say is your action adequate in terms of what is required for climate change or it is not adequate. What we are saying is we have no difficulty in reporting what we have been doing; we have no difficulty in reporting this more frequently; we have no difficulty in reporting in more detail. Of course, this is something which will have to be agreed upon amongst all the state parties. But as India, given the fact that we are an open society we have no difficulty with transparency. But I think where there is still a difference of opinion is in terms of this verification part. What does verification really mean? If verification becomes another word for compliance, some kind of an international arrangement for pronouncing a judgment on your action, that is something which we believe is not required under the Convention, not required under the Kyoto Protocol. We have in fact made an important gesture. Even though we do not have any legally-binding obligation to take on mitigation targets, we have voluntarily decided to convey that we are ready to take on an emission reduction target. This is something which we are doing in order to contribute to the success of these negotiations. In any negotiation there is a give and take. If we have taken a step forward, we would also expect our partners to take a step forward towards us.

**Media Adviser :** Thank you very much. I think we have run out of time. We thank Mr. Shyam Saran and the Foreign Secretary. They have to go back and help the Minister in negotiations. Thank you.



**127. Declaration of the Heads of State/Government, Ministers and other Heads of Delegation present at the United Nations Climate Change Conference -2009.**

**Copenhagen, December 18, 2009.**

**In pursuit** of the ultimate objective of the Convention as stated in its Article 2,

**Being guided** by the principles and provisions of the Convention,

**Noting** the results of work done by the two Ad hoc Working Groups,

**Endorsing** decision x/CP.15 on the Ad hoc Working Group on Long-term Cooperative Action and decision x/CMP.5 that requests the Ad hoc Working Group on Further Commitments of Annex I Parties under the Kyoto Protocol to continue its work,

**Have agreed** on this Copenhagen Accord which is operational immediately.

1. We underline that climate change is one of the greatest challenges of our time. We emphasise our strong political will to urgently combat climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities. To achieve the ultimate objective of the Convention to stabilize greenhouse gas concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, we shall, recognizing the scientific view that the increase in global temperature should be below 2 degrees Celsius, on the basis of equity and in the context of sustainable development, enhance our long-term cooperative action to combat climate change. We recognize the critical impacts of climate change and the potential impacts of response measures on countries particularly vulnerable to its adverse effects and stress the need to establish a comprehensive adaptation programme including international support.

2. We agree that deep cuts in global emissions are required according to science, and as documented by the IPCC Fourth Assessment Report with a view to reduce global emissions so as to hold the increase in global temperature below 2 degrees Celsius, and take action to meet this objective consistent with science and on the basis of equity. We should cooperate in achieving the peaking of global and national emissions as soon as possible, recognizing that the time frame for peaking will be longer in developing countries and bearing in mind that social and economic development and poverty eradication are the first and overriding priorities of developing

countries and that a low-emission development strategy is indispensable to sustainable development.

3. Adaptation to the adverse effects of climate change and the potential impacts of response measures is a challenge faced by all countries. Enhanced action and international cooperation on adaptation is urgently required to ensure the implementation of the Convention by enabling and supporting the implementation of adaptation actions aimed at reducing vulnerability and building resilience in developing countries, especially in those that are particularly vulnerable, especially least developed countries, small island developing States and Africa. We agree that developed countries shall provide adequate, predictable and sustainable financial resources, technology and capacity-building to support the implementation of adaptation action in developing countries.

4. Annex I Parties commit to implement individually or jointly the quantified economy-wide emission targets for 2020, to be submitted in the format given in Appendix I by Annex I Parties to the secretariat by 31 January 2010 for compilation in an INF document. Annex I Parties that are Party to the Kyoto Protocol will thereby further strengthen the emissions reductions initiated by the Kyoto Protocol. Delivery of reductions and financing by developed countries will be measured, reported and verified in accordance with existing and any further guidelines adopted by the Conference of the Parties, and will ensure that accounting of such targets and finance is rigorous, robust and transparent.

5. Non-Annex I Parties to the Convention will implement mitigation actions, including those to be submitted to the secretariat by non-Annex I Parties in the format given in Appendix II by 31 January 2010, for compilation in an INF document, consistent with Article 4.1 and Article 4.7 and in the context of sustainable development. Least developed countries and small island developing States may undertake actions voluntarily and on the basis of support. Mitigation actions subsequently taken and envisaged by Non-Annex I Parties, including national inventory reports, shall be communicated through national communications consistent with Article 12.1(b) every two years on the basis of guidelines to be adopted by the Conference of the Parties. Those mitigation actions in national communications or otherwise communicated to the Secretariat will be added to the list in appendix II. Mitigation actions taken by Non-Annex I Parties will be subject to their domestic measurement, reporting and verification the result of which will be reported through their national communications every two years. Non-Annex I Parties will communicate information on the implementation of

their actions through National Communications, with provisions for international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected. Nationally appropriate mitigation actions seeking international support will be recorded in a registry along with relevant technology, finance and capacity building support. Those actions supported will be added to the list in appendix II. These supported nationally appropriate mitigation actions will be subject to international measurement, reporting and verification in accordance with guidelines adopted by the Conference of the Parties.

6. We recognize the crucial role of reducing emission from deforestation and forest degradation and the need to enhance removals of greenhouse gas emission by forests and agree on the need to provide positive incentives to such actions through the immediate establishment of a mechanism including REDD-plus, to enable the mobilization of financial resources from developed countries.

7. We decide to pursue various approaches, including opportunities to use markets, to enhance the cost-effectiveness of, and to promote mitigation actions. Developing countries, especially those with low emitting economies should be provided incentives to continue to develop on a low emission pathway.

8. Scaled up, new and additional, predictable and adequate funding as well as improved access shall be provided to developing countries, in accordance with the relevant provisions of the Convention, to enable and support enhanced action on mitigation, including substantial finance to reduce emissions from deforestation and forest degradation (REDD-plus), adaptation, technology development and transfer and capacity-building, for enhanced implementation of the Convention. The collective commitment by developed countries is to provide new and additional resources, including forestry and investments through international institutions, approaching USD 30 billion for the period 2010--012 with balanced allocation between adaptation and mitigation. Funding for adaptation will be prioritized for the most vulnerable developing countries, such as the least developed countries, small island developing States and Africa. In the context of meaningful mitigation actions and transparency on implementation, developed countries commit to a goal of mobilizing jointly USD 100 billion dollars a year by 2020 to address the needs of developing countries. This funding will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance. New multilateral funding for adaptation will be delivered through effective and efficient fund

arrangements, with a governance structure providing for equal representation of developed and developing countries. A significant portion of such funding should flow through the Copenhagen Green Climate Fund.

9. To this end, a High Level Panel will be established under the guidance of and accountable to the Conference of the Parties to study the contribution of the potential sources of revenue, including alternative sources of finance, towards meeting this goal.

10. We decide that the Copenhagen Green Climate Fund shall be established as an operating entity of the financial mechanism of the Convention to support projects, programme, policies and other activities in developing countries related to mitigation including REDD-plus, adaptation, capacity-building, technology development and transfer.

11. In order to enhance action on development and transfer of technology we decide to establish a Technology Mechanism to accelerate technology development and transfer in support of action on adaptation and mitigation that will be guided by a country-driven approach and be based on national circumstances and priorities.

12. We call for an assessment of the implementation of this Accord to be completed by 2015, including in light of the Convention's ultimate objective. This would include consideration of strengthening the long-term goal referencing various matters presented by the science, including in relation to temperature rises of 1.5 degrees Celsius.

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APPENDIX I

Quantified Economy-wide Emissions Targets for 2020.

Annex I Parties	Quantified Economy-wide Emissions Targets for 2020
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Emissions Reduction in 2020 = Base Year





**128. Suo Moto Statement by Minister of State (Independent Charge), Ministry of Environment and Forests Jairam Ramesh in the Rajya Sabha on the outcome of the Copenhagen Climate Change Conference.**

**New Delhi, December 22, 2009.**

Mr. Chairman Sir,

1. I rise to make a Suo Moto Statement on the 15th Conference of Parties to the UN Convention on Climate Change that was held in Copenhagen, Denmark between December 7-18th, 2009.

2. Before I get into the statement, Sir, let me say that this is the fourth time that I am speaking in some detail on the issue of climate change in recent weeks reflecting our Government's transparency and keenness to keep the Parliament fully informed at every step. It also reflects, of course, the great interest Honourable MPs themselves have in this important subject. There was a Calling Attention Motion in the Rajya Sabha on November 24th and a Zero hour discussion on December 7th. The Lok Sabha had a five-hour debate on December 3rd. Let me reiterate that I am more than prepared to discuss this issue in Parliament at any time, in any form that the House desires and the Chairman directs.

3. To return to the Copenhagen Conference, there were two segments to it. The first was between December 7th -15th that involved negotiations at the official level. The second was between December 16th -18th that involved a High- Level Segment at the Ministerial level. In addition, the Danish Presidency of the Conference of Parties had invited Ministers from all countries for informal consultations from December 12th -17th , 2009. Heads of State/Government had also been invited to the High-Level Segment of the Conference during December 17th -18th 2009. Over a hundred Heads of State/Government attended. Our Prime Minister addressed the Conference on December 18th and I had the privilege of speaking on behalf of the Government of India on December 16th. Copies of these two speeches are attached to this Statement.

4. There were two specific outcomes of the Copenhagen Conference. In Bali, in December 2007, the Conference of Parties had decided to have negotiations on two parallel tracks, both of which were expected to be concluded at Copenhagen. The first track relates to the outcome of the Bali Action Plan and the other track pertains to the commitment of the Annex I Parties for the second

commitment period of the Kyoto Protocol in the period extending beyond 2012. These negotiations could not be concluded and the Copenhagen Conference decided to continue these negotiations to be completed at the end of 2010 at the 16th Conference of Parties to be held in Mexico City in December 2010. In this respect, India, South Africa, Brazil, China and other developing countries were entirely successful in ensuring that there was no violation of the mandate for the Bali Action Plan negotiations on the enhanced implementation of the UN Framework Convention on Climate Change. Despite relentless attempts made by the Annex I Parties, the Conference succeeded in continuing the negotiations under the Kyoto Protocol to establish the commitments of the Annex I Parties under the Kyoto Protocol for the post-2012 period. Undoubtedly, many developed countries want to see an end to the Kyoto Protocol but we have been able to thwart these attempts for the time being. The major outcome of the Conference is, therefore, the fact that the negotiations under the UNFCCC will continue to proceed in two tracks as set out in the Bali Road Map-- one relating to the long-term cooperative action for enhancing the implementation of the Convention and the second relating to the second commitment period of Annex I Parties under the Kyoto Protocol.

5. Another decision taken by the Conference relates to the Copenhagen Accord. India, along with over twenty five other countries that included Bangladesh, Maldives, Indonesia, China, Japan, South Korea, Papua New Guinea, Australia, Russia, Mexico, USA, Brazil, Colombia, Granada, South Africa, Algeria, Sudan, Gabon, Saudi Arabia, United Kingdom, France, Germany, Spain and European Union, was invited by the host country to assist the President of the Conference in forging a consensus on several outstanding issues. The results of such informal consultations held on December 17th and 18th 2009, were brought by the COP President, on his own responsibility, to the Plenary of the Conference for consideration on December 18th, 2009. Some countries that included Cuba, Nicaragua, Venezuela and Bolivia did not join the consensus on the draft Copenhagen Accord presented by the COP President. Since the Conference works on the principle of consensus, the Copenhagen Accord was not adopted as an outcome of the Conference. It was, however, taken note of. The contents of the Accord are not legally binding nor do they constitute a mandate for a new negotiating process under the UNFCCC.

6. The Copenhagen Accord deals with the various elements of the Bali Action Plan relating to the issues of mitigation, adaptation, financing and technology in the context of climate change. Let me present to you the highlights of the Accord.

7. The Accord recognizes the principle of common but differentiated responsibilities and respective capabilities of the Parties in combating climate change. The Accord recognizes the need to limit the global temperature rise by 2050 to below 2 degree Celsius above pre-industrial levels. While doing so, the Accord clearly sets out the goal in the context of equity and sustainable development. This ensures that in achieving this goal, the right of the developing countries to have an equitable share in access to global atmospheric resources cannot be ignored and is ensured. I might add here that this was a point repeatedly made by the Prime Minister in all his interactions.

8. The Copenhagen Accord does speak of "cooperation in achieving the peaking of global and national emissions as soon as possible". However, the Accord explicitly recognises that the time frame for peaking will be longer in developing countries. It also bears in mind that "social and economic development and poverty eradication are the first and overriding priorities of developing countries". The Accord therefore, does not speak of a specific year for peaking for developing countries which has always been on the agenda of the developed countries. This is another area of success for us at Copenhagen. This is also consistent with the position of India was outlined by our Prime Minister over two years ago that our per capita emissions will never exceed the average per capita emissions of the developed countries.

9. There has been insistence from the developed countries to adopt quantified emission reduction targets in the long-term by the global community. A global goal of 50% emissions reduction by 2050 with reference to current levels of emissions has been generally emphasized by the Annex I countries. Reference to such a specific numerical target in terms of emission reduction has been avoided in the Accord because of the insistence of the developing countries, particularly India that a global goal should be expressed only in terms of limit in increase of temperature and not in terms of a quantified emission reduction target. This is because such a target would result in a binding commitment for the developing countries who do not have such obligations under the UNFCCC. We can be satisfied that we were able to get our way on this issue as well.

10. The Accord obliges the Annex I countries to indicate their mid-term emissions reduction target for 2020 by January 31, 2010 to the Secretariat. Their actions in respect of emission reduction and financing support given to developing countries for mitigation actions in developing countries will

be subject to measurement, reporting and verification as per the guidelines adopted by the Conference of Parties.

11. The mitigation actions of the developing countries are to be supported by the developed countries in Accordance with Article 4.7 of the UNFCCC. Mitigation actions of developing countries will be subject to domestic measurement, reporting and verification as per its internal procedures. Report of such mitigation actions, supported or unsupported will be made to the Secretariat through the National Communications which will be made every two years. There is a provision for international consultations and analysis for implementation of the actions reported through National Communications. The guidelines for such consultation and analysis will be devised and defined in due course. We have been able to incorporate a specific provision that these "clearly defined guidelines will ensure that the national sovereignty is respected". This is another accomplishment for us at Copenhagen. Of course, as I have stated on earlier occasions, the supported mitigation actions will be open to international measurement, report and verification as per guidelines adopted by the Conference of Parties.

12. Under the Accord, the developed country Parties have agreed to set up a Climate Fund named "Copenhagen Green Climate Fund" to provide resources approaching US\$ 30 billion during the period 2010-2012 to support the adaptation and mitigation actions of the developing country Parties. The funding for adaptation will be focused on the least developed countries, small island developing States and Africa. They have also undertaken a commitment to mobilize US \$ 100 billion a year by 2020 for such purposes and a high level panel will be set up under the guidance of Conference of Parties to review the progress of these commitments.

13. A Technology Mechanism is also proposed to be established to accelerate technology development and transfer in support of adaptation and mitigation actions in the developing countries. Negotiations on the precise architecture of this Mechanism are underway in the UNFCCC and I am pleased to mention that many of the proposals made by India in this regard have found acceptance. A network of technology innovation centres has been proposed by India as a part of this mechanism.

14. The objectives and the implementation of the Accord will be assessed and the process of assessment will be completed by 2015 in order to consider the possibility of further strengthening the long term goal of limiting the temperature rise to below 1.5 degree Celsius. This was in response to

a demand made by 43 small island developing states that includes Maldives. Bangladesh and Nepal have also supported this idea.

15. Sir, a notable feature of this Conference that has been widely commented on is the manner in which the BASIC group of countries coordinated their positions. Ministers of the BASIC group comprising Brazil, South Africa, India and China has met in Beijing on November 27th and 28th, 2009 to prepare for Copenhagen in a joint manner. Honourable Members may recall that I had briefed them in my earlier interventions on the results of that meeting. The BASIC Group Ministers met virtually on an hourly basis right through the Copenhagen Conference. Within BASIC, India and China worked very, very closely together. I believe that the BASIC group has emerged as a powerful force in climate change negotiations and India should have every reason to be satisfied it has played a catalyzing role in the emergence of this new quartet. Their unity was instrumental in ensuring that the Accord was finalized in accordance with the negotiating framework as laid out in the UNFCCC, Bali Action Plan and the Kyoto Protocol. We will continue to work together with these countries as well as other countries of the G-77 to ensure that the interests of the developing countries and India in particular are protected in course of negotiations in 2010 and beyond. I should also mention here that President Obama interacted with the two Prime Ministers and two Presidents of the BASIC Group and it was at this meeting that the Copenhagen Accord was clinched to the satisfaction of all present. It was at this crucial meeting that the BASIC group was able to get agreement on its proposals on global goals and on monitoring and verification. It was also able to ensure that the Copenhagen Accord was not legally binding and that there was no mention of a new legally binding instrument in the Accord.

16. Sir, I have been somewhat detailed in this suo moto statement. I have never hidden anything from this Parliament and have been very upfront about how our thinking on climate change has to evolve and not remain frozen in time. I have repeatedly sought flexibility within a framework of certain non-negotiables. Earlier, I spoke to both Houses on the basis of my intentions and had said that ultimately actions will speak louder than words. I had assured both Houses that we will negotiate in a manner that the national interest is not only protected but also enhanced. Copenhagen is not a destination but the beginning of a long process. There are indeed many risks, many hazards, many threats. We have to be extraordinarily vigilant and watchful, negotiating tough but always from a position of strength. For the moment I believe that India has come out quite well at Copenhagen and we have been recognized for our constructive approach.

We will continue to play such a role. We have to deepen our capacity to pursue proactive climate diplomacy internationally. We have to get down to implementing a comprehensive domestic agenda of both adaptation and mitigation and of moving on the road to cutting our emissions intensity of GDP by 20-25% by 2020 on 2005 levels which is not only eminently feasible but which can also be improved upon to the benefit of our own people. We must soon unveil a detailed roadmap for a low-carbon growth strategy. We must also strengthen our own scientific capacity to measure, monitor and model the impacts of climate change on different sectors of our economy and in different regions of our country.

17. Mr. Chairman, Sir I will now be more than glad and willing to clarify any doubts and answer any questions that Honourable Members may wish to raise. I see this statement as part of a continuing dialogue between our government and Honourable MPs, as a reflection of our determination to ensure accountability to Parliament.



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On December 21 Prodipto Ghosh, former Secretary of the Ministry of Environment and Forests and member of the Indian Delegation to the Conference admitted that the most difficult and contentious task would be the finalisation of guidelines for the international consultation and analysis of the mitigation actions, now to be drafted while "respecting national sovereignty." He told The Hindu that the accord was a process that would continue through the next year and culminate in Mexico City at the 16th session of the Conference of the Parties of the United Nations Framework Convention on Climate Change. Mr. Ghosh pointed out since the developing countries, including India, had refused to accept international monitoring, reporting and verification of unsupported mitigation actions - though it was willing to be "flexible" - the accord states that actions by developing countries that were not supported through international finance and technology would also be open to international "consultation and analysis."

**129. Press Release by the Prime Minister's Office on Prime Minister Dr. Manmohan Singh's call to the Economists to address the adverse effects of poverty and pressure due to Climate Change.**

**Bhubaneswar (Orissa) , December 27, 2009.**

Prime Minister Dr. Man Mohan Singh has called upon the Economists of the country to evolve mechanism to address the problems to poverty and pressure on Indian Economy due to climate change. Poverty remains a major challenge and poor are still too poor and we need to do much more improve their standard of living. To meet the end, the economy has to grow fast enough to create new job opportunities at a rate of faster than the growth of labour force. Our goal is inclusive growth and this has been explicitly enshrined in our Eleventh Five Year Plan. To achieve our objective of inclusive growth we need to pay much greater attention to education, healthcare and rural development focusing particularly on the needs of the poor, SC, ST and minorities, PM added.

On the efficient and economic use of scarce natural resources like land and water, Prime Minister said that special attention has to be paid to increase agricultural productivity of small and marginal farmer. The world faces a new difficult challenge in the form of climate change. Issues arising out of climate change and its impact give rise to new concerns about a sustainable path of development. Sustainable development gets infinitely linked with energy efficiency and energy security. Economists have much to contribute to our understanding the complexities involved and finding constructive solutions, Dr. Singh said. He further said that over all greater emphasis has to be laid on reforms of the systems of governance so as to reduce the corruption, lower the transaction costs of starting new business and create of an environment conducive of promotion of innovation and risk bearing.

Calling upon the economists not to be confused with cyclical behaviour of Indian Economy Prime Minister said that since 1991, our economy has seen ups and downs due to factors like East Asian Crisis, global economic crisis etc. We should therefore look at the average growth rate after 1991. If we consider the 18 years from 1992-93 to 2009-10 the average growth rate is 6.8 %. The congress led government that has been in place since 2004-05 can claim to have achieved an average growth rate between 2004-05 and 2009-10 that is likely to be 8.5%. We can therefore claim

that we have entered the target range for growth set by Pandit Jawahar Lal Nehru long years ago, PM added.

On poverty PM told that the percentage of population below the poverty line has certainly not increased. In fact it has continued to decline after the economic reforms at least at the same rate as it did before. It is true that the rate of decline has not been faster as it should be, but it has declined, PM added.

Addressing the conference, Orissa Chief Minister Shri Naveen Patnaik said that his government takes steps to make Orissa an investor friendly state. His government is striving hard for improving fiscal health. He future said that priority is being given on agriculture, education, health care, rural connectivity, irrigation, electricity like infrastructure development to reduce social and gender disqualifies. President of India Economic Association Prof C. H. Henumant Rao welcoming PM detailed out the deliberations scheduled in this three days 92nd Annual Conference of IEA in Bhubaneswar. Eminent Economists of the country have joined to discuss on the economic jagruti and various economic issues that our country faces today particularly in a period of global economic crisis.







**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - III**

**CIVIL NUCLEAR ENERGY  
COOPERATION**

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**130. Cooperation Agreement\* Between the Government of the Republic of India and the Government of the French Republic on the Development of Peaceful uses of Nuclear Energy.**

**Paris, September 30, 2008.**

The **Government of the Republic of India** and the **Government of the French Republic**, hereinafter referred to as the 'Parties',

**NOTING** the deep ties of friendship and cooperation between the Republic of India and the French Republic, and the Strategic Partnership established between them in January 1998;

**NOTING** further the existence of a long-standing cooperation between the Parties in the use of nuclear energy for peaceful purposes;

**RECOGNISING** that nuclear energy provides a safe, environment friendly and sustainable source of energy and the need to further develop international cooperation in promoting the use of nuclear energy for peaceful purposes;

**RECOGNISING** also that nuclear energy will provide an indispensable source of energy to future generations;

**RECALLING** the ongoing dialogue on civil nuclear cooperation and nuclear safety and the ongoing projects that are taking place as a result of this dialogue;

**RECOGNISING** that both Parties are States with comprehensive capabilities in advanced nuclear technologies, including in the nuclear fuel cycle;

**DETERMINED** that further development of international cooperation in promoting the use of nuclear energy for peaceful purposes shall equally benefit both Parties;

**DESIRING** to have further bilateral cooperation for expanding and deepening full civil nuclear cooperation for the development and use of nuclear energy for peaceful purposes with a view to achieving sustainable development and strengthening energy security on a reliable, stable and predictable basis;

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\* Though the Agreement was signed last year, its text was released in 2009 after constitutional procedures of the two countries were completed.

**DESIRING**, in the interest of the two States to develop such cooperation on the basis of mutual respect for sovereignty, non-interference in each other's internal affairs, equality, mutual benefit, reciprocity, with due respect for each other's nuclear programs and in accordance with the principles governing their respective nuclear policies and their respective international obligations;

**RECALLING** further the Joint Statement issued by the Prime Minister of the Republic of India and the President of the French Republic on the 12th of September 2005 and the India-France Declaration on the Development of Nuclear Energy for Peaceful New Delhi on the 20th of February 2006 in which both Parties called for the conclusion of a bilateral nuclear cooperation agreement between the two countries;

**NOTING** that the two States share common concerns and objectives of non-proliferation of weapons of mass destruction and their means of delivery including in view of possible linkages to terrorism and that international cooperation in peaceful uses of nuclear energy should be consistent with these objectives;

**HAVE AGREED** as follows:

#### **Article I**

1. The Parties shall cooperate in the use of nuclear energy for peaceful and non-explosive purposes in accordance with the provisions of this Agreement, having due regard for the principles of international law, in good faith, in accordance with the principles governing their respective nuclear policies as well as with their respective relevant international obligations.
2. Cooperation as referred to in paragraph 1 of this Article may cover the following areas:
  - Basic and applied research not requiring the supply of uranium enriched to twenty (20) per cent or greater in the isotope U-235;
  - The development and use of nuclear energy applications in the fields of agronomy, biology, earth sciences and medicine, and in industry;
  - Full civil nuclear cooperation activities covering nuclear reactors, nuclear fuel supply and other aspects as agreed between the Parties;
  - Nuclear fuel and nuclear fuel cycle management including through the development of strategic reserve of nuclear fuel to guard against

any disruption of supply over the life time of India's safeguarded nuclear reactors:

- Nuclear waste management;
  - Nuclear safety, radiation and environment protection;
  - The prevention of, and response to, emergency situations resulting from radioactive or nuclear accidents;
  - Controlled thermonuclear fusion in particular in multilateral projects such as ITER;
  - Public awareness and acceptance of the benefits of the use of nuclear energy for peaceful and non-explosive purposes;
- and any other field as jointly agreed by the Parties.

3. Cooperation under the Agreement may take the following forms:

- Technology transfer on an industrial or commercial scale between the Parties or persons designated by them;
- Exchange and training of scientific and technical staff;
- Exchange of scientific and technical information;
- Participation by scientific and technical staff of one Party in research and development activities conducted by the other Party;
- Joint conduct of research and engineering activities, including joint research and experimentation based on balanced contributions;
- Organization of scientific and technical conferences and symposia;
- Supply of material, nuclear material, equipment, technology, facilities and services including setting up of nuclear power projects;
- Progressive localization in the territory of the recipient Party by persons designated by the Parties through sourcing of equipment and components including through transfer of technology for the implementation of nuclear projects;
- Consultations and cooperation in relevant international fora;
- Nuclear cooperation projects in third countries;

and any other form of cooperation as jointly agreed by the Parties.

4. The Parties affirm that the purpose of this Agreement is to provide for peaceful nuclear cooperation and not to affect the unsafeguarded nuclear activities of either Party. Accordingly, nothing in this Agreement shall be interpreted as affecting the rights of the Parties to use for their own purposes nuclear material, material, equipment, components, information or technology produced, acquired or developed by them independent of any nuclear material, material, equipment, components, information or technology transferred to them pursuant to this Agreement. This Agreement shall be implemented in a manner so as not to hinder or otherwise interfere with any other activities involving the use of nuclear material, material, equipment, components, information or technology and unsafeguarded nuclear facilities produced, acquired or developed by them independent of this Agreement for their own purposes.

#### **Article II**

1. Cooperation between the Parties as defined in Article I shall be implemented in accordance with the provisions of this Agreement through:

- specific agreements between the Parties or persons designated by the Parties with implementing this Agreement, intended in particular to detail scientific and technical programmes and arrangements for scientific and technical exchanges;
- memoranda of understanding or contracts signed by the persons designated by the Parties on industrial realizations and the supply of material, nuclear material, services, equipment, setting up of facilities and localization issues and transfer of technology as appropriate.

2. Specific agreements, memoranda of understanding and contracts already concluded between the persons designated by the Parties shall be governed by the provisions of this Agreement at the time it enters into force.

3. Transfer of nuclear material, material, equipment, components and technology under this Agreement may be undertaken directly between the Parties or through persons designated by them. Nuclear material, material, equipment, components and technology transferred from the territory of one Party to the territory of the other Party, whether directly or through a third country, will be regarded as having been transferred pursuant to the Agreement only upon confirmation, by the appropriate authority of the recipient Party to the appropriate authority of the supplier Party, that such nuclear material, material, equipment, components and technology both will be subject to this Agreement and have been received.

### **Article III**

In compliance with their respective national legislation, the Parties shall adopt all the administrative, tax and customs measures within their jurisdiction required for the proper implementation of this Agreement,

### **Article IV**

1. Both Parties shall cooperate in the design, construction and commissioning of nuclear power plants in conformity with appropriate regulatory requirements
2. The Parties encourage their operators to develop cooperation between them in this field on mutually acceptable terms and conditions.

### **Article V**

1. The Party supplying nuclear power plant shall facilitate reliable, uninterrupted and continued access to the Party on whose territory the nuclear power plant is located, to nuclear fuel supplies, reactor systems and components for the lifetime of the supplied nuclear power plant. In respect of supply of nuclear fuel for the lifetime of India's safeguarded reactors, long-term contracts in accordance with Article II (1) will be established between respective designated entities of the Parties.
2. To further guard against any disruption of supply over the lifetime of India's safeguarded reactors, France will support an Indian effort to develop a strategic reserve of nuclear fuel. This support includes France convening a group of friendly countries or joining such a group convened by others to pursue such measures as would restore fuel supply to India in the event of disruption of fuel supplies to India.
3. Reprocessing and any other alteration in form or content of nuclear material transferred pursuant to this Agreement and nuclear material used in or produced through the use of material, nuclear material, equipment or technology so transferred shall be carried out in a national nuclear facility under IAEA safeguards. Any special fissionable material that may be separated thereby may be stored and utilized in national facilities in the recipient country under IAEA safeguards.

### **Article VI**

1. The Parties shall facilitate nuclear trade between themselves in the mutual interests of their respective industry, utilities and consumers and also, where appropriate, trade between third countries and either Party of items obligated to the other Party.



2. The Parties recognize that reliability of supplies is essential and that industry in both Parties need continuing reassurance that deliveries can be made on time, including where appropriate, through progressive localization and indigenisation of production, in order to plan for the efficient operation of nuclear installations.

#### **Article VII**

1. The Parties or persons designated by the Parties with implementing this Agreement shall protect in an adequate and effective manner intellectual property created and technology transferred within the framework of the cooperation undertaken pursuant to this Agreement and the specific Agreements, memoranda of understanding and contracts referred to in article II.

2. The parties shall endeavor to reach an agreement on intellectual property rights to provide the necessary framework for implementing the provisions of this article.

3. This Agreement shall not affect the right of use of intellectual property rights gained by persons prior to this Agreement. The conditions of use, conferment and transfer of intellectual property rights shall be specified on a case-by-case basis in the specific agreements and contracts referred to in Article II of this Agreement.

#### **Article VIII**

1. The Parties or persons designated by the Parties with implementing this Agreement shall deal with liability issues, including civil nuclear liability, in specific agreements.

2. The Parties agree that, for the purpose of compensating for damage caused by a nuclear incident involving material, nuclear, material, equipment, facilities and technology referred to in Article IX, each Party shall create a civil nuclear liability regime based upon established international principles.

#### **Article IX**

The Parties shall ensure that the material, nuclear material, equipment, facilities and technology transferred under this Agreement, as well as the nuclear material recovered or obtained as by-products, are used for peaceful and non-explosive purposes.

### Article X

1. Taking into account the provisions mentioned in Article V, all the material, nuclear material, equipment, facilities and technology transferred to the Republic of India under this Agreement and notified by the supplier Party to that end, as well as all the successive generations of nuclear material recovered or obtained as by-products, shall be and remain subject to IAEA safeguards pursuant to the agreements already entered into by the Republic of India and to the agreements the Republic of India has agreed to enter into with the IAEA and an additional protocol when in force.
2. All the nuclear material transferred to the French Republic under this Agreement and notified by the supplier Party to that end, as well as all successive generations of nuclear material recovered or obtained as by products from the nuclear material transferred shall be subject to IAEA safeguards pursuant to the Agreement on the application of safeguards in France signed by France, the European Atomic Energy Community (EURATOM) and the IAEA on 20 and 27 July 1978, as supplemented by the additional protocol to this agreement, signed by France, EURATOM and the IAEA on 22 September 1998.
3. If the IAEA decides that the application of safeguards is not possible, the supplier and the recipient country should consult and agree on appropriate verification measures.

### Article XI

The material, nuclear material, equipment, facilities and technology referred to in Article IX of this Agreement, as well as the nuclear material recovered or obtained as by-products shall remain subject to the provisions of this Agreement until:

- (a) They have been transferred or retransferred beyond the jurisdiction of the recipient Party in accordance with the provisions of Article XV of this Agreement, or returned to the Party having initially transferred them, or until
- (b) The Parties decide by mutual agreement that they are no longer subject to this Agreement and withdraw them from that jurisdiction, or until
- (c) It has been established by the IAEA; in accordance with the provisions for the termination of safeguards of the agreements between the Government of the Republic of India and the Agency or between the Government of the French Republic, EURATOM and the Agency,

concerning nuclear material, that it has been consumed or diluted to the extent that it is no longer usable for any nuclear activity relevant from the point of view of Agency safeguards, or that it is no longer practicably recoverable.

#### **Article XII**

The Parties shall guarantee the security and preserve the confidentiality of technical data and information designated as confidential by the party having provided that data and information under this Agreement, The technical data and information exchanged shall not be communicated to third parties, whether public or private, without prior written approval from the Party providing that technical data or information.

#### **Article XIII**

Each Party shall ensure that the material, nuclear material, equipment, facilities and technology referred to in Article IX of this Agreement, as well as the nuclear material recovered or obtained as by-products, are exclusively held by persons under its jurisdiction and authorized by it to hold those items.

#### **Article XIV**

1. Each Party shall make sure that, within its territory, or outside its territory to the point where that responsibility is taken over by the other Party or by a third State, adequate measures to ensure the physical protection of the material, nuclear material, equipment and facilities referred to in this Agreement are adopted, in accordance with its national legislation and the international commitments to which it is a signatory, in particular the Convention on the Physical Protection of Nuclear Material of 26 October 1979 and its amendment adopted on 8 July 2005 (hereinafter referred to as "the Convention").
2. In regard to nuclear material, the minimum levels of physical protection shall be those specified in annex I of the Convention. Each Party reserves the right, where necessary and in accordance with its national regulations, to apply stricter physical protection criteria.
3. Implementing measures of physical protection is the responsibility of each Party within its jurisdiction. In the implementation of those measures, each Party will be guided by the IAEA recommendations contained in the Agency document INFCIRC 225/RevA

4. Amendments to IAEA recommendations on physical protection shall only be effective under the terms of this Agreement following mutual written notification by the two Parties of their approval of these amendments.

#### **Article XV**

Should one of the Parties consider retransferring material, nuclear material, equipment, facilities and technology referred to in Article IX to a third State, or transferring material, nuclear material, equipment, facilities and technology retrieved from equipment and facilities transferred originally or obtained from transferred equipment, facilities and technology, referred to in Article IX, that Party shall only do so after being given by the recipient of those transfers the assurance of a commitment to peaceful and non-explosive use, of the implementation of IAEA safeguards and of adequate physical protection measures. Furthermore, it shall first be given the written consent of the other Party, except if the planned transfer or retransfer is destined for a member State of the European Union.

#### **Article XVI**

Nothing in this Agreement shall be interpreted as affecting the obligations which, on the date of signature thereof, result from the participation by either of the Parties in other international agreements on the use of nuclear energy for peaceful purposes, including those arising from France's membership of the European Communities.

#### **Article XVII**

1. The Parties undertake to consult at the request of either Party regarding the implementation of this Agreement and the development of further cooperation in the field of peaceful uses of nuclear energy on a stable, reliable and predictable basis. The Parties recognize that such cooperation is between two states possessing advanced nuclear technology and while ensuring that the Parties have the same benefits and advantages, shall consult in a manner and through arrangement specified in paragraph 2 of this Article in order to realize full cooperation envisaged under Articles I and II and effective implementation of this Agreement. Such consultations shall be formalized through a Joint Committee established for this purpose.

2. Representatives of the Parties shall meet at the request of either Party with a view to consulting on matters arising from the application of this Agreement.

3. Each Party shall endeavour to avoid any action that affects cooperation specified under Article I of this Agreement. If either Party, at any time following the entry into force of this Agreement decides that the other Party does not comply with any of the provisions of this Agreement, the Parties shall promptly hold consultations with a view to resolving the matter in a way that protects the legitimate interests of both Parties, it being understood that rights of either Party under Article XX(6) remain unaffected.

4. The dispute settlement procedures resulting from contractual obligations relating to the Implementation of this Agreement shall be specified in the concerned commercial contracts between the persons designated by the respective Parties.

#### **Article XVIII**

1. Both Parties agree that terms and provisions contained in this Agreement shall not be amended through out the period this Agreement is in force unless both Parties decide otherwise by mutual consent through written agreement between the Parties.

2. Any amendment to this Agreement shall be subject to ratification, acceptance or approval by the Parties, in accordance with their respective constitutional provisions. Each Party shall notify the other of the completion of these procedures. Amendments shall enter into force on the date the later of these notifications is received.

#### **Article XIX**

The Annexes to this Agreement shall form an integral part of the said Agreement.

#### **Article XX**

1. Each Party shall notify the other of the completion of the procedures it requires for the entry into force of this Agreement.

2. This Agreement shall enter into force on the date the later of these notifications is received.

3. This Agreement shall remain in force for a period of forty (40) years and it shall be automatically renewable for periods of twenty (20) years. A Party that does not wish to renew this Agreement shall notify the other Party by giving six months' written notice.

4. Either Party shall have the right to terminate this Agreement prior to its expiration on one year's written notice to the other Party. A Party giving notice of termination shall provide the reasons for seeking such termination. Both Parties consider it extremely unlikely that actions would be taken by either Party which would cause the other Party to terminate this Agreement. If a Party seeking termination cites a violation of the Agreement as the reason for notice for seeking termination, Parties shall consider whether the action was caused inadvertently or otherwise and whether the violation could be considered as material.

5. The Agreement shall terminate one year from the date of the written notice, unless the notice has been withdrawn by the providing Party in writing prior to the date of termination. The termination of cooperation shall be without prejudice to the implementation of contracts, ongoing projects and fuel supply commitments made under this Agreement prior to the termination of cooperation.

6. In the event this Agreement is not renewed in accordance with the procedure referred to in paragraph 3 of this Article or is terminated in accordance with the procedure referred to in paragraph 4 of this Article,

- The relevant provisions of this Agreement shall remain applicable to the specific agreements and contracts in force signed under Article II;
- The relevant provisions of Articles VII, VIII, IX, X, XI, XII, XIII, XIV, XV and XVI shall continue to apply, when applicable, to the material, nuclear material, equipment, facilities and technology referred to in Article IX and transferred pursuant to this Agreement, as well as to the nuclear material recovered or obtained as by-products and will remain in force.

**IN WITNESS WHEREOF**, the representatives of the two Governments, being duly authorized thereto, have signed this Agreement.

**DONE** at Paris on 30th September 2008 in the English, Hindi and French languages, all texts being equally authentic.

For the Government of the  
Republic of India

For the Government of the  
French Republic

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**ANNEX 1**

This Annex is an integral part of the Agreement.

For the purposes of this Agreement:

- (a) "Person" shall mean any natural person or legal entity subject to the territorial jurisdiction of either Party but does not include the Parties;
- (b) "Material" means non-nuclear material for reactors specified in paragraph 2 of the Annex 2 to this Agreement which is an integral part of this agreement;
- (c) "Nuclear material" means any "source material" or "special fissionable material" as those terms are defined in Article XX of the Statute of the IAEA;
- (d) "Nuclear material recovered or obtained as by-products" means nuclear material obtained from nuclear material transferred under this Agreement, or by processing or reprocessing it once or several times with the help of equipment or facilities transferred under this Agreement or with the help of equipment and facilities based upon technology transferred under this Agreement;
- (e) "Equipment" means the major components specified in paragraphs 1, 3 to 7 of Annex 2;
- (f) "Facilities" means the plants referred to in paragraphs 1, 3 to 7 of Annex 2;
- (g) "Technology" means the specific information necessary for the "development", "production" or "use" of items listed in Annex 2 with the exception of data "In the public domain" or of "Basic scientific research".

"Development" refers to all stages prior to "production", such as design, design research, design analysis, design concepts, assembly and testing of prototypes, pilot production schemes, design data, process of transforming design data into a product, configuration design, integration design, layouts.

"Production" shall mean all production phases such as construction, production engineering, manufacture, Integration, assembly (mounting), inspection, testing, quality assurance.

"Use" shall mean operation, installation (including on-site installation), maintenance, repairs, overhaul and refurbishing.

"Basic scientific research" means experimental or theoretical work undertaken principally to acquire new knowledge of the fundamental principles of phenomena and observable facts, not primarily directed towards a specific practical aim or objective.

"In the public domain" - "in the public domain," as it applies herein, means technology that has been made available without restrictions upon its further dissemination, (Copyright restrictions do not remove technology from being in the public domain.)

- (h) "Information" means any information that is not in public domain and is transferred in any form pursuant to this Agreement and is so designated and documented in hard copy or digital form by agreement of the Parties that it shall be subject to this Agreement, but will cease to be information whenever the Party transferring the information or any third party legitimately releases it in public domain.
- (i) "Intellectual property" has the meaning given by article 2 of the constituent instrument of the World Intellectual Property Organization (WIPO) signed in Stockholm on 14 July 1987.

## **ANNEX-2**

This Annex is an integral part of the Agreement.

### **1. NUCLEAR REACTORS AND EQUIPMENTS FOR REACTORS**

#### **1.1. Complete nuclear reactors**

Nuclear reactors capable of operation as to maintain a controlled self-sustaining fission chain reaction, excluding zero energy reactors, the latter being defined as reactors with a designed maximum rate of production of plutonium not exceeding 100 grams per year.

#### **1.2. Nuclear reactor vessels**

Metal vessels, or major shop-fabricated parts therefore, especially designed or prepared to contain the core of a nuclear reactor as defined in paragraph 1.1. above, as well as relevant reactor internals as defined in paragraph 1.8. below.

#### **1.3. Nuclear reactor fuel charging and discharging machines**

Manipulative equipment especially designed or prepared for inserting or removing fuel in a nuclear reactor as defined in paragraph 1.1. above.



#### **1.4. Nuclear reactor control rods and equipment**

Especially designed or prepared rods, supports or suspension structures therefore rod drive mechanisms or rod guide tubes to control the fission process in a nuclear reactor as defined in paragraph 1.1. above.

#### **1.5. Nuclear reactor pressure tubes**

Tubes which are especially designed or prepared to contain fuel elements and the primary coolant in a reactor as defined in paragraph 1.1. above at an operating pressure in excess of 50 atmospheres.

#### **1.6. Zirconium tubes**

Zirconium metal and alloys in the form of tubes or assemblies of tubes, and in quantities exceeding 500 kg for any one recipient country in a period of 12 months, especially designed or prepared for use in a reactor as defined in paragraph 1.1. above, and in which the relation of hafnium to zirconium is less than 1:500 parts by weight.

#### **1.7. Primary coolant pumps**

Pumps especially designed or prepared for circulating the primary coolant for nuclear reactors as defined in paragraph 1.1. above.

#### **1.8. Nuclear reactor internals**

"Nuclear reactor internals" especially designed or prepared for use in a nuclear reactor as defined in paragraph 1.1. above. including support columns for the core, fuel channels, thermal shields, baffles, core grid plates, and diffuser plates.

#### **1.9. Heat exchangers**

Heat exchangers (steam generators) especially designed or prepared for use in the primary coolant circuit of a nuclear reactor as defined in paragraph 1.1. above.

#### **1.10. Neutron detection and measuring instruments**

Especially designed or prepared neutron detection and measuring instruments for determining neutron flux levels within the core of a reactor as defined in paragraph 1.1. above

### **2. NON NUCLEAR MATERIALS FOR REACTORS**

#### **2.1. Deuterium and heavy water**

Deuterium, heavy water (deuterium oxide) and any other deuterium compound in which the ratio of deuterium to hydrogen atoms exceeds

1:5000 for use in a nuclear reactor as defined in paragraph 1.1. above, in quantities exceeding 200 kg of deuterium atoms for any one recipient country in any period of 12 months.

### **2.2. Nuclear grade graphite**

Graphite having a purity level better than 5 parts per million boron equivalent and with a density greater than 1.50 g/cm<sup>3</sup> for use in a nuclear reactor as defined in paragraph 1.1 above, in quantities exceeding 30 metric tons for any one recipient country in any period of 12 months.

## **3. PLANTS FOR THE REPROCESSING OF FUEL ELEMENTS AND EQUIPMENT ESPECIALLY DESIGNED OR PREPARED THEREFOR**

### **3.1 Irradiated fuel element chopping machines**

Remotely operated equipment especially designed or prepared for use in a reprocessing plant as identified above and intended to cut, chop or shear irradiated nuclear fuel assemblies, bundles or rods.

### **3.2. Dissolvers**

Critically safe tanks (e.g. small diameter, annular or slab tanks) especially designed or prepared for use in a reprocessing plant as identified above, intended for dissolution of irradiated nuclear fuel and which are capable of withstanding hot, highly corrosive liquid, and which can be remotely loaded and maintained.

### **3.3. Solvent extractors and solvent extraction equipment**

Especially designed or prepared solvent extractors such as packed or pulse columns, mixer settlers or centrifugal contactors for use in a plant for the reprocessing of irradiated fuel. Solvent extractors must be resistant to the corrosive effect of nitric acid. Solvent extractors are normally fabricated to extremely high standards (including special welding and inspection and quality assurance and quality control techniques) out of low carbon stainless steels, titanium, zirconium, or other high quality materials.

### **3.4 Chemical holding or storage vessels**

Especially designed or prepared holding or storage vessels for use in a plant for the reprocessing of irradiated fuel. The holding or storage vessels must be resistant to the corrosive effect of nitric acid. The holding or storage vessels are normally fabricated of materials such as low carbon stainless steels, titanium or zirconium, or other high quality materials. Holding or storage vessels maybe designed for remote operation and

maintenance and may have the following features for control of nuclear critically.

- (1) Walls or internal structures with a boron equivalent of at least two per cent,
- (2) a maximum diameter of 175 mm (7in) for cylindrical vessels,
- (3) a maximum width of 75 mm (3in) for either a slab or annular vessel.

#### **4. PLANTS FOR THE FABRICATION OF NUCLEAR REACTOR FUEL ELEMENTS**

A "plant for the fabrication of nuclear reactor fuel elements" includes equipment which.

- (a) normally comes in direct contact with, or directly processes, or controls, the production flow of nuclear material;
- (b) seals the nuclear material within the cladding;
- (c) checks the integrity of the cladding or the seal; or
- (d) checks the finish treatment of the sealed fuel.

#### **5. PLANTS FOR THE SEPARATION OF ISOTOPES OF URANIUM AND EQUIPMENT, OTHER THAN ANALYTICAL INSTRUMENTS, ESPECIALLY DESIGNED OR PREPARED THEREFORE.**

Items of equipment that are considered to fall within the meaning of the phrase "equipment, other than analytical instruments especially designed or prepared" for the separation of isotopes of uranium include:

##### **5.1. Gas centrifuges and assemblies and components especially designed or prepared for use in gas centrifuges**

###### **5.1.1. Rotating Components**

- (a) Complete rotor assemblies:

Thin-walled cylinders, or a number of interconnected thin-walled cylinders, manufactured from one or more of the high strength to density ratio materials described in the EXPLANATORY NOTE to this Section. If interconnected, the cylinders are joined together by flexible bellows or rings as described in section 5.1.1.(c) following. The rotor is fitted with an internal baffle (s) and end caps, as described in section 5.1.1.(d) and (e) following, if in final form. However the complete assembly may be delivered only partly assembled.

(b) Rotor tubes:

Especially designed or prepared thin-walled cylinders with thickness of 12 mm (0.5in) or less, a diameter of between 75 mm (3 in) and 400 mm (16in), and manufactured from one or more of the high strength to density ratio materials described in the EXPLANATORY NOTE to this Section.

(c) Rings or Bellows:

Components especially designed or prepared to give localized support to the rotor tube or to join together a number of rotor tubes. The bellows is a short cylinder of wall thickness 3 mm (0.12in) or less, a diameter of between 75 mm (3 in) and 400 mm (16in), having a convolute, and manufactured from one of the high strength to density ratio materials described in the EXPLANATORY NOTE to this Section

(d) Baffles:

Disc-shaped components of between 75 mm (3in) and 400 mm (16in) diameter especially designed or prepared to be mounted inside the centrifuge rotor tube, in order to isolate the take-off chamber from the main separation chamber and, in some cases, to assist the UF<sub>6</sub> gas circulation within the main separation chamber of the rotor tube, and manufactured from one of the high strength to density ratio materials described in the EXPLANATORY NOTE to this Section.

(e) Top caps/Bottom caps:

Disc-shaped components of between 75mm (3in) and 400 mm (16in) diameter especially designed or prepared to fit to the ends of the rotor tube, and so contain the UF<sub>6</sub> within the rotor tube, and in some cases to support, retain or contain as an integrated part on element of the upper bearing (top cap) or to carry the rotating elements of the motor and lower bearing (bottom cap), and manufactured from one of the high strength to density ratio materials described in the EXPLANATORY NOTE to this Section.

#### EXPLANATORY NOTE

The materials used for centrifuge rotating components are:

- (a) Managing steel capable of an ultimate tensile strength of  $2.05 \times 10^9$  N/m<sup>2</sup> (300,000 psi) or more;
- (b) Aluminum alloys capable of an ultimate tensile strength of  $0.46 \times 10^9$  N/m<sup>2</sup> (67,000 psi) or more;

- (c) Filamentary materials suitable for use in composite structures and having a specific modulus of  $3.18 \times 10^6$  m or greater and a specific ultimate tensile strength of  $7.62 \times 10^4$  m greater (Specific Modulus' is the Young's Modulus in N/m<sup>2</sup> divided by the ultimate tensile strength in N/m<sup>2</sup> divided by the specific weight in N/m<sup>3</sup>).

### 5.1.2. Static Components

- (a) Magnetic suspension bearings:

Especially designed or prepared bearing assemblies consisting of an annular magnet suspended within a housing containing a damping medium. The housing will be manufactured from a UF6-resistant material (see EXPLANATORY NOTE to Section 5.2). The magnet couples with a pole piece or a second magnet fitted to the top cap described in Section 5.1.1. (e). The Magnet may be ring-shaped with a relation between outer and inner diameter smaller or equal to 1.6:1. The magnet may be in a form having an initial permeability of 0.15 H/m (120.000 in CGS units) or more, or a remanence of 98.5% or more, or an energy product of greater than 80 kJ/m (107 gauss-oersteds). In addition to the usual material properties, it is a prerequisite that the deviation of the magnetic axes from the geometrical axes is limited to very small tolerances (lower than 0.1 mm or 0.0004 in) or that homogeneity of the material of the magnet is specially called for,

- (b) Bearings/Dampers;

Especially designed or prepared bearings comprising a pivot/cup assembly mounted on a damper. The pivot is normally a hardened steel shaft with a hemisphere at one end with a means of attachment to the bottom cap described in section 5.1.1.(e) at the other. The shaft may however have a hydrodynamic bearing attached. The cup is pellet-shaped with a hemispherical indentation in one surface. These components are often supplied separately to the damper.

- (c) Molecular pumps:

Especially designed or prepared cylinders having internally machined or extruded helical grooves and internally machined bores. Typical dimensions are as follows; 75 mm (3 in) to 400 mm (16 in) internal diameter, 10 mm (0.4 in) or more wall thickness, with the length equal to or greater than the diameter. The grooves are typically rectangular in cross-section and 2 mm (0.08 in) or more in depth.

- (d) Motor stators;

Especially designed or prepared ring-shaped stators for high speed multiphase AC hysteresis (or reluctance) motors for synchronous operation within a vacuum in the frequency range of 600 - 2000 Hz and a power range of 50 -1000 VA. The stators consist of multi-phase windings on a laminated low loss iron core comprised of thin layers typically 2.0 mm (0.08 in) thick or less.

(e) Centrifuge housing/recipients:

Components especially designed or prepared to contain the rotor tube assembly of a gas centrifuge. The housing consists of a rigid cylinder of wall thickness up to 30 mm (1.2 in) with precision machined ends to locate the bearings and with one or more flanges for mounting. The machined ends are parallel to each other and perpendicular to the cylinder's longitudinal axis to within 0.05 degrees or less. The housing may also be a honeycomb type structure to accommodate several rotor tubes. The housings are made of or protected by materials resistant to corrosion by UF<sub>6</sub>.

(f) Scoops;

Especially designed or prepared tubes of up to 12 mm (0.5 in) internal diameter for the extraction of UF<sub>6</sub> gas from within the rotor tube by a Pitot tube action (that is, with an aperture facing into the circumferential gas flow within the rotor tube, for example by bending the end of a radially disposed tube) and capable of being fixed to the central gas extraction system. The tubes are made of or protected by materials resistant to corrosion by UF<sub>6</sub>.

**5.2. Especially designed or prepared auxiliary systems, equipment and components for gas centrifuge enrichment plants**

**5.2.1. Feed systems/product and tails withdrawal systems**

Especially designed or prepared process systems including:

Feed autoclaves (or stations), used for passing UF<sub>6</sub> to the centrifuge cascades at up to 100 kPa (15 psi) and at a rate of 1 kg/h or more;

Desublimers (or cold traps) used to remove UF<sub>6</sub> from the cascades at up to 3 kPa (0.5 psi) pressure. The desublimers are capable of being chilled to 203 K (-70°C) and heated to 343 K (70°C);

'Product and Tails\*' stations used for trapping UF<sub>6</sub> into containers.

This plant, equipment and pipework is wholly made of or lined with UF<sub>6</sub>-resistant materials (see EXPLANATORY NOTE to this section) and is fabricated to very high vacuum and cleanliness standards.

### 5.2.2. Machine header piping systems

Especially designed or prepared piping systems and header systems for handling UF<sub>6</sub> within the centrifuge cascades. The piping network is normally of the 'triple' header system with each centrifuge connected to each of the headers. There is thus a substantial amount of repetition in its form. It is wholly made of UF<sub>6</sub>-resistant materials (see EXPLANATORY NOTE to this section) and is fabricated to very high vacuum and cleanliness standards.

### 5.2.3. UF<sub>6</sub> mass spectrometers/ion sources

Especially designed or prepared magnetic or quadrupole mass spectrometers capable of taking "on-line" samples of feed, product or tails, from UF<sub>6</sub> gas streams and having all of the following characteristics:

- 1 Unit resolution for atomic mass unit greater than 320;
- 2 Ion sources constructed of or lined with nichrome or monei or nickel plated;
- 3 Electron bombardment ionization sources;
- 4 Having a collector system suitable for isotopic analysis.

### 5.2.4. Frequency changers

Frequency changers (also known as converters or invertors) especially designed or prepared to supply motor stators as defined under 5.1.2.(d), or parts, components and sub-assemblies of such frequency changers having all of the following characteristics:

- 1 A multiphase output of 600 to 2000 Hz;
- 2 High stability (with frequency control better than 0.1 %);
- 3 Low harmonic distortion (less than 2%); and
- 4 An efficiency of greater than 80%.

#### EXPLANATORY NOTE

The items listed above either come into direct contact with the UF<sub>6</sub> process gas or directly control the centrifuges and the passage of the gas from centrifuge to centrifuge and cascade to cascade.

Materials resistant to corrosion by UF<sub>6</sub> include stainless steel, aluminium, aluminium alloys, nickel or alloys containing 60% or more nickel.

### **5.3. Especially designed or prepared assemblies and components for use in gaseous diffusion enrichment**

#### **5.3.1, Gaseous diffusion barriers**

- (a) Especially designed or prepared thin, porous filters, with a pore size of 100 - 1,000 Å (angstroms), a thickness of 5 mm (0.2 in) or less, and for tubular forms, a diameter of 25 mm (1 in) or less, made of metallic, polymer or ceramic materials resistant to corrosion by UF<sub>6</sub>, and
- (b) especially prepared compounds or powders for the manufacture of such filters. Such compounds and powders include nickel or alloys containing 60% or more nickel, aluminium oxide, or UF<sub>6</sub>-resistant fully fluorinated hydrocarbon polymers having a purity of 99.9% or more, a particle size less than 10 microns, and a high degree of particle size uniformity, which are especially prepared for the manufacture of gaseous diffusion barriers.

#### **5.3.2. Diffuser housings**

Especially designed or prepared hermetically sealed cylindrical vessels greater than 300 mm (12 in) in diameter and greater than 900 mm (35 in) in length, or rectangular vessels of comparable dimensions, which have an inlet connection and two outlet connections all of which are greater than 50 mm (2 in) in diameter, for containing the gaseous diffusion barrier, made of or lined with UF<sub>6</sub>-resistant materials and designed for horizontal or vertical installation.

#### **5.3.3. Compressors and gas blowers**

Especially designed or prepared axial, centrifugal, or positive displacement compressors, or gas blowers with a suction volume capacity of 1 m<sup>3</sup>/min or more of UF<sub>6</sub>, and with a discharge pressure of up to several hundred kPa (100 psi), designed for long-term operation in the UF<sub>6</sub> environment with or without an electrical motor of appropriate power, as well as separate assemblies of such compressors and gas blowers. These compressors and gas blowers have a pressure ratio between 2:1 and 6:1 and are made of, or lined with, materials resistant to UF<sub>6</sub>.

#### **5.3.4. Rotary shaft seals**

Especially designed or prepared vacuum seals, with seal feed and seal exhaust connections, for sealing the shaft connecting the compressor or the gas blower rotor with the driver motor so as to ensure a reliable seal against in-leaking of air into the inner chamber of the compressor or gas



blower which is filled with UF<sub>6</sub>. Such seals are normally designed for a buffer gas in leakage rate of less than 1000 cm<sup>3</sup>/min (60 in<sup>3</sup>/min).

#### **5.3.5. Heat exchangers for cooling UF<sub>6</sub>**

Especially designed or prepared heat exchangers made of or lined with UF<sub>6</sub>-resistant materials (except stainless steel) or with copper or any combination of those metals, and intended for a leakage pressure change rate of less than 10 Pa (0.0015 psi) per hour under a pressure difference of 100 kPa (15 psi).

#### **5.4. Especially designed or prepared auxiliary systems, equipment and components for use in gaseous diffusion enrichment**

##### INTRODUCTORY NOTE

The auxiliary systems, equipment and components for gaseous diffusion enrichment plants are the systems of plant needed to feed UF<sub>6</sub> to the gaseous diffusion assembly, to link the individual assemblies to each other to form cascades (or stages) to allow for progressively higher enrichments and to extract the 'product' and 'tails' UF<sub>6</sub> from the diffusion cascades. Because of the high inertial properties of diffusion cascades, any interruption in their operation, and especially their shut-down, leads to serious consequences. Therefore, a strict and constant maintenance of vacuum in all technological systems, automatic protection from accidents, and precise automated regulation of the gas flow is of importance in a gaseous diffusion plant. All this leads to a need to equip the plant with a large number of special measuring, regulating and controlling systems. Normally UF<sub>6</sub> is evaporated from cylinders placed within autoclaves and is distributed in gaseous form to the entry point by way of cascade header pipework. The 'product' and 'tails' UF<sub>6</sub> gaseous streams flowing from exit points are passed by way of cascade header pipework to either cold traps or to compression stations where the UF<sub>6</sub> gas is liquefied prior to onward transfer into suitable containers for transportation or storage. Because a gaseous diffusion enrichment plant consists of a large number of gaseous diffusion assemblies arranged in cascades, there are many kilometers of cascade header pipework, incorporating thousands of welds with substantial amounts of repetition of layout. The equipment, components and piping systems are fabricated to very high vacuum and cleanliness standards.

##### **5.4.1. Feed systems/product and tails withdrawal systems**

Especially designed or prepared process systems, capable of operating at pressures of 300 kPa (45 psi) or less, including:

Feed autoclaves (or systems), used for passing UF<sub>6</sub> to the gaseous diffusion cascades;

Desublimers (or cold traps) used to remove UF<sub>6</sub> from diffusion cascades;

Liquefaction stations where UF<sub>6</sub> gas from the cascade is compressed and cooled to form liquid UF<sub>6</sub>;

"Product" or "tails" stations used for transferring UF<sub>6</sub> into containers.

#### **5.4.2. Header piping systems**

Especially designed or prepared piping systems and header systems for handling UF<sub>6</sub> within the gaseous diffusion cascades. This piping network is normally of the "double" header system with each cell connected to each of the headers.

#### **5.4.3. Vacuum systems**

- (a) Especially designed or prepared large vacuum manifolds, vacuum headers and vacuum pumps having a suction capacity of 5 m<sup>3</sup>/min (175 ft<sup>3</sup>/min) or more.
- (b) Vacuum pumps especially designed for service in UF<sub>6</sub>-bearing atmospheres made of, or lined with, aluminium, nickel, or alloys bearing more than 60% nickel. These pumps may be either rotary or positive, may have displacement and fluorocarbon seals, and may have special working fluids present.

#### **5.4.4. Special shut-off and control valves**

Especially designed or prepared manual or automated shut-off and control bellows valves made of UF<sub>6</sub>-resistant materials with a diameter of 40 to 1500 mm (1,5 to 59 in) for installation in main and auxiliary systems of gaseous diffusion enrichment plants.

#### **5.4.5. UF<sub>6</sub> mass spectrometers/ion sources**

Especially designed or prepared magnetic or quadrupole mass spectrometers capable of taking "on-line" samples of feed, product or tails, from UF<sub>6</sub> gas streams and having all of the following characteristics:

- 1 Unit resolution for atomic mass unit greater than 320;
- 2 Ion sources constructed of or lined with nichrome or monel or nickel plated;
- 3 Electron bombardment ionization sources;
- 4 Collector system suitable for isotopic analysis.

## **5.5. Especially designed or prepared systems, equipment and components for use in aerodynamic enrichment plants**

### **5.5.1. Separation nozzles**

Especially designed or prepared separation nozzles and assemblies thereof. The separation nozzles consist of slit-shaped, curved channels having a radius of curvature less than 1 mm (typically 0.1 to 0.05 mm), resistant to corrosion by UF<sub>6</sub> and having a knife-edge within the nozzle that separates the gas flowing through the nozzle into two fractions.

### **5.5.2. Vortex tubes**

Especially designed or prepared vortex tubes and assemblies thereof. The vortex tubes are cylindrical or tapered, made of or protected by materials resistant to corrosion by UF<sub>6</sub>, having a diameter of between 0.5 cm and 4 cm, a length to diameter ratio of 20:1 or less and with one or more tangential inlets. The tubes may be equipped with nozzle-type appendages at either or both ends.

### **5.5.3. Compressors and gas blowers**

Especially designed or prepared axial, centrifugal or positive displacement compressors or gas blowers made of or protected by materials resistant to corrosion by UF<sub>6</sub> and with a suction volume capacity of 2 m<sup>3</sup>/min or more of UF<sub>6</sub>/carrier gas (hydrogen or helium) mixture.

### **5.5.4. Rotary shaft seals**

Especially designed or prepared rotary shaft seals, with seal feed and seal exhaust connections, for sealing the shaft connecting the compressor rotor or the gas blower rotor with the driver motor so as to ensure a reliable seal against out-leakage of process gas or in-leakage of air or seal gas into the inner chamber of the compressor or gas blower which is filled with a UF<sub>6</sub>/carrier gas mixture.

### **5.5.5. Heat exchangers for gas cooling**

Especially designed or prepared heat exchangers made of or protected by materials resistant to corrosion by UF<sub>6</sub>.

### **5.5.6. Separation element housings**

Especially designed or prepared separation element housings, made of or protected by materials resistant to corrosion by UF<sub>6</sub>, for containing vortex tubes or separation nozzles.

### **5.5.7. Feed systems/product and tails withdrawal systems**

Especially designed or prepared process systems or equipment for enrichment plants made of or protected by materials resistant to corrosion by UF<sub>6</sub>, including;

- (a) Feed autoclaves, ovens, or systems used for passing UF<sub>6</sub> to the enrichment process;
- (b) Desublimers (or cold traps) used to remove UF<sub>6</sub> from the enrichment process for subsequent transfer upon heating;
- (c) Solidification or liquefaction stations used to remove UF<sub>6</sub> from the enrichment process by compressing and converting UF<sub>6</sub> to a liquid or solid form;
- (d) 'Product' or 'tails' stations used for transferring UF<sub>6</sub> into containers.

### **5.5.8. Header piping systems**

Especially designed or prepared header piping systems, made of or protected by materials resistant to corrosion by UF<sub>6</sub>, for handling UF<sub>6</sub> within the aerodynamic cascades. This piping network is normally of the 'double' header design with each stage or group of stages connected to each of the headers.

### **5.5.9. Vacuum systems and pumps**

- (a) Especially designed or prepared vacuum systems having a suction capacity of 5 m<sup>3</sup>/min or more, consisting of vacuum manifolds, vacuum headers and vacuum pumps, and designed for service in UF<sub>6</sub>-bearing atmospheres,
- (b) Vacuum pumps especially designed or prepared for service in UF<sub>6</sub>-bearing atmospheres and made of or protected by materials resistant to corrosion by UF<sub>6</sub>. These pumps may use fluorocarbon seals and special working fluids.

### **5.5.10. Special shut-off and control valves**

Especially designed or prepared manual or automated shut-off and control bellows valves made of or protected by materials resistant to corrosion by UF<sub>6</sub> with a diameter of 40 to 1500 mm for installation in main and auxiliary systems of aerodynamic enrichment plants.

### **5.5.11. UF<sub>6</sub> mass spectrometers/ion sources**

Especially designed or prepared magnetic or quadrupole mass spectrometers capable of taking 'on-line' samples of feed, 'product' or 'tails',

from UF<sub>6</sub> gas streams and having all of the following characteristics:

- 1 Unit resolution for mass greater than 320;
- 2 Ion sources constructed of or lined with nichrome or monel or nickel plated;
- 3 Electron bombardment ionization sources;
- 4 Collector system suitable for isotopic analysis,

#### **5.5.12. UF<sub>6</sub>/carrier gas separation systems**

Especially designed or prepared process systems for separating UF<sub>6</sub> from carrier gas (hydrogen or helium).

### **5.6. Especially designed or prepared systems, equipment and components for use in chemical exchange or ion exchange enrichment plants.**

#### **5.6.1. Liquid-liquid exchange columns (Chemical exchange)**

Countercurrent liquid-liquid exchange columns having mechanical power input (i.e., pulsed columns with sieve plates, reciprocating plate columns, and columns with internal turbine mixers), especially designed or prepared for uranium enrichment using the chemical exchange process. For corrosion resistance to concentrated hydrochloric acid solutions, these columns and their internals are made of or protected by suitable plastic materials (such as fluorocarbon polymers) or glass. The stage residence time of the columns is designed to be short (30 seconds or less).

#### **5.6.2. Liquid-liquid centrifugal contactors (Chemical exchange)**

Liquid-liquid centrifugal contactors especially designed or prepared for uranium enrichment using the chemical exchange process. Such contactors use rotation to achieve dispersion of the organic and aqueous streams and then centrifugal force to separate the phases. For corrosion resistance to concentrated hydrochloric acid solutions, the contactors are made of or are lined with suitable plastic materials (such as fluorocarbon polymers) or are lined with glass. The stage residence time of the centrifugal contactors is designed to be short (30 seconds or less).

#### **5.6.3. Uranium reduction systems and equipment (Chemical exchange)**

- (a) Especially designed or prepared electrochemical reduction cells to reduce uranium from one valence state to another for uranium enrichment using the chemical exchange process. The cell materials

in contact with process solutions must be corrosion resistant to concentrated hydrochloric acid solutions.

- (b) Especially designed or prepared systems at the product end of the cascade for taking the  $U^{+4}$  out of the organic stream, adjusting the acid concentration and feeding to the electrochemical reduction cells.

#### **5.6.4. Feed preparation systems (Chemical exchange)**

Especially designed or prepared systems for producing high-purity uranium chloride feed solutions for chemical exchange uranium isotope separation plants.

#### **5.6.5. Uranium oxidation systems (Chemical exchange)**

Especially designed or prepared systems for oxidation of  $U^{+3}$  to  $U^{+4}$  for return to the uranium isotope separation cascade in the chemical exchange enrichment process.

#### **5.6.6. Fast-reacting ion exchange resins/adsorbents (Ion exchange)**

Fast-reacting ion-exchange resins or adsorbents especially designed or prepared for uranium enrichment using the ion exchange process, including porous macroporous resins, and/or pellicular structures in which the active chemical exchange groups are limited to a coating on the surface of an inactive porous support structure, and other composite structures in any suitable form including particles or fibers. These ion exchange resins/adsorbents have diameters of 0.2 mm or less and must be chemically resistant to concentrated hydrochloric acid solutions as well as physically strong enough so as not to degrade in the exchange columns. The resins/adsorbents are especially designed to achieve very fast uranium isotope exchange kinetics (exchange rate half-time of less than 10 seconds) and are capable of operating at a temperature in the range of 100°C to 200°C.

#### **5.6.7. Ion exchange columns (Ion exchange)**

Cylindrical columns greater than 1000 mm in diameter for containing and supporting packed beds of ion exchange resin/adsorbent, especially designed or prepared for uranium enrichment using the ion exchange process. These columns are made of or protected by materials (such as titanium or fluorocarbon plastics) resistant to corrosion by concentrated hydrochloric acid solutions and are capable of operating at a temperature in the range of 100°C to 200°C and pressures above 0.7 MPa (102 psi).

#### **5.6.8. Ion exchange reflux systems (Ion exchange)**

- (a) Especially designed or prepared chemical or electrochemical reduction systems for regeneration of the chemical reducing agent(s) used in ion exchange uranium enrichment cascades.

(b) Especially designed or prepared chemical or electrochemical oxidation systems for regeneration of the chemical oxidizing agent(s) used in ion exchange uranium enrichment cascades.

**5.7. Especially designed or prepared systems, equipment and components for use in laser-based enrichment plants.**

**5.7.1, Uranium vaporization systems (AVUS)**

Especially designed or prepared uranium vaporization systems which contain high-power strip or scanning electron beam guns with a delivered power on the target of more than 2.5 kW/cm.

**5.7.2, Liquid uranium metal handling systems (AVUS)**

Especially designed or prepared liquid metal handling systems for molten uranium or uranium alloys, consisting of crucibles and cooling equipment for the crucibles.

**5.7.3, Uranium metal "product" and 'tails' collector assemblies (AVLIS)**

Especially designed or prepared 'product' and 'tails' collector assemblies for uranium metal in liquid or solid form,

**5.7.4. Separator module housings (AVLIS)**

Especially designed or prepared cylindrical or rectangular vessels for containing the uranium metal vapor source, the electron beam gun, and the "product" and 'tails' collectors,

**5.7.5. Supersonic expansion nozzles (MLIS)**

Especially designed or prepared supersonic expansion nozzles for cooling mixtures of UF<sub>6</sub> and carrier gas to 150 K or less and which are corrosion resistant to UF<sub>6</sub>.

**5.7.6. Uranium pentafluoride product collectors (MLIS)\***

Especially designed or prepared uranium pentafluoride (UF<sub>5</sub>) solid product collectors consisting of filter, impact, or cyclone-type collectors, or combinations thereof, and which are corrosion resistant to the UF<sub>5</sub>/UF<sub>6</sub> environment,

**5.7.7. UF<sub>6</sub>/carrier gas compressors (MLIS)**

Especially designed or prepared compressors for UF<sub>6</sub>/carrier gas mixtures, designed for long term operation in a UF<sub>6</sub> environment. The components of these compressors that come into contact with process gas are made of or protected by materials resistant to corrosion by UF<sub>6</sub>.

#### **5.7.8. Rotary shaft seals (MLIS)**

Especially designed or prepared rotary shaft seals, with seal feed and sea! exhaust connections, for sealing the shaft connecting the compressor rotor with the driver motor so as to ensure a reliable seal against out-leakage of process gas or in-leakage of air or sea! gas into the inner chamber of the compressor which is filled with a UF6/carrier gas mixture.

#### **5.7.9. Fluorination systems (MLIS)**

Especially designed or prepared systems for fluorinating UF5 (solid) to UF6 (gas).

#### **5.7.10. UF6 mass spectrometers/ion sources (MLIS)**

Especially designed or prepared magnetic or quadrupole mass spectrometers capable of taking 'on-line' samples of feed, 'product' or 'tails', from UF6 gas streams and having all of the following characteristics:

- 1 Unit resolution for mass greater than 320;
- 2 Ion sources constructed of .-or lined with nichrome or mone! or nickel plated;
- 3 Electron bombardment ionization sources;
- 4 Collector system suitable for isotopic analysis.

#### **5.7.11. Feed systems/product and tails withdrawal systems (MLIS)**

Especially designed or prepared process systems or equipment for enrichment plants made of or protected by materials resistant to corrosion by UF6, including:

- (a) Feed autoclaves, ovens, or systems used for passing UF6 to the enrichment process;
- (b) Desublimers (or cold traps) used to remove UF6 from the enrichment process for subsequent transfer upon heating;
- (c) Solidification or liquefaction stations used to remove UF6 from the enrichment process by compressing and converting UF6 to a liquid or solid form;
- (d) 'Product' or 'tails' stations used for transferring UF6 into containers.



#### **5.7.12. UF<sub>6</sub>/carrier gas separation systems (MLIS)**

Especially designed or prepared process systems for separating UF<sub>6</sub> from carrier gas. The carrier gas may be nitrogen, argon, or other gas.

#### **5.7.13. Laser systems (AVUS, MLIS and CRISLA)**

Lasers or laser systems especially designed or prepared for the separation of uranium isotopes.

### **5.8. Especially designed or prepared systems, equipment and components for use in plasma separation enrichment plants.**

#### **5.8.1. Microwave power sources and antennae**

Especially designed or prepared microwave power sources and antennae for producing or accelerating ions and having the following characteristics: greater than 30 GHz frequency and greater than 50 kW mean power output for ion production.

#### **5.8.2. Ion excitation coils**

Especially designed or prepared radio frequency ion excitation coils for frequencies of more than 100 kHz and capable of handling more than 40 kW mean power.

#### **5.8.3. Uranium plasma generation systems**

Especially designed or prepared systems for the generation of uranium plasma, which may contain high-power strip or scanning electron beam guns with a delivered power on the target of more than 2.5 kW/crn.

#### **5.8.4. Liquid uranium metal handling systems**

Especially designed or prepared liquid metal handling systems for molten uranium or uranium alloys, consisting of crucibles and cooling equipment for the crucibles.

#### **5.8.5. Uranium metal 'product' and 'tails' collector assemblies**

Especially designed or prepared 'product' and 'tails' collector assemblies for uranium metal in solid form. These collector assemblies are made of or protected by materials resistant to the heat and corrosion of uranium metal vapor, such as yttria-coated graphite or tantalum.

#### **5.8.6. Separator module housings**

Cylindrical vessels especially designed or prepared for use in plasma separation enrichment plants for containing the uranium plasma source, radio-frequency drive coil and the 'product' and 'tails' collectors.

## **5.9. Especially designed or prepared systems, equipment and components for use in electromagnetic enrichment plants.**

### **5.9.1. Electromagnetic isotope separators**

Electromagnetic isotope separators especially designed or prepared for the separation of uranium isotopes, and equipment and components therefor, including:

(a) Ion sources

Especially designed or prepared single or multiple uranium ion sources consisting of a vapor source, ionizer, and beam accelerator, constructed of suitable materials such as graphite, stainless steel, or copper, and capable of providing a total ion beam current of 50 mA or greater.

(b) Ion collectors

Collector plates consisting of two or more slits and pockets especially designed or prepared for collection of enriched and depleted uranium ion beams and constructed of suitable materials such as graphite or stainless steel.

(c) Vacuum housings

Especially designed or prepared vacuum housings for uranium electromagnetic separators, constructed of suitable non-magnetic materials such as stainless steel and designed for operation at pressures of 0.1 Pa or lower.

(d) Magnet pole pieces

Especially designed or prepared magnet pole pieces having a diameter greater than 2 m used to maintain a constant magnetic field within an electromagnetic isotope separator and to transfer the magnetic field between adjoining separators.

### **5.9.2. High voltage power supplies**

Especially designed or prepared high-voltage power supplies for ion sources, having all of the following characteristics: capable of continuous operation, output voltage of 20,000 V or greater, output current of 1 A or greater, and voltage regulation of better than 0.01% over a time period of 8 hours.

### **5.9.3. Magnet power supplies**

Especially designed or prepared high-power, direct current magnet power supplies having all of the following characteristics: capable of continuously

producing a current output of 500 A or greater at a voltage of 100 V or greater and with a current or voltage regulation better than 0.01% over a period of 8 hours.

## **6. PLANTS FOR THE PRODUCTION OR CONCENTRATION OF HEAVY WATER, DEUTERIUM AND DEUTERIUM COMPOUNDS AND EQUIPMENT ESPECIALLY DESIGNED OR PREPARED THEREFOR**

Items especially designed or prepared for heavy water production, either by the water-hydrogen sulphide exchange process, either by the ammonia-hydrogen exchange process:

### **6.1. Water - Hydrogen Sulphide Exchange Towers**

Exchange towers fabricated from fine carbon steel (such as ASTM A516) with diameters of 6 m (20 ft) to 9 m (30 ft), capable of operating at pressures greater than or equal to 2 MPa (300 psr) and with a corrosion allowance of 6 mm or greater, especially designed or prepared for heavy water production utilizing the water-hydrogen sulphide exchange process.

### **6.2. Blowers and Compressors**

Single stage, low head (i.e., 0.2 MPa or 30 psi) centrifugal blowers or compressors for hydrogen-sulphide gas circulation (i.e., gas containing more than 70% H<sub>2</sub>S) especially designed or prepared for heavy water production utilizing the water-hydrogen sulphide exchange process. These blowers or compressors have a throughput capacity greater than or equal to 56 m<sup>3</sup>/second (120,000 SCFM) while operating at pressures greater than or equal to 1.8 MPa (260 psi) suction and have seals designed for wet H<sub>2</sub>S service.

### **6.3. Ammonia-Hydrogen Exchange Towers**

Ammonia-hydrogen exchange towers greater than or equal to 35 m (114.3 ft) in height with diameters of 1.5 m (4.9 ft) to 2.5 m (8.2 ft) capable of operating at pressures greater than 15 MPa (2225 psi) especially designed or prepared for heavy water production utilizing the ammonia-hydrogen exchange process. These towers also have at least one flanged, axial opening of the same diameter as the cylindrical part through which the tower internals can be inserted or withdrawn.

### **6.4. Tower Internals and Stage Pumps**

Tower internals and stage pumps especially designed or prepared for towers for heavy water production utilizing the ammonia-hydrogen exchange process. Tower internals include especially designed stage contactors which promote intimate gas/liquid contact. Stage pumps include especially

designed submersible pumps for circulation of liquid ammonia within a contacting stage internal to the stage towers.

#### **6.5. Ammonia Crackers**

Ammonia crackers with operating pressures greater than or equal to 3 MPa (450 psi) especially designed or prepared for heavy water production utilizing the ammonia-hydrogen exchange process.

#### **6.6. Infrared Absorption Analyzers**

infrared absorption analyzers capable of "on-line" hydrogen/deuterium ratio analysis where deuterium concentrations are equal to or greater than 90%.

#### **6.7. Catalytic Burners**

Catalytic burners for the conversion of enriched deuterium gas into heavy water especially designed or prepared for heavy water production utilizing the ammonia-hydrogen exchange process.

6.8. Complete heavy water upgrade systems or columns therefor

Complete heavy water upgrade systems, or columns therefor, especially designed or prepared for the upgrade of heavy water to reactor-grade deuterium concentration.

### **7. PLANTS FOR THE CONVERSION OF URANIUM AND PLUTONIUM FOR USE IN THE FABRICATION OF FUEL ELEMENTS AND THE SEPARATION OF URANIUM ISOTOPES AS DEFINED IN SECTIONS 4 AND 5 RESPECTIVELY, AND EQUIPMENT ESPECIALLY DESIGNED OR PREPARED THEREFOR**

- 7.1. Plants for the conversion of uranium and equipment especially designed or prepared therefor
  - 7.1.1. Especially designed or prepared systems for the conversion of uranium ore concentrates to UO<sub>3</sub>
  - 7.1.2. Especially designed or prepared systems for the conversion of UO<sub>3</sub> to UF<sub>6</sub>
  - 7.1.3. Especially designed or prepared systems for the conversion of UO<sub>3</sub> to UO<sub>2</sub>
  - 7.1.4. Especially designed or prepared systems for the conversion of UO<sub>2</sub> to UF<sub>4</sub>

- 7.1.5. Especially designed or prepared systems for the conversion of UF<sub>4</sub> to UF<sub>6</sub>
- 7.1.6. Especially designed or prepared systems for the conversion of UF<sub>4</sub> to U metal
- 7.1.7. Especially designed or prepared systems for the conversion of UF<sub>6</sub> to UO<sub>2</sub>
- 7.1.8. Especially designed or prepared systems for the conversion of UF<sub>6</sub> to UF<sub>4</sub>
- 7.1.9. Especially designed or prepared systems for the conversion of UO<sub>2</sub> to UCl<sub>4</sub>
- 7.2. Plants for the conversion of plutonium and equipment especially designed or prepared therefor
  - 7.2.1. Especially designed or prepared systems for the conversion of Plutonium nitrate to oxide
  - 7.2.2. Especially designed or prepared systems for plutonium metal production



**131. Agreement between the Government of India and the International Atomic Energy Agency for the Application of Safeguards to Civilian Nuclear Facilities**

**Vienna, February 2, 2009.**

*[1. The text of the Agreement between the Government of India and the International Atomic Energy Agency for the Application of Safeguards to Civilian Nuclear Facilities is reproduced in this document for the information of all Members of the Agency. The Board of Governors approved the Agreement on 1 August 2008. It was signed in Vienna on 2 February 2009.*

*2. Pursuant to paragraph 108 of the Agreement, the Agreement entered into force on 11 May 2009, the date on which the Agency received from India written notification that India's statutory and constitutional requirements for entry into force had been met.]*

**RECOGNIZING** the significance India attaches to civilian nuclear energy as an efficient, clean and sustainable energy source for meeting global energy demand, in particular for meeting India's growing energy needs;

**WHEREAS** India is committed to the full development of its national three-stage nuclear programme to meet the twin challenges of energy security and protection of the environment;

**WHEREAS** India has a sovereign and inalienable right to carry out nuclear research and development activities for the welfare of its people and other peaceful purposes;

**WHEREAS** India, a State with advanced nuclear technology, wishes to expand civil nuclear cooperation for its national development;

**WHEREAS** India is desirous of further expanding cooperation with the International Atomic Energy Agency (hereinafter referred to as "the Agency") and its Member States with the objective of the full development and use of nuclear energy for peaceful purposes, on a stable, reliable and predictable basis;

**WHEREAS** India supports the role of the Agency in the promotion of the safe and peaceful uses of nuclear energy as set forth in the Statute of the Agency (hereinafter referred to as the "Statute");

**WHEREAS** India and the Agency have long standing cooperation in various aspects of the Agency's activities;

**RECOGNIZING** that such cooperation between India and the Agency must be carried out with full respect for the objectives of the Statute and with due observance of the sovereign rights of India;

**WHEREAS** the Statute authorizes the Agency to apply safeguards, at the request of the parties, to any bilateral or multilateral arrangement, or at the request of a State to any of the State's activities in the field of atomic energy and, in this context:

**Noting** the relevance for this Agreement of the understandings between India and the United States of America expressed in the India-U.S. Joint Statement of 18 July 2005, in which India, inter alia, has stated its willingness:

- to identify and separate its civilian and military nuclear facilities and programmes in a phased manner;
- to file with the Agency a declaration regarding its civilian nuclear facilities (hereinafter referred to as "the Declaration");
- to take a decision to place voluntarily its civilian nuclear facilities under Agency safeguards;

**Noting** also for the purposes of this Agreement that:

- India will place its civilian nuclear facilities under Agency safeguards so as to facilitate full civil nuclear cooperation between India and Member States of the Agency and to provide assurance against withdrawal of safeguarded nuclear material from civilian use at any time;
- An essential basis of India's concurrence to accept Agency safeguards under an India-specific safeguards agreement (hereinafter referred to as "this Agreement") is the conclusion of international cooperation arrangements creating the necessary conditions for India to obtain access to the international fuel market, including reliable, uninterrupted and continuous access to fuel supplies from companies in several nations, as well as support for an Indian effort to develop a strategic reserve of nuclear fuel to guard against any disruption of supply over the lifetime of India's reactors; and
- India may take corrective measures to ensure uninterrupted operation of its civilian nuclear reactors in the event of disruption of foreign fuel supplies;

**WHEREAS** India is desirous of expanding civil nuclear cooperation with other Member States of the Agency;

**WHEREAS** the conclusion of this Agreement is intended to facilitate the broadest possible cooperation between India and Member States of the Agency in the peaceful uses of nuclear energy and ensure international participation in the further development of India's civilian nuclear programme on a sustained and long-term basis;

**RECALLING** that the Agency in accordance with its Statute and safeguards system must take into account, in the implementation of safeguards in India, the need to avoid hampering the peaceful uses of nuclear energy, economic and technological development or international cooperation in the field of peaceful uses of nuclear energy; respect health, safety and physical protection and related security provisions in force in India; and take every precaution to protect commercial, technological and industrial secrets as well as other confidential information coming to its knowledge;

**WHEREAS** the frequency and intensity of activities described in this Agreement shall be kept to the minimum consistent with the objective of effective and efficient Agency safeguards;

**WHEREAS** India has requested the Agency to apply safeguards with respect to items subject to this Agreement;

**WHEREAS** the Board of Governors of the Agency (hereinafter referred to as the "Board") acceded to that request on 1 August 2008;

**NOW THEREFORE**, taking into account the above, India and the Agency have agreed as follows:

## **I. GENERAL CONSIDERATIONS**

### **A. BASIC UNDERTAKINGS**

1. India undertakes that none of the items subject to this Agreement, as defined in paragraph 11, shall be used for the manufacture of any nuclear weapon or to further any other military purpose and that such items shall be used exclusively for peaceful purposes and shall not be used for the manufacture of any nuclear explosive device.

2. The Agency undertakes to apply safeguards, in accordance with the terms of this Agreement, to the items subject to this Agreement, as defined in



paragraph 11, so as to ensure, as far as it is able, that no such item is used for the manufacture of any nuclear weapon or to further any other military purpose and that such items are used exclusively for peaceful purposes and not for the manufacture of any nuclear explosive device.

## **B. GENERAL PRINCIPLES**

**3.** The purpose of safeguards under this Agreement is to guard against withdrawal of safeguarded nuclear material from civilian use at any time.

**4.** The application of safeguards under this Agreement is intended to facilitate implementation of relevant bilateral or multilateral arrangements to which India is a party, which are essential to the accomplishment of the objective of this Agreement.

**5.** Bearing in mind Article II of the Statute, the Agency shall implement safeguards in a manner designed to avoid hampering India's economic or technological development, and not to hinder or otherwise interfere with any activities involving the use by India of nuclear material, non-nuclear material, equipment, components, information or technology produced, acquired or developed by India independent of this Agreement for its own purposes.

**6.** The safeguards procedures set forth in this document shall be implemented in a manner designed to be consistent with prudent management practices required for the economic and safe conduct of nuclear activities.

**7.** In implementing safeguards, the Agency shall take every precaution to protect commercial and industrial secrets. No member of the Agency's staff shall disclose, except to the Director General and to such other members of the staff as the Director General may authorize to have such information by reason of their official duties in connection with safeguards, any commercial or industrial secret or any other confidential information coming to his knowledge by reason of the implementation of safeguards by the Agency.

**8.** The Agency shall not publish or communicate to any State, organization or person any information obtained by it in connection with the implementation of safeguards in India, except that:

**(a)** Specific information relating to such implementation in India may be given to the Board and to such Agency staff members as require such knowledge by reason of their official duties in connection with

safeguards, but only to the extent necessary for the Agency to fulfil its safeguards responsibilities;

- (b) Summarized lists of items being safeguarded by the Agency may be published upon decision of the Board; and
- (c) Additional information may be published upon decision of the Board and if all States directly concerned agree.

9. In the light of Article XII.A.5 of the Statute, safeguards shall continue with respect to produced special fissionable material and to any materials substituted therefor.

10. Nothing in this Agreement shall affect other rights and obligations of India under international law.

## **II. CIRCUMSTANCES REQUIRING SAFEGUARDS**

### **A. ITEMS SUBJECT TO THIS AGREEMENT**

11. The items subject to this Agreement shall be:

- (a) Any facility listed in the Annex to this Agreement, as notified by India pursuant to paragraph 14(a) of this Agreement;
- (b) Any nuclear material, non-nuclear material, equipment and components supplied to India which are required to be safeguarded pursuant to a bilateral or multilateral arrangement to which India is a party;
- (c) Any nuclear material, including subsequent generations of special fissionable material, produced, processed or used in or by the use of a facility listed in the Annex or in or by the use of any nuclear material, non-nuclear material, equipment and components referred to in paragraph 11(b);
- (d) Any nuclear material substituted in accordance with paragraph 27 or 30(d) of this Agreement for nuclear material referred to in paragraph 11(b) or 11(c) of this Agreement;
- (e) Any heavy water substituted in accordance with paragraph 32 of this Agreement for heavy water subject to this Agreement;
- (f) Any facility other than a facility identified in paragraph 11(a) above, or any other location in India, while producing, processing, using, fabricating or storing any nuclear material, non-nuclear material,

equipment or components referred to in paragraph 11(b), (c), (d) or (e) of this Agreement, as notified by India pursuant to paragraph 14(b) of this Agreement.

12. The scope of this Agreement is limited to the items subject to this Agreement as defined in paragraph 11 above.

#### **Declaration**

13. Upon entry into force of this Agreement, and a determination by India that all conditions conducive to the accomplishment of the objective of this Agreement are in place, India shall file with the Agency a Declaration, based on its sovereign decision to place voluntarily its civilian nuclear facilities under Agency safeguards in a phased manner.

#### **Notifications**

14. (a) India, on the basis of its sole determination, shall notify the Agency in writing of its decision to offer for Agency safeguards a facility identified by India in the Declaration referred to in paragraph 13, or any other facility to be determined by India. Any facility so notified by India to the Agency will be included in the Annex, and become subject to this Agreement, as of the date of receipt by the Agency of such written notification from India.

(b) Should India, on the basis of its sole determination, decide to import or transfer any nuclear material, non-nuclear material, equipment or components subject to this Agreement to any facility or other location in India provided for in paragraph 11(f) of this Agreement, it shall so notify the Agency. Any such facility or location so notified by India pursuant to this sub-paragraph shall become subject to this Agreement as of the date of receipt by the Agency of such written notification from India.

15. India shall notify the Agency of the receipt of any nuclear material, non-nuclear material, equipment and components referred to in paragraph 11(b) of this Agreement within four weeks of the arrival in India of such nuclear material, non-nuclear material, equipment and components.

#### **Provision of Information to the Agency**

16. In the event that India's notification pursuant to paragraph 14(a) of this Agreement relates to a facility subject to Agency safeguards under another Safeguards Agreement or Agreements in India at the time of entry into force of this Agreement, India shall provide the Agency, along with the relevant notification, such information as is required pursuant to the other

Safeguards Agreement or Agreements as relates to any nuclear material, non-nuclear material, equipment and components subject to safeguards thereunder.

**17.** With respect to any other facility listed in the Annex pursuant to paragraph 14(a) of this Agreement, India shall provide the Agency, within four weeks of the relevant notification, with:

- (a)** a list of all nuclear material at each such facility; and
- (b)** where relevant, and if required pursuant to a bilateral or multilateral arrangement to which India is party, information relating to:
  - (i)** Any nuclear material, non-nuclear material, equipment and components supplied to India for production, processing, storage or use in such facility;
  - (ii)** Any nuclear material, including subsequent generations of special fissionable material, produced, processed or used in or by the use of such facility or in or by the use of any nuclear material, non-nuclear material, equipment and components supplied to India for production, processing or use in such facility.

**18.** Each notification pursuant to paragraph 15 of the Agreement shall include all information relevant to the nuclear material, non-nuclear material, equipment and components so notified, including the facility or location where the nuclear material, non-nuclear material, equipment and components so notified will be received.

**19.** The information provided by India pursuant to paragraphs 16, 17 and 18 of this Agreement shall specify, inter alia, to the extent relevant, the nuclear and chemical composition, physical form and quantity of the nuclear material; the date of shipment; the date of receipt; the identity of the consigner and the consignee; and any other relevant information, such as the type and capacity of any facility (or parts thereof), components or equipment; and the type and quantity of non-nuclear material. In the case of a facility or other location subject to this Agreement, the information to be provided shall include the type and capacity of that facility or location, and any other relevant information.

**20.** India shall thereafter notify the Agency by means of reports, in accordance with this Agreement, of any nuclear material, non-nuclear material, equipment and components referred to in paragraph 11(b), (c), (d) or (e) of this Agreement. The Agency may verify the calculations of the

amounts and/or quantities of such nuclear material, non-nuclear material, equipment and components, and appropriate adjustments shall be made by agreement between India and the Agency.

21. The Agency shall maintain an inventory of items subject to this Agreement. The Agency shall send a copy of the inventory it maintains with respect to such information to India every twelve months and also at any other times specified by India in a request communicated to the Agency at least two weeks in advance.

#### **B. SAFEGUARDS UNDER OTHER AGREEMENTS**

22. The application of Agency safeguards under other Safeguards Agreements concluded by India with the Agency and in force at the time of entry into force of this Agreement may, subject to agreement by the Parties to such other Safeguards Agreements and following notification by India of the relevant facilities pursuant to paragraph 14(a), be suspended while this Agreement is in force. The application of safeguards under this Agreement to nuclear material, non-nuclear material, equipment or components subject to safeguards under such other Agreements shall commence as of the date of receipt by the Agency of India's notification. India's undertaking not to use items subject thereto in such a way as to further any military purpose, and its undertaking that such items shall be used exclusively for peaceful purposes and shall not be used for the manufacture of any nuclear explosive device, shall continue to apply.

#### **C. EXEMPTIONS FROM SAFEGUARDS**

##### **General Exemptions**

23. Nuclear material that would otherwise be subject to safeguards shall be exempted from safeguards at the request of India, provided that the material so exempted in India may not at any time exceed:

(a) 1 kilogram in total of special fissionable material, which may consist of one or more of the following:

(i) Plutonium;

(ii) Uranium with an enrichment of 0.2 (20 %) and above, taken account of by multiplying its weight by its enrichment;

(iii) Uranium with an enrichment below 0.2 (20 %) and above that of natural uranium, taken account of by multiplying its weight by five times the square of its enrichment;

- (b) 10 metric tons in total of natural uranium and depleted uranium with an enrichment above 0.005 (0.5 %);
- (c) 20 metric tons of depleted uranium with an enrichment of 0.005 (0.5 %) or below; and
- (d) 20 metric tons of thorium.

#### **Exemptions Related to Reactors**

**24.** Produced or used nuclear material that would otherwise be subject to safeguards because it is being or has been produced, processed or used in a reactor which has been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement or unilaterally submitted to safeguards under a safeguards agreement; or because it is being or has been produced in or by the use of safeguarded nuclear material, shall be exempted from safeguards if:

- (a) It is plutonium produced in the fuel of a reactor whose rate of production does not exceed 100 grams of plutonium per year; or
- (b) It is produced in a reactor determined by the Agency to have a maximum calculated power for continuous operation of less than 3 thermal megawatts, or is used in such a reactor and would not be subject to safeguards except for such use, provided that the total power of the reactors with respect to which these exemptions apply in any State may not exceed 6 thermal megawatts.

**25.** Produced special fissionable material that would otherwise be subject to safeguards only because it has been produced in or by the use of safeguarded nuclear material shall in part be exempted from safeguards if it is produced in a reactor in which the ratio of fissionable isotopes within safeguarded nuclear material to all fissionable isotopes is less than 0.3 (calculated each time any change is made in the loading of the reactor and assumed to be maintained until the next such change). Such fraction of the produced material as corresponds to the calculated ratio shall be subject to safeguards.

#### **D. SUSPENSION OF SAFEGUARDS**

**26.** Safeguards with respect to nuclear material may be suspended while the material is transferred, under an arrangement or agreement approved by the Agency, for the purpose of processing, reprocessing, testing, research or development, within India or to any other Member State or to

an international organization, provided that the quantities of nuclear material with respect to which safeguards are thus suspended in India may not at any time exceed:

- (a) 1 effective kilogram of special fissionable material;
- (b) 10 metric tons in total of natural uranium and depleted uranium with an enrichment 0.005 (0.5 %);
- (c) 20 metric tons of depleted uranium with an enrichment of 0.005 (0.5 %) or below; and
- (d) 20 metric tons of thorium.

27. Safeguards with respect to nuclear material in irradiated fuel which is transferred for the purpose of reprocessing may also be suspended if the State or States concerned have, with the agreement of the Agency, placed under safeguards substitute nuclear material in accordance with paragraph 30(d) of this Agreement for the period of suspension. In addition, safeguards with respect to plutonium contained in irradiated fuel which is transferred for the purpose of reprocessing may be suspended for a period not to exceed six months if the State or States concerned have, with the agreement of the Agency, placed under safeguards a quantity of uranium whose enrichment in the isotope uranium-235 is not less than 0.9 (90%) and the uranium-235 content of which is equal in weight to such plutonium. Upon expiration of the said six months or the completion of reprocessing, whichever is earlier, safeguards shall, with the agreement of the Agency, be applied to such plutonium and shall cease to apply to the uranium substituted therefor.

28. Under conditions specified in the Subsidiary Arrangements, the Agency shall suspend safeguards with respect to any parts of the facilities listed in the Annex which are removed for maintenance or repair.

#### **E. TERMINATION OF SAFEGUARDS**

29. The termination of safeguards on items subject to this Agreement shall be implemented taking into account the provisions of GOV/1621 (20 August 1973).

30. Nuclear material shall no longer be subject to safeguards under this Agreement after:

- (a) It has been returned to the State that originally supplied it (whether directly or through the Agency), if it was subject to safeguards only by reason of such supply and if:

- (i) It was not improved while under safeguards; or
    - (ii) Any special fissionable material that was produced in it under safeguards has been separated out, or safeguards with respect to such produced material have been terminated; or
  - (b) The Agency has determined that:
    - (i) It was subject to safeguards only by reason of its use in a principal nuclear facility which has been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement or unilaterally submitted to safeguards under a safeguards agreement;
    - (ii) It has been removed from such a facility; and
    - (iii) Any special fissionable material that was produced in it under safeguards has been separated out, or safeguards with respect to such produced material have been terminated; or
  - (c) The Agency has determined that it has been consumed, or has been diluted in such a way that it is no longer usable for any nuclear activity relevant from the point of view of safeguards, or has become practicably irrecoverable; or
  - (d) India has, with the agreement of the Agency, placed under safeguards, as a substitute, such amount of the same element, not otherwise subject to safeguards, as the Agency has determined contains fissionable isotopes:
    - (i) Whose weight (with due allowance for processing losses) is equal to or greater than the weight of the fissionable isotopes of the material with respect to which safeguards are to terminate; and
    - (ii) Whose ratio by weight to the total substituted element is similar to or greater than the ratio by weight of the fissionable isotopes of the material with respect to which safeguards are to terminate to the total weight of such material;
- provided** that the Agency may agree to the substitution of plutonium for uranium-235 contained in uranium whose enrichment is not greater than 0.05 (5.0 %); or
- (e) It has been transferred out of India under paragraph 33(d) of this Agreement, provided that such material shall again be subject to safeguards if it is returned to India; or



(f) The terms of this Agreement, pursuant to which it was subject to safeguards under this Agreement, no longer apply, by expiration of this Agreement or otherwise.

**31.** If India wishes to use safeguarded source material for non-nuclear purposes, such as the production of alloys or ceramics, it shall agree with the Agency on the circumstances under which the safeguards on such material may be terminated.

**32.** Safeguards shall be terminated on a facility listed in the Annex after India and the Agency have jointly determined that the facility is no longer usable for any nuclear activity relevant from the point of view of safeguards. Safeguards on non-nuclear material, equipment and components subject to this Agreement may be terminated as and when the non-nuclear material, equipment or components have been returned to the supplier or arrangements have been made by the Agency to safeguard the non-nuclear material, equipment or components in the State to which it is being transferred, or when India and the Agency have jointly determined that the non-nuclear material, equipment or component in question has been consumed, is no longer usable for any nuclear activity relevant from the point of view of safeguards or has become practicably irrecoverable.

Safeguards may be terminated on heavy water upon India's placing under safeguards as substitute the same amount of heavy water of equivalent or better heavy water concentration.

#### **F. TRANSFERS**

**33.** No safeguarded nuclear material shall be transferred outside the jurisdiction of India until the Agency has satisfied itself that one or more of the following conditions apply:

(a) The material is being returned, under the conditions specified in paragraph 30(a) of this Agreement, to the State that originally supplied it; or

(b) The material is being transferred subject to the provisions of paragraph 26 or 27 of this Agreement; or

(c) Arrangements have been made by the Agency to safeguard the material in the State to which it is being transferred; or

(d) The material was not subject to safeguards pursuant to a project agreement and will be subject, in the State to which it is being transferred, to safeguards other than those of the Agency but generally consistent with such safeguards and accepted by the Agency.

**34.** India shall notify the Agency of its intention to transfer within its jurisdiction any nuclear material, non-nuclear material, equipment or component subject to this Agreement to any facility or location in India to which paragraph 11(f) applies and shall provide to the Agency, before such transfer is effected, the necessary information to enable the Agency to make arrangements for the application of safeguards to such nuclear material, non-nuclear material, equipment or component after its transfer. The Agency shall also be given the opportunity as early as possible in advance of such a transfer to review the design of the facility for the sole purpose of determining that the arrangements provided for in this Agreement can be effectively applied. India may transfer the nuclear material, non-nuclear material, equipment or component only after the Agency has confirmed that it has made such arrangements.

**35.** India shall notify the Agency of its intention to transfer any nuclear material, non-nuclear material, equipment or component subject to this Agreement to a recipient which is not under the jurisdiction of India. Except as provided for in paragraph 30(a) of this Agreement, such nuclear material, non-nuclear material, equipment or component shall be so transferred only after the Agency has informed India that it has satisfied itself that Agency safeguards will apply with respect to the nuclear material, non-nuclear material, equipment or component in the recipient country. Upon receipt by the Agency of the notification of transfer from India and the confirmation of receipt by the recipient country, safeguards on such nuclear material, non-nuclear material, equipment or component shall be terminated under this Agreement.

**36.** The notifications referred to in paragraphs 34 and 35 of this Agreement shall be made to the Agency sufficiently in advance to enable it to make the arrangements required before the transfer is effected. The Agency shall promptly take any necessary action. The time limits for and the contents of these notifications shall be set out in the Subsidiary Arrangements.

### **III. SAFEGUARDS PROCEDURES**

#### **A. GENERAL PROCEDURES**

##### **Introduction**

**37.** The safeguards procedures to be applied by the Agency are those specified in this Agreement, as well as such additional procedures as result from technological developments, and other procedures as may be agreed

to between the Agency and India. The safeguards procedures set forth below shall be followed, as far as relevant, with respect to any item subject to this Agreement.

**38.** The Agency shall conclude with India Subsidiary Arrangements concerning the implementation of the safeguards procedures referred to above. The Subsidiary Arrangements shall also include any necessary arrangements for the application of safeguards to any item subject to this Agreement, including such containment and surveillance measures as are required for the effective implementation of safeguards. The Subsidiary Arrangements shall enter into force no later than six months after entry into force of this Agreement.

#### **Design Review**

**39.** The Agency shall review the design of principal nuclear facilities, for the sole purpose of satisfying itself that a facility will permit the effective application of safeguards.

**40.** The design review of a principal nuclear facility shall take place at as early a stage as possible. In particular, such review shall be carried out in the case of:

- (a) An Agency project, before the project is approved;
- (b) A bilateral or multilateral arrangement under which the responsibility for administering safeguards is to be transferred to the Agency, or an activity or facility unilaterally submitted by India, before the Agency assumes safeguards responsibilities with respect to the facility;
- (c) A transfer of safeguarded nuclear material to a principal nuclear facility whose design has not previously been reviewed, before such transfer takes place; and
- (d) A significant modification of a principal nuclear facility whose design has previously been reviewed, before such modification is undertaken.

**41.** To enable the Agency to perform the required design review, India shall submit to it relevant design information sufficient for the purpose, including information on such basic characteristics of the principal nuclear facility as may bear on the Agency's safeguards procedures. The Agency shall require only the minimum amount of information and data consistent

with carrying out its responsibility under this section. It shall complete the review promptly after the submission of this information by India and shall notify the latter of its conclusions without delay.

**42.** If the Agency wishes to examine design information which India regards as sensitive, the Agency shall, if India so requests, conduct the examination on premises in India. Such information should not be physically transmitted to the Agency provided that it remains readily available for examination by the Agency in India.

### **Records**

**43.** India shall arrange for the keeping of records with respect to principal nuclear facilities and also with respect to all safeguarded nuclear material outside such facilities. For this purpose India and the Agency shall agree on a system of records with respect to each facility and also with respect to such material, on the basis of proposals to be submitted by India in sufficient time to allow the Agency to review them before the records need to be kept.

**44.** All records shall be kept in English.

**45.** The records shall consist, as appropriate, of:

**(a)** Accounting records of all safeguarded nuclear material; and

**(b)** Operating records for principal nuclear facilities.

**46.** All records shall be retained for at least two years.

### **Reports**

#### **General Requirements**

**47.** India shall submit to the Agency reports with respect to the production, processing and use of safeguarded nuclear material in or outside principal nuclear facilities. For this purpose, India and the Agency shall agree on a system of reports with respect to each facility and also with respect to safeguarded nuclear material outside such facilities, on the basis of proposals to be submitted by India in sufficient time to allow the Agency to review them before the reports need to be submitted. The reports need include only such information as is relevant for the purpose of safeguards.

48. All reports shall be submitted in English.

#### **Routine Reports**

49. Routine reports shall be based on the records compiled in accordance with paragraphs 43 to 46 of this Agreement and shall consist, as appropriate, of:

- (a) Accounting reports showing the receipt, transfer out, inventory and use of all safeguarded nuclear material. The inventory shall indicate the nuclear and chemical composition and physical form of all material and its location on the date of the report; and
- (b) Operating reports showing the use that has been made of each principal nuclear facility since the last report and, as far as possible, the programme of future work in the period until the next routine report is expected to reach the Agency.

50. The first routine report shall be submitted as soon as:

- (a) There is any safeguarded nuclear material to be accounted for; or
- (b) The principal nuclear facility to which it relates is in a condition to operate.

#### **Progress in Construction**

51. The Agency may request information as to when particular stages in the construction of a principal nuclear facility have been or are to be reached.

#### **Special Reports**

52. India shall report to the Agency without delay:

- (a) If any unusual incident occurs involving actual or potential loss or destruction of, or damage to, any safeguarded nuclear material or principal nuclear facility;
- (b) If there is good reason to believe that safeguarded nuclear material is lost or unaccounted for in quantities that exceed the normal operating and handling losses that have been accepted by the Agency as characteristic of the facility; or
- (c) Disruption of operation of facilities listed in the Annex on account of material violation or breach of bilateral or multilateral arrangements to which India is a party.

53. India shall report to the Agency, as soon as possible, and in any case within two weeks, any transfer not requiring advance notification that will result in a significant change (to be defined by the Agency in agreement with India) in the quantity of safeguarded nuclear material in a principal nuclear facility. Such report shall indicate the amount and nature of the material and its intended use.

#### **Amplification of Reports**

54. At the Agency's request, India shall submit amplifications or clarifications of any report, in so far as relevant for the purpose of safeguards.

#### **Inspections**

##### **General Procedures**

55. The Agency may inspect any items subject to this Agreement.

56. The purpose of safeguards inspections under this Agreement shall be to verify compliance by India with this Agreement and to assist India in complying with this Agreement and in resolving any questions arising out of the implementation of safeguards.

57. The number, duration and intensity of inspections actually carried out shall be kept to the minimum consistent with the effective implementation of safeguards, and if the Agency considers that the authorized inspections are not all required, fewer shall be carried out.

58. Inspectors shall neither operate any facility themselves nor direct the staff of a facility to carry out any particular operation.

##### **Routine Inspections**

59. Routine inspections may include, as appropriate:

- (a) Audit of records and reports;
- (b) Verification of the amount of safeguarded nuclear material by physical inspection, measurement and sampling;
- (c) Examination of principal nuclear facilities, including a check of their measuring instrument and operating characteristics; and
- (d) Check of the operations carried out at principal nuclear facilities.

60. Whenever the Agency has the right of access to a principal nuclear facility at all times, it may perform inspections of which notice as required

by paragraph 4 of the Inspectors Document need not be given, in so far as this is necessary for the effective application of safeguards. The actual procedures to implement these provisions shall be agreed upon between India and the Agency.

#### **Initial Inspections of a Principal Nuclear Facility**

**61.** To verify that the construction of a principal nuclear facility is in accordance with the design reviewed by the Agency, an initial inspection or inspections of the facility may be carried out:

- (a) As soon as possible after the facility has come under Agency safeguards, in the case of a facility already in operation; and
- (b) Before the facility starts to operate, in other cases.

**62.** The measuring instruments and operating characteristics of the facility shall be reviewed to the extent necessary for the purpose of implementing safeguards. Instruments that will be used to obtain data on the nuclear materials in the facility may be tested to determine their satisfactory functioning. Such testing may include the observation by inspectors of commissioning or routine tests by the staff of the facility, but shall not hamper or delay the construction, commissioning or normal operation of the facility.

#### **Special Inspections**

**63.** The Agency may carry out special inspections if:

- (a) The study of a report indicates that such inspection is desirable; or
- (b) Any unforeseen circumstance requires immediate action.

The Board shall subsequently be informed of the reasons for and the results of each such inspection.

**64.** The Agency may also carry out special inspections of substantial amounts of safeguarded nuclear material that are to be transferred outside the jurisdiction of India, for which purpose India shall give the Agency sufficient advance notice of any such proposed transfer.

### **B. SPECIAL PROCEDURES FOR REACTORS**

#### **Reports**

**65.** The frequency of submission of routine reports shall be agreed between the Agency and India, taking into account the frequency established for routine

inspections. However, at least two such reports shall be submitted each year and in no case shall more than 12 such reports be required in any year.

**Inspections**

**66.** One of the initial inspections of a reactor shall if possible be made just before the reactor first reaches criticality.

**67.** The maximum frequency of routine inspections of a reactor and of the safeguarded nuclear material in it shall be determined from the following table:

**Whichever is the largest of:**

- (a) Facility inventory (including loading);
- (b) Annual throughput;
- (c) Maximum potential annual production of special fissionable material (Effective kilograms of nuclear material)

	Maximum number of routine inspections annually
Up to 1	0
More than 1 and up to 5	1
More than 5 and up to 10	2
More than 10 and up to 15	3
More than 15 and up to 20	4
More than 20 and up to 25	5
More than 25 and up to 30	6
More than 30 and up to 35	7
More than 35 and up to 40	8
More than 40 and up to 45	9
More than 45 and up to 50	10
More than 50 and up to 55	11
More than 55 and up to 60	12
More than 60	Right of access all the time



68. The actual frequency of inspection of a reactor shall take account of:
- (a) The fact that India possesses irradiated fuel reprocessing facilities;
  - (b) The nature of the reactor; and
  - (c) The nature and amount of the nuclear material produced or used in the reactor.

### **C. SPECIAL PROCEDURES RELATING TO SAFEGUARDED NUCLEAR MATERIAL OUTSIDE PRINCIPAL NUCLEAR FACILITIES**

#### **Nuclear Material in Research and Development Facilities**

##### **Routine Reports**

69. Only accounting reports need be submitted in respect of nuclear material in research and development facilities. The frequency of submission of such routine reports shall be agreed between the Agency and India, taking into account the frequency established for routine inspections; however, at least one such report shall be submitted each year and in no case shall more than 12 such reports be required in any year.

##### **Routine Inspections**

70. The maximum frequency of routine inspections of safeguarded nuclear material in a research and development facility shall be that specified in the table in paragraph 67 of this Agreement for the total amount of material in the facility.

##### **Source Material in Sealed Storage**

71. The following simplified procedures for safeguarding stockpiled source material shall be applied if India undertakes to store such material in a sealed storage facility and not to remove it therefrom without previously informing the Agency.

##### **Design of Storage Facilities**

72. India shall submit to the Agency information on the design of each sealed storage facility and agree with the Agency on the method and procedure for sealing it.

##### **Routine Reports**

73. Two routine accounting reports in respect of source material in sealed storage shall be submitted each year.

**Routine Inspections**

74. The Agency may perform one routine inspection of each sealed storage facility annually.

**Removal of Material**

75. India may remove safeguarded source material from a sealed storage facility after informing the Agency of the amount, type and intended use of the material to be removed, and providing sufficient other data in time to enable the Agency to continue safeguarding the material after it has been removed.

**Nuclear Material in Other Locations**

76. Except to the extent that safeguarded nuclear material outside of principal nuclear facilities is covered by any of the provisions set forth in paragraphs 69 to 75 of this Agreement, the following procedures shall be applied with respect to such material (for example, source material stored elsewhere than in a sealed storage facility, or special fissionable material used in a sealed neutron source in the field).

**Routine Reports**

77. Routine accounting reports in respect of all safeguarded nuclear material in this category shall be submitted periodically. The frequency of submission of such reports shall be agreed between the Agency and India, taking into account the frequency established for routine inspections; however, at least one such report shall be submitted each year and in no case shall more than 12 such reports be required in any year.

**Routine Inspections**

78. The maximum frequency of routine inspections of safeguarded nuclear material in this category shall be one inspection annually if the total amount of such material does not exceed five effective kilograms, and shall be determined from the table in paragraph 67 of this Agreement if the amount is greater.

**D. PROVISIONS FOR REPROCESSING PLANTS****Introduction**

79. Additional procedures applicable to the safeguarding of reprocessing plants are set out below.

## **Special Procedures**

### **Reports**

**80.** The frequency of submission of routine reports shall be once each calendar month.

### **Inspections**

**81.** A reprocessing plant having an annual throughput not exceeding 5 effective kilograms of nuclear material, and the safeguarded nuclear material in it, may be routinely inspected twice year.

A reprocessing plant, having an annual throughput exceeding 5 effective kilograms of nuclear material, and the safeguarded nuclear material in it, may be inspected at all times. The arrangements for inspections set forth in paragraph 60 of this Agreement shall apply to all inspections to be made under this paragraph. It is understood that for plants having an annual throughput of more than 60 effective kilograms, the right of access at all times would be normally be implemented by means of continuous inspection.

**82.** When a reprocessing plant is under Agency safeguards only because it contains safeguarded nuclear material, the inspection frequency shall be based on the rate of delivery of safeguarded nuclear material.

**83.** India and the Agency shall cooperate in making all the necessary arrangements to facilitate the taking, shipping or analysis of samples, due account being taken of the limitations imposed by the characteristics of a plant already in operation when placed under Agency safeguards.

### **Mixtures of Safeguarded and Unsafeguarded Nuclear Material**

**84.** India and the Agency may agree on the following special arrangements in the case of a reprocessing plant which has not been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement or unilaterally submitted to safeguards under a safeguards agreement, and in which safeguarded and unsafeguarded nuclear materials are present:

**(a)** Subject to the provisions of sub-paragraph (b) below, the Agency shall restrict its safeguards procedures to the area in which irradiated fuel is stored, until such time as all or any part of such fuel is transferred out of the storage area into other parts of the plant. Safeguards procedures shall cease to apply to the storage area or plant when either contains no safeguarded nuclear material; and

**(b)** Where possible, safeguarded nuclear material shall be measured and sampled separately from unsafeguarded material, and at as early a stage as possible. Where separate measurement, sampling or processing are not possible, the whole of the material being processed in that campaign shall be subject to the safeguards procedures set out in Part III.D of this Agreement.

At the conclusion of the processing the nuclear material that is thereafter to be safeguarded shall be selected by agreement between India and the Agency from the whole output of the plant resulting from that campaign, due account being taken of any processing losses accepted by the Agency.

## **E. PROVISIONS FOR CONVERSION PLANTS, ENRICHMENT PLANTS AND FABRICATION PLANTS**

### **Introduction**

**85.** Additional procedures applicable to conversion plants and fabrication plants are set out below.

This terminology is synonymous with the term “a plant for processing or fabricating nuclear material (excepting a mine or ore-processing plant)” which is used in paragraph 117 of this Agreement.

**86.** In the event that India decides to offer an enrichment plant in the future as a facility subject to this Agreement, the Agency and India shall consult and agree on the application of the Agency’s safeguards procedures for enrichment plants before any such facility is added to the Annex.

### **Special Procedures**

#### **Reports**

**87.** The frequency of submission of routine reports shall be once each calendar month.

#### **Inspections**

**88.** A conversion plant or a fabrication plant which has been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement, or unilaterally submitted to safeguards under a safeguards agreement, and the nuclear material in it, may be inspected at all times if the plant inventory at any time, or the annual input, of nuclear material exceeds five effective

kilograms. Where neither the inventory at any time, nor the annual input, exceeds five effective kilograms of nuclear material, the routine inspections shall not exceed two a year. The arrangements for inspections set forth in paragraph 57 of this Agreement shall apply to all inspections to be made under this paragraph. It is understood that, for plants having an inventory at any time, or an annual input, of more than 60 effective kilograms, the right of access at all times would normally be implemented by means of continuous inspection. Where neither the inventory at any time nor the annual input exceeds one effective kilogram of nuclear material, the plant would not normally be subject to routine inspection.

**89.** When a conversion plant or a fabrication plant which has not been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement or unilaterally submitted to safeguards under a safeguards agreement contains safeguarded nuclear material, the frequency of routine inspections shall be based on the inventory at any time and the annual input of safeguarded nuclear material. Where the inventory at any time, or the annual input, of safeguarded nuclear material exceeds five effective kilograms the plant may be inspected at all times. Where neither the inventory at any time, nor the annual input, exceeds five effective kilograms of safeguarded nuclear material, the routine inspections shall not exceed two a year. The arrangements for inspection set forth in paragraph 60 shall apply to all inspections to be made under this paragraph. It is understood that, for plants having an inventory at any time, or an annual input, of more than 60 effective kilograms, the right of access at all times would normally be implemented by means of continuous inspection. Where neither the inventory at any time nor the annual input exceeds one effective kilogram of nuclear material, the plant would not normally be subject to routine inspection.

**90.** The intensity of inspection of safeguarded nuclear material at various steps in a conversion plant or a fabrication plant shall take account of the nature, isotopic composition and amount of safeguarded nuclear material in the plant. Safeguards shall be applied in accordance with the general principles set forth in paragraphs 4 to 8 of this Agreement. Emphasis shall be placed on inspection to control uranium of high enrichments and plutonium.

**91.** Where a plant may handle safeguarded and unsafeguarded nuclear material, India shall notify the Agency in advance of the programme for handling safeguarded batches to enable the Agency to make inspections during these periods, due account being also taken of the arrangements

under paragraph 92 of this Agreement.

**92.** India and the Agency shall cooperate in making all the necessary arrangements to facilitate the preparation of inventories of safeguarded nuclear material and the taking, shipping and/or analysis of samples, due account being taken of the limitations imposed by the characteristics of a plant already in operation when placed under Agency safeguards.

#### **Residues, Scrap and Waste**

**93.** India shall ensure that safeguarded nuclear material contained in residues, scrap or waste created during conversion or fabrication is recovered, as far as is practicable, in its facilities and within a reasonable period of time. If such recovery is not considered practicable by India, India and the Agency shall cooperate in making arrangements to account for and dispose of the material.

#### **Safeguarded and Unsafeguarded Nuclear Material**

**94.** India and the Agency may agree on the following special arrangements in the case of a conversion plant or a fabrication plant which has not been supplied wholly or substantially under a project agreement, submitted to safeguards under a safeguards agreement by the parties to a bilateral or multilateral arrangement or unilaterally submitted to safeguards under a safeguards agreement, and in which safeguarded and unsafeguarded nuclear material are both present:

**(a)** Subject to the provisions of sub-paragraph (b) below, the Agency shall restrict its safeguards procedures to the area in which safeguarded nuclear material is stored, until such time as all or any part of such nuclear material is transferred out of the storage area into other parts of the plant. Safeguards procedures shall cease to be applied to the storage area or plant when it contains no safeguarded nuclear material; and

**(b)** Where possible, safeguarded nuclear material shall be measured and sampled separately from unsafeguarded nuclear material, and at as early a stage as possible. Where separate measurement, sampling or processing is not possible, any nuclear material containing safeguarded nuclear material shall be subject to the safeguards procedures set out in Part III.E of this Agreement. At the conclusion of processing, the nuclear material that is thereafter to be safeguarded shall be selected, in accordance with paragraph 96 of this Agreement when applicable, by agreement between India and the Agency, due account being taken of any processing

losses accepted by the Agency.

### **Blending of Nuclear Material**

**95.** When safeguarded nuclear material is to be blended with either safeguarded or unsafeguarded nuclear material, India shall notify the Agency sufficiently in advance of the programme of blending to enable the Agency to exercise its right to obtain evidence, through inspection of the blending operation or otherwise, that the blending is performed according to the programme.

**96.** When safeguarded and unsafeguarded nuclear material are blended, if the ratio of fissionable isotopes in the safeguarded component going into the blend to all the fissionable isotopes in the blend is 0.3 or greater, and if the concentration of fissionable isotopes in the unsafeguarded nuclear material is increased by such blending, then the whole blend shall remain subject to safeguards. In other cases, the following procedures shall apply:

**(a)** Plutonium/plutonium blending: The quantity of the blend that shall continue to be safeguarded shall be such that its weight, when multiplied by the square of the weight fraction of contained fissionable isotopes, is not less than the weight of originally safeguarded plutonium multiplied by the square of the weight fraction of fissionable isotopes therein, provided however that:

**(i)** In cases where the weight of the whole blend, when multiplied by the square of the weight fraction of contained fissionable isotopes, is less than the weight of originally safeguarded plutonium multiplied by the square of the weight fraction of fissionable isotopes therein, the whole of the blend shall be safeguarded; and

**(ii)** The number of fissionable atoms in the portion of the blend that shall continue to be under safeguards shall in no case be less than the number of fissionable atoms in the originally safeguarded plutonium;

**(b)** Uranium/uranium blending: The quantity of the blend that shall continue to be safeguarded shall be such that the number of effective kilograms is not less than the number of effective kilograms in the originally safeguarded uranium, provided however that:

**(i)** In cases where the number of effective kilograms in the whole blend is less than in the safeguarded uranium, the whole of the blend shall be safeguarded; and

**(ii)** The number of fissionable atoms in the portion of the blend that shall

continue to be under safeguards shall in no case be less than the number of fissionable atoms in the originally safeguarded uranium;

(c) Uranium/plutonium blending: The whole of the resultant blend shall be safeguarded until the uranium and the plutonium constituents are separated. After separation of the uranium and plutonium, safeguards shall apply to the originally safeguarded component; and

(d) Due account shall be taken of any processing losses agreed upon between India and the Agency.

#### **IV. AGENCY INSPECTORS**

97. The provisions of paragraphs 1 to 10 and 12 to 14, inclusive, of the Inspectors Document shall apply to Agency inspectors performing functions pursuant to this Agreement. However, paragraph 4 of the Inspectors Document shall not apply with regard to any facility or to nuclear material to which the Agency has access at all times. The actual procedures to implement paragraph 60 of this Agreement shall be agreed to between the Agency and India.

98. The relevant provisions of the Agreement on the Privileges and Immunities of the Agency (INFCIRC/9/Rev.2) shall apply to the Agency, its inspectors performing functions under this Agreement and to any property of the Agency used by them in the performance of their functions under this Agreement.

#### **V. PHYSICAL PROTECTION**

99. India shall take all suitable measures necessary for the physical protection of the facilities and nuclear material subject to this Agreement, taking into account the recommendations made in Agency's document INFCIRC/225/Rev.4, as may be amended from time to time.

#### **VI. SYSTEM OF ACCOUNTING AND CONTROL**

100. India shall establish and maintain a system of accounting for and control of all items subject to safeguards under this Agreement, in accordance with provisions to be set out in the Subsidiary Arrangements.

#### **VII. FINANCE**

101. India and the Agency shall each bear any expense incurred in the implementation of their responsibilities under this Agreement. The Agency shall reimburse India for any special expenses, including those referred to in paragraph 6 of the Inspectors Document, incurred by India or persons



under its jurisdiction at the written request of the Agency, if India notified the Agency before the expense was incurred that reimbursement would be required. These provisions shall not prejudice the allocation of expenses attributable to a failure by either India or the Agency to comply with this Agreement.

**102.** India shall ensure that any protection against third party liability, including any insurance or other financial security, in respect of a nuclear incident occurring in a facility under its jurisdiction shall apply to the Agency and its inspectors when carrying out their functions under this Agreement as that protection applies to nationals of India.

#### **VIII. NON-COMPLIANCE**

**103.** If the Board determines in accordance with Article XII.C of the Statute of the Agency that there has been any non-compliance by India with this Agreement, the Board shall call upon India to remedy such non-compliance forthwith, and shall make such reports as it deems appropriate. In the event of failure by India to take full remedial action within a reasonable time, the Board may take any other measures provided for in Article XII.C of the Statute. The Agency shall promptly notify India in the event of any determination by the Board in this regard.

#### **IX. COOPERATION, INTERPRETATION AND APPLICATION OF THE AGREEMENT AND SETTLEMENT OF DISPUTES**

**104.** The Agency and India shall cooperate to facilitate the implementation of this Agreement.

**105.** At the request of either India or the Agency, there shall be consultations about any question arising out of the interpretation or application of this Agreement. India and the Agency shall endeavour to settle by negotiation any dispute arising from the interpretation or application of this Agreement. India shall have the right to request that any question arising out of the interpretation or application of the Agreement be considered by the Board. The Board shall invite India to participate in the discussion of any such question by the Board.

**106.** In the event of any question or questions arising from the implementation of this Agreement, the Agency shall provide India with an opportunity to clarify and facilitate the resolution of such questions. The Agency shall not draw any conclusions in connection with the question or

questions until India has had an opportunity to provide clarifications.

## **X. FINAL CLAUSES**

**107.** India and the Agency shall, at the request of either of them, consult about amending this Agreement.

**108.** This Agreement shall enter into force on the date on which the Agency receives from India written notification that India's statutory and/or constitutional requirements for entry into force have been met.

**109.** This Agreement shall remain in force until, in accordance with its provisions, safeguards have been terminated on all items subject to this Agreement, or until terminated by mutual agreement of the parties to this Agreement.

## **XI. DEFINITIONS**

**110.** "Agency" means the International Atomic Energy Agency.

**111.** "Board" means the Board of Governors of the Agency.

**112.** "Campaign" means the period during which the chemical processing equipment in a reprocessing plant is operated between two successive wash-outs of the nuclear material present in the equipment.

**113.** "Conversion plant" means a facility (excepting a mine or ore-processing plant) to improve unirradiated nuclear material, or irradiated nuclear material that has been separated from fission products, by changing its chemical or physical form so as to facilitate further use or processing.

The term conversion plant includes the facility's storage and analytical sections. The term does not include a plant intended for separating the isotopes of nuclear material.

**114.** "Director General" means the Director General of the Agency.

**115.** "Effective kilograms" means:

- (i)** In the case of plutonium, its weight in kilograms;
- (ii)** In the case of uranium with an enrichment of 0.01 (1 %) and above, its weight in kilograms multiplied by the square of its enrichment;
- (iii)** In the case of uranium with an enrichment below 0.01 (1 %) and above 0.005 (0.5 %), its weight in kilograms multiplied by 0.0001; and
- (iv)** In the case of depleted uranium with an enrichment of 0.005 (0.5 %)

or below, and in the case of thorium, its weight in kilograms multiplied by 0.00005.

**116.** "Enrichment plant" means a plant for separating the isotopes of nuclear material.

**117.** "Facility" means, for the purposes of this Agreement:

- (i)** A "principal nuclear facility", which means a reactor, a plant for processing nuclear material irradiated in a reactor, a plant for separating the isotopes of a nuclear material, a plant for processing or fabricating nuclear material (excepting a mine or ore-processing plant) or a facility or plant of such other type as may be designated by the Board from time to time, including associated storage facilities, as well as a critical facility or a separate storage installation;
- (ii)** A research and development facility as defined in paragraph 127 of this Agreement;
- (iii)** Any location where nuclear material in amounts greater than one effective kilogram is customarily used;
- (iv)** A plant for the upgrading of heavy water or a separate storage installation for heavy water.

**118.** "Fabrication plant" means a plant to manufacture fuel elements or other components containing nuclear material and includes the plant's storage and analytical sections.

**119.** "Improved" means, with respect to nuclear material, that either:

- (i)** The concentration of fissionable isotopes in it has been increased; or
- (ii)** The amount of chemically separable fissionable isotopes in it has been increased; or
- (iii)** Its chemical or physical form has been changed so as to facilitate further use or processing.

**120.** "Inspector" means an Agency official designated in accordance with the Inspectors Document.

**121.** "Inspectors Document" means the Annex to the Agency's document GC(V)/INF/39.

**122.** “Nuclear material” means any source or special fissionable material as defined in Article XX of the Statute.

**123.** “Produced, processed or used” means any utilization or any alteration of the physical or chemical form or composition, including any change of the isotopic composition, of nuclear material;

**124.** “Project agreement” means a safeguards agreement relating to an Agency project and containing provisions as foreseen in Article XI.F.4.(b) of the Statute.

**125.** “Reactor” means any device in which a controlled, self-sustaining fission chain-reaction can be maintained.

**126.** “Reprocessing plant” means a facility to separate irradiated nuclear materials and fission products, and includes the facility’s head-end treatment section and its associated storage and analytical sections. This term is synonymous with the term “a plant for processing nuclear material irradiated in a reactor” which is used in paragraph 117 of this Agreement.

**127.** “Research and development facility” means a facility, other than a principal nuclear facility, used for research or development in the field of nuclear energy.

**128.** “Statute” means the Statute of the Agency.

**129.** “Throughput” means the rate at which nuclear material is introduced into a facility operating at full capacity.

**130.** “Unilaterally submitted” means submitted by India to Agency safeguards.

**DONE** at Vienna, on the 2 day of February 2009, in duplicate, in the English language.

**For the GOVERNMENT OF INDIA:**

(Signed)  
Saurabh Kumar  
Ambassador of India to Austria

**For the INTERNATIONAL  
ATOMIC ENERGY AGENCY:**

(Signed)  
Mohamed El Baradei  
Director General

**ANNEX**

LIST OF FACILITIES SUBJECT TO SAFEGUARDS UNDER THE  
AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE  
INTERNATIONAL ATOMIC ENERGY AGENCY FOR THE APPLICATION  
OF SAFEGUARDS TO CIVILIAN NUCLEAR

FACILITIES

FACILITY OFFERED FOR SAFEGUARDS BY INDIA

DATE OF RECEIPT OF NOTIFICATION



**132. Press Release issued by the Department of Atomic Energy on signing of a Contract with Russia for long term supply of 2000 tons of natural uranium pellets.**

**New Delhi, February 11, 2009.**

The Department of Atomic Energy and TVEL, a Joint Stock Company of the Russian Federation have signed a contract today for the long term supply of 2000 ton of natural uranium pellets for India's Pressurised Heavy Water Reactors and another contract for about 60 Ton Low Enriched Uranium (LEU) pellets for Boiling Water Reactor units at Tarapur being operated by Nuclear Power Corporation of India Limited (NPCIL). For the two BWRs at Tarapur, Russia had earlier supplied fuel pellets on two occasions, and the present supply is a repeat of earlier contracts.

The president of TVEL with a team of high officials of his company attended the signing ceremony at the head office of the Department of Atomic Energy in Mumbai. The Directorate of Purchase and Stores of the Department of Atomic Energy signed the contract from the Indian side. Imported natural Uranium from Russia will be used in the domestic pressurized heavy water reactors under IAEA safeguards.

This is a major and second agreement, India has signed for the supply of fuel since the changes in NSG guidelines on September 6, 2008 to facilitate international civil nuclear trade with India. Earlier an agreement was signed with AREVA of France for the supply of 300 tons of uranium.

TVEL, a large Russian enterprise deals with nuclear fuel fabrication and supply. It supplies fuel to Russian and many other nuclear reactors in the world. TVEL is also the supplier for nuclear fuel assemblies for Kudankulam Nuclear Power Project (2 X 1000 MWe) being set up in collaboration with Russian Federation at Kudankulam, Tamilnadu. TVEL has already supplied in May 2008, the fuel required for initial years of operation for these reactors.

NPCIL is unique in having acquired, under one roof, comprehensive capability in all facets of nuclear technology namely – site selection, design, construction, commissioning, operation, maintenance and life extension of nuclear power plants

NPCIL has at present 17 Nuclear Power Reactors of 4120 MWe in operation and 5 Nuclear Power Reactors of 2660 MWe under construction. NPCIL has plans for significant capacity addition including nuclear reactors to be set up in technical cooperation with various countries.



**133. Address by Special Envoy of the Prime Minister Shyam Saran at the Brookings Institution: "Indo – US Civil Nuclear Agreement: Expectations and Consequences".**

**Washington, March 23, 2009.**

**President Strobe Talbot,**

**Prof. Steve Cohen,**

**distinguished guests,**

**ladies and gentlemen:** I thank you for inviting me here today and for giving me the opportunity to revisit an initiative that consumed such a significant chunk of our two nations diplomatic energies over the past 4 years and whose progress from start to finish is best characterized as an extended roller-coaster ride. The story of this extraordinary journey will, I have no doubt, be written some day, conveying the sense of drama that attended it every inch of the way. I will resist that temptation of story-telling today, but instead try to focus on new pathways which have been opened up by the agreement, for us to explore together, as we confront a probably more uncertain, chaotic and even dangerous world.

First and foremost, of course, is the direct fall-out from the Agreement in terms of the significant business opportunities it opens up for our two countries. India has already conveyed a letter of intent for upto 10,000 megawatts of U.S. nuclear power reactors at sites that are currently under examination within our Government. State governments, where the potential sites are being considered, will need to be consulted. The good news is that in India, being chosen as a site for nuclear power, is a privilege most states aspire to, unlike the controversy such decisions are dogged by in other countries.

Another procedural measure, important for U.S. nuclear suppliers, is India joining the international nuclear liability convention. I understand that the inter-agency process within government has been concluded. India plans to increase substantially its nuclear power production capacity. International cooperation in civil nuclear energy will be an important means to achieve this goal. Therefore we see joining the international nuclear liability convention as being in our interest and hope to do this soon. In any event, this does not prevent U.S. companies from engaging their Indian counterparts already to prepare the ground for substantial nuclear commerce. On the U.S. side, we await the early commencement of our

dialogue on arrangements to give effect to our right to reprocess U.S. origin spent fuel. I understand the new Administration is ready to engage with us at an early date.

Another trade-generating fall-out of the nuclear agreement is sometimes neglected in our discourse over its merits. Over the years, prohibition on the transfer to India, of nuclear-related items, soon expanded significantly, to cover a very broad range of dual use items and technology. With the opening up of nuclear commerce with India, there is a need now to review and remove these unnecessary restrictions on international trade with India on dual use items and technology. As India's economy matures and its industry moves into higher end manufacturing, the demand for high technology goods and services is destined for a major boost. And the U.S., of course, remains the preferred source of such goods and services. It is also our hope that the so-called Entity List, which still prohibits sale of U.S. technology and goods to a number of Indian high-tech companies, will be scrapped, sooner rather than later. The positive impact of a more liberal technology trade regime is already beginning to make an impact on India's sourcing of defence hardware from the U.S.

It is true that India has also been hit by the global financial and economic crisis, and our growth rate is likely to go down 2 or 3 percentage points during the next couple of years. But energy and defence will remain at the top of our national agenda and this should encourage the U.S. to look at India as a welcome source of demand for its goods and services, even as the global economy contracts. 10,000 megawatts of nuclear energy may translate into U.S. \$ 150 billion worth of projects, with significant business opportunities and potential collaboration for both Indian and US companies. This would also result in significant and high quality job creation in both our countries. If India maintains its current level of defence spending to achieve its medium and long-term goals of force upgradation, then a growing part of the expected 10 year acquisition plan of US\$ 120 billion could be reoriented towards the U.S. This will require the U.S. to overcome lingering Indian doubts about the reliability of U.S. supplies. Simultaneously both of us need to work together to find a mutually acceptable solution which will take care of US legal requirements about end use monitoring of transferred defence articles and also meet our sensitivities. I am certain we will be able to do so quickly given our past experience and also given the interest both our countries have in strengthening this relationship.



Let me now turn to the larger nuclear domain and explore what could be a possible Indo-US agenda for nuclear non-proliferation and nuclear disarmament. It is my sense that thanks to the civil nuclear agreement, we are now, potentially, at a different level of engagement on these hitherto sensitive and even contentious issues, compared to the past. For India, the U.S. acknowledgement, endorsed by consensus by the Nuclear Suppliers' Group, that India's non-proliferation record and its current credentials are impeccable, has given the country a welcome sense of vindication. From being an outlier, India is now accepted as a partner in the global nuclear domain. The success of the civil nuclear initiative has engendered a sense of assurance and confidence which enables us to look, proactively and not defensively, at a new global agenda for nuclear non-proliferation and nuclear disarmament.

There are a number of initiatives proposed by President Obama during the presidential campaign, and since his inauguration, that have caught the attention of Indian policy-makers and which could become the agenda for a substantive Indo-US engagement on nuclear security issues. Let me mention a few of them:

**1. Nuclear Disarmament:** President Obama has signaled that he intends to bring nuclear disarmament back on the U.S. arms control and disarmament agenda. He has stated that he intends **“to make the goal of eliminating nuclear weapons world-wide a central element of U.S. nuclear policies.”** This corresponds neatly with our own long-standing advocacy of nuclear disarmament as one of the highest priority for the international community. During the election campaign President Obama has also declared that he **“will initiate a high level dialogue among all the declared nuclear weapons states on how to make their nuclear capabilities more transparent, create greater confidence, and move towards meaningful reductions and eventual elimination of all nuclear weapons.”**

I am not aware of what the current status of this proposal is, but India would certainly support it. The best way to follow up could be for India and the U.S. to support the setting up of an Ad Hoc Working Group in the Conference on Disarmament in Geneva on nuclear disarmament. India has proposed appointing a special coordinator at the CD to carry out consultations on measures which could lead to consensus and form a basis for the mandate for a Ad-hoc working group on nuclear disarmament. We are ready to consult with the U.S. on this subject.

**2. Fissile Material Cut Off Treaty (FMCT):** India has held a consistent position on Fissile Material Cut-Off and envisages it as a significant contribution to nuclear non-proliferation in all its aspects. We have encouraged the negotiation and early conclusion of a multilateral, universally applicable and effectively verifiable treaty on Fissile Material Cut-Off at the Conference on Disarmament. The Bush Administration had signaled a change in policy, to insist that the FMCT should have no verification procedures and that national means would be relied upon for ensuring compliance. Therefore, even though the July 18, 2005 Indo-US Joint Communiqué states that the two countries would cooperate to bring about an early conclusion of the FMCT in Geneva, the nature of the treaty was left deliberately ambiguous, precisely because India continued to favour multilateral verification procedures. This is also the consensus view among Conference members. We welcome the Obama Administration's reversion to this consensus and are prepared to work together for the early conclusion of an FMCT. We need bilateral consultations on the issue of the likely mandate and scope of the negotiations.

**3. Nuclear Weapons and Terrorism:** India is one of the countries taking the lead in raising international awareness of the dangers inherent in the possible link between Weapons of Mass Destruction (WMD) and international terrorism. The possible acquisition, through clandestine means, of nuclear weapons or other WMDs, by terrorist and jihadi groups, adds an entirely new dimension to the nuclear threat, a threat which cannot be deterred by the doctrines of retaliatory use. In fact, the dangers of nuclear terrorism, are another reason to seek the early elimination of nuclear weapons. For as long as there is a world divided between nuclear weapon haves and have-nots, there will always be the danger of proliferation to additional countries. This is what gives rise to a clandestine network of the kind run from Pakistan and which creates potential sources of supplies for terrorist or jihadi groups. The greatest likelihood of such a threat emanates from our neighbourhood. What is encouraging, from an Indian perspective, is President Obama's clear recognition of this danger and his willingness to confront it with a sense of urgency. He has committed himself to working together with other concerned countries in developing and implementing a comprehensive set of standards to protect nuclear materials from terrorist threat. During his election campaign, the President also spoke about his intention to convene a Summit on preventing nuclear terrorism. We are willing to work together with the U.S. on this shared concern, which to us, living in a dangerous neighbourhood, is of great importance.

President Obama has also spoken about his plans to expand the Proliferation Security Initiative (PSI) **“from its current focus on stopping illicit nuclear shipments to eradicating nuclear market networks, like the remnants of the Abdul Qadeer Khan organization.”**

India is not yet a member of PSI and there have been doubts in our country about its consonance with international maritime law. However, it is my own belief that India should have an open mind on joining the PSI and in supporting its expanded mandate as envisaged by President Obama. This fits in very well with India's own concern over clandestine proliferation, especially in our own neighbourhood, and the likelihood of such clandestine activities facilitating the acquisition of nuclear weapons or fissile material, by a terrorist or a jihadi group. We look forward to exploring these ideas further, in a spirit of shared concern and convergent interest, with the U.S.

**Non-Proliferation:** President Obama has declared his intention to strengthen international non-proliferation efforts. We welcome this and are willing to work together with the U.S. and the rest of the international community in building a new, effective and credible non-proliferation architecture. The new Administration has already acknowledged a key element of the Indian approach – that efforts at ensuring global non-proliferation, horizontally to additional states, are unlikely to succeed unless they are linked, integrally, with visible and concrete progress towards nuclear disarmament. Some of the initiatives I have touched upon before, fall into the broad category of non-proliferation, such as the FMCT. However, there is specific reference to restricting the expansion of sensitive nuclear fuel cycle facilities that are capable of producing bomb grade plutonium and uranium. This could take the form of creating regional or international nuclear fuel banks to meet the nuclear fuel needs of countries that do not possess reprocessing or enrichment facilities.

India has developed indigenously a robust nuclear programme covering the complete fuel cycle. Nevertheless, in practical terms, we are already committed, in the Indo-US Joint Statement of July 18, 2005, to not transferring reprocessing and enrichment technologies and equipment to countries that do not possess them. Furthermore, we have expressed our willingness to ourselves host a regional or multilateral fuel bank, to supply nuclear fuel to other states, under appropriate IAEA safeguards. We would also be prepared, as a supplier nation, to participate in an international fuel bank, which may be located in a third country. It may be however difficult for India to endorse a view that there ought to be a discriminating legal regime put in place, which would allow only some states to possess

reprocessing or enrichment facilities but not others. Therefore, while reserving our position on a question of principle, we would be prepared to work together with the U.S. and other friendly countries on practical steps to discourage proliferation.

CTBT: Let me now turn to an issue that has been seen as potentially, a contentious one in our relations with the new US administration. This, of course, is the Comprehensive Test Ban Treaty or the CTBT. President Obama has made it clear that we will seek Senate ratification of the CTBT, which the U.S. has signed, and India has not. He has also promised to launch a **“diplomatic effort to bring on board other states whose ratifications are required for the treaty to enter into force.”**

India has been a consistent votary of a CTBT but did not sign the CTBT as it eventually emerged because it was not explicitly linked to the goal of nuclear disarmament. For India, this was crucial since it was not acceptable to legitimize, in any way, a permanent division between nuclear weapon states and non-nuclear weapon states. The other reason was the manner in which the CTBT was pushed through, bypassing the Conference on Disarmament, which works by consensus, and bringing the issue before the UN General Assembly. This was done to over-ride Indian objections and was justifiably seen in India as a not too subtle attempt to foreclose India's options. Additionally, India was included in a category of states whose signature and ratification was deemed necessary in order for the Treaty to come into force, again an unusual provision, directed at putting international pressure on India to join a Treaty whose provisions it did not agree with. It was against this background that India did not sign the CTBT. However, since its nuclear test in 1998, India has observed a unilateral and voluntary moratorium and is committed to its continuance. This is spelt out in the Indo-US Joint Statement of 2005. It is also our conviction that if the world moves categorically towards nuclear disarmament in a credible time-frame, then Indo-US differences over the CTBT would probably recede into the background.

**Anti-Satellite Weapons:** India is one of a handful of countries with significant space capabilities. We have a large number of communications and resource survey satellites currently in orbit. Although this does not fall strictly within the nuclear domain, the need to ensure the peaceful uses of outer space, is important for nuclear stability and international security. We welcome President Obama's intention to join multilateral efforts to prevent military conflict in space and to negotiate an agreement to prohibit the testing of anti-satellite weapons. This is an area of convergence on

which we would be happy to work together with the U.S. and contribute to a multilateral agreement.

**Conclusion:** A careful examination of initiatives President Obama has signaled his intention to pursue during his tenure reveals a number of points of convergence in the pursuit of a stable, peaceful and eventually nuclear-weapons free world. Some of these initiatives have been followed up and announced after the President's inauguration, such as nuclear disarmament and CTBT ratification. We await the elaboration of others, including the proposed summit on nuclear terrorism, the high level dialogue among declared nuclear weapons states to kickstart the process of nuclear disarmament, the pursuit of an anti-satellite weapon agreement and the elimination of clandestine nuclear proliferation networks. This security-related agenda is substantive and no less important than the follow-up on the civil nuclear cooperation agreement in terms of expanded nuclear and high tech commerce. These are early days yet in the new Administration and India, too, is headed towards general elections. The ongoing financial and economic crisis is obviously an over-riding preoccupation not only for the U.S. but for India as well. Nevertheless, I believe that the Civil Nuclear agreement has opened up several areas of mutual interest that are worth pursuing and which should, therefore, remain within our sights in the days ahead. I thank you for your attention and my apologies for interrupting what looks like a sumptuous lunch.



**134. Press Release issued by the Ministry of External Affairs  
on the meeting of Nuclear Suppliers' Group Troika.**

**New Delhi, May 11, 2009.**

The Nuclear Suppliers' Group (NSG) Troika led by its current Chair Ambassador Viktor Elbling of Germany visited New Delhi today for a bilateral meeting.

The Indian delegation was led by Shri Vivek Katju, Special Secretary (Political & International Organizations). The NSG delegation included representatives from South Africa (the previous Chair of NSG) and Hungary (the next Chair of NSG). India has had meetings with NSG Troika since 2004.

Today's meeting was held in the context of the decision by the NSG in September 2008 enabling its members to engage in full civil nuclear cooperation with India. The discussions were positive and forward looking and included an exchange of views on future cooperation in different areas\*.



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\* The meeting took place against the backdrop of the Obama Administration's indication that it would like non-NPT countries to sign the NPT and the NSG to consider a total ban on the sale of enrichment and reprocessing equipment for those countries. It may be mentioned that last year the NSG had withdrawn its ban for nuclear trade with India after the US Congress had passed the necessary law for Civil Nuclear Cooperation with India.

**135. The Question of Refusal to transfer enrichment and reprocessing technologies by G-8 countries raised in the Rajya Sabha during Zero hour under the special mention rules.**

**New Delhi, July 13, 2009.**

**Dr. (Shrimati) Najma A. Heptulla (Bharatiya Janta Party):** Sir, I rise to command the attention of the House and of the Government, through you, to the recent declaration made by the G-8 countries at the end of the recent summit in Italy. In the declaration, the member countries have resolved to curb the transfer of enrichment and reprocessing technologies, and equipments. The declaration also asked the Nuclear Suppliers' Group to disallow the transfer of these technologies to the countries which have not signed the Nuclear non-Proliferation Treaty. I would like to know if the Government is aware of the text developed by a Consultative Group of the Nuclear Suppliers' Group in November 2008.....

As the G-8 declaration indicates a general acceptance to the proposal made by the Consultative Group, I ask the Government to clarify if these proposals impose extra conditionalities, over and above the waiver granted to India by the IAEA and the Nuclear Suppliers' Group in September 2008, on transferring the dual-use equipments, software technology, and material for use in the civil nuclear facilities under the IAEA Safeguards.

One wonder whether India was consulted before finalising this declaration. The hon. Prime Minister attended the said summit and if India was consulted, did the Government agree with the resolve of the declaration and the content of the Consultative Group's proposal? If India was not consulted, then concern and sensitivities were ignored in the declaration. I apprehend that India is being subjected to extraneous conditionalities for the transfer of enrichment and re-processing technologies beyond the clean waiver given to India. If you remember, Sir, hon. Prime Minister on the floor of the House had said that 'full' means 'full' and that it meant the full agreement and the full utilisation of the conditionalities of the civil nuclear cooperation. Sir, in this case, the matter is very serious. Our party has been raising this issue on the floor of the House. I remember Mr. Arun Shourie, speaking on this subject, had very clearly mentioned this. What happened in Italy has vindicated the view of our party. I would like the Government to respond.

.....Interruptions.....

**Shrimati Brinda Karat:** Sir, the Hyde Act is coming into operation. Let the Government come out with an answer. *(Interruptions)*.....

**Shri S.S. Ahluwalia:** Sir, there should be a statement.

(Interruptions).....

**The Leader of Opposition (Shri Arun Jaitley):** Sir, it is a very important issue. *(Interruptions)* .....

It has been debated repeatedly in this House.

*(Interruptions)* .....Sir, the Government must come out with a statement in response to this.

*(Interruptions)*.....

**Shri Arun Jaitley:** Is it the Government's stand which is coming out in newspapers? *(Interruptions)*

**Mr. Deputy Chairman:** It is for the Government.

*(Interruptions)*.....

**Shri Arun Jaitley:** Sir, it is a controversial issue. The House and the country is misled by the Government and the Government's stand is that they will not clarify. *(Interruptions)*.....

**Mr. Deputy Chairman:** It is Zero Hour. You see, whatever you have said, the Government is aware. *(Interruptions)*..... But, I will not be able to

say that the Government should reply. It is for the Government to react. *(Interruptions)* .....You have raised the matter. It is for the Government to take note of it and react. *(Interruptions)*.....

**Shri D. Raja:** Sir, it is a very serious matter. *(Interruptions)*

**Shrimati Brinda Karat:** Sir, why is the House being kept in the dark on such an important issue? *(Interruptions)*

**Mr. Deputy Chairman:** How can I answer that question?

*(Interruptions)*.....

**Shri Arun Jaitley:** Sir, why don't they clarify the issue?

**Shri Arun Shourie:** Sir, I am not requesting you to do anything. Sir, the former Minister of External Affairs is here. He was present at that time also. Shri Prithvirajji is also here. The reason for clarification is that now it is not just a matter of Government because an assurance was given to the House.



So, it is the right of the House to know as to how an assurance....(*Interruptions*).....

**Mr. Deputy Chairman:** You are right, but, Zero Hour has a limit.

(*Interruptions*).....

**Shri S.S. Ahluwalia:** Sir, Zero Hour does not mean that they will not respond. (*Interruptions*).....

**Mr. Deputy Chairman:** I am not saying that, but, that is the practice.

**Shri S.S. Ahluwalia:** Sir, the Zero Hour does not mean that the Government will not pay heed to important issues. (*Interruptions*) It is a matter of national interest. (*Interruptions*) It is not only for the Government. (*Interruptions*).....

**Mr. Deputy Chairman:** In Zero Hour, the Government cannot react immediately. (*Interruptions*).....

**The Minister of Finance (Shri Pranab Mukherjee):** Mr. Deputy Chairman, Sir, the hon. Members are fully aware that we had this meeting with G-8 and G-5. It is known that it is an outreach meeting. We are not members of the G-8. So far as the civil nuclear cooperation is concerned, the appropriate agency is IAEA and 45 members group of NSG. We got the clean waiver from them. Therefore, we are not concerned with what resolution or position G-8 takes in respect of a particular issue. So far as the civil nuclear cooperation is concerned, we have received clean waiver. We have the India-specific safeguard agreement with IAEA. We have received clean waiver from 45 NSG countries. And, therefore, we are not deeply concerned, as some hon. Members appear to be, from a newspaper report that G-8 has expressed a view in respect of the civil nuclear cooperation agreement or not.

**Mr. Deputy Chairman:** Shri Santosh Bagrodia. (*Interruptions*) .....It is over. He has responded. (*Interruptions*).....

**Shri Arun Jaitley :** This waiver ceases to be a clean waiver. (*Interruptions*) .....

**Mr. Deputy Chairman:** The hon. Finance Minister has clarified.

(*Interruptions*) .....He has clarified. (*Interruptions*) You give notice in different forum. (*Interruptions*).....

**Shri Pranab Mukherjee :** So far as this trade is concerned, every individual

country has its right to decide whether to enter into a trade or not to enter into a trade. Therefore, this is not the subject. The subject is whether G-8 is the appropriate forum to decide about the Civil Nuclear Cooperation Agreement. My respectful submission to the hon. Members is this. Every one of them is fully knowledgeable that they are not the appropriate agencies or authorities; only two relevant agencies are IAEA and NSG. For any individual country, whether it belongs to G- 8 or G-24 or G-27, to decide whether to enter into any agreement or not, it depends on them\*.



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\* Meanwhile it was reported by *The Hindu* on July 16 that India had already received natural uranium in the form of pellets from Russia and as yellow cake from Areva of France for use in its safeguarded reactors, according to S.K. Jain, Chairman and Managing Director, Nuclear Power Corporation of India Limited (NPCIL). This was consequent to the Nuclear Suppliers Group relaxing its Guidelines last year to allow its member-countries to have nuclear trade with India. Subsequently, India signed agreements with Russia and France for importing nuclear power reactors and fuel. Mr. Jain said on July 14 that India had also received clearance from the International Atomic Energy Agency (IAEA) for the fabrication of this imported fuel into fuel rods. The process was now underway at the Nuclear Fuel Complex (NFC), Hyderabad.

“...I am happy to share with you that I flagged off on Saturday [July 11] the first consignment of fabricated fuel from the NFC for use in the second unit [already under safeguards] of the Rajasthan Atomic Power Station (RAPS),” Mr. Jain said. The entire initial core of natural uranium fuel for RAPS-2 would be available in August. The reactor, which has a capacity of 200 MWe, would start generating full power in September/October.

If the current fuel fabrication plans of the NFC were achieved, enough fuel would be available for the two new units of RAPS-5 and 6 to be commissioned and they would start operating at full capacity by 2009-end, Mr. Jain said. RAPS-5 and 6 have a capacity of 220 MWe each. Since RAPS-5 and 6 would come under the IAEA safeguards as per India’s Separation Plan, the two reactors would become eligible to receive imported fuel. However, clearance from the IAEA should be obtained before the imported fuel was fed into the two reactors. Mr. Jain said the NPCIL had “come out of the bad dream” of shortage of natural uranium fuel supply to power its indigenous Pressurised Heavy Water Reactors (PHWRs). “The turnaround is taking place and we want to march ahead,” he said.

The supply of indigenous natural uranium fuel had gone up with the mine and mill at Turamdih in Jharkhand adding to the supply from the mill at the nearby Jaduguda. This had led to the PHWRs operating between 60 per cent and 65 per cent capacity factor compared to less than 50 per cent earlier. “I plan to take them to 70 per cent,” Mr. Jain said. The fourth reactor at Kaiga in Karnataka would reach criticality in six to eight months with the increased flow of indigenous natural uranium.

It was further reported by the P T I from Washington that allaying fears in India over the recent G-8 declaration regarding restriction on transfer of atomic technology to non-NPT States, the U.S. on July 16 said it was “fully committed” to the nuclear deal with New Delhi and hoped to sign the end-use monitoring agreement.

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"We hope to be able to sign that [end-use monitoring agreement], and obviously, that will take place .... next week," Assistant Secretary of State for South and Central Asia Robert Blake told reporters in Washington on the eve of Secretary of State Hillary Clinton's visit to India. "I do not think there should be any apprehensions about the future of the civil nuclear agreement," Mr. Blake told reporters. "The [U.S.] Secretary and the President are fully committed to that agreement. I think the Indians are also fully committed," he said. "They [India] are going to be, I am sure, moving forward to file a declaration of safeguarded facilities with the IAEA, which is sort of the next step in that process, and then we're going to start reprocessing talks, probably either later this month or in August," Mr. Blake said.

"So all of that is very much on track. As I say, we'll also be starting some bilateral cooperation with — hopefully with the announcement of these two nuclear sites. So I would discourage any talk that somehow the agreement is off track," Mr. Blake said. He said the U.S. hoped to get commitment from India for two nuclear park sites for American companies during Ms. Clinton's visit. (*This information was conveyed to the Secretary of State during her visit*) "On the question of the two nuclear sites, we hope that we will be in a position to be able to announce publicly those two sites where U.S. companies can have exclusive right to locate reactors and sell reactors to the Indians," he said, amid reports that India has identified the two sites in Gujarat and Andhra Pradesh. "We think that that's a major opportunity for American companies. It opens up as much as \$10 billion worth of new exports to India. So again, we hope to be in a position for both sides to announce it," Mr. Blake said.

"The agreement would be with her [Ms. Clinton's] counterpart, Foreign Minister (S.M.) Krishna. The end use monitoring is the only one that is on the table for the moment," he said. He said the purpose of Ms. Clinton's visit to India is to strengthen and broaden the strategic partnership between the two sides.

The Press Trust of India further reported from Vienna on July 25 quoting Department of Atomic Energy sources in Vienna that India and the U.S. had completed the first round of consultations on 'arrangements and procedures' for reprocessing of spent fuel of American origin on Indian soil. The consultations, which took place in Vienna, were considered a significant step to further the interaction at commercial level and for the operationalisation of the India-U.S. nuclear deal. The talks, which had begun early in the week, ended on July 23 and the process was likely to be completed in two months. "We expect the consultations to be over in two months so that the implementation of the 123 agreement can start within the time frame given in the agreement," PTI quoted a top DAE official. "The consultations were strictly based on Article 6 (III) of the 123 agreement between India and the U.S. and a few more meetings are expected to take place," he was quoted as saying. The five-member Indian delegation was led by Ravi B. Grover, Director of the DAE Strategic Planning Group (SPG), and also the Director of the Knowledge Management Group. Washington's point man for nuclear negotiations with India Richard Stratford, who is the Director of the Office of Nuclear Energy Affairs in the State Department, headed the U.S. team. According to the agreement, to bring reprocessing rights into effect, India has to establish a new national facility dedicated to reprocessing safeguarded nuclear material under the safeguards of the International Atomic Energy Agency (IAEA). Also, India has to reach an agreement with the U.S. on 'arrangements and procedures,' under which reprocessing will take place in this new facility. "We should have upfront sovereign rights in whatever we do, including reprocessing," another DAE official told the PTI. The sites zeroed in by the NPCIL are Srikakulam district in Andhra Pradesh and near Alang in Gujarat.

**136. Extract Relevant to non-proliferation in the G-8 Statement on Nuclear Issues from the speech of Prime Minister Dr. Manmohan Singh in Lok Sabha.**

**New Delhi, July 29, 2009.**

**On the G 8 Statement on nuclear issues**

Some Members have raised the issue of the Statement issued by the G-8 countries on Non-Proliferation at their L'Aquila Summit in Italy earlier in July, and the references in it to the transfer of enrichment and reprocessing items and technology.

The concern appears to be as to whether an effort is being made by certain countries to prevent the transfer of enrichment and reprocessing items and technology to non-NPT countries, i.e., countries like India who have not signed the Non-Proliferation Treaty.

**Madam Speaker,**

The government is fully committed to the achievement of full international civil nuclear cooperation. Consistent with this objective, in September last year India secured a clean exemption from the Nuclear Suppliers Group, one that was India-specific. At that time also attempts were made to make a distinction. The NSG has agreed to transfer all technologies consistent with their national laws.

The 'Statement on Civil Nuclear Cooperation with India' approved by the Nuclear Suppliers Group on September 6, 2008 contains India's reciprocal commitments and actions in exchange for access to international civil nuclear cooperation. It is our expectation that any future decisions of the NSG relating to the transfer of enrichment and reprocessing items and technology would take into account the special status accorded to India by the NSG. The NSG has given us this clean exemption knowing full well that we are not a signatory to the NPT.

Prohibition by the NSG of such transfers would require a consensus amongst all the 46 countries. This does not exist at present. The exemption given to India by the NSG provides for consultations and we will hence remain engaged with that body, so that any decisions take into account the special status accorded to India by it.

As far as the G-8 is concerned, the fact is that we have no civil nuclear cooperation agreement with the G8 bloc per se. We have, however, signed

bilateral agreements with France, Russia and the United States. As I have said before, and I repeat it here, when I raised this matter with President Sarkozy, he was gracious enough to tell me that as far as France is concerned, there will be no restrictions. He also said that if we want him to go public on this, he will do so. Therefore, there is no consensus in the NSG to debar India from such technologies. We expect that the countries concerned will honour and implement their bilateral commitments.

**Madam Speaker,**

In the course of the discussions, some Hon'ble Members have raised the issue of our accepting pre-conditions for transfer of enrichment and reprocessing items and technology. I wish to once again state that pending global nuclear disarmament, there is no question of India joining the Nuclear Non-Proliferation Treaty as a non-nuclear weapon State.

I would also like to clarify that the transfer of enrichment and reprocessing items and technology has no bearing whatsoever on India's upfront entitlement to reprocess foreign origin spent fuel and the use of such fuel in our own safeguarded facilities.

Finally, I would like to bring to the attention of this august House that India has full mastery of the entire Nuclear Fuel Cycle, and this includes enrichment and reprocessing technology. We have a well entrenched E&R infrastructure as well. Our domestic three-stage Nuclear Power Programme is entirely indigenous and self-sustaining. Our indigenous Fast Breeder Reactor Programme and linked technology puts us in the league of those very few nations which today possess cutting-edge technologies.

The transfer of enrichment and reprocessing items and technology to India as part of full international civil nuclear cooperation would be an additionality to accelerate our three-stage programme.

(For full text see Document No.43)



**137. Media Interaction of the Chairman of the Atomic Energy Commission Anil Kakodkar on the question of India's Right to reprocess the nuclear spent fuel.**

**Chennai, August 2, 2009.**

"It will be the same. Whether it is France, Russia or the U.S., we will have upfront consent and rights to reprocess the spent fuel [from the imported reactors] here in India under the International Atomic Energy Agency (IAEA) safeguards," asserted Anil Kakodkar, Chairman, Atomic Energy Commission (AEC), on August 2, 2009. [Reported by *The Hindu* on August 3, 2009]

He told journalists at Kalpakkam, "before we start a reactor, we should have upfront consent and rights for reprocessing from all vendors." Asked whether the U.S. had agreed to allow India to reprocess the spent fuel from the U.S. reactors that would be built in Andhra Pradesh and Gujarat just as Russia and France had done, Dr. Kakodkar said the 123 nuclear agreement between India and the U.S. "clearly spells out the upfront consent and rights."

In addition to that, arrangements and procedures should be negotiated and established for reprocessing the spent fuel\*. The AEC Chairman said: "We are doing exactly that. It will happen in a much earlier time-frame. I have said that we will have arrangements and procedures done and that it would make the reprocessing consent and rights complete. Only then, we will start the process of negotiating or completing the contract [to buy reactors from other countries]."

Asked whether there were plans to upgrade the Rare Materials Project (RMP) at Ratnahalli near Mysore (where uranium is enriched) into an industrial scale plant, Dr. Kakodkar said it had to be done but the production

\* It may be recalled that *The Hindu* quoting senior officials had reported on March 6 that India had formally asked the United States to negotiate the "arrangements and procedures" under which American spent nuclear fuel will be reprocessed in the country. The request reportedly was made in February. [Under the terms of the '123 agreement' on bilateral nuclear cooperation, Washington has six months to begin consultations and one year after that to reach an understanding with Delhi. "The clock has started ticking," an official said. "We have till the end of August 2010 to finalise an agreement."]The paper reported that on February 3, Foreign Secretary Shiv Shankar Menon wrote to Under Secretary for Political Affairs William Burns invoking this provision and asking the U.S. side to propose dates and an agenda. A similar letter was also sent from the Department of Atomic Energy to Richard Stratford, head of the State Department's Office of Nuclear Energy and Washington's pointman for nuclear negotiations with India. Last January, Atomic Energy Commission Chairman Anil Kakodkar explicitly told a delegation of the U.S.-India Business Council — which included many representatives of the American nuclear industry — that there would be no reactor purchases without reprocessing. Shortly after that meeting, Ted Jones of the USIBC told the *Washington Post* that Dr. Kakodkar had said commercial ties could commence "only after talks about reprocessing rights are concluded."

However, in Senate confirmation hearing Ms. Ellen O. Tauscher head of the State Department's Under Secretary of State for Arms Control and International Security had told Senator Richar Lugar that she supported the 123 agreement and intended to implement

of enriched uranium now from the RMP would meet the requirements of India's nuclear-powered submarine, INS Arihant.

To cater for the enriched uranium requirements of a commercial nuclear power station, huge gaskets in the enrichment plant were required.

India had the capability to build large-sized enrichment plants but the decision to build them had to be taken on commercial considerations. Since the availability of natural uranium in India was low, it did not make sense to enrich it for power generation because a Pressurised Heavy Water Reactor (PHWR) produced more energy from the same natural uranium. So India used natural uranium as fuel for its PHWRs.

For the Light Water Reactors (LWRs) that India would be importing, it had insisted on the condition that the imported LWRs should get a life-time supply of enriched uranium. "So these reactors will be fuelled by imported uranium. However, depending on commercial considerations, we will build a [large-sized enrichment] plant at an appropriate time. At the moment, there is no such decision," Dr. Kakodkar said.




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it and that she would do her best to further nuclear cooperation with India. She said "During the course of the [nuclear deal], there were supporters and sceptics in both countries," but "upon its successful conclusion, both our Administration and the Government of India have resolved to continue moving forward to strengthen our important strategic relationship. I look forward to doing my part to advance that cooperation."

She highlighted India's "enhanced non-proliferation commitments" and said the U.S.-India 123 Agreement "has also opened new pathways for a strengthened bilateral non-proliferation relationship and for a greater Indian leadership role on non-proliferation issues." Reiterating India's promise to place orders for "at least 10,000 MWe worth of new power generation capacity from U.S. firms," Ms. Tauscher said she would "work with our counterparts elsewhere in the U.S. Government to ensure all possible efforts are being made to promote U.S. business opportunities in India's civil nuclear energy sector." Asked about the impending bilateral talks on reprocessing arrangements and procedures, she said the administration was now in the process of determining what provisions should be contained in such an agreement. "Once we have an interagency agreement on a proposed text, and have consulted with the IAEA on its needs, we will forward a draft text to the Indian side for comment and will offer to open consultations on a specific date." This would happen before August 2, 2009, with an agreement to be finalised by August 2010. Setting to rest Indian apprehensions about the Obama administration's attitude towards the reprocessing of spent U.S. fuel in India, Ms. Tauscher said Washington was committed to implementing the 123 Agreement, which provided for programmatic consent for reprocessing, and that the bottom-line for America would be effective IAEA safeguards.

During the visit of Hillary Clinton, US Secretary of State to India in July there were further consultations between India and the US and the consensus reached was reflected in the Joint Statement issued on July 20, which inter alia stated: "Building on the success of the India -U.S. Civil Nuclear Initiative, on July 21, India and the United States will begin consultations on reprocessing arrangements and procedures, as provided in Article 6 (iii) of the 123 Agreement for Peaceful Nuclear Cooperation between India and the United States." Coming soon after the L'Aquila Non-Proliferation Declaration this pronouncement assumes particular significance in view of the apprehensions created as a result of the G-8 Declaration on non-proliferation.

### **138. Interview of National Security Advisor M. K. Narayanan with the daily *The Hindu*.**

**New Delhi, August 29, 2009.**

Describing India's commitment to its voluntary moratorium on nuclear testing as "steadfast," National Security Adviser M.K. Narayanan on August 29 came down hard on those making a case for the resumption of testing by claiming the May 1998 thermonuclear device test had been a failure. In an interview to *The Hindu*, the NSA described the man at the centre of the current controversy — the former Defence Research and Development Organisation (DRDO) scientist, K. Santhanam\* — as "a bit of a maverick" who had no locus standi to comment on the measurement of the test yields despite being the DRDO's point-person at the Pokhran test site in 1998.

Asked whether Mr. Santhanam's claims had undermined the credibility of India's nuclear deterrent because this was the first time Western doubts about the yield of the 1998 test had been echoed by a DRDO insider, Mr. Narayanan said: "First and foremost, DRDO has nothing to do with [this aspect of the] tests, frankly, whatever plumage they may like to give themselves. The measurements are not done by DRDO."

Citing the "authorised and proven measurements" of yields done by Anil Kakodkar and S.K. Sikka from the Bhabha Atomic Research Centre, he said nobody had really questioned their conclusions. "If those who were involved come forward and say, 'I have looked at the measurement and these are the mistakes' that would be different. If Santy says, 'I have an independent set of measurements about the tests,' let him come forward," Mr. Narayanan said, referring to Mr. Santhanam by his nick-name. Western analysts had been questioning the Pokhran-II tests because "they don't

\* Mr. Narayanan was clarifying the position arising out of the confusion created by Mr. Santhanam, a former scientist of the Defence Research and Development Organisation that the 1998 nuclear test conducted by India did not yield the desired results and hence the need for more tests. Same day when the interview appeared (on August 29) Prime Minister Manmohan Singh said the government stood by the theory of effectiveness of the thermonuclear device tested in the Pokhran II experiment in 1998 and termed the claims to the contrary attempts at "misleading." Dr. Singh, who cited the opinion given two days ago by the former President, A.P.J. Abdul Kalam, said the nuclear test, carried out during his predecessor, Atal Bihari Vajpayee's time was "successful" and not a "fizzle" as a nuclear scientist claimed early this week. (The Prime Minister was talking to journalists at Ramsar village, 60 km from the district town of Barmer) Dr. Singh said: "We believe in our scientists. It is very clear that the test was successful. The former Defence Adviser and the former President too have testified to this." He termed the controversy over the issue unwarranted. "It is a needless debate."



want to recognise that we are a nuclear weapon power, particularly that we are capable of a fusion device,” the NSA said. “Now if Santy honestly believed that there was something about it, he should have said so [then], not 10 years later.”

Mr. Narayanan said that Mr. Santhanam’s statement would lead to increased international pressure on India on the Comprehensive Test Ban Treaty (CTBT), even though U.S. Secretary of State Hillary Clinton had publicly declared that Washington had no right to make demands on Delhi until it had itself ratified the treaty. “I think we are going to face pressures from the international community. They don’t know Santy ... I mean, he is extremely bright but he is a bit of a maverick in these matters! But the international community is going to say that this is one of India’s very devious methods of preparing for a test, that [our] scientists are saying that was a fizzle, therefore India may find it necessary to prove itself once again. This is my worry. I hope it doesn’t happen.”

Anticipating a “new rash of [statements] saying India should not test,” Mr. Narayanan said, “In any case, our decision not to test has nothing to do with this. We have a voluntary moratorium. At the moment, our people feel that we don’t need a test. I suppose that’s where we are.”

Asked whether he could think of a situation where India might want to resume nuclear testing in the absence of a deterioration in the international security environment, the NSA said, “As of now, we are steadfast in our commitment to the moratorium. At least there is no debate in the internal circles about this.”

But if that were the case, did the Manmohan Singh government stand by the formulation first advanced by Atal Bihari Vajpayee as Prime Minister in September 1998 — that India would not stand in the way of the CTBT entering into force? Throughout the world, that statement was understood to mean India would have no problem signing the treaty if the others whose ratification is required for the CTBT to enter into force — especially the U.S. and China — did so. Mr. Narayanan ducked a direct response. “I think we need to now have a full-fledged discussion on the CTBT. We’ll cross that hurdle when we come to it.”



**139. Press Statement of the Department of Atomic Energy Commission on the success of the nuclear test conducted in May 1998.**

**Mumbai, September 5, 2009.**

The Atomic Energy Commission (AEC) in its meeting held on September 5, 2009, discussed recent statements in the media on the thermonuclear test of May 11 1998. Of particular concern were the statements made by Shri Santhanam, who was a member of the team from DRDO participating in the tests.

The Commission had been briefed about the successful tests at its meeting held on May 21, 1998 wherein, details of the type of tests, estimated yields and other technical details were given. Some subsequent media reports that appeared to question the reported yields of tests done on May 11, 1998 were discussed at a meeting of the AEC held on November 12, 1998. The Commission noted at that time *“more recent reports have confirmed the Indian estimate of 60 kilotons for the combined yield of the fission device and the thermonuclear device”*. Some members of the Commission had felt that the media reports could be more in the form of a disinformation campaign. Later, at meetings of the AEC held on March 26, 1999 and November 18, 1999, results of radio-chemical analysis of bore-hole samples reconfirming the estimated yields, were presented to the Commission.

*Dr. Raja Ramanna was then a member of the Atomic Energy Commission and was present at all the meetings referred to above.*

The Atomic Energy Commission notes that the design yield of the thermonuclear test had to be kept at 45 KT in order to protect the nearby Khetolai village from the combined yield of the thermonuclear and fission test (the two tests had to be necessarily done together as the two shafts were only 1.1 Km apart). Close-in seismic instrumentation was deployed. Analysis of the measurements from these instruments as well as those from far field instruments located at Gauribidanur and several IMD stations confirmed the combined yield of the two tests to be 58-83



**140. Statement by Chairman Atomic Energy Commission & Leader of the Indian delegation Dr. Anil Kakodkar at the 53rd General Conference of the International Atomic Energy Agency.**

**Vienna, September 16, 2009.**

**Madame President,**

First of all, let me congratulate you on your election as the President of the 53rd General Conference. Under your able stewardship, and with the support of your team and the Secretariat of the Agency, this General Conference will be able to accomplish the many tasks before it.

I welcome the entry of Kingdom of Cambodia and the Republic of Rwanda to the membership of the International Atomic Energy Agency (IAEA). The expansion of our family is always a happy moment and I take this opportunity to convey our best wishes to each of our new members.

**Madame President**, this is a landmark year for the Agency. Dr. Mohamed ElBaradei, Director General, will be laying down office after his outstanding leadership of the International Atomic Energy Agency spanning the last 12 years. And if we look back further, it is has been a magnificent quarter century of his association with the work of the Agency. Through his tireless efforts, the IAEA has been able to meet the many challenges before it. Apart from being the chief navigator of the Agency, he has also been a friend, philosopher and guide to its member States at all times.

In these years, one quality that can be said to define Dr. ElBaradei, perhaps more than anything else, is his constant personal concern and compassion towards humankind and the link he made between 'security' and 'poverty alleviation'. Indeed, when development needs remain unaddressed, the resulting misery often leads to conflicts and violence, which in turn further affect development efforts and impact on regional and global stability.

I take this opportunity to express our gratitude to Dr. ElBaradei for his outstanding leadership of IAEA and indeed all his efforts to make this world a better place. I wish Dr. ElBaradei a life of good health and happiness and one of continuing association with the Agency.

I also have immense pleasure in welcoming H.E. Mr. Yukiya Amano who will take over the reins from Dr. ElBaradei shortly. Mr. Amano brings with him his vast experience and exceptional diplomatic skills. I join others in conveying our best wishes as he prepares for this new responsibility and assure him of our support in accelerating and enlarging the contribution of atomic energy to peace, health and prosperity throughout the world.

Role of atomic energy has become more relevant today than at any time before. There are several factors that dictate such a paradigm. Depleting earth resources and threat to global climate on one hand and the potential of nuclear energy to provide a large sustainable source of energy with negligible green house gas emissions that can address the development aspirations of a large part of humanity on the other being the major ones. There are however still some major barriers. Concerns on safety, proliferation and security as well as uncertainty in terms of assured fuel and other supplies over the lifetime of the plants would need credible and universally acceptable approaches before nuclear energy can play a role upto its full potential. In our view unless all related issues are addressed in a holistic manner, we are unlikely to reach a satisfactory solution. Compartmentalised approaches to safety, safeguards and security are unlikely to be sustainable in a scenario of expanding deployment of nuclear energy. We need technological solutions to reduce the risks arising from these factors.

We must also recognize that there is considerable urgency about our effective actions both in terms of access to means for development in under-developed areas of the world and reductions of carbon dioxide emissions. Concurrent progress on both these fronts is crucial to contain human conflicts and climate related disasters and prevent them from reaching a state of irreversible instability. Clearly, the IAEA and all its member states have a major responsibility towards reaching universally applicable solutions that are accessible to all.

The importance of nuclear power in India was recognized right since our independence in the year 1947. India has been pursuing a comprehensive programme in atomic energy covering the entire fuel cycle involving uranium, plutonium and thorium based fuels. While the three stage development of our nuclear programme is dictated by our prime long-term objective of realizing energy independence on the basis of our vast thorium resources, our understanding and experience with thorium clearly reveals several benefits of the thorium fuel cycle, particularly in heavy water reactors, in

terms of proliferation resistant nuclear energy production as well as efficient fissile plutonium disposal. These features of a thorium based fuel cycle may also be of interest to other countries.

The 300 MWe Advanced Heavy Water Reactor (AHWR) being developed in India is mainly a thorium fuelled reactor with several advanced passive safety features. The safety features in its design would enable meeting next generation safety requirements such as three days grace period for operator response, elimination of the need for exclusion zone beyond the plant boundary, hundred year design life and high level of fault tolerance. The advanced safety characteristics of this reactor like Passive Containment Cooling System and Gravity Driven Water Pool have been verified in a series of experiments carried out in full scale test facilities. The reactor is manageable with modest industrial infrastructure within the reach of developing countries. Also, for the same amount of energy produced, the quantity of long-lived minor actinides generated is nearly half of that produced in current generation Light Water Reactors. Importantly, high level of radioactivity in the fissile and fertile materials recovered from the spent fuel of AHWR and their isotopic composition preclude the use of these materials for nuclear weapons. Further, high level of fault tolerance provides for a much greater immunity even from insider threat. These features therefore, offer enhanced intrinsic proliferation resistant characteristics and high security strength.

A new version of AHWR named, Advanced Heavy Water Reactor - Low Enriched Uranium (AHWR-LEU) that uses low enriched uranium along with thorium as fuel has also been designed recently. The reactor has a significantly lower requirement of mined uranium per unit energy produced as compared to most of the current generation thermal reactors. This version of the design also can meet the requirement of medium sized reactors, in countries with small grids while meeting the requirements of next generation systems. While we strongly advocate recycle option, AHWR-LEU would also compete very favourably even in once through mode of fuel cycle. A brochure of AHWR-LEU has been made available at this conference.

High level radioactive waste disposal is another issue that needs attention. While we consider recycle option backed up by immobilization of residual waste in inert matrices as a proven technological option for safe geological disposal, there is perhaps a need to develop partition and transmutation technologies that will reduce the radioactive half life of the waste to a level wherein most of the radioactivity is lost within a practical time frame

comparable with life span of institutions that are required to manage them. Clearly this necessitates intense research and development. Given the level of understanding and development that we have reached today, it seems to me that this is a realizable goal.

**Madame President**, an important objective and guiding principle of the Agency in its work is to foster the exchange of scientific and technical information on peaceful uses of atomic energy. Here, I reiterate India's commitment to make a significant contribution to the growth of nuclear energy globally within the framework of IAEA.

I would now like to present some other achievements of the Indian nuclear power programme, which has by now clocked over 300 reactor years of safe and economic nuclear power generation. The Enmasse Feeder Replacement (EMFR) for RAPS-2 has been completed with highest degree of safety. This complex and technologically advanced project was carried out with entirely indigenously developed technology. India is one of the few countries in the world which have experience in the ageing management of nuclear power plants. Our PHWR units offer a wide range of possibilities in the small and medium reactor category with proven performance and cost competitive advantage.

Construction has been almost completed of three 220 MWe Pressurised Heavy Water Reactors (KAIGA-4 and RAPS 5 & 6) while two 1000 MWe Light Water Reactors and one 500 MWe Prototype Fast Breeder Reactor (PFBR) are currently in advanced stages of construction. The unit size of Indian Pressurised Heavy Water Reactors have been further increased to 700 MWe and a series of such units are planned for installation in the country. Our Fast Breeder Test Reactor (FBTR) has successfully achieved yet another milestone with its unique (U,Pu)C fuel crossing 165 GWd/tonne burnup without any fuel failure. PFBR fuel which is under irradiation testing in FBTR has reached a burnup of 90 GWD/tonne.

**Madame President**, India's indigenous programme is set to accelerate. At the same time, India looks forward to mutually beneficial two-way nuclear cooperation with other members of the IAEA. Last year was a year of intense diplomatic activity in which India and other friendly countries with advanced nuclear technologies worked closely in order to consolidate the framework for cooperation. We are presently in the process of reformulating our plans for the larger scale programme implementation taking advantage of new possibilities that are emerging. This year is already a time for results and RAPS-2 (200 MW) is our first Pressurised Heavy Water Reactor that is

operational using imported natural uranium.

Nuclear energy not only lights up bulbs and drives machines, but also has applications in medical field for raising food production and water management. Therefore, these areas need special thrust. During the 2007 IAEA General Conference, India offered a new Bhabhatron-II Teletherapy unit to the Socialist Republic of Vietnam under the Programme of Action for Cancer Therapy (PACT) of the IAEA. We are happy to report that Bhabhatron teletherapy unit was dispatched to Vietnam in August, 2009 and the high-capacity telecobalt source for this machine is also ready for shipment.

This year, two new mutant varieties were notified for commercial cultivation taking the total number of mutant varieties developed by Bhabha Atomic Research Centre (BARC) using nuclear techniques to 37. The interest of entrepreneurs in using radiation technology for hygenising and preserving food and allied products is increasing and 15 such facilities are now operational in India with some more under construction. Radiation technology has also helped India in increasing its exports of food items including to the most developed markets in the world.

Water is the basis for life and the greatest human civilizations have developed around water bodies. Not surprisingly, when we look for signs of life on other planets, we begin with the search for signs of water. And yet, if there is one crisis that threatens each one of us, it is the declining access to water. Our hybrid Nuclear Desalination Demonstration Plant (NDDP) at Kalpakkam, comprising of Reverse Osmosis (RO) based unit of 1.8 million litres per day commissioned in 2002 and a Multi Stage Flash (MSF) desalination plant of 4.5 million litres per day as well as a barge mounted RO desalination unit commissioned recently would help in dealing with the shortage of water in our water-stressed coastal areas. Rejuvenation of springs that are the sources of drinking water in villages on the foothills of Himalayas through use of isotope hydrology techniques is another example of the important role atomic energy can play in this vital area.

**Madame President**, as I have said earlier, we are now in an era where reserves of fossil fuels are finite and concerns regarding climate change and sustainable development are paramount. This is indeed the nuclear age and the challenge is to meet the enormous expectations of mankind from IAEA in the 21st century. It is India's firm belief that there is no substitute for intensifying joint collaborative activity within IAEA and we have, for instance attached the highest importance to INPRO from the time this

programme commenced in 2001. There is the need for all member states to pool in resources and experience in the best interest of mankind. Such collaborative activities should be in the form of participative partnerships that lead to capacity building and grass root level participation of all stakeholders.

In the final analysis, IAEA's success in intensifying the use of nuclear energy in the service of mankind is dependent on urgent action to develop human resources in adequate numbers. One of the biggest limitations to expansion of nuclear power, particularly in countries only now looking in this direction, is the lack of qualified manpower. India is willing to do its bit here in working with friendly developing countries.

**Madame President**, we are now coming to the end of the Homi Bhabha Birth Centenary year and I am happy to inform you that an international conference on "Peaceful Uses of Atomic Energy" will be held in New Delhi from 29 September to 1 October, 2009. I thank IAEA for its support to this conference. I take this opportunity to recall the words of the father of India's nuclear programme, Dr. Homi Bhabha, as President of the International Conference on Atomic Energy for Peaceful Uses at Geneva in 1955. He said,

"For the full industrialization of the underdeveloped countries, for the continuation of our civilization and its further development, atomic energy is not merely an aid, it is an absolute necessity. The acquisition by man of the knowledge of how to release and use atomic energy must be recognized as the third epoch of human history".

Thank you, Madame President





**141. Letter from Permanent Representative of India to the UN addressed to the President of the Security Council outlining India's approach and perspectives regarding the Security Council's Summit meeting on Nuclear Non-Proliferation and Nuclear Disarmament.**

**New York, September 24, 2009**

On 23 September 2009 Ambassador H.S. Puri, Permanent Representative of India to the United Nations, New York sent a letter to Ambassador Susan E. Rice, Ambassador and Permanent Representative of the United States to the UN and President of the Security Council, transmitting a paper outlining India's approach and perspectives regarding the Security Council's Summit meeting on Nuclear Non-Proliferation and Nuclear Disarmament being held in New York on 24 September 2009.

**The text of the Indian Paper is as follows:**

**Enclosure to the letter dated 23 September 2009 from the Permanent Representative of India to the United Nations addressed to the President of the Security Council**

We wish to place on record India's approach and perspectives with regard to the Summit level meeting of the United Nations Security Council to be held on 24 September 2009.

India welcomes the initiative taken by the United States, as current President of the Council, to convene a Summit level meeting to consider matters relating to Nuclear Non-Proliferation and Nuclear Disarmament. This is an issue of global importance in which the entire international community has a vital interest.

India has an unwavering commitment to global efforts for preventing the proliferation of weapons of mass destruction and their means of delivery. These efforts are in India's interest as the infirmities of the non-proliferation regime have had an adverse impact on our security. We support the two global and non-discriminatory international conventions banning chemical and biological weapons and efforts for strengthening their implementation.

During the 63rd Session of the UNGA, India's Prime Minister reiterated our proposal for a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and providing for their complete elimination within a specified timeframe. This policy reaffirms the

highest priority we attach to the goal of nuclear disarmament enshrined in the Rajiv Gandhi Action Plan of 1988.

Nuclear disarmament can be achieved through a step by step process underwritten by a universal commitment for global elimination of nuclear weapons. India has suggested a number of measures in this regard, including reaffirmation of the unequivocal commitment by all nuclear weapon states to the goal of complete elimination of nuclear weapons. Consideration could also be given to specific legal measures, including a Global No First Use Agreement and negotiation of a Convention on the Prohibition of the use of Nuclear weapons. Measures to reduce nuclear dangers arising from accidental or unauthorized use of nuclear weapons are also pertinent in this regard. There is an imperative need for preventing terrorists from gaining access to weapons of mass destruction.

The Security Council's consideration of this issue is based on a widely shared concern about the threat posed by all nuclear weapons to international peace and security. Addressing this threat requires the global elimination of nuclear weapons on a non-discriminatory basis. While preventing proliferation is important, an excessive focus on non-proliferation does a disservice to the essential principle of the mutually reinforcing linkage between disarmament and non-proliferation. International efforts in this regard should build the necessary confidence among states so that international treaties and agreements are multilaterally negotiated and freely accepted which remains the true test of their legitimacy and credibility.

At the same time, states should fully and effectively implement the obligations arising from the agreements or treaties to which they are parties. Non-proliferation obligations arise from international agreements or treaties to which states are parties and issues of non-compliance should be addressed in accordance with the provisions contained within those international agreements or treaties. The role of the Security Council would arise if those treaties themselves provide for such a role.

India cannot accept externally prescribed norms or standards on matters within the jurisdiction of its Parliament or which are not consistent with India's constitutional provisions and procedures, or are contrary to India's national interests or infringe on its sovereignty. India cannot comply with non-proliferation obligations to which it has not provided its sovereign consent.

India's position on the Nuclear Non-Proliferation Treaty (NPT) is well-known. We cannot accept any obligations arising from treaties that India has not signed or ratified. This position is consistent with the fundamental principles of international law and the Law of Treaties. India cannot accept calls for universalization of the NPT. As India's Prime Minister stated in Parliament on 29 July, 2009, there is no question of India joining the NPT as a non-nuclear weapon state. Nuclear weapons are an integral part of India's national security and will remain so, pending non-discriminatory and global nuclear disarmament.

We remain committed to a voluntary, unilateral moratorium on nuclear testing. We do not subscribe to any arms race, including a nuclear arms race. We have always tempered the exercise of our strategic autonomy with a sense of global responsibility. We affirm our policy of no-first-use of nuclear weapons.

India attaches importance to the Conference on Disarmament (CD) as the single multilateral disarmament negotiating forum. We have stated our willingness to participate constructively in the FMCT negotiations in the CD as part of its Programme of Work. India is a nuclear weapon state and a responsible member of the world community, and would approach these negotiations as such.

India places great value on the role played by the IAEA's nuclear safeguards system, which is of critical importance to facilitate expansion of nuclear energy to meet global energy needs in a clean and sustainable manner, while reducing proliferation risks. All states have a right to peaceful uses of nuclear energy in accordance with the obligations they have undertaken. A number of agreements and reciprocal commitments were concluded as part of the India civil nuclear initiative. The IAEA's authority to apply safeguards or verify undeclared activity is derived from the specific safeguards agreements concluded with it by its member states. We support international cooperative measures to combat nuclear terrorism and to improve nuclear security, and in this context, look forward to the convening of the Global Summit on Nuclear Security in 2010.

The contributions of various organs of the UN, including that of the Security Council should be in accordance with their Charter responsibilities. During the 1992 Security Council Summit on Non-Proliferation, India, which was represented on the Council, had stated that while prescribing norms and standards for national or international conduct, the Security Council must scrupulously accept those norms for itself. It is clear that the international

community would look to the countries with substantial nuclear arsenals represented on the Council for meaningful steps towards nuclear disarmament.

Working towards our common objectives would require a steadfast commitment to genuine multilateralism to ensure viable and enduring solutions to global peace and security. A more representative Security Council would add credibility and vitality to such efforts. India has an impeccable non-proliferation record and is committed to working with the international community to advance our common non-proliferation and disarmament objectives so that we are able to fulfill the vision of a world free of nuclear weapons. We hope that the Security Council summit meeting will spur international efforts in that direction.



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**The letter was occasioned by the adoption by the UN Security Council a Unanimous Resolution No. 1887 at its meeting No. 6191 on September 24, 2009 and attended by 14 Heads of State/Government and presided over by US President Barack Obama, whose country held the rotating presidency of the Council.**

The 13 other Heads of State and Government also addressed the Security Council.

Other Heads of State/Government present were: Presidents Óscar Arias Sánchez of Costa Rica, Stjepan Mesic of Croatia, Dmitry Medvedev of the Russian Federation, Felipe Calderón Hinojosa of Mexico, Heinz Fischer of Austria, Nguyen Minh Triet of Viet Nam, Yoweri Kaguta Museveni of Uganda, Hu Jintao of China, Nicolas Sarkozy of France and Blaise Compaore of Burkina Faso, as well as Prime Ministers Gordon Brown of the United Kingdom, Yukio Hatoyama of Japan and Recep Tayyip Erdogan of Turkey.

The United Nations Secretary-General Ban Ki-moon also attended the meeting. Also addressing the summit were Abdurrahman Mohamed Shalgham, Permanent Representative of Libya, and Mohamed ElBaradei, Director General of the International Atomic Agency (IAEA).

While the resolution did not target specific countries, the Council demanded that parties involved in "major challenges to the non-proliferation regime" comply fully with their obligations, and reaffirmed its call on them to find early negotiated solutions to their issues.

The text underlined the right to pursue peaceful nuclear energy under IAEA supervision, but also urged States to curb the export of nuclear-related material to countries that had terminated their compliance with Agency safeguards agreements. It also called for the enforcement of strict controls on nuclear material to prevent it from falling into dangerous hands.

In addition, the Council called upon all States to refrain from conducting nuclear test explosions and to ratify the Comprehensive Nuclear-Test-Ban Treaty in order to bring it into force as soon as possible. It called upon the Conference on Disarmament to quickly negotiate a treaty banning the production of fissile materials for explosive devices.

Addressing the summit following adoption of the text, Secretary-General Ban said he had long advocated a stronger role for the Council in nuclear non-proliferation and disarmament, and he urged the 15-member body to make the most of the moment to sustain the momentum. "The need for action is clear. Thousands of nuclear weapons remain on hair-trigger alert. More States have sought and acquired them," he added. "And every day, we live with the threat that weapons of mass destruction could be stolen sold or slip away," the Secretary-General said, emphasizing that nuclear disarmament was the only sane path to a safer world. He called for new ways to increase transparency with regard to the weapons programmes of the recognized nuclear-weapon States, and pledged the commitment of the United Nations in that area and in all other relevant efforts.

In his own opening remarks, President Obama said today's resolution represented agreement on a broad framework of action to end the complex dangers posed by nuclear weapons in the post-cold-war world. To that end, he pledged that the United States would host a Summit in early 2010 and pursue deeper cuts in its nuclear arsenal, as well as agreements with the Russian Federation towards the total elimination of nuclear weapons. He said the resolution also emphasized the Council's authority to respond to violations of its resolutions, including those on Iran and the Democratic People's Republic of Korea. "The world must stand together and demonstrate that international law is not an empty promise," he added.

For its consideration of nuclear non-proliferation and nuclear disarmament, the Security Council had before it a concept paper conveyed in a letter dated 15 September 2009 from the President of the Security Council and addressed to the Secretary-General.

According to the paper, the Security Council would focus broadly on nuclear non-proliferation and nuclear disarmament and not on any specific countries, with the goals of underscoring the global reach of proliferation threats; the broadly shared obligation to respond; the positive steps taken to reduce nuclear dangers; and the Council's essential role in addressing growing and pressing nuclear threats.

The paper stated that preventing the spread and use of nuclear weapons was fundamental to the security of nations and the peace of the world. With the recent Group of Eight (G-8) statement on non-proliferation in L'Aquila, Italy, the upcoming Global Nuclear Security Summit in March 2010 and the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) Review Conference to follow, there was an opportunity for important global attention and focus on this critical security issue.

The paper had three key and related nuclear threat reduction topics for discussion: arms control and nuclear disarmament; strengthening the international nuclear non-proliferation regime; and denying and disrupting illicit trafficking in materials of proliferation concern and securing such materials wherever they might be located.

The paper said: "the summit is intended as an opportunity to build support for fissile material cut-off treaty negotiations; the International Atomic Energy Agency (IAEA) Additional Protocol; ratification of the Comprehensive Nuclear-Test-Ban Treaty; and strategic arms control, including new negotiations over the Treaty on the Reduction and Limitation of Strategic Offensive Arms (START)."

With its goal of strengthening the existing international nuclear non-proliferation regime, the paper said, "the summit can facilitate support for technical assistance and access to peaceful uses of nuclear energy, multilateral approaches to the nuclear fuel cycle and efforts to improve and ensure compliance with non-proliferation and safeguards obligations while preventing abuse of the NPT withdrawal provision. The summit is also an opportunity to

explore ways to enhance the abilities of States to counter proliferation financing and eliminate procurement networks while reinforcing implementation of resolution 1540 (2004). It is further intended to underscore the importance of an accelerated effort to secure nuclear weapons materials around the world and to build support for establishing and sharing best practices for nuclear security.'

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**The Following is the full text of the Resolution No. 1887:**

"The Security Council,

*"Resolving* to seek a safer world for all and to create the conditions for a world without nuclear weapons, in accordance with the goals of the Treaty on the Non Proliferation of Nuclear Weapons (NPT), in a way that promotes international stability, and based on the principle of undiminished security for all,

*"Reaffirming* the Statement of its President adopted at the Council's meeting at the level of Heads of State and Government on 31 January 1992 (S/23500), including the need for all Member States to fulfil their obligations in relation to arms control and disarmament and to prevent proliferation in all its aspects of all weapons of mass destruction,

*"Recalling* also that the above Statement (S/23500) underlined the need for all Member States to resolve peacefully in accordance with the Charter any problems in that context threatening or disrupting the maintenance of regional and global stability,

*"Reaffirming* that proliferation of weapons of mass destruction, and their means of delivery, constitutes a threat to international peace and security,

"Bearing in mind the responsibilities of other organs of the United Nations and relevant international organizations in the field of disarmament, arms control and non-proliferation, as well as the Conference on Disarmament, and supporting them to continue to play their due roles,

*"Underlining* that the NPT remains the cornerstone of the nuclear non proliferation regime and the essential foundation for the pursuit of nuclear disarmament and for the peaceful uses of nuclear energy,

*"Reaffirming* its firm commitment to the NPT and its conviction that the international nuclear non-proliferation regime should be maintained and strengthened to ensure its effective implementation, and recalling in this regard the outcomes of past NPT Review Conferences, including the 1995 and 2000 final documents,

*"Calling* for further progress on all aspects of disarmament to enhance global security,

*"Recalling* the Statement by its President adopted at the Council's meeting held on 19 November 2008 (S/PRST/2008/43),

*"Welcoming* the decisions of those non-nuclear-weapon States that have dismantled their nuclear weapons programs or renounced the possession of nuclear weapons,

*"Welcoming* the nuclear arms reduction and disarmament efforts undertaken and accomplished by nuclear-weapon States, and underlining the need to pursue further efforts in the sphere of nuclear disarmament, in accordance with Article VI of the NPT,

*"Welcoming* in this connection the decision of the Russian Federation and the United

States of America to conduct negotiations to conclude a new comprehensive legally binding agreement to replace the Treaty on the Reduction and Limitation of Strategic Offensive Arms, which expires in December 2009,

*"Welcoming* and supporting the steps taken to conclude nuclear-weapon-free zone treaties and reaffirming the conviction that the establishment of internationally recognized nuclear-weapon-free zones on the basis of arrangements freely arrived at among the States of the region concerned, and in accordance with the 1999 United Nations Disarmament Commission guidelines, enhances global and regional peace and security, strengthens the nuclear non-proliferation regime, and contributes toward realizing the objectives of nuclear disarmament,

*"Noting* its support, in this context, for the convening of the Second Conference of States Parties and signatories of the Treaties that establish Nuclear-Weapon-Free Zones to be held in New York on 30 April 2010,

*"Reaffirming* its resolutions 825 (1993), 1695 (2006), 1718 (2006), and 1874 (2009),

*"Reaffirming* its resolutions 1696 (2006), 1737 (2006), 1747 (2007), 1803 (2008), and 1835 (2008),

*"Reaffirming* all other relevant non-proliferation resolutions adopted by the Security Council,

*"Gravely* concerned about the threat of nuclear terrorism, and recognizing the need for all States to take effective measures to prevent nuclear material or technical assistance becoming available to terrorists,

*"Noting* with interest the initiative to convene, in coordination with the International Atomic Energy Agency (IAEA), an international conference on the peaceful uses of nuclear energy,

*"Expressing* its support for the convening of the 2010 Global Summit on Nuclear Security,

*"Affirming* its support for the Convention on the Physical Protection of Nuclear Material and its 2005 Amendment, and the Convention for the Suppression of Acts of Nuclear Terrorism,

*"Recognizing* the progress made by the Global Initiative to Combat Nuclear Terrorism, and the G-8 Global Partnership,

*"Noting* the contribution of civil society in promoting all the objectives of the NPT,

*"Reaffirming* its resolution 1540 (2004) and the necessity for all States to implement fully the measures contained therein, and calling upon all Member States and international and regional organizations to cooperate actively with the Committee established pursuant to that resolution, including in the course of the comprehensive review as called for in resolution 1810 (2008),

- "1. *Emphasizes* that a situation of non-compliance with non-proliferation obligations shall be brought to the attention of the Security Council, which will determine if that situation constitutes a threat to international peace and security, and emphasizes the Security Council's primary responsibility in addressing such threats;
- "2. *Calls* upon States Parties to the NPT to comply fully with all their obligations and fulfil their commitments under the Treaty,

- "3. *Notes* that enjoyment of the benefits of the NPT by a State Party can be assured only by its compliance with the obligations thereunder;
- "4. *Calls* upon all States that are not Parties to the NPT to accede to the Treaty as non-nuclear-weapon States so as to achieve its universality at an early date, and pending their accession to the Treaty, to adhere to its terms;
- "5. *Calls* upon the Parties to the NPT, pursuant to Article VI of the Treaty, to undertake to pursue negotiations in good faith on effective measures relating to nuclear arms reduction and disarmament, and on a Treaty on general and complete disarmament under strict and effective international control, and calls on all other States to join in this endeavour;
- "6. *Calls* upon all States Parties to the NPT to cooperate so that the 2010 NPT Review Conference can successfully strengthen the Treaty and set realistic and achievable goals in all the Treaty's three pillars: non-proliferation, the peaceful uses of nuclear energy, and disarmament;
- "7. *Calls* upon all States to refrain from conducting a nuclear test explosion and to sign and ratify the Comprehensive Nuclear-Test-Ban Treaty (CTBT), thereby bringing the treaty into force at an early date;
- "8. *Calls* upon the Conference on Disarmament to negotiate a Treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices as soon as possible, welcomes the Conference on Disarmament's adoption by consensus of its Program of Work in 2009, and requests all Member States to cooperate in guiding the Conference to an early commencement of substantive work;
- "9. *Recalls* the statements by each of the five nuclear-weapon States, noted by resolution 984 (1995), in which they give security assurances against the use of nuclear weapons to non-nuclear-weapon State Parties to the NPT, and affirms that such security assurances strengthen the nuclear non-proliferation regime;
- "10. *Expresses* particular concern at the current major challenges to the non proliferation regime that the Security Council has acted upon, demands that the parties concerned comply fully with their obligations under the relevant Security Council resolutions, and reaffirms its call upon them to find an early negotiated solution to these issues;
- "11. *Encourages* efforts to ensure development of peaceful uses of nuclear energy by countries seeking to maintain or develop their capacities in this field in a framework that reduces proliferation risk and adheres to the highest international standards for safeguards, security, and safety;
- "12. *Underlines* that the NPT recognizes in Article IV the inalienable right of the Parties to the Treaty to develop research, production and use of nuclear energy for peaceful purposes without discrimination and in conformity with Articles I and II, and recalls in this context Article III of the NPT and Article II of the IAEA Statute;
- "13. *Calls* upon States to adopt stricter national controls for the export of sensitive goods and technologies of the nuclear fuel cycle;
- "14. *Encourages* the work of the IAEA on multilateral approaches to the nuclear fuel cycle, including assurances of nuclear fuel supply and related measures, as effective



- means of addressing the expanding need for nuclear fuel and nuclear fuel services and minimizing the risk of proliferation, and urges the IAEA Board of Governors to agree upon measures to this end as soon as possible;
- "15. *Affirms* that effective IAEA safeguards are essential to prevent nuclear proliferation and to facilitate cooperation in the field of peaceful uses of nuclear energy, and in that regard:
- a. *Calls* upon all non-nuclear-weapon States party to the NPT that have yet to bring into force a comprehensive safeguards agreement or a modified small quantities protocol to do so immediately,
  - b. *Calls* upon all States to sign, ratify and implement an additional protocol, which together with comprehensive safeguards agreements constitute essential elements of the IAEA safeguards system,
  - c. *Stresses* the importance for all Member States to ensure that the IAEA continue to have all the necessary resources and authority to verify the declared use of nuclear materials and facilities and the absence of undeclared activities, and for the IAEA to report to the Council accordingly as appropriate;
- "16. *Encourages* States to provide the IAEA with the cooperation necessary for it to verify whether a state is in compliance with its safeguards obligations, and affirms the Security Council's resolve to support the IAEA's efforts to that end, consistent with its authorities under the Charter;
- "17. *Undertakes* to address without delay any State's notice of withdrawal from the NPT, including the events described in the statement provided by the State pursuant to Article X of the Treaty, while noting ongoing discussions in the course of the NPT review on identifying modalities under which NPT States Parties could collectively respond to notification of withdrawal, and affirms that a State remains responsible under international law for violations of the NPT committed prior to its withdrawal;
- "18. *Encourages* States to require as a condition of nuclear exports that the recipient State agree that, in the event that it should terminate, withdraw from, or be found by the IAEA Board of Governors to be in non-compliance with its IAEA safeguards agreement, the supplier state would have a right to require the return of nuclear material and equipment provided prior to such termination, non-compliance or withdrawal, as well as any special nuclear material produced through the use of such material or equipment;
- "19. *Encourages* States to consider whether a recipient State has signed and ratified an additional protocol based on the model additional protocol in making nuclear export decisions;
- "20. *Urges* States to require as a condition of nuclear exports that the recipient State agree that, in the event that it should terminate its IAEA safeguards agreement, safeguards shall continue with respect to any nuclear material and equipment provided prior to such termination, as well as any special nuclear material produced through the use of such material or equipment;
- "21. *Calls* for universal adherence to the Convention on Physical Protection of Nuclear Materials and its 2005 Amendment, and the Convention for the Suppression of Acts of Nuclear Terrorism;

- "22. *Welcomes* the March 2009 recommendations of the Security Council Committee established pursuant to resolution 1540 (2004) to make more effective use of existing funding mechanisms, including the consideration of the establishment of a voluntary fund, and affirms its commitment to promote full implementation of resolution 1540 (2004) by Member States by ensuring effective and sustainable support for the activities of the 1540 Committee;
- "23. *Reaffirms* the need for full implementation of resolution 1540 (2004) by Member States and, with an aim of preventing access to, or assistance and financing for, weapons of mass destruction, related materials and their means of delivery by non-State actors, as defined in the resolution, calls upon Member States to cooperate actively with the Committee established pursuant to that resolution and the IAEA, including rendering assistance, at their request, for their implementation of resolution 1540 (2004) provisions, and in this context welcomes the forthcoming comprehensive review of the status of implementation of resolution 1540 (2004) with a view to increasing its effectiveness, and calls upon all States to participate actively in this review;
- "24. *Calls* upon Member States to share best practices with a view to improved safety standards and nuclear security practices and raise standards of nuclear security to reduce the risk of nuclear terrorism, with the aim of securing all vulnerable nuclear material from such risks within four years;
- "25. *Calls* upon all States to manage responsibly and minimize to the greatest extent that is technically and economically feasible the use of highly enriched uranium for civilian purposes, including by working to convert research reactors and radioisotope production processes to the use of low enriched uranium fuels and targets;
- "26. *Calls* upon all States to improve their national capabilities to detect, deter, and disrupt illicit trafficking in nuclear materials throughout their territories, and calls upon those States in a position to do so to work to enhance international partnerships and capacity building in this regard;
- "27. *Urges* all States to take all appropriate national measures in accordance with their national authorities and legislation, and consistent with international law, to prevent proliferation financing and shipments, to strengthen export controls, to secure sensitive materials, and to control access to intangible transfers of technology;
- "28. *Declares* its resolve to monitor closely any situations involving the proliferation of nuclear weapons, their means of delivery or related material, including to or by non-State actors as they are defined in resolution 1540 (2004), and, as appropriate, to take such measures as may be necessary to ensure the maintenance of international peace and security;
- "29. *Decides* to remain seized of the matter."

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**The following were the remarks made by various leaders after the adoption of the Resolution:**

**President Barack Obama**, recalled that the Council and the United Nations had been established at the dawn of the nuclear age, pointing out, however, that while a nuclear nightmare had been averted during the cold war, today the threat of proliferation was growing in scope and complexity. Just one explosion of a nuclear weapon could kill hundreds of thousands of

people. The United Nations had a pivotal role to play in avoiding that.

He said the resolution just adopted had brought agreement on a broad framework for action, which acknowledged that all nations had a right to peaceful energy, and those with nuclear weapons had a responsibility to move towards nuclear disarmament. To that end, the United States would host a summit in April 2010. The resolution would strengthen institutions and initiatives aimed at battling trafficking in proliferation-sensitive materials. It also called for safeguards to prevent the conversion of peaceful nuclear energy programmes into weapons programmes.

The Council had the authority to respond to violations of its resolutions, including on Iran and the Democratic People's Republic of Korea, he said, emphasizing: "The world must stand together and demonstrate that international law is not an empty promise." The coming 12 months would be critical to implementation of today's resolution. Meanwhile, the United States would pursue an agreement with the Russian Federation, as well as ratification of the Comprehensive Nuclear-Test-Ban Treaty. It would also make deeper cuts in its nuclear arsenal.

"We harbour no illusions about the difficulty of bringing about a world without nuclear weapons," he said, cautioning that there would be "days like today that push us forward" and that told a different story. "It is the story of a world that understands that no difference or division is worth destroying all that we have built and all that we love." Quoting the words of President Ronald Reagan, he said a nuclear war could not be won and must never be fought. "We must never stop until we see the day that nuclear arms are banished from the face of the earth. That is our task."

**BAN KI-MOON, Secretary-General of the United Nations**, said he had long advocated a stronger role for the Security Council in nuclear non-proliferation and disarmament. The Council should make the most of this moment to sustain the momentum. "The need for action is clear. Thousands of nuclear weapons remain on hair-trigger alert. More States have sought and acquired them. [...] And every day, we live with the threat that weapons of mass destruction could be stolen, sold or slip away," he said, emphasizing that nuclear disarmament was the only sane path to a safer world.

Calling for new ways to increase transparency with regard to the weapons programmes of the recognized nuclear-weapon States, he pledged the Secretariat's willingness to serve as a repository for information. Member States should make the best use of the United Nations disarmament machinery, including the work of the Conference on Disarmament on a fissile material cut-off treaty.

Disarmament and non-proliferation must proceed together, he continued, stressing the importance of effective verification of disarmament and ensuring that IAEA had the resources and support it needed to implement its growing safeguards responsibility. For too long, a divided international community had lacked the will, vision and confidence to move ahead. "Together we have dreamed about a nuclear-weapon-free world. Now we must act to achieve it".

**ÓSCAR ARIAS SÁNCHEZ, President of Costa Rica**, said the United Nations had been founded on the promise that all would be able to sleep peacefully. That promise had not been kept. "While we sleep, death is awake. Death keeps watch from the warehouses that store more than 23,000 nuclear warheads, like 23,000 eyes open and waiting for a moment of carelessness." It did not seem plausible to discuss disarmament as long as existing agreements were not even being honoured. Countries resisted ratifying the Nuclear Non-Proliferation Treaty and Comprehensive Nuclear-Test-Ban Treaty, and

rejected international mechanisms for verification as long as the clandestine network of proliferation of nuclear supplies continued.

It did not seem plausible to speak of a safer world as long as weapons proliferation took second place on the international agenda, he continued. "This Council fails in its historic mission every day that it turns a blind eye to the rampant arms race," he said, pointing out that the world spent \$3.5 million every day on weapons and soldiers and that each year, more than \$42 billion worth of conventional arms were sold to developing nations.

Even in Latin America, which had never been more peaceful or democratic, \$60 billion would be assigned to military spending this year, he noted. "That is why I ask that we approve the arms trade treaty that my Government has presented to this Organization, because if it is legitimate for us to worry about the possibility that terrorist networks gain access to a nuclear weapon, it is also legitimate for us to worry about the rifles, grenades and machine guns that are given into their hands."

**STJEPAN MESIC, President of Croatia**, said there was one action to be taken this very day with regard to limiting nuclear proliferation: reinforce the role of the United Nations in that effort. That would not replace any institution or forum dealing with non-proliferation, but would affirm, unanimously and jointly, that the greatest efforts were needed to stop the proliferation of nuclear weapons while also guaranteeing the right of every country to the peaceful use of nuclear energy. If necessary, more stringent universally accepted international controls would be implemented.

The goal was to affirm or establish principles that would help lead to a world free of nuclear weapons without necessarily entering into debate over concrete issues, he said. A first step would be to support, without any reservation, a contractual multilateral system of treaties on the control of nuclear weapons and disarmament, including strict implementation and verification components. The next step would be to call on Member States to contribute to activities aimed at preventing abuse of existing treaties and strengthening both non-proliferation efforts, as well as resources to support them.

He said the long-standing effort to limit and then reduce nuclear weapons with the end-goal of disarmament had received a strong new impetus from the announcement by the President of the United States that his final objective was a world free of nuclear weapons. As a result of that pronouncement, the task of those present in the Council today should be to send a message to the world which had authorized them to act that there was political will to pursue a policy that would provide for the security of all countries without nuclear weapons. The objective was "peace in security", not the "balance of fear" that had prevailed during the cold war, a time of peace without security.

**DMITRY A. MEDVEDEV, President of the Russian Federation**, said it was obvious to everyone that issues of security were indivisible and global, and that only on the basis of the principles of equal security, mutual respect and compliance with the norms of international law could present-day threats be fought. "Only in this way can we strengthen the nuclear non-proliferation regime and give additional impetus to the nuclear disarmament process," he said. The measures contained in the resolution were a realistic programme of action for the international community to respond efficiently to common threats in the nuclear sphere.

He said his country and the United States had carried out unprecedented reductions of strategic nuclear arsenals within the framework of the Treaty on the Reduction and Limitation of Strategic Offensive Arms (START). The Russian Federation had tabled proposals during negotiations with the United States on a new treaty to replace START. "Our main shared

goal is to untie the problem 'knots' in the field of non-proliferation and disarmament." That could not be done overnight, as the level of distrust among nations remained too high. Because one of the most dangerous threats was that of nuclear components falling into the hands of terrorists, the existing "back-up system" needed to be modernized.

Underscoring the importance of paying serious attention to peaceful nuclear energy, he said new nuclear power programmes were a key to resolving many of the problems afflicting developing countries and an incentive for the economic growth of entire regions. However, States that carried out such programmes must abide strictly by non-proliferation agreements. Priorities in that area of international cooperation included strengthening the global non-proliferation and disarmament regime, in particular the Nuclear Non-Proliferation Treaty.

The system of IAEA safeguards must be universalized, and there was also a need to stimulate the earliest ratification of the Comprehensive Nuclear-Test-Ban Treaty by the countries that would ensure its entry into force, he said. The non-proliferation measures of resolution 1540 (2004) must be used more actively. An effective solution to many of the aforementioned problems depended on an interested and constructive engagement by all parties. The strengthening of the nuclear non-proliferation regime and the intensification of the nuclear disarmament process required, most of all, strategic stability and ensuring security for each and every State.

**FELIPE CALDERÓN HINOJOSA, President of Mexico**, said world peace and security could not be built on nuclear arsenals. Welcoming the arms-reduction talks between the United States and the Russian Federation, he said their final objective should be the total elimination of nuclear weapons. While efforts to put the Comprehensive Nuclear-Test-Ban Treaty into effect were also welcome, Mexico could not accept the paralysis on disarmament and non-proliferation, which must end with today's resolution.

He expressed support for the right of every State to avail itself of atomic energy for peaceful uses under IAEA supervision, saying that only through related incentives could proliferation be contained. Mexico had taken steps to join export control regimes in order to keep nuclear materials out of the hands of those who must not have them. He also urged the Security Council to help "put the brakes" on the illicit trade in small arms and light weapons, which also wreaked havoc on the Earth.

**HEINZ FISCHER, Federal President of Austria**, said the international community should no longer accept complacency about the nuclear shadow hanging over the world, adding that a world without nuclear weapons must be the goal. Meanwhile, the Nuclear Non-Proliferation Treaty must be strengthened and universal, while the nuclear States must reduce their arsenals.

He said his country had worked hard to get the Test-Ban Treaty into force and would also work for a fissile cut-off treaty. IAEA monitoring capabilities and export controls must be strengthened, and confidence should be built through the establishment of nuclear-weapon-free zones. Today's text was a strong one, but resolutions were not enough. Austria, as well as the European Union, would move forward on non-proliferation and disarmament.

**NGUYEN MINH TRIET, President of Viet Nam**, said nuclear weapons used up resources that could be used for development. They also threatened mass destruction and were liable to fall into the hands of terrorists. Viet Nam supported all efforts to strengthen international action to prevent those ills, in addition to the total elimination of nuclear weapons, starting with unilateral and multilateral reductions. The countries with the largest

arsenals must take leading roles in that area. The strength of IAEA also must be enhanced. Viet Nam supported a nuclear-weapon-free zone in South-East Asia and called for more action on peaceful uses of nuclear energy. The Vietnamese had suffered greatly from wars and therefore pledged their strong efforts to accomplish disarmament and non-proliferation for the purpose of strengthening peace.

**YOWERI KAGUTA MUSEVENI, President of Uganda**, said it was critical to consider non-proliferation, disarmament and peaceful use of nuclear energy in a balanced way in order to address them effectively. It was imperative that nuclear-weapon States accelerate their engagement so as to achieve complete disarmament. The possession of nuclear weapons by some countries was the sole cause for the desire of others to possess them. Welcoming the desire expressed by the largest nuclear weapons States to reduce their arsenals, he stressed that Africa was not interested in nuclear weapons, but in nuclear energy, which was much cheaper than other alternatives, in order to meet the continent's future needs.

**HU JINTAO, President of China**, said the threat of nuclear war must be eliminated and, for that to happen, global balance and stability must be maintained. Proliferation should be stopped and the nuclear-weapon States with the largest arsenals should reduce those arsenals, after which the countries with smaller arsenals should also begin to reduce their stocks. In order to maintain the peace, there was a need to renounce the use of nuclear weapons, as well as the threat to use them against non-nuclear-weapon States. Work should then commence on the total elimination of nuclear weapons.

He said the right to the peaceful use of nuclear energy should be actively promoted, and IAEA strengthened with that purpose in mind. All countries should strictly observe international agreements on nuclear materials and work together to keep them out of the hands of terrorists. China had always supported the complete elimination of nuclear weapons. It only held them for defence, having pledge no first use and no use against non-nuclear-weapon States. China would continue to play its role in upholding international non-proliferation and disarmament regimes.

**BLAISE COMPAORE, President of Burkina Faso**, said international security demanded the elimination of all nuclear weapons and their testing. International norms must be respected and deep thought must be put into keeping countries from seeking nuclear weapons when others continued to build them. Bilateral actions to reduce arms were also needed. Now more than ever, there was a need to support the IAEA in order to allow nuclear energy to become an effective development tool. That was the purpose of having a nuclear-weapon-free zone in Africa, which should be assisted in its non-proliferation efforts.

**GORDON BROWN, Prime Minister of the United Kingdom**, said that by adopting today's resolution, nuclear-weapon States as well as non-nuclear-weapon States were making a commitment to ridding the world of the danger of nuclear weapons. The global bargain underlying the Nuclear Non-Proliferation Treaty -- based on the obligations of both categories -- must be strengthened through a renewed commitment to ensuring compliance and seeking solutions to technical and policy problems.

The world could not stand by when Iran and the Democratic People's Republic of Korea breached international agreements, he stressed. Far tougher sanctions must be considered, and the onus of proof must be on those who breached the relevant agreements. The United Kingdom welcomed efforts to prevent nuclear weapons and materials to fall into the hands of terrorists. It had already taken major steps towards nuclear disarmament, reducing its nuclear-strike capability by 75 per cent.

Retaining only the absolute minimum needed for national security, Britain would also reduce its nuclear submarine fleet as a way to further disarmament goals.

**NICOLAS SARKOZY, President of France**, said that while "we are here to secure peace" and say yes to reductions, two countries, "right in front of us", were doing exactly the opposite. What Iran and the Democratic People's Republic of Korea were doing undermined the very rules upon which collective security was based. In violation of five Security Council resolutions, Iran had been pursuing nuclear proliferation activities since 2005, he said. It was amassing centrifuges and enriched uranium, while threatening to wipe a United Nations Member State off the map.

"There comes a moment when stubborn facts will compel us to take a decision," he said. "Let us not accept violations of international rules. We may all be threatened one day by a neighbour endowing itself with nuclear weapons," he warned. The Democratic People's Republic of Korea had acted in defiance of all Council decisions since 1993 and continued to test ballistic missiles. "Here again there will come a moment one has to agree and take sanctions," he said, stressing that Council decisions must be followed by results.

Access to nuclear energy for peaceful uses and the transfer of technology by developed countries would obviate the arguments of those who claimed that they needed nuclear energy but converted their nuclear programmes into weapons programmes. Given the courage to impose sanctions against those violating Council resolutions, efforts towards a world without nuclear weapons would gain credibility. Those who needed civil nuclear energy must be guaranteed sustainable access to technologies and fuel, and the entire international community must be assured that nuclear safety, security and non-proliferation would be respected.

**YUKIO HATOYAMA, Prime Minister of Japan**, said his country had a special moral responsibility as the only one ever to suffer atomic bombings. Describing a wrenching visit to Hiroshima and Nagasaki, he encouraged all world leaders to experience on their own the cruelty of nuclear weapons by speaking to survivors. Having chosen not to possess nuclear weapons, Japan had signed onto the Nuclear Non-Proliferation Treaty and Nuclear-Test-Ban Treaty to try to prevent the vicious cycle of a nuclear arms race. He renewed his country's commitment to the three non-nuclear principles no matter what steps neighbouring countries took.

Calling upon nuclear-weapons States to reduce their arsenals and foster a climate for disarmament by ensuring transparency, he urged the pursuit of nuclear-weapons-free zones, the entry into force of the Nuclear-Test-Ban Treaty and the immediate start of negotiations on a fissile materials cut-off treaty. Japan would engage in active diplomacy to lead international efforts on nuclear disarmament and non-proliferation. The nuclear development programme of the Democratic People's Republic of Korea, in particular, posed a grave threat to the peace and security of Japan and the world as a whole, and must not be tolerated. There was also cause for concern about Iran in that regard and there was a need to strengthen the Council's ability to meet those challenges.

**RECEP TAYYIP ERDOGAN, Prime Minister of Turkey**, stressed the need to bolster the integrity and credibility of the three pillars of the Nuclear Non-Proliferation Treaty -- non-proliferation, disarmament and peaceful use of nuclear energy -- by treating them equally, with universal adherence and implementation as key objectives. The current meeting should re-energize the international community for new initiatives towards the Review Conference next year.

Nuclear disarmament required an incremental but sustained approach in which treaty-

based commitments were "absolutely indispensable", he said. One of the treaty's big achievements was the unequivocal undertaking by nuclear-weapons States to eliminate their arsenals. That responsibility must now be upheld, building on article VI of the Nuclear Non-Proliferation Treaty and the 13 practical steps for disarmament agreed in 2000. It was in that context that Turkey welcomed and encouraged efforts to replace START with a new legally-binding instrument.

Irreversible progress on nuclear disarmament would also reinforce the other two pillars of the Nuclear Non-Proliferation Treaty, he continued, pointing out that it was with that understanding that his country spared no effort in continuing to promote key non-proliferation issues, including the entry into force of the Comprehensive Nuclear-Test-Ban Treaty; the start of negotiations on a fissile material cut-off treaty; and promotion of IAEA's role in advancing the safe and peaceful use of nuclear technology.

States in compliance with safeguard obligations should enjoy unfettered access to civilian nuclear technology, as enshrined in the NPT, which placed strict obligations on States, he said. The most credible assurance about the peaceful nature of national programmes was implementation of the Additional Protocol now serving as the verification standard. Confidence in nuclear technology depended on the strength and reliability of safety measures while nuclear terrorism and illicit trafficking posed grave security threats. The international community should work towards a comprehensive and mutually reinforcing approach based on already available conventions.

**ABDURRAHMAN MOHAMED SHALGHAM ( Libya)** said his country had taken an historic initiative by voluntarily ceasing work on the nuclear bomb it had been on the verge of producing. Libya therefore deserved the appreciation of the world and assistance in developing its nuclear energy capability for peaceful purposes. It also deserved a permanent seat on the Security Council.

While all countries had a right to develop nuclear energy for peaceful purposes, with IAEA oversight, the agency must monitor all States without exception, including the recognized nuclear-weapon States, he stressed. Furthermore, the Middle East must become a nuclear-weapon-free zone, and for that to happen, Israel must open its nuclear facilities to inspection. Otherwise, other States would have a desire to build their own weapons.

**MOHAMED ELBARADEI, Director General of the International Atomic Energy Agency (IAEA)**, said the global nuclear non-proliferation regime was fragile and had many shortcomings. The Agency's legal authority was severely limited in some countries because many States had not concluded the required agreements with it. Thus, in more than 90 States, it either had no verification authority at all, or its authority was inadequate and it could not verify whether a country was engaged in clandestine nuclear activities. Moreover, the verification mandate centred on nuclear material. If IAEA was expected to pursue possible weaponization activities, it must be given the corresponding legal authority, he emphasized.

A growing number of States had mastered uranium enrichment or plutonium reprocessing and any one of them could develop nuclear weapons quickly if they decided to withdraw from the Nuclear Non-Proliferation Treaty, he warned. To address that, a shift was needed from national to multinational control of the nuclear fuel cycle. He said he had proposed the establishment of a low enriched uranium bank that would ensure that States had a guaranteed supply of nuclear fuel for their reactors and did not need to process their own. Complementary proposals had subsequently been made, but the main goal should be the full multi-nationalization of the fuel cycle towards nuclear disarmament.



Furthermore, efforts to secure vulnerable material must be intensified to prevent extremists from getting hold of nuclear and radioactive material.

He went on to emphasize that the Agency itself must be strengthened. Given its dilapidated infrastructure and lack of state-of-the-art technology, which was key to modern-day verification, it would be unable to fulfil its mission at current funding levels. To provide the agency with the kind of supportive political process it needed, the Council needed to develop a comprehensive compliance mechanism to address consistently and systematically cases of non-compliance with or withdrawal from the Nuclear Non-Proliferation Treaty, including giving the Agency additional authority to act in specific cases as needed.

More emphasis should also be placed on addressing the insecurities behind many proliferation cases, including endemic conflicts, security imbalances and lack of trust, he said. By demonstrating their commitment to achieving a world free of nuclear weapons, the nuclear-weapon States would give legitimacy to the non-proliferation regime and gain moral authority in their calls to curb the proliferation of those inhumane weapons.

**In his closing remarks President Obama said** that the statements heard today affirmed the commitment to a difficult but achievable goal, adding that he had been inspired by the seriousness with which all participants had approached the question and "extraordinarily" encouraged by the unanimous adoption of the resolution. "Words alone will not get the job done, but, having affirmed our stated goal, I am confident that if we are diligent we can in fact move this process forward and provide the sort of peace and security for our children and grandchildren that all of us so desperately want," he said.

**142. Inaugural Address of Prime Minister Dr. Manmohan Singh at the International Conference on Peaceful Uses of Nuclear Energy.**

**New Delhi, September 29, 2009.**

It gives me great pleasure to be present at this inaugural ceremony of the International Conference on Peaceful Uses of Atomic Energy. I extend a very warm welcome to all the participants particularly our guests from abroad. I extend a special welcome to Dr. El Baradei, who has made outstanding contributions to furthering the cause of global peace and whom we admire as an old friend of our country.

This Conference commemorates the birth centenary of one of India's greatest nation builders and scientific pioneers, Dr. Homi Bhabha. Dr. Bhabha laid the foundation of our nuclear programme by enunciating the three stage nuclear power programme based on a closed nuclear fuel cycle. We are proud of our national achievements in mastering all aspects of the fuel cycle. The current international interest in closing the fuel cycle is a vindication of Dr. Bhabha's pioneering vision and genius.

Dr. Bhabha was a brilliant scientist and a true visionary. At the first International Conference on Nuclear Energy in Geneva in 1955, Dr. Bhabha in his presidential address had said:

'For the full industrialization of the under-developed countries, for the continuation of our civilization and its further development, atomic energy is not merely an aid, it is an absolute necessity. The acquisition by man of the knowledge of how to release and use atomic energy must be recognized as the third epoch of human history.'

This bold vision of what the peaceful uses of atomic energy meant for humanity at large proved to be prophetic. This Conference is taking place on the crest of a global nuclear renaissance, in which I believe India will be a significant factor.

As a result of the far-sighted plans of our scientists, India emerged as a leader in the developing world in harnessing the peaceful uses of nuclear energy. The first stage of our three stage nuclear programme, involving the setting up of Pressurised Heavy Water Reactors (PHWRs) and associated fuel cycle facilities, has now reached a level of maturity. The technology for the manufacture of various components and equipment for PHWRs in India is now well established and has evolved through active collaboration with Indian industry. The second stage envisages setting up of Fast Breeder Reactors (FBRs) backed by reprocessing plants and

plutonium-based fuel fabrication plants. With the construction of the Prototype Fast Breeder Reactor at Kalpakkam we have now entered the second stage of the programme. A facility for reprocessing thorium fuel has also been set up. An Advanced Heavy Water Reactor has been designed and its construction will be launched in the near future. This will expedite the transition to thorium-based systems that will I believe mark the third stage of our programme. We are proud of the achievements of India's nuclear scientists and of our industry.

Dr. Bhabha had famously remarked that "no power is as expensive as no power" to justify his strong advocacy of nuclear power as an instrument of economic development. This is truer than ever before as the developing countries seek new energy sources to sustain high rates of economic growth. There is now a growing consensus that nuclear power is an important energy source that is also clean. In fact the majority of nuclear power plants under construction worldwide are now located in Asia.

A number of agreements and reciprocal commitments were concluded as part of the Civil Nuclear Initiative to allow the resumption of full civil nuclear cooperation between India and the international community and we look forward to their full and effective implementation in the coming months and years. The return of India to the international nuclear global mainstream is of high significance not only for India but for global energy security as well.

In our country, we see nuclear energy as a vital component of our global energy mix. The vast energy potential of the three stage programme allows us really to think big. Our nuclear industry is poised for a major expansion and there will be huge opportunities for the global nuclear industry to participate in the expansion of India's nuclear energy programme.

If we can manage our programme well, our three stage strategy could yield potentially 470,000 MW of power by the year 2050. This will sharply reduce our dependence on fossil fuels and will be a major contribution to global efforts to combat climate change.

The peaceful uses of nuclear energy are not just about power. There are promising applications in the areas of agriculture, food production and preservation, medicine and water desalination. In India, we have successfully developed 37 mutant varieties of seeds for commercial cultivation using nuclear techniques. Use of radiation technology for food preservation is growing. We have built a nuclear desalination plant at Kalpakkam and are working on the use of isotope hydrology techniques for rejuvenation of springs, which is an important source of drinking water. I see a growing role for nuclear energy in these areas in the coming decades.

With this limitless potential, I believe that the international community should reflect more on how international cooperation can multiply the benefits of nuclear energy for all humankind.

The International Project on Innovative Nuclear Reactors and Fuel Cycles is an example of such international cooperation. India is a participant in the International Thermonuclear Experimental Reactor, or ITER Project. We are ready to contribute to global research and development into new proliferation-resistant fuel cycles. There are proposals for an international fuel bank and we would support efforts in this direction as a supplier nation.

Another critical area of cooperation is that of nuclear safety. The nuclear industry's safety record over the last few years has been encouraging. It has helped to restore public faith in nuclear power. But the technology and management of nuclear safety must be continuously improved.

This brings me to a vital issue that is fundamental to the safety and security of all humanity - the destructive uses of nuclear energy. Just as we seek to enhance peaceful uses of nuclear energy, we have a pressing and immediate moral obligation to draw down and eventually do away with its destructive use of nuclear energy.

I wish to reaffirm that this collective effort will have no greater proponent than India. India's first Prime Minister Jawaharlal Nehru had advocated the prohibition and abandonment of all weapons of mass destruction way back in the 1950s. It was a call that went largely unheeded at that time. We should not repeat the mistakes of the past.

In 1988, Prime Minister Rajiv Gandhi put forward at the General Assembly of United Nations a comprehensive Action Plan for the complete elimination of nuclear weapons. We remain committed to that objective.

In 2006, India put forward a set of proposals at the United Nations General Assembly that outlined specific steps that could lead to the elimination of nuclear weapons. It included the proposal for the negotiation of a Nuclear Weapons Convention that would prohibit the development, production, stockpiling and use of nuclear weapons and providing for their elimination within a specified time frame.

It is a matter of regret that the global non-proliferation regime has not succeeded in preventing nuclear proliferation. Its deficiencies in fact have had an adverse impact on our security. Global non-proliferation, to be successful, should be universal, comprehensive and non-discriminatory and linked to the goal of complete nuclear disarmament. We believe that there is growing international acceptance for this viewpoint.

In this context, we feel encouraged by some recent positive signs. President Barack Obama indicated in a significant speech at Prague in April this year the willingness of the United States to reduce the role of nuclear weapons in its national security strategy and work towards a vision of a world free of nuclear weapons. The United States and Russia are also negotiating further cuts in their nuclear arsenals. States with substantial nuclear arsenals should take meaningful steps on nuclear disarmament.

India is proud of its non-proliferation record and is committed to global efforts for preventing the proliferation of all weapons of mass destruction. We are committed to a voluntary, unilateral moratorium on nuclear testing. As a nuclear weapon state and a responsible member of the international community we will participate constructively in the negotiations of an FMCT in the Conference on Disarmament.

We have an updated, effective and comprehensive export controls system and we are committed to not transferring sensitive technologies and equipment to other countries that do not possess them. The IAEA has a crucial role in promoting the peaceful uses of nuclear energy, while reducing proliferation risks.

The specter of nuclear terrorism is a formidable challenge facing the entire global community. At the United Nations General Assembly India has been sponsoring a resolution calling for measures to address this threat.

We support strengthening international efforts in improving nuclear security and in this context, welcome President Obama's timely initiative to convene a Global Summit on Nuclear Security in 2010.

If we use the power of the atom wisely for the universal good, the possibilities are unbounded. But if we do not, the consequences would also be devastating for the peace and progress that all nations seek for their people. The choices are stark and the challenges are indeed daunting. But it is not beyond the imagination of the human mind to devise solutions and strategies that exploit the vast potential of atomic energy to advance human progress, while assuring global peace and security. This task will require the collective will, wisdom and determination of the world community but it is a task that can no longer be put off.

With these words, I once again welcome all. I wish your deliberations all success.



**143. Press Release issued by the Ministry of External Affairs designating sites for setting up Light Water Reactors in cooperation with countries which had agreed to extend cooperation to New Delhi to set up nuclear power plants.**

**New Delhi, October 16, 2009.**

In furtherance of the implementation of bilateral civil nuclear cooperation agreement with France, the Russian Federation and the United States of America, the Government of India has designated the following sites for setting up Light Water Reactor (LWR) based nuclear power plants in cooperation with the countries concerned:

Jaitapur (Maharashtra)	France
Kudankulam (Tamil Nadu), Haripur (West Bengal)	Russian Federation
Chhayamithi Virdi (Gujarat), Kovvada (Andhra Pradesh)	United States of America



**144. Speech by National Security Advisor at the Manama Dialogue Plenary Session on Nuclear Power, Energy and Security.**

**Manama (Bahrain), December 12, 2009.**

**Mr. Chairman,**

**Distinguished participants,**

It is indeed a pleasure to participate in the Manama Dialogue which has achieved a well deserved reputation as an International Conference of high standing. I commend the IISS, in particular, Dr. John Chipman, its Director General, for bringing together this extraordinary range of policy makers and experts for this Conference.

I propose to organize my remarks by focusing on the current trends in nuclear power globally, offer some thoughts, as seen from India's perspective, as to future trends and challenges, and nuclear security as also India's firm commitment to universal nuclear disarmament.

**Mr. Chairman,**

Over the past decade, there has been a major change in perception of nuclear power the world over. Today, the stage seems set for a major expansion in the use of nuclear power. This renewed and more widespread interest in nuclear power, accompanied by steady growth of the global industry, has been referred to as the global nuclear renaissance. Facts suggest that this phenomenon is here to stay.

There are 436 nuclear power plants currently in operation in the world, over 90% of them in OECD countries. Significantly, of the 53 new nuclear power reactors under construction, a large percentage is in non-OECD countries, particularly in Asia.

A significant trend is the interest in nuclear power in our region. In 2006, the GCC announced their interest in a joint nuclear development programme. Bahrain and the US signed an MoU in 2008. UAE has concluded MoUs with US and France. Egypt has said that its first reactor would be operational by 2017. Other countries which have expressed interest include Morocco, Yemen, Tunisia, Jordan and Algeria. There is a similar trend in South East Asia. Indonesia, Vietnam and Thailand all have announced plans for the construction of new nuclear power plants.

There is now greater realization of the value of nuclear power as a clean and sustainable energy source, essential to avoiding green house emission and to address the challenge of Climate Change. It is estimated that the complete nuclear power chain from mining to reactors and waste disposal emits only 3.24 grams of carbon dioxide per kilowatt hour, which compares well with wind and hydro power, and much less than fossil fuels. In the larger energy source basket, nuclear power is thus an increasingly important component. For a number of countries, nuclear power is seen as the energy co-efficient of the future.

**Mr. Chairman,**

Energy is vital to fuel the engine of India's economic growth which has averaged 7 to 9% during the last decade.

It is anticipated that by 2030 India's overall projected energy deficit, if we rely only on domestic fuel resources, would be 150,000 Mw. By 2050, it is expected to go up to 412,000 Mw. Nuclear power is the only effective way to bridge this gap. Our internal studies confirm that, if our plans to expand the use of nuclear power fructify, it should be possible to produce 60,000 Mw of nuclear energy by 2030. This is significant, but still highly inadequate to meet our energy deficit.

We are, however, confident that given India's mastery over key aspects of the three-stage closed nuclear fuel cycle, we can leap-frog into the future. Based on our ongoing research into advanced fuel cycles, nuclear scientists calculate that we could close the energy deficit gap of over 400,000 Mw by 2050.

Many way-stations towards this target have been identified, and several bench-marks achieved. Our 500 Mw prototype fast breeder reactor has reached an advanced stage of construction. We are experimenting with an advanced heavy water reactor which uses thorium fuel, and has inbuilt proliferation resistant characteristics as also advanced safety and security features. India's experience with fast breeder reactors and the use of the thorium cycle could prove extremely useful to ensure energy security in the future.

International cooperation is a vital aspect in progressing peaceful uses of nuclear energy. While the former Director General of the IAEA has often commended India for its very positive role in the development of nuclear energy for peaceful purposes, I would like to reaffirm that we are ready to



place our proven and wide ranging capabilities in the Civil Nuclear sector at the disposal of those engaged in the emerging global renaissance in nuclear energy.

We are today participants in the International Thermonuclear Experimental Reactor [ITER]. We are ready to help countries with small power grids wishing to enter nuclear power generation at low cost. Given our experience with thorium-based nuclear technologies we are ready to contribute to global research and development into new proliferation-resistant fuel cycles.

The peaceful uses of nuclear energy are not just about power. There are promising applications in the area of medicine, agriculture, food production and preservation, and water desalination. India has supplied a Bhabhatron-II Teletherapy unit to Vietnam for Cancer Therapy under a programme initiated by the IAEA. With regard to water management, we have a hybrid Nuclear Desalination Demonstration Plant [NDDP] at Kalpakkam based on Reverse Osmosis, which produces nearly two million litres of water per day and another desalination plant which produces 4.5 million litres water per day. This has greatly helped redress water shortages in some of our coastal areas. Nuclear science has also helped in the rejuvenation of mountain springs that are sources of drinking water in the high Himalayas.

**Mr. Chairman,**

Last year, a new chapter regarding Civil Nuclear Cooperation internationally was opened as far as India was concerned, following the approval first of an India-Specific Safeguards Agreement by the IAEA, and next, the decision of the Nuclear Suppliers Group to resume Civil Nuclear Cooperation with India. The NSG's decision to recognize India's status as a country with advanced nuclear technology, the clean exemption accorded to India on account of its impeccable record of non-proliferation, and the recognition given to India's responsible use of civil nuclear technology are significant developments. We are now witnessing an explosion in regard to Civil Nuclear Cooperation agreements with countries across the globe.

**Mr. Chairman,**

India has always been conscious of the possible misuse of sensitive nuclear technologies. India, hence, maintains for this reason, effective export controls on nuclear materials and related technologies. Even though we are not a party to the NPT or a Member of the Nuclear Suppliers Group, we have

adhered even more strictly than many NPT signatories, to non-proliferation norms and requirements. We fully endorse IAEA's concerns in this regard and are supportive of its efforts to raise the bar on these issues.

**Mr. Chairman,**

The task before the international community is to adopt a more inclusive and forward-looking approach to shape the ongoing nuclear renaissance. At the same time, we believe that efforts to promote peaceful uses of atomic energy would be strengthened by a renewed commitment to the universal elimination of nuclear weapons. India has a longstanding commitment to global non-discriminatory and verifiable nuclear disarmament. India was the first country to call for a ban on nuclear testing in 1954, and for a non-discriminatory treaty on non-proliferation in 1965.

In 1988, India re-emphasized this commitment through Prime Minister Rajiv Gandhi's "Action Plan for Ushering in a Nuclear Weapon Free World and Non-violent Order" at the UN General Assembly. In 2006, India again put forward a set of proposals at the UN General Assembly that outlined specific steps that would lead to the elimination of nuclear weapons. This included a proposal for the negotiation of a Nuclear Weapons Convention that would prohibit the development, production, stockpiling and use of nuclear weapons and providing for their elimination within a specified timeframe.

**Mr. Chairman,**

It is unfortunate that all these years there has not been much progress in regard to nuclear disarmament. We feel encouraged, however, by some positive signs, of late, of putting nuclear disarmament back on the international agenda. The proposal co-authored by Dr. Kissinger, George Shultz, William Perry and Sam Nunn, leading to the very significant speech made by President Barack Obama at Prague in April this year - wherein he outlines a vision of a world free of nuclear weapons - has gladdened our heads. We also feel greatly encouraged by the willingness of the United States and Russia to negotiate further cuts in their nuclear arsenals.

**Mr. Chairman,**

I would like to recall here that in the early 1980s, India had tabled a Resolution entitled Convention on the Prohibition of the Use of Nuclear Weapons which calls for the prohibition of the use of nuclear weapons under any circumstances. In 1988, India initiated a Resolution calling for

immediate steps to reduce the risk of accidental use, including de-alerting and de-targeting of nuclear weapons.

**Mr. Chairman,**

This brings me to the threat posed by terrorists gaining access to nuclear materials and technologies. In our view, nuclear terrorism possibly poses the gravest threat to global security and mankind to-day. An act of nuclear terrorism could have catastrophic consequences. Preventive measures are vital. The world must acknowledge and admit the possible link between WMDs and international terrorism.

In addition, we believe there is need to put in place an international response. India's resolution on measures to prevent terrorists from gaining access to WMDs, adopted by consensus at the UNGA, aims at strengthening international resolve to prevent terrorists from acquiring weapons of mass destruction. India greatly welcomes President Obama's initiative to host a Summit on Nuclear Security in April next year. India will contribute actively to the success of the Summit.

**Mr. Chairman,**

In conclusion, I would like to quote from a most recent speech of Indian PM at the International Conference on Peaceful Uses of Nuclear Energy in September this year. I believe, this aptly summarizes the approach we can follow to ensure access to nuclear energy as well as its security "If we use the power of the atom wisely for the universal good, the possibilities are unbounded. If we do not, the consequences would also be devastating for peace and progress that all nations seek for their people. The choices are stark and the challenges are indeed daunting, but it is not beyond the imagination of the human mind to devise suitable solutions and strategies. This task will require the collective will, wisdom and determination of the world community, but it is a task that can no longer be put off".



**145. Information given to the Lok Sabha on Civil Nuclear Cooperation Agreement with Canada.****New Delhi, December 16, 2009.**

India has concluded negotiations on a Civil Nuclear Cooperation Agreement with Canada. The Agreement, which is yet to be signed by the two Governments, will provide the basis for cooperation between the two countries for peaceful uses of nuclear energy.

Since the NSG decision on civil nuclear cooperation with India of 6 September 2008, India has reached civil nuclear cooperation agreements with France, USA, Russia, Namibia, Mongolia and Argentina. Prior to this decision, civil nuclear cooperation with India had been hampered by the NSG's Guidelines for nuclear transfers first elaborated in 1978.

(This information was given by Shri S.M.Krishna, Union Minister of External Affairs in reply to a question by Shri Milind Deora in Lok Sabha).



**146. Information given to the Rajya Sabha regarding reprocessing of Spent Fuel.****New Delhi, December 17, 2009.**

Article 6(iii) of the Agreement for cooperation between the Government of India and the Government of the United States of America concerning Peaceful Uses of Nuclear Energy, inter-alia, states that India agreed to establish a new national reprocessing facility dedicated to reprocessing safeguarded nuclear material under IAEA safeguards. Article 6(iii) of agreement calls for consultations on arrangements and procedures within one year.

In March 2009 the US responded to India's request invoking Article 6 (iii) of the Indo-US Agreement on arrangements and procedures confirming that the first round of formal consultations, would commence not later than 3 August 2009 and that final agreement on arrangement and procedures is to be reached not later than 3 August, 2010. The first round of negotiations between India and the United States had taken place on 21-22 July 2009. The latest round of negotiations took place on 21-22 November 2009. The process of negotiations is a continuous process aimed at arriving at an agreement by August 2010.

(This was stated by Shri Prithviraj Chavan, the Minister of State (I/C) Science & Technology and Earth Sciences in the Rajya Sabha).



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - IV**

**MULTILATERAL COOPERATION**

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**ASEAN and EAS****147. Press Release by the Ministry of External Affairs on the meeting of the Nalanda Mentor Group.****Bodh Gaya/Nalanda, February 24, 2009.**

The Nalanda Mentor Group (NMG) met in Bodh Gaya on 19 and 20 February, 2009. To date, four meetings of the NMG have been held: July 2007 in Singapore; December 2007 in Tokyo; May 2008 in New York, and August 2008 in New Delhi. NMG has examined and recommended the framework and structure of international cooperation and partnership governing the establishment of Nalanda University (NU) which would facilitate continued international support and engagement and help initiate funding arrangements. It has also made recommendations on the choice of an appropriate academician as the Inaugural Rector to be appointed for NU. A team of experts will work with the Inaugural Rector and advise on academic and administrative aspects of NU. There would be an International Board of Trustees and also an Executive Council.

The on-site meeting of NMG took place in Bodh Gaya on 19 and 20 February, 2009. Members of NMG met the Chief Minister of Bihar and had extensive interaction with local government, during which discussions were held on development of infrastructure and the proposed master plan of the region. They emphasized the importance of ensuring effective coordination among all the concerned authorities so that a comprehensive development of the region takes place as NU starts operating. The NMG also visited the proposed NU site.

The NMG also decided to add the School of Information Sciences and Technology to the already proposed schools that would form part of the forthcoming University. The NMG discussed and favoured the idea of having affiliations with academic institutions of distinction in other countries such as Chulalongkorn University of Thailand and The Institute of Southeast Asian Studies, Singapore.

The Report of the NMG will be presented to the Fifth EAS Summit. It was also clarified that reference to the NU in the EAS Chair's Statement should enable Government of India to initiate suitable steps for the drafting of an international agreement by member countries of EAS, identifying the roles and responsibilities, including funding mechanism, on the establishment of NU. The Government of India would then undertake the internal process of passing a Bill through Parliament to recognize the international status of



NU. An agreement between Government of India, the Government of Bihar and NU will also be signed which would clarify roles in administration of NU, including the grant of appropriate privileges for the efficient functioning of the University.

The NMG expressed hopes that the proposed NU will be established at the proposed site in Nalanda in the near future following strict time frame for various activities, including legal and administrative procedures.



**148. Press Release by the Ministry of External Affairs on the 7th India - ASEAN and 4th East Asia Summit in Thailand.**

**New Delhi, April 9, 2009.**

The India-ASEAN Summit\*, the 7th in the series beginning in 2002, is being held at a crucial time in global affairs. There is a financial crisis of unprecedented dimensions, which is calling into question the economic processes unleashed by globalization.

2. India has in various meetings with ASEAN, broadened and deepened functional cooperation in diverse fields, especially with a focus on the Initiatives for ASEAN Integration (IAI), launched by ASEAN to bridge the intra-ASEAN developmental gap between the four new ASEAN entrants, Cambodia, Lao PDR, Myanmar and Vietnam (CLMV countries), and the other six. Many projects in entrepreneurship development and English Language teaching have been established.

3. The sectors of agriculture, investment, transportation, education, human resource development, science & technology, environment, capacity building and culture offer immense scope for further consolidating our relations with ASEAN.

4. If the India-ASEAN Summit represents the vehicle for India's closer economic integration with an economically dynamic region in

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\* Prime Minister Manmohan Singh was represented at these two meetings by the Minister of Commerce and Industry Kamal Nath. These summits are held annually and attended by Heads of State/Government of the ten ASEAN member countries and its dialogue partners such as India, China, Japan, Korea etc. A notable feature of the East Asia Summit (Comprising leaders of the ASEAN, India, China, Japan, Korea, Australia and New Zealand) this time was a focus session with Heads of International Agencies as World Bank, IMF, ADB, etc.

our neighbourhood, the East Asia Summit (EAS) mechanism, launched in 2005 in Kuala Lumpur, provides India the forum to exchange views in the larger East Asian context. Participation in a larger regional Asian body also helps deeper engagement for a growing economy like India.

5. In the context of the current global economic slowdown, developing regional synergies is imperative for dealing with the recessionary trends.

6. The East Asia Summit is among the first steps in community building in Asia, which would help all nations in the group enabling consideration of a new framework for cooperation in the 21st Century.



**149. Press Release issued by the Ministry of External Affairs on the visit of External Affairs Minister S. M. Krishna to Phuket (Thailand) for ASEAN, East Asia Summit and ARF Ministerial meetings.**

**New Delhi, July 21, 2009.**

External Affairs Minister, Shri S.M. Krishna is visiting Phuket, Thailand on 21 – 23 July, 2009 to attend India – ASEAN, East Asia Summit (EAS) and ASEAN Regional Forum (ARF) Ministerial Meetings.

India-ASEAN Ministerial meeting will review ASEAN – India Cooperation and will deliberate on its Future Direction and exchange views on Regional and International Issues. East Asia Summit Ministerial Meeting will focus on Regional and International Issues and review the direction of the EAS.

India shares civilizational linkages and deep bonds of friendship with member countries of ASEAN spanning millennia. India's engagement with ASEAN and East Asia Summit is an important element of our 'Look East' policy initiated in the early 90s. Ever since India became a Sectoral Dialogue Partner of ASEAN in 1992, ASEAN-India relationship has registered significant progress. Major areas covered by ASEAN-India engagement include Science & Technology, Human Resource Development, Health and Pharmaceuticals, Space Sciences, Agriculture, Information and Communication Technology, Transport and Infrastructure, Tourism and Culture and Small & Medium enterprises.

Our trade with ASEAN has increased from US \$ 6.93 billion in 2001 to US\$ 38.36 billion in 2008. In order to further consolidate our growing relationship

in the trade and economic area we have finalized the ASEAN-India Agreement on Trade-in-Goods. Agreement on Trade-in-Services and Investment are being negotiated.

The East Asia Summit focuses on five areas of cooperation – energy, education, finance, avian influenza and national disaster mitigation. India has taken many initiatives in these areas and is ready to explore new vistas of engagement. Cooperative framework of East Asia Summit plays an important role in the global economy and international relations.

The ASEAN Regional Forum is a premier dialogue forum on security issues in the Asia Pacific. Apart from confidence building and preventive diplomacy on traditional security concerns, it focuses on issues such as terrorism, maritime security and disaster management. India's participation in the Forum since 1996 underscores our contribution to Asian security. On the sidelines of these meetings, External Affairs Minister is likely to have bilateral discussions with his host – the Foreign Minister of Thailand and his counterparts from other participating member countries, the schedule of which is being worked out.



**150. Opening Remarks by External Affairs Minister S. M. Krishna at India - ASEAN Ministerial meeting.**

**Phuket, July 22, 2009.**

Your Excellency Dr Hassan Wirajuda, Minister of Foreign Affairs of Indonesia, Excellencies, Ladies and Gentlemen,

I thank you for your warm words of welcome. I am indeed very happy to join all of you for this important ASEAN - India Ministerial Meeting in this beautiful city of Phuket.

2. I extend my profound gratitude to the Foreign Minister of the Kingdom of Thailand for hosting us in this enchanting city. I also thank him for the warm hospitality extended to my delegation and to me and for the excellent arrangements that have been made for the meeting. I am particularly pleased at the warmth and friendship at this first meeting with my ASEAN colleagues.

3. I would, at the outset, like to place on record our deep appreciations to Indonesia for the focus and dedication with which they are discharging

their role as Country Coordinator for ASEAN - India dialogue. We have been able to take forward our interaction with ASEAN to a much higher level during the period of their coordinator-ship.

4. Our engagement with ASEAN is the central element of our "Look East" policy which we initiated in the early 1990s. This relationship has been growing steadily and has acquired qualitatively new dimensions, particularly since 2002, when we began our annual Summit level dialogue with ASEAN.

5. History of India's civilizational linkages and deep bonds of trust and friendship with member countries of ASEAN span millennia. These linkages can be seen today in the many historical monuments, the rich cultural heritage, the religious affiliations and in many other areas.

6. Over the past few decades, India and nations in Southeast Asia recognised the strategic importance of developing ties with one another. The steady diversification of our relationship with ASEAN countries is, therefore, a natural process and for us, a matter of deep satisfaction. We are committed to bringing India and ASEAN even closer to each other through exploring our synergies to realize full potential of our relationship.

7. Enhanced cooperation between India and ASEAN enables and simultaneously empowers our region to play an important role in today's interconnected globalized world. Our participation in the East Asia Summit is a natural corollary of our growing multi-faceted engagement and deepening economic integration with ASEAN as a whole, and with its individual member countries, in particular. Regional cooperation and integration can not only help tap the vast potential of our region and the skills of our peoples but also, particularly in the wake of the ongoing global economic and financial crisis, help our region to craft a coordinated and concerted response to the current crisis. Finalization of the text of ASEAN-India Agreement on Trade-in-Goods is a major step forward in this direction. There is much that Governments can do to accelerate the process and to ensure that all economies irrespective of their size also enjoy the benefits that integration would bring. I look forward to constructive engagement and fruitful exchanges with all of you in the task of fashioning a relationship that would benefit all the peoples of our region.



**151. Statement by External Affairs Minister S. M. Krishna at India -ASEAN Ministerial meeting.**

**Phuket, July 22, 2009.**

(Review of ASEAN – India Cooperation and its Future Direction and Exchange of Views on Regional and International Issues)

**Mr. Co-chairman,**

**Excellencies,**

**Ladies and Gentlemen,**

I thank you for your statements. I am indeed very happy to have the opportunity to share our perspective of ASEAN-India relationship.

2. The progress ASEAN-India relationship has registered since the last Summit in Singapore in 2007 is encouraging. The productive and comprehensive discussions among our colleagues and Senior Officials from member countries leave no doubt that our “Partnership in Action”, which we forged in 2002 in Phnom Penh at the annual India-ASEAN Summit, is heading in the right direction. The ASEAN-India Summits have provided us with the opportunity to meet and learn more about each other and to give new directions to our cooperation. In order to accelerate the growth in our bilateral relations in all spheres of activity, India has appointed an Ambassador to ASEAN.

3. Our economic complementarities and global developments have added to the close political, economic and security inter-linkages between India and ASEAN. India-ASEAN trade amounted to a little over 38 billion US Dollars in 2007-08. I am sure that the target of 50 billion US Dollars in 2010, as proposed by our Prime Minister at the 2007 Summit in Singapore, is not beyond reach despite the current economic slowdown. We have finalized the text of Agreement on trade-in-Goods and have also commenced negotiations on Services and Investment Agreements in October, 2008.

4. As was mentioned at the last Summit in 2007, India remains committed to the Initiative for ASEAN Integration. I am happy to note the visit of 100 ASEAN students and institutionalization of annual Diplomatic Course for the ASEAN diplomats. India also extends training facilities to nationals of ASEAN member countries in a variety of other disciplines.

5. It is also a matter of great satisfaction that an understanding has been reached for Exchange Programme for parliamentarians of ASEAN countries and India at mutually convenient dates. This will be an important interaction among our Parliamentarians and will afford an opportunity to them to learn from each other.
6. In the area of S&T, I am happy to note that we have fulfilled our commitment of establishment of S&T Fund with initial contribution of US\$ 1 million. We are working together to get this Fund operationalized at an early date.
7. In our efforts to significantly improve air connectivity in our region, we should see how close we can get to an “open skies” arrangement, while protecting legitimate concerns. This will have a long term and sustained impact on the economic cooperation in the region.
8. Agriculture is another sector on which we could focus. Hundreds of millions of our peoples are engaged in this sector. It has great economic, political and social significance for all our countries. We have our respective strengths in agro-technology including biotechnology, new and improved farming techniques, human resource development, agro-processing and marketing. I welcome the decision for future cooperation in the area which could develop into a concrete programme of action before the next Summit. Our scientists are ready to cooperate with their ASEAN colleagues in this vital endeavour.
9. We are working together to operationalise the Green Fund which aims to execute pilot projects to promote adaptation and mitigation technologies for sustainable development. We hope that a mutually agreed Final Project Implementation Plan can be drawn soon.
10. ASEAN and India are important source markets for each other from the tourism angle. The cooperation in the field of tourism between India and ASEAN through development of Joint Tourism Packages as recommended by the 11th meeting of Joint Cooperative Committee in April 2009 in New Delhi would help to facilitate seamless travel in the region and would also expand linkages to other sectors. We have together taken several initiatives in the area of tourism which need to be further strengthened to increase flow as well as to reap the benefits from tourism for the economic growth of the region. In this context, the contribution that will be made by the Open Skies Regime needs little emphasis.

11. In the areas of health and traditional medicine, we hope early finalization of concept note on cooperation in Health and Pharmaceuticals and MoU between Indian Department of AYUSH and ASEAN which have been submitted to ASEAN Secretariat and due to come up in the next Senior Officials Meeting in December 2009.

12. I am also happy to convey India's approval for the Digital Science and Technology Library Project at a cost of US \$729,753/- in fulfillment of our Prime Minister's offer made at the 2nd ASEAN-India Summit.

13. I would once again urge the ASEAN countries to fully utilize the 50 scholarships in traditional medicine offered by our Department of AYUSH.

14. In working towards the goal of integrating India and ASEAN into one seamless market for goods, services and investment and encouraging the establishment of more production networks in the region, the possibility of a Roadmap for Rationalisation of Logistics Services may be explored.

#### **Excellencies,**

15. The threat to our countries from the menace of international terrorism has, unfortunately, increased in recent times. The terrorist attack on our financial capital, Mumbai, in 2008, leading to the loss of hundreds of innocent Indian and foreign lives shook not just our region, but the world as a whole, for the complete disregard of human decency.

16. Terrorism threatens democratic and open societies. International solidarity is necessary in order to combat this scourge effectively. We should unequivocally condemn terrorism; no cause or reasoning can be used to justify such acts. In this context, the early adoption of the Comprehensive Convention on Terrorism being discussed in the United Nations is an immediate imperative.

17. In 2003, we adopted a Joint Declaration in Bali to cooperate in combating international terrorism. In the light of such terrorist attacks, it is appropriate that we exchange information and intelligence and develop more effective counter-terrorism initiatives, to enable sustainable development of our region.

18. The Millennium Development Goals adopted by Heads of States/ Government at the UN Millennium Summit in September 2000 form a minimum core of development objectives that are a must for better quality of life for the human kind. It is particularly important that we do not lose sight of these objectives in the current economic downturn.

**Regional structures**

19. I may note the progress made by SAARC in bringing South Asian countries together over the last two decades. The SAARC development fund has made a promising beginning. SAARC countries have agreed on moving towards a South Asian Customs Union and Economic Union; established a SAARC Food Bank; are improving physical connectivity; and are establishing a South Asian university.

**Excellencies,**

20. Looking further ahead, India and ASEAN have prepared a common India-ASEAN Vision 2020 document, with its long-term strategic implications. It provides an excellent road map for realizing the potential of our relationship. Significance of ASEAN – India relationship as an important factor contributing to economic growth and stability of our region could hardly be overemphasized.

Thank you.





**152. Statement by External Affairs Minister S. M. Krishna at the East Asia Summit Ministerial Meeting.**

**Phuket, July 22, 2009.**

Your Excellency Mr. Kasit Piromya, The Minister of Foreign Affairs of the Kingdom of Thailand

Excellencies,

I would, at the outset, like to express my profound gratitude to our host, the Thai Government, for their warm hospitality extended to me and my delegation.

2. Our countries have historical close and warm ties. We have faced common challenges. East Asia Summit mechanism provides us with a platform to rediscover the complementarities in the areas of our mutually beneficial cooperation.

**Global Economic and Financial Crisis**

3. Our senior officials have had fruitful discussions at the ad hoc consultations to prepare the ground for our today's meeting. Our meeting is taking place in the backdrop of an ongoing multidimensional and unprecedented global financial and economic crisis.

4. It is clear that a global crisis of such magnitude, dimensions and reach requires coordinated global response. Apart from various national packages implemented by different countries, numerous collective measures are envisaged and discussed most recently within the framework of G8 Outreach interaction at L'Aquila in Italy to arrest recession, expedite recovery and put the world economy on the path of sustainable development.

5. Mr. Chairman, the EAS standalone statement on financial crisis issued by Thailand in June, 2009 aptly demonstrates the consensus we need in Asia to address the crisis through a mix of stimulus packages, enhancement of regional financial cooperation and integration frameworks, efforts to expand domestic demand, support to external credit agencies and international financial institutions and safeguarding social safety programmes while eschewing protectionist and distortionary measures I would like to point out that the present global crisis must have an inclusive approach that is also sensitive and has the consensus of EAS members.

**Education**

6. Mr. Chairman, the field of education also provides for opportunities for cooperation. We discussed about re-development of the Nalanda University that was established around 5th Century AD. Lord Buddha himself is supposed to have preached many sermons at Nalanda. The University then, attracted a large number of scholars from South East and East Asia. The high level Nalanda Mentor Group's report is being given the final touches and the final report should be ready soon.

**Regional/International Developments**

7. Let me now share my views on some regional and international developments. Seven and a half years after U.S. troops arrived in Afghanistan following the attacks of September 11, 2001, the war there is more deadly than ever. The forthcoming Presidential and National Assembly elections have added political fluidity to a grave security situation. Ensuring peaceful or credible elections in many parts of Afghanistan is going to be a major challenge. India is ready to play a constructive role as a responsible power in defeating extremism of all kinds.

8. We have attempted to help Afghanistan in its reconstruction efforts as a means to bringing about stability in that country. We have an effective, visible and highly successful assistance programme in Afghanistan. Our developmental assistance to Afghanistan, now over US\$ 1.3 billion (pledged -US\$ 1.2 billion), spans almost the entire gamut of economic and social developmental activities. Unfortunately our personnel and project have been regularly targeted by the Taliban. The despicable attack on our Embassy in July 2008 in which we lost a number of our people is condemnable but it will not deter us from fulfilling our commitments.

**Sri Lanka**

9. With armed resistance by the LTTE coming to an end in Sri Lanka, India is working with the people and Government of Sri Lanka to provide relief to those affected by the tragic conflict, and to rapidly rehabilitate all those who have been displaced, bringing their lives to normalcy as soon as possible.

**Neighbouring countries**

10. Let me now turn to India's neighbourhood. Nepal has undergone democratic transition. India remains committed to support the people and the Government of Nepal in this transition and in its developmental efforts.

11. Successful elections in Bangladesh in late 2008 were a resounding victory for democracy. The people of Bangladesh have given a clear mandate and reposed full faith in the newly elected government under the leadership of Prime Minister Sheikh Hasina. Bhutan has also undergone voluntary and peaceful transition to democracy.

12. Since the inception of the East Asia Summit, in 2005, world has witnessed many global crises in the food, energy, economic and financial and now the health sector in the form of Swine Flu. While it serves as a useful platform for exchange of views, we feel that time is ripe for it to go beyond. We could consider some areas of collaborative action that can take forward our common objective and vision of deepening cooperation in the region. International terrorism, trans-national crime and disaster mitigation are all areas which require cooperative regional approaches and could be considered as part of our common efforts. I would like to point out that the tackling of international terrorism requires concerted and cooperative approach. In this context, the early adoption of the Comprehensive Convention on International Terrorism by the UNGA, would go a long way to help.

13. Before winding up, I would like to reiterate that India attaches great importance to its interaction in East Asia Summit. We are committed to expanding and developing new linkages within the East Asia Summit comprehensively and to engage constructively with all our partners in EAS.

14. I propose that we entrust our senior officials with the task to identify concrete projects in key areas of our cooperation such as energy security, disaster management and mitigation, food security, etc.

Thank you.



**153. Press Release issued by the Ministry of Commerce and Industry on the signing of the India - ASEAN Free Trade Agreement.**

**New Delhi, August 13, 2009.**

Shri Anand Sharma, Union Minister of Commerce & Industry, today signed the ASEAN-India Free Trade Agreement in Goods following the meeting of the ASEAN-India Economic Ministers, held in Bangkok. The meeting was hosted by Thailand, the current Chair of the 10-member Association of Southeast Asian Nations (ASEAN) grouping that completed four decades of its existence in 2007. As part of the Comprehensive Economic Cooperation Agreement, the Trade in Goods Agreement will integrate the two globally important economic blocks for mutually beneficial economic gains. ASEAN is a major trading partner for India and accounts for about 10% of its global trade. In the last financial year, bilateral trade between India and ASEAN was more than US \$ 40 billion. India and ASEAN have set an ambitious target of achieving bilateral trade of US \$ 50 billion by 2010. The current Agreement which comes into force from 1st January 2010 would help achieve this target.

The Trade in Goods agreement focuses on tariff liberalization on mutually agreed tariff lines from both the sides and is targeted to eliminate tariffs on 80% of the tariff lines accounting for 75% of the trade in a gradual manner starting from 1st January, 2010. The Agreement has provided flexibilities to India and ASEAN countries to exclude some of the products from the tariff concessions or eliminations to address their respective domestic sensitivity. India on its part has excluded 489 items from the list of tariff concessions and 590 items from the list of tariff elimination to address sensitivities in agriculture, textiles, auto, chemicals, crude and refined palm oil, coffee, tea, pepper etc. ASEAN countries have also maintained similar exclusion list from the proposed tariff concessions or eliminations.

The exchange of tariff concessions between India and the ASEAN Member Countries would lead to growth in bilateral trade and investment resulting in economic benefits to India and the ASEAN Member Countries. Indian exporters of Machinery and machine parts, Steel and steel products, agriculture products such as Oilcake, Wheat and Buffalo Meat, Auto Components, Chemicals and Synthetic Textiles would gain additional market access as a result of tariff liberalisation by ASEAN. Indian manufacturers would also be able to source products at competitive prices from the ASEAN countries.

The Agreement also provides for bilateral safeguard mechanisms to address sudden surge in imports after the Agreement comes into force. In such an

eventuality if it hurts a domestic industry, safeguard measures including imposition of safeguard duties may be put in place for a period up to 4 years. The flexibility to invoke the safeguard measures will remain available for both the sides for a period of 7 years to 15 years from the date, the Agreement comes into force. The signing of the Agreement signals India's firm commitment to its 'Look East' policy of building upon its historical links with the countries of the Southeast Asian region and further deepening and widening this partnership.

Earlier, during the day, Mr. Anand Sharma called on the Prime Minister of Thailand Mr. Abhisit Vejjajiva. He also held discussions with the Minister of Commerce, Ms. Porntiva Nakasai and the Minister of Industry, Mr. Charnchai Chairungrueng in separate meetings. The meetings focused on ways to further strengthen bilateral trade and investment linkages. He invited Ms. Porntiva Nakasai to attend the Informal Ministerial Meeting on the Doha Round of WTO to be held in New Delhi on September 3-4, 2009.

Shri Anand Sharma also held substantive bilateral discussions with his counterpart Indonesian trade minister Mari Pangetsu. He invited her to attend the forthcoming WTO ministerial meeting to be held in New Delhi on 3-4 September. He also met the Singapore Trade Minister Lim Hng Kiang and the two ministers discussed a range of bilateral economic relations.

India-ASEAN trade was around US\$ 40 billion during 2007-08 making ASEAN the 4th largest trading partner of India (after EU, US and China). The India-ASEAN trade has grown rapidly in recent years (27% CAGR since 2000). The signing of the India-ASEAN Free Trade Agreement will give a further impetus to the trade and investment linkages between India and ASEAN. India and ASEAN are currently negotiating Agreements on Trade in Services and Investment, which are to be concluded by December 2009. India looks forward to access the vast services market of ASEAN. India's total trade in services was US \$ 137.50 billion in 2006. The corresponding figure for ASEAN is US\$ 280.90 billion. Similarly, Foreign Direct Investment (FDI) attracted by India in 2007-08 was US \$ 24.60 billion whereas ASEAN member countries attracted FDI totaling US \$ 60.50 billion in the year 2007.



**154. Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations (ASEAN).**

**Bangkok, August 13, 2009.**

**Preamble**

The **Government of the Republic of India** (India) and the **Governments of Brunei Darussalam**, the **Kingdom of Cambodia** (Cambodia), the **Republic of Indonesia** (Indonesia), the **Lao People's Democratic Republic** (Lao PDR), **Malaysia**, the **Union of Myanmar** (Myanmar), the **Republic of the Philippines** (the Philippines), the **Republic of Singapore** (Singapore), the **Kingdom of Thailand** (Thailand) and the **Socialist Republic of Viet Nam** (Viet Nam), **Member States of the Association of Southeast Asian Nations** (collectively, "ASEAN" or "ASEAN Member States", or individually, "ASEAN Member State"),

**RECALLING** the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations (the Framework Agreement) signed in Bali, Indonesia on 8 October 2003;

**REAFFIRMING** the commitment of India and ASEAN (collectively, the "Parties", or individually referring to India or to an ASEAN Member State as a "Party") to gradually reduce and eliminate tariffs in accordance with specified schedules;

**CONSIDERING** the necessity to revise the Framework Agreement to reflect the current position in relation to the Early Harvest Programme (EHP) in the Framework Agreement and the various timeframes indicated therein;

**DESIRING** to reflect the various amendments pursuant to Article 14 of the Framework Agreement,

**HAVE AGREED AS FOLLOWS:**

**ARTICLE 1**

**Applied Most Favoured Nation Tariff Rates**

Paragraph 2(a) of Article 3 of the Framework Agreement shall be amended by replacing the date "1 July 2004" with the date "1 July 2007".

## ARTICLE 2

### Periods for Reduction or Elimination of Applied Most Favoured Nation Tariff Rates

1. The periods for the reduction or elimination of applied Most Favoured Nation (MFN) tariff rates for Normal Track products set out in paragraphs 5(a)(i) to (iii) of Article 3 of the Framework Agreement shall be amended as follows:

#### "Track 1

- (i) 1 January 2010 to 31 December 2013 for Brunei Darussalam, Indonesia, Malaysia, Singapore and Thailand, and India;
- (ii) 1 January 2010 to 31 December 2018 for the Philippines and India; and
- (iii) 1 January 2010 to 31 December 2013 for India and 1 January 2010 to 31 December 2018 for Cambodia, Lao PDR, Myanmar and Viet Nam.

#### Track 2

- (i) 1 January 2010 to 31 December 2016 for Brunei Darussalam, Indonesia, Malaysia, Singapore and Thailand, and India;
- (ii) 1 January 2010 to 31 December 2019 for the Philippines and India; and
- (iii) 1 January 2010 to 31 December 2016 for India and 1 January 2010 to 31 December 2021 for Cambodia, Lao PDR, Myanmar and Viet Nam."

2. The revised date of commencement of 1 January 2010 as referred to in paragraph 1 may, if necessary, be adjusted to a date to be mutually agreed upon by the Parties pursuant to the amended paragraph 1 of Article 8 of the Framework Agreement.

## ARTICLE 3

### Early Harvest Programme

The Parties agree not to pursue the EHP and accordingly, the Framework Agreement is amended as follows:

- (a) Paragraph 5 of Article 3 shall be amended by deleting the phrase "not covered by the Early Harvest Programme under Article 7 of this Agreement";

- (b) Paragraph 6 of Article 3 shall be amended by deleting the phrase "and Article 7 of this Agreement"; and
- (c) Article 7 shall be deleted and the product coverage referred to in paragraph 3(a) of that Article shall be treated as being covered by the words "all products" in paragraph 5 of Article 3.

#### **ARTICLE 4**

##### **Timeframes**

1. Paragraphs 1 and 2 of Article 8 of the Framework Agreement shall be deleted and substituted as follows:

- "(1) For trade in goods, negotiations on the agreement for tariff reduction or elimination and other matters as set out in Article 3 of this Agreement shall commence in January 2004 and be concluded by 2009 or such other dates as may be mutually agreed upon by the Parties.
- (2) The negotiations on Rules of Origin for trade in goods under Article 3 shall be concluded by 2009 or such other dates as may be mutually agreed upon by the Parties."

2. The first sentence of paragraph 3 of Article 8 of the Framework Agreement shall be deleted and substituted as follows:

"For trade in services and investments, the negotiations on the respective agreements which commenced in October 2008 shall be concluded as a single undertaking by 2009 or such other date as may be mutually agreed upon by the Parties."

#### **ARTICLE 5**

##### **Dispute Settlement Mechanism**

Paragraph 1 of Article 11 of the Framework Agreement shall be amended as follows:

"(1) The Parties shall, by 2009, or such other dates as may be mutually agreed upon by the Parties, conclude negotiations for the establishment of the dispute settlement procedures and mechanism for the purposes of this Agreement."



**ARTICLE 6****Depositary**

For the ASEAN Member States, this Protocol shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof to each ASEAN Member State.

**ARTICLE 7****Entry into Force**

1. Each Party shall notify all the other Parties in writing upon completion of its internal requirements\* necessary for the entry into force of this Protocol. This Protocol shall enter into force on 1 January 2010 or the date by which such notifications have been made by the Governments of India and at least one (1) ASEAN Member State.

2. Where a Party is unable to complete its internal requirements for the entry into force of this Protocol by 1 January 2010, this Protocol shall enter into force for that Party on 1 June 2010 or upon the date by which that Party notifies the completion of its internal requirements.

**IN WITNESS WHEREOF**, the undersigned being duly authorised by their respective Governments, have signed this Protocol.

**DONE** at Bangkok, Thailand this thirteenth day of August 2009 in two (2) originals in the English language.

For the Government of the Republic of India:

**ANAND SHARMA**

Minister of Commerce and Industry

For the Government of Brunei Darussalam:

**LIM JOCK SENG**

Second Minister for Foreign Affairs and Trade

For the Royal Government of Cambodia:

**CHAM PRASIDH**

Senior Minister and Minister of Commerce

For the Government of the Republic of Indonesia:

**MARI ELKA PANGESTU**

Minister of Trade

\* For greater certainty, the term "internal requirements" may include obtaining governmental approvals or parliamentary approval in accordance with domestic law.

For the Government of the Lao People's Democratic Republic:

**NAM VIYAKETH**

Minister of Industry and Commerce

For the Government of Malaysia:

**MUSTAPA MOHAMED**

Minister of International Trade and Industry

For the Government of the Union of Myanmar:

**U SOE THA**

Minister for National Planning and Economic Development

For the Government of the Republic of the Philippines:

**PETER B. FAVILA**

Secretary of Trade and Industry

For the Government of the Republic of Singapore:

**LIM HNG KIANG**

Minister for Trade and Industry

For the Government of the Kingdom of Thailand:

**PORNTIVA NAKASAI**

Minister of Commerce

For the Government of the Socialist Republic of Viet Nam:

**NGUYEN CAM TU**

Vice Minister of Industry and Trade



**155. Agreement on Trade in Goods under the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations.**

**Bangkok, August 13, 2009.**

**Preamble**

The **Government of the Republic of India** (India) and the **Governments of Brunei Darussalam**, the **Kingdom of Cambodia** (Cambodia), the **Republic of Indonesia** (Indonesia), the **Lao People's Democratic Republic** (Lao PDR), **Malaysia**, the **Union of Myanmar** (Myanmar), the **Republic of the Philippines** (the Philippines), the **Republic of Singapore** (Singapore), the **Kingdom of Thailand** (Thailand) and the **Socialist Republic of Viet Nam** (Viet Nam), **Member States of the Association of Southeast Asian Nations** (collectively, "ASEAN" or "ASEAN Member States", or individually, "ASEAN Member State"),

**RECALLING** the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations, signed by the Heads of Government/State of India and the ASEAN Member States in Bali, Indonesia on 8 October 2003 and the Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations, signed in Bangkok, on August 13, 2009;

**RECALLING FURTHER** Articles 2 and 4 of the Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations which reflect the commitment of India and ASEAN to establish the ASEAN - India Free Trade Area covering trade in goods by 2013 for Brunei Darussalam, Indonesia, Malaysia, Singapore and Thailand and India; by 2018 for the Philippines and India; and by 2013 for India and by 2018 for Cambodia, Lao PDR, Myanmar and Viet Nam;

**REITERATING** the importance of special and differential treatment to ensure the increasing participation of the new ASEAN Member States in economic integration and cooperation activities between India and ASEAN;

**REAFFIRMING** the Parties' commitment to establish the ASEAN-India Free Trade Area while allowing flexibility to Parties to address their sensitive areas as provided in the Framework Agreement;

**HAVE AGREED** as follows:

## **ARTICLE 1**

### **Definitions**

For the purposes of this Agreement, the term:

- (a) **AIFTA** means the ASEAN-India Free Trade Area under the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations;
- (b) **applied MFN tariff rates** shall include in-quota rates, and shall:
  - (i) in the case of ASEAN Member States (which are WTO Members as of 1 July 2007) and India, refer to their respective applied rate as of 1 July 2007, except for products identified as Special Products in the Schedules of Tariff Commitments set out in Annex 1; and
  - (ii) in the case of ASEAN Member States (which are non-WTO Members as of 1 July 2007), refer to the rates as applied to India as of 1 July 2007, except for products identified as Special Products in the Schedules of Tariff Commitments set out in Annex 1;
- (c) **ASEAN** means the Association of Southeast Asian Nations which comprises Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao PDR, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam and whose members are referred to in this Agreement collectively as the ASEAN Member States and individually as an ASEAN Member State;
- (d) **Framework Agreement** means the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations, signed in Bali, Indonesia on 8 October 2003, as amended;
- (e) **GATT 1994** means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement, including its Notes and Supplementary Provisions;

- (f) **goods** means materials and/or products;
- (g) **originating good** means a good that qualifies as originating under Article 7;
- (h) **new ASEAN Member States** refers to Cambodia, Lao PDR, Myanmar and Viet Nam;
- (i) **Parties** means India and ASEAN Member States collectively;
- (j) **Party** means India or an ASEAN Member State;
- (k) **WTO** means the World Trade Organization; and
- (l) **WTO Agreement** means the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994.

## ARTICLE 2

### Scope

This Agreement shall apply to trade in goods and all other matters relating thereto as envisaged in the Framework Agreement.

## ARTICLE 3

### National Treatment on Internal Taxation and Regulations

Each Party shall accord national treatment to the goods of the other Parties in accordance with Article III of GATT 1994, which shall apply, *mutatis mutandis*, to this Agreement.

## ARTICLE 4

### Tariff Reduction and Elimination

1. Except as otherwise provided for in this Agreement, each Party shall gradually liberalise, where applicable, applied MFN tariff rates on originating goods of the other Parties in accordance with its schedule of tariff commitments as set out in Annex 1.
2. Nothing in this Agreement shall preclude any Party from unilaterally accelerating the reduction and/or elimination of the applied MFN tariff rates on originating goods of the other Parties as set out in its tariff reduction/elimination schedule in Annex 1.
3. Except otherwise provided in paragraph 1, all commitments undertaken by each Party under this Article shall be applied to all the other Parties.

**ARTICLE 5****Transparency**

Article X of GATT 1994 shall be incorporated, mutatis mutandis, into and form an integral part of this Agreement.

**ARTICLE 6****Administrative Fees and Formalities**

Each Party reaffirms its commitments under Article VIII.1 of GATT 1994.

**ARTICLE 7****Rules of Origin**

The Rules of Origin and Operational Certification Procedures applicable to the goods covered under this Agreement are set out in Annex 2 and its Appendices.

**ARTICLE 8****Non-Tariff Measures****1. Each Party shall:**

- (a) not institute or maintain any non-tariff measure on the importation of goods from the other Parties or on the exportation or sale for export of goods destined for the territory of the other Parties, except in accordance with its WTO rights and obligations or other provisions in this Agreement; and
- (b) ensure the transparency of its non-tariff measures allowed under subparagraph (a) and their full compliance with its obligations under the WTO Agreement with a view to minimising possible distortions to trade to the maximum extent possible.

2. The Parties reaffirm their rights and obligations under the Agreement on Technical Barriers to Trade in Annex 1A to the WTO Agreement and the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement, including notification procedures on the preparation of relevant regulations to reduce their negative effect on trade as well as to protect human, animal or plant life or health.

3. Each Party shall designate its contact point for the purpose of responding to queries related to this Article.

## ARTICLE 9

### Modification of Concessions

1. The Parties shall not nullify or impair any of the concessions made by them under this Agreement, except as provided in this Agreement.
2. Any Party may, by negotiation and agreement with any other Party to which it has made a concession, modify or withdraw such concession made under this Agreement. In such negotiations and agreement, which may include provision for compensatory adjustment with respect to other goods, the Parties concerned shall maintain a general level of reciprocal and mutually advantageous concessions not less favourable to trade than that provided in this Agreement prior to such agreement.

## ARTICLE 10

### Safeguard Measures

1. Each Party, which is a WTO Member, retains its rights and obligations under Article XIX of GATT 1994 and the Agreement on Safeguards in Annex 1A to the WTO Agreement (Agreement on Safeguards) and Article 5 of the Agreement on Agriculture in Annex 1A to the WTO Agreement (Agreement on Agriculture). Any action taken pursuant to Article XIX of GATT 1994 and the Agreement on Safeguards or Article 5 of the Agreement on Agriculture shall not be subject to the Agreement on Dispute Settlement Mechanism under the Framework Agreement (ASEAN-India DSM Agreement).
2. A Party shall have the right to initiate a safeguard measure under this Article (an AIFTA safeguard measure) on a good within the transition period for that good. The transition period for a good shall begin from the date of entry into force of this Agreement and end five (5) years from the date of completion of tariff reduction/elimination for that good.
3. A Party shall be free to take an AIFTA safeguard measure if, as an effect of the obligations incurred by that Party under this Agreement, a good is being imported from the other Parties to which tariff concession was made for that good in such increased quantities, absolute or relative to domestic production, and under such conditions so as to substantially cause or threaten to cause serious injury to the domestic industry of the importing Party that produces like or directly competitive goods in its territory.

4. If an AIFTA safeguard measure is taken, a Party taking such a measure may:
- (a) suspend the further reduction of any tariff rate under this Agreement for the good; or
  - (b) increase the tariff rate on the good concerned to a level not to exceed the lesser of:
    - (i) the applied MFN tariff rate on the good in effect at the time the action is taken; or
    - (ii) the applied MFN tariff rate on the good in effect on the day immediately preceding the date of entry into force of this Agreement.
5. An AIFTA safeguard measure may be maintained for an initial period of up to three (3) years and may be extended for a period not exceeding one (1) year if it is determined pursuant to the procedures referred to in paragraph 6 that the measure continues to be necessary to prevent or remedy serious injury and to facilitate adjustment and that there is evidence that the domestic industry is adjusting. Notwithstanding the duration of an AIFTA safeguard measure on the good, such a measure shall terminate at the end of the transition period for that good.
6. In applying an AIFTA safeguard measure, the Parties shall adopt and apply, *mutatis mutandis*, the rules for the application of safeguard measures, including provisional measures, as provided under the Agreement on Safeguards, with the exception of the quantitative restriction measures set out in Articles 5 and 7, and also, Articles 9, 13, and 14 of the Agreement on Safeguards.
7. An AIFTA safeguard measure shall not be applied against a good originating in the territory of a Party so long as its share of imports of the good concerned in the importing Party does not exceed three (3) per cent of the total imports of that good from the other Parties.
8. In seeking compensation under Article 8 of the Agreement on Safeguards for an AIFTA safeguard measure, the Parties concerned shall seek the good offices of the Joint Committee established under Article 17 to determine the substantially equivalent level of concessions to that existing under this Agreement between the Party taking the safeguard measure and the exporting Parties which would be affected by such a measure prior to any suspension of equivalent concessions. Any proceedings arising from such good offices shall be completed within 90 days from the date on which the AIFTA safeguard measure was applied.



9. If no agreement on the compensation is reached within the timeframe specified in paragraph 8, the Parties concerned shall be free to suspend the application of tariff concessions under this Agreement, which is substantially equivalent to the AIFTA safeguard measure on originating goods of the Party applying the AIFTA safeguard measure.

10. On a Party's termination of an AIFTA safeguard measure on a good, the tariff rate for that good shall be the rate that, according to that Party's schedule of tariff reduction and elimination as set out in Annex 1 would have been in effect had the measure not been applied.

11. Notwithstanding the provisions of this Article, no Party may impose an AIFTA safeguard measure on a good to which actions are being applied pursuant to Article XIX of GATT 1994 and the Agreement on Safeguards or Article 5 of the Agreement on Agriculture. When a Party intends to apply, pursuant to Article XIX of GATT 1994 and the Agreement on Safeguards or Article 5 of the Agreement on Agriculture, an action on a good to which an AIFTA safeguard measure is being applied, it shall terminate the AIFTA safeguard measure prior to the imposition of the action to be applied pursuant to Article XIX of GATT 1994 and the Agreement on Safeguards or Article 5 of the Agreement on Agriculture.

12. All official communications and documentations exchanged among the Parties and with the Joint Committee relating to an AIFTA safeguard measure shall be in writing and shall be in the English language.

## **ARTICLE 11**

### **Measures to Safeguard the Balance of Payments**

Nothing in this Agreement shall be construed to prevent a Party from taking any measure for balance of payments purposes. A Party taking such measure shall do so in accordance with the conditions established under Article XII of GATT 1994 and the Understanding on Balance of Payments Provisions of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement.

## **ARTICLE 12**

### **General Exceptions**

Each Party retains its rights and obligations under Article XX of GATT 1994, which shall be incorporated, *mutatis mutandis*, into and form an integral part of this Agreement.

**ARTICLE 13****Security Exceptions**

Nothing in this Agreement shall be construed:

- (a) to require any Party to furnish any information the disclosure of which it considers contrary to its essential security interests;
- (b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests, including:
  - (i) action relating to fissionable materials or the materials from which they are derived;
  - (ii) action relating to the traffic in arms, ammunition and implements of war and to such traffic on other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;
  - (iii) action taken so as to protect critical communications infrastructure from deliberate attempts intended to disable or degrade such infrastructure;
  - (iv) action taken in time of war or other emergency in international relations; or
- (c) to prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

**ARTICLE 14****Customs Procedures**

1. Each Party shall endeavour to apply its customs procedures in a predictable, consistent and transparent manner.
2. Recognising the importance of improving transparency in the area of customs procedures, each Party, at the request of an interested person, shall endeavour to provide, as expeditiously and accurately as possible, information relating to its customs procedures to the interested person concerned. Each Party shall endeavour to supply not only the information specifically requested but also any other pertinent information which it considers the interested person should be made aware of.

3. For prompt customs clearance of goods traded among the Parties, each Party, recognising the significant role of customs authorities and the importance of customs procedures in promoting trade facilitation, shall endeavour to:

- (a) simplify its customs procedures; and
- (b) harmonise its customs procedures, to the extent possible, with relevant international standards and recommended practices such as those made under the auspices of the World Customs Organization.

#### **ARTICLE 15**

##### **Regional and Local Governments**

In fulfilling its obligations and commitments under this Agreement, each Party shall, in accordance with the provisions of Article XXIV.12 of GATT 1994 and the Understanding on the Interpretation of Article XXIV of GATT 1994, take such reasonable measures as may be available to it to ensure observance by state, regional and local governments and authorities within its territories.

#### **ARTICLE 16**

##### **Relation to Other Agreements**

1. Each Party reaffirms its rights and obligations vis-à-vis another Party under the WTO Agreement and other agreements to which these Parties are party. A Party, which is not a party to the WTO Agreement, shall abide by the provisions of the said Agreement in accordance with its accession commitments to the WTO.
2. Nothing in this Agreement shall be construed to derogate from any right or obligation of a Party under the WTO Agreement and other agreements to which these Parties are party.
3. In the event of any inconsistency between this Agreement and any other agreement to which two or more Parties are party, such Parties shall immediately consult with a view to finding a mutually satisfactory solution.
4. This Agreement shall not apply to any agreement among ASEAN Member States or to any agreement between India and any ASEAN Member State unless otherwise agreed by the parties to that agreement.

**ARTICLE 17****Joint Committee**

1. A Joint Committee shall be established under this Agreement.
2. The functions of the Joint Committee shall be to:
  - (a) review the implementation and operation of this Agreement;
  - (b) submit a report to the Parties on the implementation and operation of this Agreement;
  - (c) consider and recommend to the Parties any amendments to this Agreement;
  - (d) supervise and coordinate the work of all Sub-Committees established under this Agreement; and
  - (e) carry out other functions as may be agreed by the Parties.
3. The Joint Committee:
  - (a) shall be composed of representatives of the Parties; and
  - (b) may establish Sub-Committees and delegate its responsibilities thereto.
4. The Joint Committee shall meet at such venues and times as may be mutually agreed by the Parties.

**ARTICLE 18****Dispute Settlement**

Unless otherwise provided in this Agreement, any dispute concerning the interpretation, implementation or application of this Agreement shall be resolved through the procedures and mechanisms as set out in the ASEAN-India DSM Agreement.

**ARTICLE 19****Review**

The Joint Committee shall meet within one (1) year from the date of entry into force of this Agreement and then biennially or otherwise as appropriate to review this Agreement for the purpose of considering additional measures to further enhance the AIFTA as well as develop

disciplines and negotiate agreements on relevant matters as may be agreed.

## **ARTICLE 20**

### **Annexes and Future Legal Instruments**

1. The Annexes and Appendices shall form an integral part of this Agreement.
2. The Parties may adopt legal instruments in the future pursuant to the provisions of this Agreement, including those proposed to them by the Joint Committee. Upon their respective entry into force, such instruments shall form an integral part of this Agreement.

## **ARTICLE 21**

### **Amendments**

1. This Agreement may be modified through amendments mutually agreed upon in writing by the Parties. Any amendment shall enter into force after all Parties have notified all the other Parties in writing of the completion of their internal procedures for the entry into force of such amendment.
2. Notwithstanding paragraph 1, amendments relating to:
  - (a) Annex 1, provided that the amendments are made in accordance with the amendment of the Harmonized System and include no change on tariff rates applied to the originating goods of the other Parties in accordance with Annex 1; and
  - (b) Annex 2, may be made by mutual agreement in writing by all Parties.

## **ARTICLE 22**

### **Depositary**

For the ASEAN Member States, this Agreement shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof to each ASEAN Member State.

## **ARTICLE 23**

### **Entry into Force**

1. Each Party shall notify all the other Parties in writing upon completion of its internal requirements<sup>1</sup> necessary for the entry into force of this

Agreement. This Agreement shall enter into force on 1 January 2010 or the date, by which such notifications have been made, by the Governments of India and at least one (1) ASEAN Member State.

2. Where a Party is unable to complete its internal Requirements\* necessary for the entry into force of this Agreement by 1 January 2010, this Agreement shall enter into force for that Party on 1 June 2010 or upon the date by which that Party notifies the completion of its internal requirements, whichever is earlier. In exceptional circumstances, where a Party is unable to complete its internal requirements for the entry into force of this Agreement by 1 June 2010, this Agreement shall enter into force for that Party on a mutually agreed date after that Party has informed all Parties of the completion of its internal requirements.

3. In relation to Parties making the notification referred to in paragraph 2, those Parties shall be bound by the same terms and conditions of this Agreement, including any further commitments that may have been undertaken by the other Parties under this Agreement by the time of such notification, as if it had notified all the other Parties in writing of the completion of its internal requirements before the date of entry into force of this Agreement.

## ARTICLE 24

### Termination

This Agreement shall remain in force until either India or ASEAN Member States collectively give written notice to the other of their intention to terminate it, in which case this Agreement shall terminate 12 months after the date of the notice of termination.

**IN WITNESS WHEREOF**, the undersigned being duly authorised by their respective Governments, have signed this Agreement.

**DONE** at Bangkok, Thailand this thirteenth day of August 2009 and at Hanoi, Viet Nam on the twenty fourth day of October, 2009, in two (2) originals in the English language.

For the Government of the Republic of India:

**ANAND SHARMA**

Minister of Commerce and Industry

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\* For greater certainty, the term "internal requirements" may include obtaining governmental approval or parliamentary approval in accordance with domestic law.

For the Government of Brunei Darussalam:

**LIM JOCK SENG**

Second Minister for Foreign Affairs and Trade

For the Royal Government of Cambodia:

**CHAM PRASIDH**

Senior Minister and Minister of Commerce

For the Government of the Republic of Indonesia:

**MARI ELKA PANGESTU**

Minister of Trade

For the Government of the Lao People's  
Democratic Republic:

**NAM VIYAKETH**

Minister of Industry and Commerce

For the Government of Malaysia:

**MUSTAPA MOHAMED**

Minister of International Trade and Industry

For the Government of the Union of Myanmar:

**U SOE THA**

Minister for National Planning and Economic Development

For the Government of the Republic of the Philippines:

**PETER B. FAVILA**

Secretary of Trade and Industry

For the Government of the Republic of Singapore:

**LIM HNG KIANG**

Minister for Trade and Industry

For the Government of the Kingdom of Thailand:

**PORNTIVA NAKASAI**

Minister of Commerce

For the Government of the Socialist Republic of Viet Nam:

**VU HUY HOANG**

Minister of Industry and Trade

(Note: the annexures to the Agreement not included here.)



**156. Agreement on Dispute Settlement Mechanism under the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations.**

**Bangkok, August 13, 2009.**

**PREAMBLE**

**The Government of the Republic of India** (India) and the **Governments of Brunei Darussalam**, the **Kingdom of Cambodia** (Cambodia), the **Republic of Indonesia** (Indonesia), the **Lao People's Democratic Republic** (Lao PDR), **Malaysia**, the **Union of Myanmar** (Myanmar), the **Republic of the Philippines** (the Philippines), the **Republic of Singapore** (Singapore), the **Kingdom of Thailand** (Thailand) and the **Socialist Republic of Viet Nam** (Viet Nam), **Member States of the Association of Southeast Asian Nations**,

**RECALLING** the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations, signed in Bali, Indonesia on 8 October 2003, as amended by the Protocol to Amend the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations (the Protocol), signed in Bangkok on August 13, 2009; and

**FURTHER RECALLING** Article 11 of the Framework Agreement as amended by Article 5 of the Protocol, which provides for the establishment of the dispute settlement procedures and mechanism for the Framework Agreement and any other agreement to be concluded there-under,

**HAVE AGREED AS FOLLOWS:**

**ARTICLE 1**

**Definitions**

For the purposes of this Agreement, unless the context otherwise requires:

(a) **ASEAN** means the Association of Southeast Asian Nations which comprises Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam and whose members are referred to in this Agreement collectively as the ASEAN Member States and individually as an ASEAN Member State;



- (b) **chair** means the member of an arbitral panel who serves as the chair of the arbitral panel;
- (c) **Complaining Party** means any Party that requests consultations under paragraph 1 of Article 4;
- (d) **covered agreements** means:
  - (i) the Framework Agreement;
  - (ii) the Agreement on Trade in Goods under the Framework Agreement;
  - (iii) this Agreement; and
  - (iv) any agreement to be concluded among the Parties pursuant to the relevant provisions of the Framework Agreement unless provided otherwise therein;
- (e) **days** means calendar days, including weekends and holidays;
- (f) **dispute arising under the covered agreements** means a complaint made by a Party concerning any measure affecting the operation, implementation or application of the covered agreements whereby any benefit accruing to the Complaining Party under the covered agreements is being nullified or impaired, or the attainment of any objective of the covered agreements is being impeded as a result of:
  - (i) a measure of the Party Complained Against is in conflict with its obligations under the covered agreements; or
  - (ii) the failure of the Party Complained Against to carry out its obligations under the covered agreements<sup>1</sup>;
- (g) **Framework Agreement** means the Framework Agreement on Comprehensive Economic Cooperation between the Republic of India and the Association of Southeast Asian Nations (as amended);
- (h) **Parties** means India and ASEAN Member States collectively;
- (i) **parties to a dispute**, or **parties to the dispute** means both the Complaining Party and the Party Complained Against;
- (j) **Party** means India or an ASEAN Member State;

- (k) **Party Complained Against** means any Party to which the request for consultations is made under paragraph 1 of Article 4;
- (l) **Third Party** means a Party which has a substantial interest in a dispute before a panel, other than the parties to a dispute, that delivers a written notice in accordance with Article 8; and
- (m) **WTO** means the World Trade Organization.

## ARTICLE 2

### Coverage and Application

1. This Agreement shall apply with respect to the avoidance or settlement of all disputes arising between the Parties under the covered agreements. Unless otherwise provided in this Agreement or any other covered agreement, this Agreement shall apply to all disputes between the Parties.
2. The rules and procedures of this Agreement shall apply subject to special or additional rules and procedures on dispute settlement, if any, contained in the other covered agreements. To the extent that there is a conflict between the rules and procedures of this Agreement and such special or additional rules and procedures on dispute settlement contained in a covered agreement, the special or additional rules and procedures shall prevail. In disputes involving rules and procedures under more than one covered agreement, if there is a conflict between special and additional rules and procedures of such covered agreements, the chair in consultation with the parties to the dispute, shall determine the rules and procedures to be followed for that dispute within ten (10) days after a request by any party to the dispute.
3. The provisions of this Agreement may be invoked in respect of measures affecting the operation of any covered agreement taken within a Party by:
  - (a) central, regional or local governments or authorities; or
  - (b) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities.
4. Subject to paragraph 5, nothing in this Agreement shall prejudice any right of the Parties to have recourse to dispute settlement procedures available under any other treaty to which they are parties.

5. Once dispute settlement proceedings have been initiated under this Agreement or under any other treaty to which the parties to a dispute are parties concerning a particular right or obligation of such Parties arising under the covered agreements and that other treaty, the forum selected by the Complaining Party shall be used to the exclusion of any other for such dispute.

6. For the purposes of paragraphs 4 and 5, the Complaining Party shall be deemed to have selected a forum when it has requested the establishment of, or referred a dispute to, an arbitral panel in accordance with this Agreement or any other treaty to which the parties to a dispute are parties.

### **ARTICLE 3**

#### **Liaison Office**

1. For the purposes of this Agreement, each Party shall:
  - (a) designate an office that shall be responsible for all matters referred to in this Agreement;
  - (b) be responsible for the operation and costs of its designated office; and
  - (c) notify the other Parties of the location and address of its designated office within 30 days after the completion of its internal procedures for the entry into force of this Agreement.
2. Unless otherwise provided in this Agreement, the submission of any request, notice or any other document under this Agreement to the designated office of any Party shall be deemed to be the submission of that request, notice or any other document under this Agreement to that Party.

### **ARTICLE 4**

#### **Consultations**

1. Any Party may request consultations with any other Party with respect to any dispute arising under the covered agreements. The Party Complained Against shall accord due consideration and adequate opportunity for consultations regarding a request for consultations made by the Complaining Party.
2. Any request for consultations shall be submitted in writing, and include the specific measures at issue, and the factual and legal basis (including

the provisions of any of the covered agreements alleged to have been breached and any other relevant provisions) of the complaint. The Complaining Party shall send the request to the Party Complained Against and the rest of the Parties. Upon receipt, the Party Complained Against shall promptly acknowledge receipt of such request to the Complaining Party and the rest of the Parties at the same time.

3. If a request for consultations is made, the Party Complained Against shall reply to the request within ten (10) days after the date of its receipt and shall enter into consultations in good faith within a period of not more than 30 days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution. If the Party Complained Against does not respond within the aforesaid ten (10) days, or does not enter into consultations within the aforesaid 30 days, then the Complaining Party may proceed directly to request for the establishment of an arbitral panel under Article 6.

4. The parties to a dispute shall make every effort in good faith to reach a mutually satisfactory resolution of any matter through consultations under this Article. To this end, the parties to the dispute shall:

- (a) provide sufficient information as may be reasonably available to enable a full examination of how the measure might affect the operation of the covered agreement; and
- (b) treat as confidential any information exchanged in the course of consultations which the other party to the dispute has designated as confidential.

5. Consultations shall be confidential and without prejudice to the rights of any Party in any further proceedings under this Agreement or other proceedings before a forum selected by the Parties. The parties to the dispute shall inform the rest of the Parties the outcome of the consultations.

6. In cases of urgency, including those which concern perishable goods, the parties to the dispute shall enter into consultations within a period of not more than ten (10) days after the date of receipt by the Party Complained Against of the request. If the Party Complained Against does not enter into consultations within ten (10) days after the date of receipt of the consultations request, the Complaining Party may proceed directly to request for the establishment of an arbitral panel under Article 6.

7. In cases of urgency, including those which concern perishable goods, the parties to the dispute and arbitral panels shall make every effort to accelerate the proceedings to the greatest extent possible.

#### **ARTICLE 5**

##### **Good Offices, Conciliation and Mediation**

1. Good offices, conciliation and mediation are procedures that are undertaken voluntarily if the parties to the dispute so agree.
2. Good offices, conciliation or mediation may be requested at any time by any party to a dispute. They may begin and be terminated at any time by any party to a dispute.
3. If the parties to a dispute agree, good offices, conciliation or mediation proceedings may continue before any person or body as may be agreed by the parties to the dispute, while the dispute proceeds for resolution before an arbitral panel established under Article 6.
4. All proceedings involving good offices, conciliation or mediation, and in particular, positions taken by the parties to a dispute during these proceedings, shall be confidential, and without prejudice to the rights of any Party in any further proceedings under this Agreement or before any other forum selected by the parties to the dispute.

#### **ARTICLE 6**

##### **Establishment of Arbitral Panels**

1. If the consultations under Article 4 fail to settle a dispute within 60 days after the date of receipt of the request for consultations or within 20 days after such date in cases of urgency, including those which concern perishable goods, the Complaining Party may make a written request to the Party Complained Against to establish an arbitral panel. A copy of this request shall also be communicated to the rest of the Parties.
2. A request for the establishment of an arbitral panel shall give the reasons for the request, including the identification of:
  - (a) the specific measure(s) at issue; and
  - (b) the factual and legal basis (including the provisions of any of the covered agreements alleged to have been breached and any other

relevant provisions) for the complaint sufficient to present the problem clearly.

3. Upon receipt of the request, an arbitral panel shall be established. The date of establishment of the arbitral panel shall be the date on which the chair is appointed under paragraph 3 of Article 7 or the 30th day after the date of receipt of the request under this Article where only a sole arbitrator is available.
4. Unless otherwise agreed by the parties to the dispute, an arbitral panel shall be established and perform its functions in accordance with the provisions of this Agreement and the Annex on the Rules and Procedures for the Arbitral Panel Proceedings.
5. Where more than one Complaining Party requests the establishment of an arbitral panel related to the same matter, a single arbitral panel may, wherever feasible, be established by the parties to the dispute to examine the matter taking into account their respective rights.
6. The single arbitral panel shall organise its examination and present its findings in such a manner that the rights which the parties to the dispute would have enjoyed had separate arbitral panels examined the complaints are in no way impaired. If one of the parties to the dispute so requests, the arbitral panel may submit separate reports on the dispute concerned, if the timeframe for writing such reports so permit. The written submissions by a party to the dispute shall be made available to the other parties to the dispute, and each party to the dispute shall have the right to be present when any other party to the dispute presents its views to the arbitral panel.
7. Where more than one arbitral panel is established to examine the same matter, to the greatest extent possible, the same persons shall be appointed by the parties to the disputes to serve on each of the separate arbitral panels and the timetable for the proceedings of each separate arbitral panel shall be harmonised.
8. An arbitral panel shall have the following terms of reference unless the parties to the dispute agree otherwise within ten (10) days from the date of the establishment of an arbitral panel:

"To examine, in the light of the relevant provisions in (name of the covered agreement(s) cited by the parties to the dispute), the matter referred to in the request for the establishment of an arbitral panel pursuant to Article 6,

to make findings, determinations, recommendations and suggestions, if any, and to present the written reports referred to in Articles 12 and 13."

## ARTICLE 7

### Composition of Arbitral Panel

1. Unless otherwise provided in this Agreement or agreed by the parties to the dispute, an arbitral panel shall consist of three (3) arbitrators.
2. Each party to the dispute shall appoint one (1) arbitrator within 30 days after the date of receipt of the request under Article 6. If any party to the dispute fails to appoint an arbitrator within such period, then the arbitrator appointed by the other party to the dispute shall act as the sole arbitrator.
3. The parties to the dispute shall endeavour to agree on the third arbitrator within 30 days after the date of appointment of the second arbitrator. The third arbitrator shall serve as the chair. If the parties to the dispute are unable to agree on the chair within the aforesaid 30 days, the chair shall be jointly appointed, by the arbitrators who have been appointed under paragraph 2, within a further period of 30 days. If the third arbitrator has not been appointed within 30 days by the arbitrators appointed under paragraph 2, the parties to the dispute shall consult each other in order to jointly appoint the chair within a further period of 30 days.
4. Any person appointed as an arbitrator shall have expertise or experience in law, international trade, other matters covered by the covered agreements or the resolution of disputes arising under international trade agreements. An arbitrator shall be chosen strictly on the basis of objectivity, reliability, sound judgment and independence and shall conduct himself or herself on the same basis throughout the course of the arbitral panel proceedings. If a party to the dispute believes that an arbitrator is in violation of the basis stated above, the parties to the dispute shall consult and if they agree, the arbitrator shall be removed and a new arbitrator shall be appointed in accordance with this Article. Additionally, the chair shall not be a national of any party to the dispute and shall not have his or her usual place of residence in the territory of, nor be employed by, any party to the dispute nor have dealt with the referred matter in any capacity, unless the parties to the dispute agree otherwise.

5. If an arbitrator appointed under this Article resigns or becomes unable to act, a successor arbitrator shall be appointed in the same manner as prescribed for the appointment of the original arbitrator. The successor arbitrator shall have all the powers and duties of the original arbitrator. The work of the arbitral panel shall be suspended until the successor arbitrator is appointed.

6. If the sole arbitrator or the chair appointed in accordance with paragraph 2 or 3 is replaced or succeeded, any hearings held previously by the arbitral panel shall be repeated.

## **ARTICLE 8**

### **Third Parties**

1. If the Party Complained Against agrees, any Party, having a substantial interest in a dispute before an arbitral panel and having notified its interest in writing to the parties to such a dispute and the rest of the Parties, shall have an opportunity to make written submissions to the arbitral panel. These submissions shall also be given to the parties to the dispute and may be reflected in the report of the arbitral panel.

2. A Third Party shall receive the submissions of the parties to the dispute at the first meeting of the arbitral panel.

3. If a Third Party considers that a measure that is already the subject of an arbitral panel proceedings nullifies or impairs benefits accruing to it under the covered agreements, such Party may have recourse to normal dispute settlement procedures under this Agreement.

## **ARTICLE 9**

### **Suspension and Termination of Proceedings**

1. Where the parties to the dispute agree, the arbitral panel may suspend its work at any time for a period not exceeding 12 months from the date of such agreement. Upon the request of any party to the dispute, the arbitral panel proceedings shall be resumed after such suspension. If the work of the arbitral panel has been suspended for more than 12 months, the authority of the arbitral panel shall lapse unless the parties to the dispute otherwise agree.

2. The parties to the dispute may agree to terminate the proceedings of an arbitral panel at any time before the presentation of the final report to them, in the event that a mutually satisfactory solution to the dispute has been found.



3. Before the arbitral panel makes its decision, it may, at any stage of the proceedings, propose to the parties to the dispute that the dispute be settled amicably.

## **ARTICLE 10**

### **Functions of Arbitral Panels**

An arbitral panel shall make an objective assessment of the matter before it, including an examination of the facts of the case and the applicability of and conformity with the relevant covered agreements. The arbitral panel shall consult regularly with the parties to the dispute and provide them adequate opportunities for the development of a mutually satisfactory resolution. Where the arbitral panel concludes that a measure is in conflict with a provision of any of the covered agreements, it shall recommend that the Party Complained Against bring the measure into conformity with that provision. In addition to its recommendations, the arbitral panel may suggest ways by which the Party Complained Against could implement its recommendations. The arbitral panel shall interpret the relevant provisions of the covered agreements in accordance with customary rules of interpretation of public international law. The arbitral panel cannot add to or diminish the rights and obligations under the covered agreements in its findings and recommendations.

## **ARTICLE 11**

### **Proceedings of Arbitral Panels**

1. Unless the parties to the dispute agree otherwise, the rules and procedures set out in the Annex on the Rules and Procedures for the Arbitral Panel Proceedings shall apply. The arbitral panel may, after consulting the parties to the dispute, adopt additional rules and procedures not inconsistent with the provisions in this Agreement or the Annex on the Rules and Procedures for the Arbitral Panel Proceedings.
2. In the proceedings of the arbitral panel, each party to the dispute shall have:
  - (a) a right to at least one (1) hearing before the arbitral panel;
  - (b) an opportunity to provide initial and rebuttal submissions;
  - (c) a reasonable opportunity to submit comments on the interim report presented pursuant to Article 12; and
  - (d) a right to the protection of confidential information.

3. An arbitral panel shall meet in closed sessions. The parties to the dispute shall be present at the meetings only when invited by the arbitral panel to appear before it.

## **ARTICLE 12**

### **Interim Report**

1. Unless the parties to the dispute otherwise agree, the arbitral panel shall base its report on the relevant provisions of the covered agreements, on the submissions and arguments of the parties to the dispute, and on any information before it, pursuant to Article 14.

2. Unless the parties to the dispute otherwise agree, the arbitral panel shall, within 90 days from the date of its establishment, present to the parties to the dispute an interim report containing:

- (a) a descriptive section summarising the arguments of the parties to the dispute;
- (b) its findings on the facts of the case and on the applicability of the provisions of the covered agreements;
- (c) its determinations on the consistency of the measure at issue with the covered agreements; and
- (d) its determinations on whether the Party Complained Against has otherwise failed to carry out its obligations under the covered agreements.

3. When the arbitral panel considers that it cannot present its interim report within the period of time referred to in paragraph 2, it shall inform the parties to the dispute in writing of the reasons for the delay together with the estimate of the period within which it will issue its interim report.

4. The parties to the dispute may submit written comments on the interim report within 14 days of its presentation. The arbitral panel shall include in its final report a discussion on the comments of the parties to the dispute.

## **ARTICLE 13**

### **Final Report**

1. The arbitral panel shall present a final report to the parties to the dispute, within 30 days of presentation of the interim report.

2. The arbitral panel shall present to the parties to the dispute its final report within 120 days from the date of its establishment. In cases of urgency, including those relating to perishable goods, the arbitral panel shall aim to present its final report to the parties to the dispute within 90 days from the date of its establishment. When the arbitral panel considers that it cannot present its final report within 120 days, or within 90 days in cases of urgency, it shall inform the parties to the dispute in writing of the reasons for the delay together with an estimate of the period within which it will present its report. However, the period between the establishment of an arbitral panel and the presentation of the final report to parties to the dispute shall not exceed 180 days or 120 days in the case of urgency, unless the parties to the dispute otherwise agree.
3. The final report of an arbitral panel shall be final and binding on the parties to the dispute.
4. The final report of the arbitral panel shall be made publicly available within ten (10) days of its presentation to the parties to the dispute.

#### **ARTICLE 14**

##### **Information and Technical Advice**

1. Upon the request of a party to the dispute or on its own initiative, the arbitral panel may seek information and technical advice from any person or body that it deems appropriate, provided that the parties to the dispute so agree and subject to such terms and conditions as the parties to the dispute may agree. Any information and technical advice so obtained shall be made available to the parties to the dispute.
2. With respect to factual issues concerning a scientific or other technical matters raised by a party to the dispute, the arbitral panel may request advisory reports in writing from an expert or experts. The arbitral panel may, at the request of a party to the dispute or on its own initiative, select, after consultations with the parties to the dispute, scientific or technical experts who shall assist the arbitral panel throughout its proceedings, but who shall not have the right to vote in respect of any decision to be made by the arbitral panel.

#### **ARTICLE 15**

##### **Implementation of Final Report**

1. The Party Complained Against shall promptly comply with the award of the arbitral panel issued pursuant to Article 13.

2. If, in its final report, the arbitral panel determines that the Party Complained Against has not conformed to its obligations under the relevant covered agreements, it shall recommend that the Party Complained Against bring the measure into conformity with the covered agreements and may suggest ways in which the Party Complained Against could implement the recommendations.
3. The Party Complained Against shall, within 20 days after the date of issuance of the award, notify the Complaining Party of the period of time required to implement the award. If such notified period of time is unacceptable, the Complaining Party may refer the matter to an arbitral panel, which shall then determine the reasonable implementation period. The arbitral panel shall inform the parties to the dispute of its determination within 30 days after the date of the referral of the matter to it.
4. If the Party Complained Against considers it impracticable to comply with the award within the implementation period as determined pursuant to paragraph 3, it shall, not later than the expiry of that implementation period, enter into consultations with the Complaining Party, with a view to developing mutually satisfactory compensation. If no satisfactory compensation has been agreed within 20 days after the date of expiry of that implementation period, the Complaining Party may request an arbitral panel to determine the appropriate level of suspension of concessions or benefits under the covered agreements in respect of the Party Complained Against.
5. If the Complaining Party considers that the Party Complained Against has failed to comply with the award within the implementation period as determined pursuant to paragraph 3, the Complaining Party may refer the matter to an arbitral panel to confirm the failure and to determine the appropriate level of suspension of concessions or benefits under the covered agreements in respect of the Party Complained Against.
6. The arbitral panel established under this Article shall, wherever possible, have as its arbitrators, the arbitrators of the original arbitral panel. If this is not possible, then the arbitrators of such arbitral panel shall be appointed pursuant to paragraphs 2 and 3 of Article 7.
7. Unless the parties to the dispute agree to a different period, the arbitral panel established under paragraphs 4 and 5 shall issue its award within 60 days after the date when the matter is referred to it.

8. The award of the arbitral panel established under this Article shall be binding on all the parties to the dispute.

#### **ARTICLE 16**

##### **Compensation and the Suspension of Concessions or Benefits**

1. Compensation and the suspension of concessions or benefits under the covered agreements are temporary measures available in the event that the award is not implemented within a reasonable period of time. However, neither compensation nor the suspension of concessions or benefits under the covered agreements is preferred to full implementation of the award to bring a measure into conformity with the covered agreements. Compensation, if granted, shall be consistent with the covered agreements.
2. The suspension of concessions or benefits under paragraphs 4 and 5 of Article 15 may only be implemented after the Complaining Party notifies the Party Complained Against and the rest of the Parties of its intention to suspend the concessions or benefits under the covered agreements in respect of the Party Complained Against. The Party Complained Against and the rest of the Parties shall be informed of the commencement of the suspension and which concessions or benefits under the covered agreements would be suspended.
3. In considering what concessions or benefits under the covered agreements are to be suspended under paragraphs 4 and 5 of Article 15, the Complaining Party shall consider that such suspension shall be:
  - (a) temporary, and be discontinued when the parties to the dispute reach a mutually satisfactory resolution or where compliance with the award is effected;
  - (b) restricted to the same level of nullification or impairment that is attributable to the failure to comply with the award; and
  - (c) restricted to the same sector or sectors as those in which the arbitral panel has found the nullification or impairment. If it is not practicable or effective to suspend the concessions or benefits in such sector or sectors, the Complaining Party may suspend concessions or benefits in other sectors of the covered agreements.
4. If the Party Complained Against considers that the suspension of concessions or benefits under the covered agreements by the Complaining

Party is inconsistent with the provisions of paragraph 4 of Article 15, it may refer the matter to an arbitral panel. For the purposes of establishing the arbitral panel under this Article, paragraph 6 of Article 15 shall apply mutatis mutandis.

5. Unless the parties to the dispute agree to a different period, the arbitral panel established under this Article shall issue its award within 45 days after the date when the matter is referred to it. Such award shall be binding on all the parties to the dispute.

#### **ARTICLE 17**

##### **Official Language**

1. All proceedings pursuant to this Agreement shall be conducted in the English language.
2. Any document submitted for use in any proceedings pursuant to this Agreement shall be in the English language. If any original document is not in the English language, the Party submitting such document shall provide an English translation of that document.

#### **ARTICLE 18**

##### **Expenses**

1. Each party to a dispute shall bear the costs of its appointed arbitrator and its own expenses and legal costs.
2. Unless the parties to the dispute otherwise agree, the costs of the chair or sole arbitrator and other expenses associated with the conduct of its proceedings shall be borne in equal parts by the parties to a dispute.

#### **ARTICLE 19**

##### **Annex**

The Annex on the Rules and Procedures for the Arbitral Panel Proceedings shall form an integral part of this Agreement.

#### **ARTICLE 20**

##### **Amendments**

The provisions of this Agreement may be modified through amendments agreed upon in writing by the Parties.

**ARTICLE 21****Depositary**

For the ASEAN Member States, this Agreement shall be deposited with the Secretary-General of ASEAN who shall promptly furnish a certified copy thereof to each ASEAN Member State.

**ARTICLE 22****Entry into Force**

1. The Parties shall notify each other in writing upon completion of their internal requirement necessary for entry into force of this Agreement. This Agreement shall enter into force on the date by which such notifications have been made by India and at least one (1) ASEAN Member State.

2. Where a Party is unable to complete its internal requirements for the entry into force of this Agreement by 1 June 2010, this Agreement shall enter into force for that Party upon the date of notification of the completion of its internal requirements.

**IN WITNESS WHEREOF**, the undersigned being duly authorised by their respective Governments, have signed this Agreement.

**DONE** at Bangkok, Thailand this thirteenth day of August 2009 in two (2) originals in the English language.

For the Government of the Republic of India:

**ANAND SHARMA**

Minister of Commerce and Industry

For the Government of Brunei Darussalam:

**LIM JOCK SENG**

Second Minister for Foreign Affairs and Trade

For the Royal Government of Cambodia:

**CHAM PRASIDH**

Senior Minister and Minister of Commerce

For the Government of the Republic of Indonesia:

**MARI ELKA PANGESTU**

Minister of Trade

For the Government of the Lao People's  
Democratic Republic:

**NAM VIYAKETH**

Minister of Industry and Commerce

For the Government of Malaysia:

**MUSTAPA MOHAMED**

Minister of International Trade and Industry

For the Government of the Union of Myanmar:

**U SOE THA**

Minister for National Planning and  
Economic Development

For the Government of the Republic of  
the Philippines:

**PETER B. FAVILA**

Secretary of Trade and Industry

For the Government of the Republic of Singapore:

**LIM HNG KIANG**

Minister for Trade and Industry

For the Government of the Kingdom of Thailand:

**PORNTIVA NAKASAI**

Minister of Commerce

For the Government of the  
Socialist Republic of Viet Nam:

**NGUYEN CAM TU**

Vice Minister of Industry and Trade

## **ANNEX**

### **RULES AND PROCEDURES FOR THE ARBITRAL PANEL PROCEEDINGS**

#### **Application**

1. These Rules shall apply to arbitral panel proceedings under this Agreement unless the parties to the dispute otherwise agree.
2. The arbitral panel shall address the relevant provisions in the covered agreements cited by the parties to the dispute.
3. Following the consideration of submissions, arguments and any information made pursuant to Article 14, the arbitral panel shall present an interim report to the parties to the dispute.

#### **Written Submissions and Other Documents**

4. Each party to the dispute shall deliver at least four (4) copies of its written submissions to the arbitral panel and a copy to the other party to the dispute.



5. Each party to the dispute may deliver a copy of any request, notice, written submission or other document(s) to the other party to the dispute by facsimile, e-mail or other electronic means.

6. A party to the dispute may at any time correct minor errors of clerical nature in any of its request, notice, written submission or other document(s) related to the arbitral panel proceedings by delivering a new document clearly indicating the changes.

### **Operation of Arbitral Panels**

7. The chair shall preside over all the meetings of the arbitral panel. An arbitral panel may delegate to the chair authority to decide administrative and procedural matters.

8. Except as otherwise provided in these Rules, the arbitral panel may conduct its business by any means, including telephone, facsimile, e-mail or other electronic means.

9. Only arbitrators may take part in the deliberations of the arbitral panel. The arbitral panel may, however, in consultation with the parties to the dispute, retain such number of assistants, interpreters or translators, or designated note takers as may be required for the proceedings and permit them to be present during such deliberations. The arbitrators and the persons retained by the arbitral panel shall maintain the confidentiality of the arbitral panel proceedings.

10. An arbitral panel may, in consultation with the parties to the dispute, modify any time period applicable to the arbitral panel proceedings and make such other procedural or administrative adjustments as may be required in the proceedings. After consulting the parties to the dispute, the chair shall, within 15 days after the establishment of the arbitral panel, fix the timetable for the arbitral panel process. In determining the timetable, the arbitral panel shall provide sufficient time for the parties to the dispute to prepare their respective submissions. The arbitral panel may set precise deadlines for written submissions by the parties to the dispute and they shall respect those deadlines.

11. The venue for the arbitral panel proceedings shall be decided by mutual agreement between the parties to the dispute. If there is no agreement, the venue shall alternate between the parties to the dispute with the first session to be held in the territory of the Party Complained Against.

12. All Third Parties which have notified their interest in the dispute shall be invited in writing to present their views only during the first session of

the arbitral panel proceedings set aside for that purpose. All such Third Parties may be present during the entirety of this session.

13. The interim and final reports of the arbitral panel shall be drafted without the presence of the parties to the dispute. The arbitral panel shall make its decisions by consensus. Where the arbitral panel is unable to reach a consensus, it may make its decisions by a majority vote. Opinions expressed in the report by individual arbitrators shall be anonymous.

#### **Availability of Information**

14. The deliberations of the arbitral panel and the documents submitted to it shall be kept confidential. No party to the dispute shall be precluded from disclosing statements of its own positions to the public. The parties to the dispute shall treat as confidential information submitted by the other party to the dispute which that party has designated as confidential. Where a party to the dispute submits a confidential version of its written submissions to the arbitral panel, it shall also, upon request of the other party to the dispute, provide a non-confidential summary of the information contained in its submissions.

#### **Record of Expenses**

15. The arbitral panel shall keep a record and render a final account of all general expenses incurred in connection with the proceedings, including those paid to their assistants, designated note takers or other individuals that it retains pursuant to paragraph 9.



**157. Media Briefing by Secretary (East) of the Ministry of External Affairs on Prime Minister's Visit to Thailand for India-ASEAN and East Asia Summits.**

**New Delhi, October 21, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and a very warm welcome to all of you. Secretary (East) Mr. N. Ravi is here to talk to you about Prime Minister's forthcoming visit to Hua Hin in Thailand for the ASEAN and East Asia Summits. After his opening remarks, he will be happy to take a few questions. Let me also clarify that this briefing is on the subject of Prime Minister's visit to Hua Hin. So, questions, if any, will be taken on that subject only. I have also the pleasure of introducing my colleague Mr. Yogendra Kumar, to the right of Secretary (East), who is our Additional Secretary (Multilateral Economic Relations). Sir, the floor is yours.

**Secretary (East) (Shri N. Ravi):** Thank you, Vishnu. Good evening to all of you.

As you would be aware, Prime Minister is visiting Thailand from the 23rd to the 25th of this month to attend the Seventh India-ASEAN Summit and also simultaneously attend the Fourth East Asia Summit. The Summits are being held in the town of Hua Hin which is in the Gulf of Thailand, about 200 kilometres south of Bangkok. On the margins of these two multilateral events, our Prime Minister would also have bilateral meetings with the leaders who would be participating in these two summits. The schedule of these meetings is being finalised.

The programme is something like this. The India-ASEAN Summit will be held on the 24th. The Summit itself starts at about 4 p.m. After the Summit is over, later in the evening there is a gala dinner where all the leaders will be hosted by the Prime Minister of Thailand and his spouse. The following day that is on the 25th of October, the Fourth East Asia Summit would be held. This will start at about 9 in the morning. It is in a retreat format. After the retreat format meeting is over and after a break or so, the same leaders will have a working lunch when they would be discussing a variety of topics.

Now to go back, most of you would be aware that the First India-ASEAN Summit was held in 2002 in Phnom Penh in Cambodia. This is the seventh in the series. The assembled leaders of the ten ASEAN countries and our Prime Minister would review the progress in the growth of our relationship which commenced with the launch of our Look East Policy in 1992. Since then we have made major strides in our bilateral relationship. This has been evidenced

by the signing of the India-ASEAN Free Trade Agreement in Goods in the middle of August in Bangkok. Presently the two sides are engaged in discussing the Free Trade Agreement in Services and Investment.

Overall our trade has been growing. According to some figures, the India-ASEAN trade amounts to about 10 per cent of our global trade. If you just take the ASEAN, it is a region that comprises of about 600 million people where the nominal GDP is about 1.7 trillion US dollars. These figures are for 2008. Our cooperation with all the ASEAN countries covers the vast array of fields including information and communications technology, human resource development, agriculture and tourism.

We are also active participants in a programme called the Initiative for ASEAN Integration. This was begun in 2004 with a kind of an agreement that was signed among the ASEAN countries to help the recent entrants - that is Cambodia, Laos, Myanmar and Vietnam - to reduce the gap in development in those countries and the original six who had been members from much earlier in the late 1960s itself. Under this Initiative for ASEAN Integration, we have had a tremendous degree of success in all the four countries and we look forward to integrating some of their development process using information technology, entrepreneurship development and English language teaching centres which we have succeeded in establishing in these four countries. There are other countries also who are now interested particularly in IT as well as in English language teaching centres.

Our relations with the ASEAN countries overall have assumed greater salience in the last few years. Particularly, it has assumed a special role after the emergence of the global economic and financial crisis. As most of you would be aware, although all countries in the world have been affected adversely by the crisis, the fact does remain that many among the Asian countries have been able to meet some of these challenges with a significant degree of success starting with India itself. Today the Prime Minister released figures of growth of GDP. About 6.7 per cent is what we expect despite various problems that we are facing. Similarly, a country like China has posted a very high degree of rate of growth, well over 8 per cent and close to 9.

Overall, Asian countries including the ASEAN countries have been able to deal with the after-effects of the global financial crisis with a certain degree of confidence and success. This would be one of the main subjects of discussion in both the Summits, and certainly in the India-ASEAN Summit.

The Fourth East Asia Summit that meets on the 25th of October comprises the ten ASEAN countries and Australia, New Zealand, India, China, Japan and South Korea. These are the 16 members. It was established in 2005 in Kuala Lumpur. It has been able to develop a wider vision of cooperation within Asia encompassing developed, developing, emerging markets and least developed countries. So, it is a mix which gives an opportunity to the members to exchange their expertise in different fields whether it is manufacturing or capacity-building or training. It gives them a tremendous degree of opportunity and this has been utilised in a variety of areas. This includes energy, environment, climate change and sustainable development, financial cooperation, natural disaster mitigation, education and most importantly a Track II study on a Comprehensive Economic Partnership in East Asia. It is called the CEPEA. Till recently, CEPEA was on a Track II where mostly think tanks and representatives including economic experts were examining how to facilitate and expand trade among the East Asia Summit countries that is the ASEAN plus Six. Recently, when the Economic Ministers of the East Asia Summit countries met in Bangkok in August, they decided to enhance the activity of CEPEA from the so-called Track II to Track I in the sense that senior officials of the respective Governments would now meet to discuss how to take this forward.

The ASEAN Summit, independent of India associating with ASEAN or EAS itself, which is currently being held amongst the ASEAN countries has the theme of enhancing connectivity and empowering people. That is very important in the present day context when all countries have to connect with each other so that they can grow, in the difficult circumstances that they face, with a fair degree of confidence and take their economic growth forward.

There will be a Chair's Statement after the East Asia Summit and the leaders will also adopt a statement on disaster management which outlines the elements of future cooperation amongst the participating countries in this particular field. Earlier in June of this year, the Thai Government after consultations with all the concerned governments have issued a statement on global economic and financial crisis. This was to have been issued in April but then because of the fact that the Summit could not be held in April, it was issued in June. Now both Summit meetings are timely because it is just about a year since the global economic crisis broke out and countries have been able to deal with the after-effects with varying degrees of success. But the important thing is these meetings give us an opportunity of exchanging views, exchanging notes as it were and to see how best we

can complement each other's strengths so that the future of economic development of all the countries continues at a pace to the satisfaction of the leaders.

I think I will stop here. If there are a couple of questions, I will take them.

**Question:** Mr. Ravi, is there any confirmation about the Prime Minister meeting the Chinese Premier as well at the ASEAN Summit? If yes, when will that be?

**Secretary (East):** The meetings with various leaders are under planning. The scheduling is taking place. As soon as a meeting is confirmed, all of you would know.

**Question:** Is Free Trade Agreement in Services and Investment likely to be finalised during the Summit?

**Secretary (East):** According to my information, two rounds have already been completed. The information is that the discussions are proceeding in good atmosphere. So, though not by the time of the Summit, certainly before long we should have some degree of common approaches in this sector.

**Question:** What is latest on the Nalanda project?

**Secretary (East):** The Nalanda project has been examined by the Nalanda Mentor Group under the chairmanship of Prof. Amartya Sen. It has held five meetings including one meeting on-site in Nalanda in February of this year. Based on their recommendations we are in discussion with all the East Asia Summit countries on how to proceed forward. Within the country we already have the Nalanda University Bill in Bihar which has already been passed. There is a basic plan that they have. But now that it is going to be an internationally agreed project among the different countries. We may have some kind of a common position emerging in the forthcoming summit.

**Question:** I just wanted to carry forward the question about the expected meeting between the Prime Minister and Chinese Premier. Are we looking forward to express our concern on the recent exchanges of statements by both the Governments and of course the demarches?

**Secretary (East):** Relations between India and any other country including China cover a very wide range and all subjects of mutual interest and immediate interest would be covered. As soon as the meeting is fixed, I am sure we will inform you and you all will come to know of it. We will inform

you of the results of the meeting also. I think before you leave you will know what it is all about.

**Question:** You said that 10 per cent of our global trade is between India and ASEAN countries. In terms of quantum, how much is the trade between the two. Could you give us the actual figure?

**Secretary (East):** India-ASEAN trade has reached a figure of about 38 billion dollars in 2007-08. I am running into a bit of a problem here because certain websites give a different data and some figures are provisional. So, anything between 35 to 38 billion dollars last year would be a safe figure.

**Question:** Sir, two questions. The FTA on goods has already been signed but there are many issues still relating to the negative lists of various countries especially Thailand which has got a very extensive negative list of agricultural and plantation products. Will that be taken up for discussion during these meetings either at the bilateral level or at the ASEAN level? Secondly, what broadly is India's negotiating position with regard to the FTA on services which is being discussed?

**Secretary (East):** As regards the specific details regarding Thailand, I am sure only the Commerce Ministry can authoritatively answer you. But suffice it to say that any opportunity that we get to discuss matters of interest to us with any other country, in this case as you mentioned Thailand, would be taken up at the appropriate level. As regards the second question, there is no denying the fact that in terms of services India does have a certain degree of advantage vis-a-vis the ASEAN countries. We are keen that we should enter into an agreement as early as possible. Similarly in investments also, it in fact is both ways. Malaysia, Indonesia and to a certain extent Thailand have invested reasonably in India and so have we in Indonesia and in Malaysia. We are keen. The feedback is that the discussions have proceeded quite satisfactorily so far. So, I do not see much problem as we stand now. But I am sure the kinks will have to be ironed out by the experts as they speak.

**Question:** Sir, when is the FTA on goods going to come into effect?

**Secretary (East):** As per the agreement that was signed, I think January 1, 2010, subject to correction, is the date of entry into force of the India-ASEAN Trade in Goods Agreement.

**Question:** Will there be a separate Summit of ASEAN Plus 3 with India, China, Korea or Japan?

**Secretary (East):** As per the programme that we have got, all the countries - China, Japan, and South Korea - have their own individual summits with ASEAN and a collective ASEAN Plus 3 Summit. We have ASEAN-India Summit and then finally we go on to the East Asia Summit the following day.

**Question:** But there is no collective ASEAN Plus 3 format?

**Secretary (East):** There is an ASEAN Plus 3 format also.

**Question:** Are we looking at a common regional approach towards tackling terrorism? It is getting to be almost one year since Mumbai attacks and international pressure seems to be easing. Is that going to be an issue at this summit?

**Secretary (East):** It is a little difficult to guess what subject will be discussed there. But one question is sustainable economic development and the need for economic development aided by a peaceful environment is a principle that is understood by all the countries involved. So, it is up to the leaders to really discuss this particular matter.

**Question:** My question on ASEAN is answered. I have one question on Afghanistan. How is India watching the run-off in Afghanistan?

**Official Spokesperson:** Sir, can I, with your permission, just take this question?

**Secretary (East):** Yes.

**Official Spokesperson:** As you are aware, the Independent Election Commission of Afghanistan has announced the second round of Presidential Elections involving a run-off between President Hamid Karzai and Dr. Abdullah Abdullah on 7 November 2009. It is our hope that the election process will strengthen democracy in Afghanistan and would be conducted peacefully in a violence free atmosphere. Thank you.





**158. Statement of Prime Minister Dr. Manmohan Singh on the eve of departure for Thailand for the 7th India-ASEAN and 4th East Asia Summit.**

**New Delhi, October 23, 2009.**

I am leaving for Thailand today to attend the 7th India-ASEAN Summit and the 4th East Asia Summit that will be held on 24-25 October.

India's enhanced engagement with the ASEAN is at the heart of our 'Look East' Policy. The conclusion of the India-ASEAN Trade-in-Goods Agreement in August 2009 is a major first step in our objective of creating an India-ASEAN Regional Trade and Investment Area. India-ASEAN trade has grown at a healthy rate and stood at about US Dollars 48 billion in 2008. The India-ASEAN Summit is an occasion to review the progress in our relations with ASEAN countries. I will inform ASEAN leaders about the several initiatives that India has taken to qualitatively enhance our partnership in diverse areas of our cooperation.

In pursuance of the theme of the ASEAN Summit of "Enhancing Connectivity, Empowering Peoples", I will discuss with the ASEAN leaders new initiatives to accelerate the process of our engagement in areas such as greater economic integration, people-to-people contacts, agriculture, human resource development, education, science and technology and information and communications technology.

I will also attend the 4th East Asia Summit on October 25. The East Asia Summit will review cooperation in five key areas - energy, education, finance, avian influenza and national disaster mitigation. The Summit will provide an opportunity to discuss regional and international issues of common interest, and future direction for community building and cooperation. Asia's response to the global economic slowdown, food security, energy security and climate change will be important issues of discussion.

I am hopeful that the ASEAN and other countries of the East Asia Summit process will endorse the proposal for the establishment of the Nalanda University in Bihar as an international institution of excellence in education with a continental focus.

On the sidelines of the Summit, I will have bilateral meetings including with the Prime Minister of Cambodia, Premier of the State Council of People's Republic of China, the President of Indonesia, the Prime Minister of Japan, the Prime Minister of Singapore, the Prime Minister of Thailand and the Prime Minister of Vietnam.

I consider India's participation in the India-ASEAN and the East Asia Summits a vital element of India's vision of an Asian economic community that is based on an open and inclusive regional architecture.



**159. Statement by the Prime Minister Dr. Manmohan Singh  
at the 7th India-ASEAN Summit.**

**Hua Hin (Thailand), October 24, 2009.**

**Your Excellency, Mr. Abhisit Vejjajiva,**

**Prime Minister of the Kingdom of Thailand**

**Your Excellency, the Heads of State and Government of the member  
countries of ASEAN**

I thank the Prime Minister of Thailand His Excellency Mr. Abhisit Vejjajiva for hosting the 7th India-ASEAN Summit in this beautiful city of Hua Hin. We are grateful to the Government and people of Thailand for the excellent arrangements that have been made, and for their warm hospitality.

I thank Indonesia for serving as the Coordinator for India and welcome Cambodia as the next Coordinator, and assure them of our full support.

I also take this opportunity to extend our deepest condolences over the tragic loss of life and destruction during the recent natural calamities in Indonesia, the Philippines, Laos and Vietnam.

The ASEAN region is synonymous with dynamic economic growth. The adoption of the ASEAN Charter in December 2008 is a manifestation of the growing profile of ASEAN in world affairs. We warmly welcome this important development.

**Ladies and Gentlemen"**

India's engagement with the ASEAN is at the heart of our 'Look East' Policy. We are convinced that India's future and our economic interests are best served by greater integration with our Asian partners.

The conclusion of the India-ASEAN Trade-in-Goods Agreement in August 2009 is a major first step in our objective of creating an India-ASEAN Regional Trade and Investment Area. The journey was not easy, but we have succeeded in overcoming several difficulties, and this gives us hope for the future.

India-ASEAN trade has grown at a healthy rate despite the recent global economic downturn. The volume of trade stood at US\$ 48 billion in 2008. Despite the economic downturn, I am confident that we can achieve our bilateral trade target of US\$ 50 billion by 2010. With the conclusion of the Trade-in-Goods Agreement, we should aim for an even higher target for our trade turnover.

We attach high importance to the early conclusion of negotiations on the Trade-in-Services and Investment Agreement, and we should direct our officials accordingly.

I am happy to note that there has been good progress on all other initiatives that have been taken by us, including those discussed at the last Summit in Singapore in 2007. These include the creation of an India-ASEAN Science and Technology Fund, the India-ASEAN Health Care Initiative, cooperation in traditional medicines, the India-ASEAN Network on Climate Change and the establishment of a Green Fund. Several programmes to promote people-to-people contacts are also being implemented.

We look forward to working closely with the ASEAN and other countries of the East Asia Summit process to establish the Nalanda University as an international institution of excellence in education with a continental focus.

In keeping with the theme of the ASEAN Summit of "Enhancing Connectivity, Empowering Peoples", I would propose the following initiatives to further strengthen the links between us:-

- Establishment of an India-ASEAN Round Table comprising think tanks, policy makers, scholars, media and business representatives to bridge the knowledge gap. The Round Table would provide policy inputs to the governments of India and the ASEAN countries on future areas of cooperation.
- Intensification of negotiations on an open skies policy, further simplification of the visa regime to encourage business and tourist travel, a much larger number of youth exchange programmes, and commencement of exchanges of Parliamentarians between India and the ASEAN Inter-Parliamentary Assembly.
- Holding an ASEAN Trade and Industrial Exhibition in India in October 2010 or January 2011.
- Enhanced cooperation in the agriculture sector with a view to meeting the challenges of food security. The forthcoming meeting of our Agriculture Ministries in 2010 in India should identify specific areas of cooperation, including in extension services.
- Cooperation in the application of space technologies. We would be ready to share satellite data for management of natural disasters, launch small satellites and scientific instruments and payloads for experiments in remote sensing and communication for space agencies and academic institutions in ASEAN countries.

India has been privileged to be a partner in the "Initiative for ASEAN Integration" Programme. We have been involved in projects for skills upgradation such as Entrepreneurship Development Centres and Centres for English Language Learning in Cambodia, Myanmar, Lao Peoples

Democratic Republic and Vietnam. We would be happy to increase the number of such Centres.

In addition, India would be happy to participate in projects under the ASEAN's Work Plan for 2009-2015 in areas such as education, energy, agriculture and forestry, and small and medium enterprises.

The ASEAN also has plans to develop an ASEAN ICT Master Plan for the period 2010-2015. India would be happy to offer its services for the realisation of this Plan, and to assist in the creation of an e-network in ASEAN which could ultimately be linked up with select Indian institutions in diverse areas.

To support all these initiatives, we are ready to allocate upto 50 million US dollars during the period of the ASEAN Work Plan under the ASEAN-India Cooperation Fund and the ASEAN Development Fund.

In 2012, we will be commemorating the 10th anniversary of India's participation as a summit level partner of ASEAN, and 20 years as a sectoral dialogue partner. These are significant milestones, and deserve careful preparation.

We could jointly consider organising a commemorative ship expedition in 2011-12 on the sea routes developed during the 10th to 12th centuries linking India with South East Asia and East Asia. The sea route could cover modern and ancient ports in ASEAN countries, and other East Asian countries.

India would be privileged to host the India-ASEAN Summit meeting in 2012 in India. To ensure a substantive outcome, I would further propose that we set up a Joint Task Force to prepare a Vision Statement for India-ASEAN relations upto the year 2020.

This should take into account the growing strengths of both the ASEAN countries and India and how we can jointly harness our complementarities and contribute to a more peaceful and prosperous Asia.

Given the steadily expanding range of our cooperation it is important that we put in place effective monitoring and follow-up mechanisms to ensure the effective implementation of the decisions that we take.

Our engagement with the ASEAN countries is a key element of India's vision of an Asian economic community that is based on an open and inclusive architecture. India wishes to partner ASEAN in realizing this vision on the basis of mutual benefit, mutual prosperity and mutual respect.

Thank you



**160. Statement by the Chairman at the end of the 7th ASEAN-India Summit.**

**Hua Hin (Thailand), October 24, 2009.**

The 7th ASEAN-India Summit chaired by H.E. Mr. Abhisit Vejjajiva, Prime Minister of the Kingdom of Thailand, was held on 24 October 2009 in Chaam Hua Hin, Thailand. The meeting was attended by the Heads of State/Government of the ASEAN Member States and H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India.

2. The ASEAN leaders expressed their congratulations to H.E. Dr. Manmohan Singh on his re-election as Prime Minister of the Republic of India and also expressed their conviction that his second term would further strengthen and cement the existing close partnership between ASEAN and India.
3. We noted with satisfaction the progress of the ASEAN-India Dialogue Relations which has deepened and broadened over the past years and developed into a multi-faceted and dynamic partnership contributing to regional peace, mutual understanding and closer economic interaction .
4. We appreciated India's "Look East Policy" as reflected in her active role in various regional fora such as the ASEAN Regional Forum, East Asia Summit, Mekong-Ganga Cooperation and BIMSTEC, which help contribute to enhancing regional dialogue and accelerating regional integration.
5. We noted with satisfaction the steady progress of implementation of the ASEAN - India Partnership for Peace, Progress and Shared Prosperity, and agreed that a new and more enhanced phase of the Plan of Action to implement the said Partnership be launched before the next ASEAN-India Summit, in order to seize the opportunities and overcome the challenges arising from the global financial crisis and evolving political and economic landscape.
6. We welcomed the signing of ASEAN- India Trade in Goods Agreement at the 41st ASEAN Economic Ministers Meeting on 13 August this year and encourage its early implementation by January 2010. We are confident that the Agreement will allow our producers and exporters to derive full benefits from the potential of our combined markets. For our people to further reap the benefits of free trade, we entrusted our Ministers and officials to work towards the early conclusion of services and investment agreements.

7. In view of the Trade in Goods Agreement, we agreed to revise our bilateral trade target to 70 billion USD to be achieved in the next two years, noting that the initial target of 50 billion USD set in 2007 may soon be surpassed.

8. We encouraged the re-activation of the ASEAN-India Business Council and the ASEAN-India Business Summits in order to strengthen business networks and opportunities. In this regard, we noted that the proposal has received a positive response from the Indian business community. We therefore tasked our economic officials to work with all parties concerned so that this Council and Business Summit could be convened next year.

9. We emphasized the need to promote connectivity in the region by completing all the missing links between South and Southeast Asia and beyond. We supported India's vision to create an "Arc of Advantage" for our region through further integration of sea, road and rail links .

10. In this regard, we welcomed Thailand's continued support of the development of the India- Myanmar-Thailand Trilateral Highway, and most recently, her pledge to improve the 30 kilometre stretch from Thingannyinaung - Kawkareik which would form part of the westward link of the East -West Economic Corridor.

11. We welcomed the adoption of the ASEAN-India Aviation Cooperation Framework at the 14th ASEAN Transport Ministers Meeting in November 2008 which would lay the foundation for closer aviation cooperation and open skies, to support business growth, tourism and greater interactions between our peoples. In this regard, we noted that an ASEAN-India Air Transport Agreement is under discussion with the implementation timeline set for 2011.

12. The ASEAN Leaders appreciated India's continued efforts in promoting people-to-people contacts and mutual understanding through visits to India of students, members of the media and diplomats, which help to foster ASEAN-India relations at the peoples level. As India is one of the world's largest democracies, we also encouraged exchanges of visits of ASEAN-India parliamentarians with the involvement of the ASEAN Inter- Parliamentary Assembly which would also promote democratic values.

13. The ASEAN Leaders appreciated India's active role in promoting human resource development as a means to narrow the development gap

such as establishing Entrepreneur Development Centres, Centres for English Language Training and IT Training Centres in CLMV countries which could also be extended to other ASEAN Member States. We also noted that Entrepreneurship Development Centres would enhance the potentiality of SMEs and ensure their ability to benefit from closer economic integration.

14. We stressed the importance of cooperation in science and technology and environment as a vital factor to promote dynamic and sustainable development in the region. In this regard, we looked forward to the early operationalization of the ASEAN-India Science and Technology Fund and the ASEAN- India Green Fund in order to support cooperation in these areas. Considering recent natural calamities in the region, we suggested that India and ASEAN make use of the funds by developing, among others, a technology programme for disaster management, building upon India's expertise in IT and space technology.

15. We underscored the importance of cooperation and sharing of expertise in the field of pharmaceutical and health care, in view of the region's comparative advantage and the need for greater access for all to affordable medicine. We agreed to develop low cost drugs and traditional medicines and tasked our Ministers and officials to develop a framework as appropriate for cooperation in these areas.

16. The ASEAN Leaders also appreciated the efforts made by India in promoting cooperation in the fields of traditional medicine and ayurveda, including, among other things, through the convening of workshops and the grant of scholarships.

17. We took note with appreciation the initiatives proposed by the Prime Minister of India as follows:

- Establishment of an India-ASEAN round table comprising think tanks, policy makers, scholars, media and business representatives to provide policy inputs on future areas of cooperation;
- Continuation of negotiations on open skies policy and further simplification of the visa regime to encourage business and tourism;
- Holding an ASEAN Trade and Industrial Exhibition in India;
- Enhancing cooperation in the agriculture sector with a view to meeting the challenges of food security; and,

- Cooperation in space technologies including sharing of satellite data for management of natural disaster and launching of small satellites and scientific instruments and payloads for experiments in remote sensing and communication for space agencies and academic institutions.
18. We tasked our officials and the ASEAN Secretariat to consider how to implement these initiatives as soon as possible.
19. The ASEAN Leaders welcomed the announcement made by the Prime Minister of India to allocate, during the period of ASEAN Work Plan, US\$ 50 million to the ASEAN-India Cooperation Fund and the ASEAN Development Fund in support of the above initiatives, as well as IAI programme and projects in the areas of education, energy, agriculture and forestry, small and medium enterprises, and implementation of the ASEAN ICT Master Plan.
20. We further welcomed India's proposal to host an ASEAN-India Commemorative Summit in 2012 to mark 20 years of our dialogue relations.
21. We reaffirmed our commitment to cooperate in addressing transboundary issues and global challenges, such as terrorism, transnational crimes, especially in the areas of drug trafficking, food and energy security, natural disasters, new and emerging infectious diseases and climate change. We also encouraged ASEAN and India to undertake activities to implement the Joint Declaration on Cooperation to Combat Terrorism.
22. The ASEAN Leaders suggested that India as a member of G20 can play an important role in coordinating efforts between developed and emerging economies to mitigate the negative impact of the current global economic and financial crisis. India can also work with ASEAN to complement the global efforts in the reform of the international financial architecture and accelerate the early recovery of the global economy. India welcomed ASEAN participation at the London and Pittsburg G20 Summits and expressed its support for the continued participation of ASEAN Chair and Secretary-General of ASEAN at G20 Summits.





**161. Media Briefing by Secretary (East) of the Ministry of External Affairs on the 7th India-ASEAN Summit.**

**Hua Hin (Thailand), October 24, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and a very warm welcome to all of you. Secretary (East) Shri N. Ravi is here to brief you on Prime Minister's programme in the afternoon, the 7th India-ASEAN summit and bilateral meetings on the sidelines of the Summit. I have also the pleasure of introducing Ms. Latha Reddy, Ambassador of India to Thailand and Shri Harish Khare, Media Adviser to the Prime Minister. Sir, the floor is yours

**Secretary (East) (Shri N. Ravi):** Thank you, Vishnu. Good evening to all of you.

This is the 7th India-ASEAN summit, first one was held in 2002 at Phnom Penh, Cambodia. The summit was followed by two bilateral meetings with the Prime Minister of Thailand and Prime Minister of Cambodia. The 7th India-ASEAN summit was categorized by constructive exchange of views between the Prime Minister and his counterparts, Heads of state and Government from 10 ASEAN. The Secretary-General of ASEAN was also present at the meeting. It began by a welcome address by the Prime Minister of Thailand as the Chairman of the India-ASEAN Summit here in Hua Hin. Subsequently Prime Minister read out his statement.

The meeting essentially provided an opportunity to review India-ASEAN cooperation which, most of you are aware, has deepened in a variety of areas and over the last seven years has also expanded into new areas. The ASEAN leaders expressed appreciation for India's Look East Policy. They particularly praised India's increasing interaction across sectors over the last seven years, and how committed India was in enhancing its cooperation with the ASEAN countries.

The ASEAN leaders also praised India's participation in the other regional fora like the ASEAN Regional Forum, BIMSTEC which comprises the countries that are the littoral states of the Bay of Bengal, and the Mekong-Ganga Cooperation. Most of them made a particular point regarding the fact that India's engagement with the ASEAN contributes not only to bilateral economic and commercial development but also to the stability and peace in the region. There was particular recognition of India's role and India's position as a major economic power in the region.

There was also recognition of India's contribution to the growth in trade. Specific mention was made by all the leaders, of India signing the India-ASEAN Free Trade Agreement in Goods especially in circumstances which currently characterize the world economy. The fact that India signed the trade in goods agreement despite the ongoing economic crisis was specifically emphasized by all the leaders. All the leaders then said that they would like to now move forward with the discussions and negotiations on the services and investment sectors so that the FTA is complete in all respects.

We signed with ASEAN a Partnership Programme for Peace, Progress and Shared Prosperity in 2004 at the time of the Vientiane Summit which was held in Laos. That programme has more or less come to end early this year, and a new programme is on the anvil for the period 2009 to 2015. Keeping that in mind our Prime Minister announced a series of initiatives, which was widely welcomed by all the leaders.

These initiatives arose basically out of the theme of the ASEAN Summit - of what I had mentioned in Delhi some of you may recall - about enhancing connectivity and empowering people. Arising from this, the Prime Minister announced a series of initiatives. The first was the establishment of an India-ASEAN Round Table comprising think tanks, policy-makers, scholars, media and business representatives to bridge the knowledge gap. The Round Table would provide necessary inputs to the respective Governments on future areas of cooperation.

Another was intensification of negotiations on Open Skies Policy between India and ASEAN so that people-to-people exchanges at all levels - whether it is business, tourism, youth exchange programmes, commencement of exchange of parliamentarians, which is a new idea that we are pursuing since last year, could really come into effect. Of course, people-to-people exchange programmes do not have to wait for the Open Skies Policy to come into effect.

We have also agreed to hold a specialized ASEAN Trade and Industry Exhibition in late 2010 or early 2011 to promote our cooperation in the commercial area, and enhanced cooperation in the agriculture sector with a view to meeting the challenges of food security. Food security was mentioned as a major challenge by many of the ASEAN leaders. There is a meeting of India-ASEAN Agriculture Ministers which is being scheduled for the first quarter of 2010, which should identify specific areas of cooperation including cooperation in extension services which is one of India's strong points.

Cooperation in the application of space technologies like sharing of satellite data for management of natural disasters, launching of small satellites, scientific payloads for experiments in remote sensing and communication for space agencies, and most importantly space technology for academic institutions in ASEAN countries. This was a major point in the PM's initiatives.

Keeping in mind the success achieved in the last Partnership Programme where we established the English Language Trainings Centres, Entrepreneurship Development Centres, some IT Centres in the Cambodia, Laos, Myanmar and Vietnam, we now go into the next stage for the period 2009 to 2015. In that context the ASEAN itself is developing an information and communication technologies master plan for the period 2010 to 2015. We have agreed to offer our services for the realization of this plan, and this was appreciated by all the leaders present.

In the same context we also offered to assist them in the creation of an E-Network in ASEAN which could ultimately be linked up with Indian institutions in diverse areas whether it is education, commerce, business, or whatever. To support all these initiatives, India's readiness to allocate US\$50 million was also conveyed to the leaders so that during the work plan, 2009-2015, these programmes can be implemented in cooperation with them.

One other point, 2012 would be the tenth anniversary of the first Summit India-ASEAN Summit held in 2002, and it is also the 20th anniversary of our initiation of India-ASEAN Sectoral Dialogue in 1992. So, India has offered to host the India-ASEAN Summit in the year 2012 in India at a suitable occasion. This was also very deeply appreciated by all the leaders who were present.

These were the major points in the India-ASEAN Summit. In his Concluding Statement, PM emphasized the fact that cooperation with ASEAN is an article of faith for India, and the success achieved so far has been a major factor in helping us decide what are the areas for future cooperation, some of which I have just now read out.

Earlier in the morning, sorry to go back a little, there was a meeting of ASEAN-India Economic Ministers, which was attended from the Indian side by the Commerce and Industries Minister. In this meeting they reviewed the progress of the services and investment negotiations under the India-ASEAN Comprehensive Economic Cooperation Agreement. Goods, is out of the way; now we have services and investment negotiations. Three rounds have been completed. Our Minister suggested that the negotiations on this should be concluded as early as possible. The ASEAN Economic Ministers also responded favourably to this suggestion.

The ASEAN Ministers also appreciated the need for an early agreement in this regard because it would then help in realizing some objectives, particularly from the point of view of liberalisation of the economy from the Indian side and the operation of the FTA in totality of goods, services, and investment. Vietnam signed the India-ASEAN trade in goods agreement as the last signatory during this meeting, so that all ten members of ASEAN are now on board on the Trade in Goods Agreement, so that its implementation can begin as agreed from 1st January, 2010.

In the two meetings that were held after the India-ASEAN Summit the meeting with Prime Minister of Thailand Mr. Abhisit Vejjajiva covered all issues on bilateral interaction and cooperation within EAS and ASEAN. Bilateral investment and enhancement of bilateral trade was also touched upon. India-Thailand trade has grown by six times over the last nine years. We have investments of just under a billion dollars in Thailand, and Thailand has got investments of just under half a billion dollars in India. They have it in agriculture, aquaculture, fisheries and other areas; our investments are in textiles, steel, carbon black and some chemicals, and other areas. The meeting recognized the need for exchange of high-level visits. Both sides expressed that these high-level visits should continue so that we can now think of new areas of cooperation including identifying new agreements, or new understanding on enhancing bilateral trade and investment.

In respect of Cambodia the visit of the Cambodian Prime Minister to India in December 2007 was recalled. Under the credit agreements that were signed at that time, two of the projects have been implemented. One more is under execution. Our commitment to enhance the infrastructure, particularly in the field of irrigation, water resource management and construction of transmission lines in Cambodia for electric power was emphasized by PM. We assured that the bilateral relations will continue to receive focus through projects on the one hand, through high-level visits, and capacity-building on the other. Presently we are training Cambodians under the ITEC programme in many areas, including industries, SME training, banking, audit, among others. We are also training Cambodians who go on peacekeeping operations.

They are presently in Sudan, Chad and Central African Republic. So, they come to India and get trained - it is the USI that gives the training on peacekeeping operations - and that has also been found successful and they were quite appreciative of the fact. The Archaeological Survey of India is doing a couple of projects in Cambodia and this cooperation was also favourably commented upon by both the leaders.

Overall, the afternoon's events - the Summit and the two bilateral meetings - reiterated our closeness of relations and a certain basic understanding that now has come to mark our bilateral relations, our bilateral exchanges and a certain degree of confidence that has now emerged in the bilateral relations which now makes it easy for both sides to identify and to move into new areas as required with very little expenditure of time.

That is about all I have to say.

**Question:** Two questions. In any of these ASEAN-India meetings, was there a demand for pruning the negative list which is already there? Secondly, there is the ASEAN Chairman's statement which says that there is an India-ASEAN Business Advisory Council to be formed. There is no mention about that in PM's speech or anywhere else.

**Secretary (East):** The Business Advisory Council is actually an ASEAN suggestion to which we have agreed. It used to meet quite regularly but after the discussions on the FTA started, there were certain delays in getting all the business people together. But now it will begin again. So, that revival is more or less on the cards. As regards negative list, from what little I have gathered, as against India's one list, ASEAN has ten lists. So, there has to be some degree of coordination. That is why I think some amount of delay is being encountered. But the desire of both sides is to move ahead but some amount of delay perhaps cannot be avoided.

**Question:** Has there been a rethink on the Dalai Lama's visit to Arunachal Pradesh?

**Official Spokesperson:** I will interject here. As I said, and please bear with me, this interaction is limited to Prime Minister's engagements post lunch.

**Question:** In the morning we did not take questions.

**Official Spokesperson:** In the morning we have already given you a perspective. Tomorrow there is a press conference of the Prime Minister. This interaction is limited to the interactions of the Prime Minister post-lunch. I am sorry.

**Question:** There is a very pressing reason for us to ask this question because there has been this confusion. One version has been given to us regarding Arunachal and Dalai Lama. There is another version going parallel given by the Chinese agencies. And then this creates confusion.

**Official Spokesperson:** Our version, we have shared with you. Certainly tomorrow when Prime Minister would be interacting with you he will also be happy to take questions. Question here please.

**Question:** Prime Minister has talked about the Nalanda University Project. Did it come up in the ASEAN-India meeting and what was the perception and feedback of the ASEAN leaders?

**Secretary (East):** The ASEAN leaders favourably commented on the revival of the Nalanda University. But all of them also said that Nalanda University is coming under the umbrella of the East Asia Summit in which ASEAN themselves are members, but in order to convey their support they did mention it in their statements. But it will basically be a part of an East Asia Summit initiative because all sixteen countries are involved.

**Question:** I have a query on the Open Skies Policy. We already have our Open Skies Policy in force in India. What exactly is the subject of negotiation or intensified negotiation?

**Secretary (East):** The ASEAN countries themselves are negotiating an Open Skies Policy for implementation in the year 2010. We have a kind of a qualified Open Skies Policy with ASEAN already. They can fly to tourist sites; they can fly to capital cities: no restrictions and all. The idea of this intensification of negotiations is that we would like to continue our negotiations with ASEAN in parallel with their own so that when their negotiations are complete, when they have their open skies policy, our position is also ready, and we are not losing any time at that particular moment so that we can also then go ahead and decide on this open skies policy with ASEAN which would be based on their own 2010 or whatever agreement that they reach. But we go on in parallel. The idea is not to lose time. That is it.

**Question:** What is being negotiated for?

**Secretary (East):** To increase the number of flights between the two regions with the countries concerned. Basically right now the countries that are deriving advantage out of this qualified open skies policy are Singapore, Thailand, and to a certain extent Malaysia. But after this economic downturn some amount of correction has come about and the number of flights has been rationalised between India and ASEAN. Keeping this in mind the negotiations are continuing, but we have to wait till the 2010 for reaching agreement within ASEAN, so that we are ready with whatever changes are there, then we can immediately continue with. The idea is to save time.

**Question:** Any timelines as to when the FTA in services and investments will be signed, and what is really holding it back because a number of negotiations have already taken place?

**Secretary (East):** We have had only three rounds of negotiations so far and certain amount of lists and materials and certain requirements both in terms of services and investment have been exchanged. So, it is difficult to give a timeline right now. These have just begun. But the effort would be to conclude it as early as possible. Now that the goods thing has been concluded it gives us a base, an understanding, a framework on which we can move forward on the services.

**Question:** Can you enlighten us about the status of the Trilateral Highway Project?

**Secretary (East):** The Trilateral Highway Project passes through - as you would know - India, Thailand and Myanmar. Thailand has offered to construct a certain portion inside Myanmar so that the connectivity at the border regions can be made a little earlier than what has been planned. This offer is under examination in Myanmar. As far as we are concerned our connection to Myanmar is reasonably okay. Once we enter Myanmar, it should basically end up in Bangkok via Mandalay and Yangon and then coming down.

**Question:** When do you propose to complete the project?

**Secretary (East):** It is difficult to say right now because it has been in the works for some time. It is difficult to guess right now.

**Question:** There is a proposal about connecting the old and modern shipping ports. I find there is some mention about it in the Prime Minister's speech. What is the idea of that? What is it about the old ports?

**Secretary (East):** It is like this. In the 10th to 12th centuries India did trade with South-East Asian countries, and some of the Indian traders guilds were established even in East Asia. So, an effort would be made to commemorate that during the 2012 event by which the ships can touch those ports, which were trading ports in the olden days, and also the modern ports that must be near those old ports wherever these exist. Historical records exist as to where the old ports were and the new ports are at places where we know they exist. So, a kind of a voyage is being planned.

**Question:** Regarding the FTA in goods there are some strong protests from some farmers' organisations and political parties in India. Has any of these concerns been mentioned in the discussions between the ASEAN countries today?

**Secretary (East):** This is a matter that is entirely internal to our country. If I am not mistaken, a Group of Ministers has been set up to look into this particular problem. But it is a problem entirely internal to us at present.

**Question:** You mentioned that we have signed this agreement with Vietnam and Vietnam becomes the tenth country and this completes the FTA in goods. The demand from Vietnam was that it should be granted what is called the market economy status. Has India granted that status to Vietnam?

**Secretary (East):** Yes. The Vietnamese Prime Minister also thanked our Prime Minister for this gesture that India is granting Vietnam a market economy status.

**Question:** Has it happened today or is it going to happen?

**Secretary (East):** The decision was taken I think last week.

**Official Spokesperson:** Thank you.





**162. Statement by Prime Minister Dr. Manmohan Singh at the 4th East Asia Summit.**

**Hua Hin (Thailand), October 25, 2009.**

I thank the Prime Minister of Thailand His Excellency Mr. Abhisit Vejjajiva for convening the 4th East Asia Summit and for the excellent arrangements made.

We meet against the backdrop of the global economic and financial slowdown. The G-20 leaders have met thrice, and the coordinated response to address this crisis that has emerged from the G-20 has had some effect. However, it is still too early to say whether we are completely out of trouble. I support PM Rudd's suggestion for a meeting of EAS Finance Ministers to examine sources of growth in the region.

The launching of the EAS process was an act of foresight. It was also an act of faith in our collective potential. Today the world's eyes are on Asia as the region which can lead the global economic revival from the front. The Asian tigers captured the world's attention a few decades ago. Today, six of the twenty members of the G-20 belong to the East Asia Summit.

We must learn lessons from the global economic crisis. One of these is the need to ensure coordination in our growth policies. The other is to keep the real economy strong and sound. We agree with Japan that greater emphasis has to be laid on growth of domestic demand. And the third is to keep the flows of trade, technology and investment open, orderly and predictable. The evolution of the EAS process should conform to our first Declaration issued in Kuala Lumpur which called for the EAS to be an open, inclusive, transparent and outward looking forum. We need to move forward in this direction, and exhibit the requisite political will. Economic integration among us could generate billions of dollars of additional output.

The vision of Asian economic integration by coalescing the Free Trade Agreements among member Asian countries into an Asian Regional Trade Agreement is a pivotal step towards the integration of Asia into a common unit. This can lead to the creation of a broader Asian Economic Community.

Our focus should be on generation of stronger domestic demand in Asian economies through investment in infrastructure, creation and strengthening of the social welfare net, skill development of our workforce and environmentally sustainable and inclusive growth.

India welcomes the recommendations of the Phase II Report on a Comprehensive Economic Partnership in East Asia with regard to the three pillars of economic cooperation, facilitation and liberalisation. An early realisation of its roadmap for economic and financial integration, we believe, would be the right step forward for our grouping.

India is playing its part in this process. We have signed Comprehensive Economic Partnership Agreements with Singapore and the Republic of Korea and recently a Trade in Good Agreements with the ASEAN. We are in discussions with Japan, China, Thailand and Malaysia and other countries to conclude agreements of a similar nature.

The proposals generated by the Economic Research Institute of ASEAN and East Asia [ERIA] to develop a blueprint for financial and economic integration of the EAS region, especially in the area of infrastructure development and connectivity, are promising, and deserve our encouragement. India would be happy to contribute 1 million US dollars over a period of ten years for enlarging the activities of ERIA.

We are greatly encouraged that the Summit will adopt a Statement on the establishment of the Nalanda University in the State of Bihar in India. This has been the product of many months of hard work put in by the Nalanda Mentor Group, and will be a shining example of cooperative action in the field of education. I thank our Singapore colleague for his pioneering zeal in pursuit of this idea.

Climate change is a major challenge facing the world, but it is particularly so for the developing and fast growing economies in Asia. The EAS process should come up with a workable model of sustainable development. Financing and technology transfers are its key elements. The challenge before us is to find a global mechanism which, while safeguarding the incentives for innovation and development of environment friendly technologies in the private sector, also simultaneously ensures the availability of such technology to developing countries at an affordable cost.

Many of our countries face the spectre of terrorism. There are growing threats from non-traditional sources, such as piracy, transnational groups and extremist ideologies. I agree with the President of Indonesia. This will increasingly require a concerted and cooperative response in the coming period. We will have to play greater attention to issues of social exclusion, and regional imbalances in development. The fight against pandemics and collaboration in disaster management are other areas which will need our attention.

The East Asia Summit holds great potential. If we pool our collective wisdom and resources, there is little doubt that the EAS will emerge as an oasis of peace, stability and prosperity in a fast changing world.

Thank you.



**163. Joint Press Statement of the 4th East Asia Summit on the revival of Nalanda University.**

**Hua Hin (Thailand), October 25, 2009.**

The Heads of State/Government of the ASEAN Member States, Australia, the People's Republic of China, the Republic of India, Japan, the Republic of Korea, and New Zealand met in Cha-am Hua Hin, Thailand, on the occasion of the 4th East Asia Summit.

2. They recalled their decision at the 2nd East Asia Summit in Cebu, the Philippines, on 15 January 2007, to strengthen regional educational cooperation by tapping the region's centers of excellence in education. In this connection, they welcomed India's initiative to revive the Nalanda University located in the State of Bihar in India.

3. They noted that the Nalanda University was a great ancient centre of intellectual activity in Buddhist philosophy, mathematics, medicine and other disciplines.

4. They were deeply impressed with the sanctity and significance of the great ancient centre of learning in Nalanda that attracted many scholars from South, South-East and East Asia.

5. They appreciated the contribution and recommendations made by the members of the Nalanda Mentor Group headed by Nobel Laureate Professor Amartya Sen towards the establishment of the Nalanda University.

6. They supported the establishment of the Nalanda University as a non-state, non-profit, secular, and self governing international institution with a continental focus that will bring together the brightest and the most dedicated students from all countries of Asia - irrespective of gender, caste, creed, disability, ethnicity or social-economic background - to enable them to acquire liberal and human education and to give them the means needed for pursuit of intellectual, philosophical, historical and spiritual studies and thus achieve qualities of tolerance and accommodation.

7. They encouraged the networking and collaboration between the Nalanda University and existing centers of excellence in the EAS participating countries to build a community of learning where students, scholars, researchers and academicians can work together symbolizing the spirituality that unites all mankind.

8. They encouraged appropriate funding arrangements on voluntary basis from governments and other sources including public-private partnership as may be decided by the Governing Body which will be composed of members nominated by interested EAS participating countries.



**164. Press Conference of Prime Minister Dr. Manmohan Singh following 7th India-ASEAN Summit and 4th East Asia Summit.**

**Hua Hin, October 25, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good evening to you all and warm welcome to the press conference by the Prime Minister of India Dr. Manmohan Singh. Prime Minister will be making an opening statement, and thereafter he will be happy to take a few questions. Prime Minister is joined to his right by the Commerce and Industry Minister of India Mr. Anand Sharma; and to his left by Principal Secretary to Prime Minister Mr. T.K.A. Nair.

Sir, the floor is yours.

**Prime Minister (Dr. Manmohan Singh):** Ladies and gentlemen, I have completed two very productive days of meetings at the 7th India-ASEAN Summit and the 4th East Asia Summit.

I am extremely satisfied with the outcome of the India-ASEAN Summit. I found a strong desire among the ASEAN countries to substantially strengthen their links with India in all areas. This includes not only economic cooperation and trade but also science and technology, human resource development, protection of the environment, and deeper political and security cooperation.

The conclusion of the India-ASEAN Trade in Goods Agreement is a concrete step forward in the process of India's integration with South East Asia. As a follow up to this Agreement, we have agreed to expedite the finalization of the Agreement on Trade in Services and Investment.

The ASEAN countries were deeply appreciative of the fresh initiatives announced by India, notably the establishment of an India-ASEAN Round Table, the preparation of a Vision Statement for our relations till the year 2020, marking of commemorative events in 2012, and our offer of assistance of up to 50 million US dollars to fund various projects under the ASEAN Work Plan for the period 2009-2015.

At the East Asia Summit, I shared our vision of an Asian Economic Community that is based on an open and inclusive regional architecture. The EAS countries recognize the impact of India's socio-economic transformation on the reshaping of the global economic order and the

opportunities this has for accelerating Asia's own growth. I reiterated India's commitment to the success of international efforts to combat climate change, the urgent need to collaborate in the research and development of renewable energy technologies, the need for Asia to focus on food and energy security and disaster management, all of which are key to finding a path to sustainable development. There was agreement that the issues of terrorism and non-traditional threats to security have to be addressed with resolve and firmness.

The EAS Leaders' endorsement of the Nalanda University Project which is to be located in Bihar is a matter of deep satisfaction. We intend to move forward with the next steps to establish the Nalanda University as a centre of excellence in education and international understanding.

I had very useful meetings with the leaders of China, Japan, Thailand, Cambodia, Singapore and Vietnam; and I will shortly be meeting the President of Indonesia after this press conference. These meetings reflect our desire to build a set of cooperative partnerships in the Asia-Pacific region, and to play our rightful role in establishing peace, prosperity and stability in Asia.

I return to India convinced that there is tremendous goodwill for India in South East and East Asia, and therefore the sky is the limit for our engagement with this region.

**Question:** Mr. Prime Minister, what happened in your meeting with the Chinese Premier? Did we raise the issue of Chinese incursions into Indian territory?

**Prime Minister:** I had a frank and constructive exchange of views with Premier Wen both during our formal meetings and at the gala dinner last night. We discussed all these issues and agreed that existing mechanisms for bilateral cooperation should be used to resolve all issues amicably in the spirit of the strategic and cooperative partnerships. As you know, the Chinese Foreign Minister will be visiting India in two days' time and the Foreign Ministers will have an opportunity to discuss all issues which have bearing on our relationship. The Premier and I reaffirmed the need to maintain peace and tranquillity on the border pending a resolution of the boundary question. Both of us agreed that we should continue and strengthen efforts to build political trust and understanding.

**Question:** After the global crisis, like Indonesia India is one of the few countries that still have a positive growth in economy. And that makes us a potential market for world trade. With FTA, is India still going to open its market or will you keep some protection on certain goods such as palm oil?

**Prime Minister:** Madam, we have welcomed the negotiation of the Free Trade Agreement in Goods with ASEAN countries. The President of Indonesia and I in 2005 had laid the target of 10 billion dollars trade turnover by the year 2010. I am glad to report that target has already been reached. India has a vast unsatisfied demand for vegetable oils. Therefore, there is a ready market for Indonesian palm oil in our country, and that will remain so.

**Question:** Mr. Prime Minister, one of the issues that the Chinese side agreed publicly prior to their meeting with you was their objections to the planned visit to Arunachal Pradesh by the Dalai Lama. In your view do you think this proposed visit will complicate India's relations with China and make resolution of the boundary issue more difficult?

**Prime Minister:** All I can say is that I explained to Premier Wen that the Dalai Lama is our honoured guest; he is a religious leader; we do not allow the Tibetan refugees to indulge in political activities; and that as proof of that last year we took resolute action at the time of Olympics when there were reports that some Tibetan refugees might disrupt the process. That is the position that I explained to Premier Wen.

**Interjection:** Last night?

**Prime Minister:** Yes

**Question:** I would like to ask about Indian policy towards Burma. At the moment we are seeing re-engagement by the US in South East Asia including Burma; we are seeing problems between Burma and China; and a possibility of civil war with the ethnic groups on ceasefire agreements collapsing; we are seeing tension now on the border with Bangladesh. I wonder what the Indian Government's reflection on these issues is.

**Prime Minister:** These are matters which figured at the East Asian leaders' Summit. In fact there was an atmosphere of hope that the Myanmar leadership is moving towards normalising its relations with the United States; that they were working towards national reconciliation; and that is what we all welcome. The next year's election should see a reconciliation of the various segments of the Myanmar society.

**Question:** Just going back to Sidharth's question, you did mention that you explained your position to the Chinese side but were they convinced enough? And is there any change of plan as of now in the Dalai Lama's planned tour to Arunachal Pradesh?

**Prime Minister:** I am not aware of the plans of the Dalai Lama. I have explained this position to the Chinese leadership. We have also agreed that whatever outstanding issues there may be between us - and there is the complex boundary question which cannot be wished away - there are established Government channels to exchange views on all these issues, and one does not have therefore to go to the media to accentuate or exaggerate the amount of differences that prevail. We both agreed that the boundary question is a complex question; that pending a resolution of the boundary question we both have an obligation to maintain peace and tranquillity along the border.

**Question:** *Sir, I will ask a question in Hindi and I would like you to reply in Hindi. My question is related to the problems of India. Sir, there is a lot of commotion in Delhi with regard to the Commonwealth Games. The question now arises whether it will be possible to organize the games in the right way or not. A faction of the Congress including a good number of Members of Parliament, have demanded that this responsibility should be entrusted to Rahul Gandhi, so that as Rajiv Gandhi handled the Asiad successfully, the same way Rahul Gandhi could handle it. Are you also in agreement with this suggestion?*

**Prime Minister:** *There has been some delay in the implementation of some projects, But I am confident that the mechanism that we have now put in place, will remove all those hurdles, that would cause any problem in the holding of games. I am fully confident that the games will be held smoothly, and in great style and all those who will come to watch the games they are going to see a spectacular show.*

**Question:** Sir, the North-Eastern States have expressed concern about reports of China trying to build dams on upper reaches of Brahmaputra. Did you raise this issue with the Chinese Premier?

**Prime Minister:** I did raise this issue with Premier Wen Jiabao yesterday. I conveyed to him that cooperation in the area of trans-border rivers is of mutual benefit. Premier Wen said that keeping in mind the overall friendly relations and the humanitarian aspects, the Chinese side has been providing hydrological data during the flood season. He said that relevant discussion on trans-border river issues could be held through the expert level mechanism that we have constituted. So, the answer to your question is, I did raise the issue of trans-border river systems.

**Question:** *Sir, My question is: have you raised the question of Chinese discriminating with our Kashmiri citizens in grant of Chinese visa? (original in Hindi)*

**Prime Minister:** *There was a general discussion of all bilateral issues. I did not specifically raise this issue because I thought the position is quite clear as far as we are concerned. Whether it is Arunachal Pradesh or Jammu and Kashmir, they are integral parts of our country. I did not raise this and it was not raised on their side.*

**Question:** There is information that the Negative List of India relating to the India-ASEAN FTA is not yet finalised. So, what will be the measures to protect our sensitive products in India?

**Prime Minister:** I would ask the Minister of Commerce and Industry to answer this question.

**Minister of Commerce and Industry (Shri Anand Sharma):** While we negotiated India-ASEAN FTA, it was very clear that India negotiated keeping in mind the sensitivities and the concerns of the Indian farmers and the plantation sector. Unlike the other major economies of the region which have the FTA with ASEAN, we have negotiated a Negative List as well as a Highly Sensitive List. The Negative List has 489 tariff lines which include the plantation sector, which include the marine products. It is disinformation which has been deliberately spread that India has not negotiated. After the Chief Minister, in fact in one case, of the State of Kerala had met with the honourable Prime Minister, we had committed to send after the signing all the details with the Negative List and the Highly Sensitive List. They are in public domain available on the Commerce and Industry Ministry's website, and also with the concerned State Governments.

**Prime Minister:** The answer to your question is that the Negative List is in place.

**Question:** Sir, my question pertains to India. There is a growing demand by the Opposition that your Cabinet colleague the Telecom Minister must quit, since a CBI inquiry is going on in the matter related to spectrum allocation. What is your reaction?

**Prime Minister:** I think Cabinet changes or Cabinet reshuffles are not discussed in public. So, it will be very inappropriate for me to answer that question, more so on the foreign soil.

**Question:** *Mr. Prime Minister my question also relates to the country. There are several problems in Bihar, Jharkhand and Chhatisgarh because of the Naxals. Otherwise also there is a climate of agrarian and industrial unrest for a number of years, and because of that there is the problem of starvation.*



*How serious are to taking it and do you have in mind any special package to tackle this problem?*

**Prime Minister:** *I have said several times that the Naxal problem has come to face us as a major problem of internal security. We have to make every effort to tackle it. The law and order machinery has to be strengthened. Along with that whatever there are social and economic causes, which have increased alienation, we have to think for their elimination too.*

**Question:** Sir, my question also relates to the Maoist problem. Recently West Bengal Chief Minister Buddhadeb Bhattacharjee met you. But there is a perception that the State Administration has completely failed to contain this menace despite Union Government's help. You have given the Central forces there. What have you discussed with the Chief Minister? What is his perception on how to tackle this problem?

**Prime Minister:** I would not like to disclose what I discuss in confidence with the Chief Ministers of our States. But I have stated it publicly that both the Central and the State Governments have an obligation to take effective steps to control the Naxalite problem.

**Question:** A very good afternoon, Sir. India has strongly objected to Chinese involvement in infrastructural projects in Pakistan-occupied Kashmir. Was that issue raised?

**Prime Minister:** I did not raise specifically this issue but we both agreed that whatever issues are outstanding should be discussed two days later when the Foreign Ministers of our two countries are going to meet. As you know, the Chinese Foreign Minister is coming to India on 27th of this month to participate in India-China-Russia Summit at Foreign Ministers level. Therefore, there will be opportunities for the two Foreign Ministers to exchange views on all relevant issues.

**Question:** Good afternoon, Sir. There was a consensus at the G20 meeting that the time is not right to exit the stimulus right now. Has there been any talk of this at any of the two Summits that you attended? Also, the RBI Governor stating quite clearly that India will have to exhibit easy monetary stance sooner than other economies, with the Fed Policy two days away, do you think the time is right for India to look at exiting the easy policy and raising interest rates?

**Prime Minister:** There was a good deal of discussion about the global economy, the performance of the real economy, the role of stimulus

packages, and there was general agreement that stimulus packages should not be withdrawn in haste or phased out prematurely. Therefore, I think there has to be a delicate balance between the adoption of stimulus packages and their modification or removal. I think this has to be a subject matter of detailed investigation. Multilateral fora like this can deal with these issues only in general terms. Yes, there was a general discussion about the stimulus, about whether the time is right to withdraw it. I think there was a fair amount of agreement that probably the time is not right to withdraw the stimulus.

**Question:** On interest rates, Sir, the RBI Governor saying that we may need to exit sooner than others.

**Prime Minister:** Monetary policy is the preserve of the Reserve Bank of India. I would not like to, in public, join issues with the Governor. The Governor is a high dignitary. Therefore, I think these questions about interest rates, the tightening of money supply and all these related issues are best addressed to the Governor or to the Finance Minister.

**Question:** Mr. Prime Minister, you have raised at the East Asia Summit many countries raising the spectre of terrorism. Was there a serious discussion on this and what was the reaction from the other countries on this?

**Prime Minister:** There are countries which are affected by terrorism like Thailand, Philippines, Indonesia. So, there is general agreement that there should be cooperation in counter-terror measures; that there should be exchange of information and intelligence. On this all countries are agreed.

**Question:** Sir, Mr. Raja has said that whatever he has done was done with the knowledge of the Prime Minister. Your comments please.

**Prime Minister:** I do not want to comment on Cabinet matters, or what happens in the Cabinet, or what happens between me and Ministers, in public. It is not proper for me to join issue with a Cabinet colleague in public.

**Question:** My question relates to trade agreements. You have repeatedly stressed your satisfaction at the conclusion of the FTA with ASEAN. We already have some trade agreements in place specifically with Thailand, but the experience so far has not been very advantageous for India. The trade balance has swung towards Thailand's favour. In this context, what is your personal evaluation as far as the specific benefits to India are concerned through these FTAs? Secondly, where does this leave our multilateral agreement ... where talks are still deadlocked?

**Prime Minister:** We are living in a world where nearly 50 per cent of the global trade is conducted in the framework of various regional arrangements. So long as these arrangements exist we have to take advantage of these regional arrangements. My own view is that India's destiny lies in working very closely with the economies of South-East Asia. Even fifteen sixteen years ago when I was Finance Minister I emphasised the importance of the Look East Policy to find practical, pragmatic solutions to accelerated growth in our country. I do believe that these temporary imbalances should not blind us to the longer term vision that India's destiny lies in close integration with countries of South-East Asia.

**Question:** Sir, do you propose to visit Kashmir and whether you propose to hold talks with the separatist groups also?

**Prime Minister:** I have plans to go to Kashmir in a few days' time to inaugurate railway projects. As far as negotiations with any separatist groups are concerned, well my specific purpose is not to start negotiations or to engage in negotiation myself. But I have always maintained that it is our sincere desire to engage all sections of political opinion in Jammu and Kashmir to find practical, pragmatic solutions to the problems facing the State. I recognise that there are some political groups who are outside the mainstream. We would like them also to engage in a constructive dialogue with us. I have already had two-three meetings with the Hurriyat people. They had promised to come back with specific suggestions. I am still waiting for them.

**Question:** Sir, bank credit growth continues to be at 10 per cent. What should be the course of monetary action?

**Prime Minister:** As I said, monetary policy is the exclusive domain of the Reserve Bank. It is not proper for me to comment on the monetary policy stance that should be adopted. These are matters which the Governor is competent to take decisions. He does come and brief me from time to time and I am satisfied that both monetary and fiscal policies in our country are in line with our requirements.

**Official Spokesperson:** Thank you, Sir.

The press conference now draws to a close. Thank you very much for joining the Prime Minister.

(Text in italics is free translation from Hindi text)



**BIMSETEC****165. Remarks of External Affairs Minister S. M. Krishna to the Media on the eve of 12th BIMSTEC Ministerial Meeting.****Nay Pyi Taw (Myanmar), December 10, 2009.**

I am pleased to be headed for Myanmar to participate in the 12th BIMSTEC Ministerial Meeting. We attach the highest importance to BIMSTEC and regard it as an integral part of our "Look East Policy".

BIMSTEC, which is home to some 1.4 billion people and accounts for 1.7 trillion dollars in GDP, is the bridge between South and South-East Asia. The second Summit held in New Delhi in November last year, provided a significant momentum to our cooperation, which we propose to build upon during the Ministerial Meeting.

We have already identified fourteen areas of cooperation, vital to our people, including health, energy, technology, HRD, trade, tourism and counter-terrorism. A FTA in goods is already under active discussion.

During the Plenary tomorrow, India will handover the Chairmanship of BIMSTEC to Myanmar. I also look forward to my call on the Prime Minister of Myanmar and interactions with my counterparts from fellow BIMSTEC nations.

We are pleased that BIMSTEC is steadily enhancing mutual connectivity and deepening synergies.



**166. Statement made by External Affairs Minister S. M. Krishna while passing on Chairmanship of BIMSTEC to Myanmar.**

**Nay Pyi Taw (Myanmar), December 11, 2009.**

**H.E. Mr. Nyan Win,  
Excellencies,  
Ladies and Gentlemen,**

India has been highly privileged to have been the Chair of BIMSTEC during the last three years. We attach great importance to our engagement with our partners within the BIMSTEC framework. We all strive towards promoting economic growth and stability, enhancing energy and food security, lifting the poorer sections of our people out of abject poverty, strengthening infrastructure in our region, linking our people through sustained and collaborative efforts, with the aim of overall development of our region.

2. We see BIMSTEC as an important vehicle to promote regional cooperation and economic integration in a range of areas. We also see BIMSTEC as a bridge linking South and South East Asia with the North East region of our country.

3. BIMSTEC has, over the years, identified wide and diverse range sectors for cooperation. Considerable progress has been achieved in some of the focus areas of cooperation. While we can take satisfaction from this, much needs to be done. BIMSTEC is a grouping with immense potential. We need to work more closely for fuller realisation of its potential. India remains committed to continue our full engagement with our BIMSTEC partners for strengthening the grouping and realising its goals.

4. We would like to see BIMSTEC develop as a vibrant organisation. For the last three years of our Chairmanship of BIMSTEC, we have been striving towards this goal. I would like to thank each one of my colleagues for their full and willing support that was extended to us in the course of our endeavour.

5. I am sure our cooperation within BIMSTEC will consolidate further under the vision and leadership of Myanmar. Excellency, you will always get unfailing support from India towards this cause. It gives me great pleasure to now formally hand over the Chairmanship of BIMSTEC to my distinguished colleague, the Foreign Minister of Myanmar, His Excellency U Nyan Win.

Thank you.



**167. Statement by External Affairs Minister S.M. Krishna at the Plenary of the 12th BIMSTEC Ministerial Meeting. Nay Pyi Taw (Myanmar), December 11, 2009.**

**H.E. Mr. Nyan Win,  
Excellencies,  
Ladies and Gentlemen,**

At the outset I would like to express my profound gratitude to our host, the Foreign Minister of Myanmar, H.E. Mr. Nyan Win, for making excellent arrangements for the 12th BIMSTEC Ministerial Meeting and the warm hospitality extended to me and my delegation.

2. The people of BIMSTEC countries are linked by the waters that flow down the Himalayas as well as the waters of the Bay of Bengal. There exist complementarities amidst diversities with regard to our potential of economic-commercial cooperation. We need to tap our myriad synergies to consolidate our cooperation.

3. The second Summit held in New Delhi last year was an important milestone and an opportunity to reflect about the achievements so far and the future path. Our Leaders have given concrete ideas to build upon our cooperation for the coming years. These will guide us in shaping the future of our grouping collectively.

4. BIMSTEC has made sure and steady progress. 13 areas of cooperation were identified where considerable progress has been made. We look forward to close consultations in the area of Climate Change which has been identified as the 14th area of cooperation.

5. The signing of the Convention on Cooperation in Combating International Terrorism, Trans-National Organized Crime and Illicit Drug Trafficking is a major achievement of this BIMSTEC Ministerial Meeting. This would provide a legal framework for our law enforcement agencies to cooperate in combating the scourge of terrorism, organized crime and drug trafficking. The Convention would send a strong message to the perpetrators of such crimes that the BIMSTEC region can no longer be used as a safe haven and the Governments and the people of the region are united in their response to the threat posed by terrorism, organized crime and drug trafficking.

**Mr. Chairman,**

6. Today we are meeting in the backdrop of the global economic and financial scenario where the crisis may be bottoming out, but the global

economy is not expected to reach 3% growth until the end of 2010. However, to make growth sustainable, and to make good the losses of developmental gains made by the developing countries as a result of the crisis, much remains to be done. The steps which need to be taken to lift millions of people in the developing world, should be brought into focus in the global discourse. We need to pay special attention to this aspect under BIMSTEC.

7. We have been facing an increasing challenge from emerging and re-emerging diseases. No country in the world is immune to this challenge. This century has witnessed global pandemics of SARS, Influenza A H1N1, Chickunguniya and epizootic of avian influenza. BIMSTEC members have to work together in communities, at the national level and the international level, for mitigating these diseases. India can collaborate with our BIMSTEC partner countries in many areas to address the above issues.

8. Agriculture remains the mainstay of economies of the BIMSTEC member countries. The member countries share a unique "unity in diversity" as far as ecology and resources are concerned and this would in fact facilitate high synergism in this endeavour. Given that the challenges being faced by BIMSTEC members in the area of Agriculture are quite similar, we can all put in concerted efforts through development and execution of common programmes aiming at tackling these challenges. Cooperation in seed development is another vital area in this context as seeds play a seminal role in effecting productive agriculture. We would be sharing concept papers on cooperation in these areas shortly.

9. We also need to focus on various areas of connectivity among the member-countries, particularly in the area of transport and communication linkages. Constraints and bottlenecks in this area need to be tackled on a priority basis for enhancing overall cooperation as connectivity in the areas of transport and communication is the basic building block to build on any form of cooperation. We are happy that all members have endorsed the BIMSTEC Transport Infrastructure and Logistics Study conducted by ADB, and further steps would be taken for its implementation.

10. Intra-BIMSTEC trade is another area in which we should make all efforts to move ahead. Our trade is still quite modest. Implementation of the Trade-in-Goods Agreement which was finalised at the last meeting of the TNC in Phuket in June this year will help fully exploit our natural synergies in strengthening trade and economic ties amongst our countries and would provide a fresh impetus to intra-regional trade flows. Similarly, there is considerable scope for enhancing intra-regional investments. We

look forward to an agreement in the area of investment and services as the next stage of the FTA.

11. Enhancing people-to-people contacts should also be one of our overarching priorities. I am happy to note that India's think tank, the Research and Information System, will host a meeting of BIMSTEC think tanks in February next year. This meeting will bring our experts and scholars together. I am sure they will come up with suggestions to further consolidate our cooperation.

12. Tourism is an important and growing sector in our economies. BIMSTEC countries may consider creating tourism packages by identifying one tourist destination from each country. These can be then jointly promoted and popularized and other innovative tourism packages can be worked out jointly by our tourism boards. Direct contacts between the tourism stakeholders of BIMSTEC countries should also be encouraged.

13. India is already in the process of establishing the Nalanda University as an international university of excellence. We would be happy to have BIMSTEC closely associated with it.

14. India remains committed to her engagement with BIMSTEC partners in furthering our cooperation in this regional framework. Under our Indian Technical and Economic Cooperation Programme, which is well known as ITEC, we are offering 450 scholarships to BIMSTEC countries to encourage greater exchange of technical know-how in areas of mutual benefit. This includes additional 150 training slots offered by our Prime Minister at the last Summit in New Delhi. I am happy to mention that utilization rate of these training slots has been more than 80%.

15. While BIMSTEC is still a young and growing grouping, in the fast changing global economic scenario we need to make all efforts to make BIMSTEC an effective and enabling platform for further consolidation of our multifaceted cooperation and tap the new emerging opportunities. Establishment of a Permanent Secretariat for BIMSTEC will help coordinate our efforts in an effective way.

Thank you, Mr. Chairman.





**168. Joint Statement issued at the end of the Twelfth BIMSTEC Ministerial Meeting.**

**Nay Pyi Taw (Myanmar), December 11, 2009.**

The Twelfth Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) Ministerial Meeting was held in Nay Pyi Taw, Union of Myanmar on 11 December 2009.

The Meeting was attended by H.E. Dr. Dipu Moni, M.P., Minister for Foreign Affairs of the People's Republic of Bangladesh, H.E. Lyonpo Ugyen Tshering, Minister for Foreign Affairs of the Kingdom of Bhutan, H.E. Mr. S.M. Krishna, External Affairs Minister of the Republic of India, H.E. U Nyan Win, Minister for Foreign Affairs of the Union of Myanmar, H.E. Ms. Sujata Koirala, Deputy Prime Minister and Minister for Foreign Affairs of Federal Democratic Republic of Nepal, H.E. Mr. Rohitha Bogollagama, M.P., Minister of Foreign Affairs of the Democratic Socialist Republic of Sri Lanka and H.E. Mr. Kasit Piromya, Minister of Foreign Affairs of the Kingdom of Thailand.

His Excellency General Thein Sein, Honourable Prime Minister of the Government of the Union of Myanmar addressed the Opening Session.

H.E. U Nyan Win, Minister for Foreign Affairs of the Union of Myanmar assumed chairmanship of the BIMSTEC Ministerial Meeting from H.E. Mr. S.M. Krishna, External Affairs Minister of the Republic of India.

Heads of Delegation expressed their sincere appreciation and profound gratitude to the Government of the Union of Myanmar for the cordial reception and generous hospitality to the delegations and for the excellent arrangements made for the Meeting.

The Meeting considered and approved the Report of the 14th Meeting of the Senior Officials held on 10 December 2009.

At the conclusion of the Meeting, the Heads of Delegation issued the following Joint Statement:

We, the Heads of Delegation to the Twelfth BIMSTEC Ministerial Meeting, having convened in Nay Pyi Taw on 11 December 2009, reiterated our commitment to the founding objectives and principles of BIMSTEC to promote socio-economic development and to create an enabling environment for cooperation among Member States.

We noted with deep concern the critical challenges that climate change poses for the world at large, and for our region in particular. Climate change threatens human security in areas as diverse as food, energy and livelihood

security; it also poses existential challenges such as climate change induced large scale displacement.

We welcomed the inclusion of Climate Change as the 14th priority area of cooperation, as recommended by the 13th BIMSTEC SOM and endorsed by the 11th Ministerial Meeting held in New Delhi in November 2008. We accepted with appreciation the initiative by Bangladesh to be the lead country for Climate Change. We are confident that the inclusion of this new area of cooperation will contribute significantly to the joint efforts on the mitigation and adaptation to climate change in the BIMSTEC region.

We recalled with appreciation the finalization of the following four documents by the 10th Ministerial Meeting.

- i. BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking.
- ii. Memorandum of Association (MoA) among the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) Member Countries for the Establishment of the BIMSTEC Energy Centre.
- iii. Memorandum of Association (MoA) among the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC) Member Countries Concerning Establishment of a BIMSTEC Centre for Weather and Climate.
- iv. Memorandum of Understanding (MoU) on the Establishment of the BIMSTEC Cultural Industries Commission (BCIC) and BIMSTEC Cultural Industries Observatory (BCIO).

We welcomed the signing of the BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking at Nay Pyi Taw on 11 December 2009.

We encouraged the Member States to sign the remaining three documents at the earliest.

We reviewed the ongoing progress in the following priority areas of cooperation in BIMSTEC.

#### **Trade and Investment**

We reaffirmed the importance of the BIMSTEC FTA in promoting trade and investment in a mutually beneficial manner for all Member States, and enhancing competitiveness and socio-economic development in the BIMSTEC region.

We welcomed the finalization of the text of the Agreement on Trade in Goods and other provisions relating to the Rules of Origin, Operational Certification Procedures and the Agreement on Customs Cooperation at the 18th Meeting of the BIMSTEC TNC at Phuket in June 2009.

We called upon the TNC to finalize the Annexes to the BIMSTEC FTA Agreement on Trade in Goods at the earliest.

We welcomed India's kind offer to host the 19th Meeting of the BIMSTEC TNC.

We took note of the ongoing negotiations on the Agreements on Services and Investment under BIMSTEC FTA, and urged the Member States to conclude them as soon as possible.

### **Transport and Communication**

We agreed that improved transportation and communication linkages and greater connectivity between our Member States are important elements for the BIMSTEC process that will provide direct benefits to our peoples. We expressed our satisfaction at the endorsement by all Member States of the BIMSTEC Transport Infrastructure and Logistics Study (BTILS) conducted by the Asian Development Bank (ADB) and requested the Chair of BIMSTEC to formally communicate the decision to the ADB. We advised the BIMSTEC Working Group in Bangkok to liaise with ADB to initiate further steps with regard to the implementation of the recommendations of the Study.

### **Tourism**

We appreciated the finalization of the Terms of Reference (TOR) at the 10th BIMSTEC Ministerial Meeting held in New Delhi in August 2008, and the establishment of the Tourism Working Group for the BIMSTEC to implement tourism cooperation programmes and to follow up the Plan of Action.

We welcomed the setting up of the BIMSTEC Information Center by India for exchange of tourism information . We expressed confidence that the joint promotion and marketing of tourism destinations will promote the tourism industries of the Member States and also create tourism awareness and better understanding among the peoples of the Member States.

### **Energy**

We stressed the importance of strengthening cooperation amongst Member States in the fields of grid connectivity, gas pipelines, hydro power, renewable sources of energy, energy efficiency and energy sector reforms and regulations, and sharing of experiences and best practices with a view to ensuring energy security in the BIMSTEC region. We took note of

Thailand's proposal to sign the MoA for the Establishment of the BIMSTEC Energy Centre during the Second BIMSTEC Energy Ministers Meeting to be held in Thailand in 2010.

We reiterated our belief that the proposed BIMSTEC Energy Centre in India which was approved at the 10th Ministerial Meeting would contribute to enhancing cooperation in the energy sector among the BIMSTEC Member States.

### **Technology**

We reiterated the need to enhance cooperation in advanced areas of fundamental and applied scientific and technological research among the member states and took note of the revised concept paper submitted by Sri Lanka regarding the establishment of the BIMSTEC Centre for Technology Transfer/Exchange Facility as agreed to by the Second BIMSTEC Summit.

### **Fisheries**

We reaffirmed our commitment to continue cooperation for the sustainable use of marine resources through effective conservation and management of resources in the Bay of Bengal and decided to include inland fisheries in the scope of cooperation in this area. We welcomed the progress in terms of the Joint Survey undertaken during 2007 followed by the relevant workshop in 2008.

We also considered that more workshops should be conducted to further promote cooperation in this sector.

### **Poverty Alleviation**

We welcomed the progress made at the first Ministerial Meeting on Poverty Alleviation held in Dhaka in July 2008 and particularly noted the observations of the Ministerial meeting.

We focused on discussions on poverty alleviation in the context of ensuring food security in the BIMSTEC region. We took note of the Plan of Action circulated by Nepal and requested Member States to send their comments as soon as possible. We also welcomed the kind offer of Nepal to host the 2nd BIMSTEC Ministerial Meeting on Poverty Alleviation in 2010.

We welcomed the decision to establish the BIMSTEC Poverty Alleviation Centre in Bangladesh as a step forward for the realization of the MDGs in the BIMSTEC region.

### **Cultural Cooperation**

We recalled the Paro Initiative and Plan of Action adopted at the First BIMSTEC Ministerial Meeting on Cultural Cooperation held in Bhutan in May 2006. We reiterated our commitment to expand cooperation in culture to include cultural values, diversity and heritage and agreed to extend cultural exchanges among Member States.

We looked forward to the early signing of the MoU on the Establishment of the BIMSTEC Cultural Industries Commission and BIMSTEC Cultural Industries Observatory in Bhutan by the Member States. We expressed the hope that the BIMSTEC Cultural Industries Observatory (BCIO) would be operational as soon as possible.

### **Agriculture**

We welcomed the progress made during the 2nd Expert Group Meeting held in India and a wide range of cooperation activities. We expressed hope that these concrete activities and projects would be implemented expeditiously. We felt the need to address the issues relating to agricultural productivity, post harvest technologies and management, and competitiveness in the region. In this regard, we emphasized the importance of further collaboration in research and development, technology transfer and private sector participation among the Member States.

### **Counter-Terrorism & Transnational Crime**

We welcomed the signing of the BIMSTEC Convention on Cooperation in Combating International Terrorism, Transnational Organized Crime and Illicit Drug Trafficking by the Member States which reflects the resolve of our Governments and peoples to combat the menace posed by terrorism, organized crime and drug trafficking. We reiterated the significance of the work done in the Joint Working Group on Counter Terrorism and Transnational Crime and its four sub-groups covering Intelligence Sharing; Legal and Law Enforcement Issues; Combating the Financing of Terrorism and Prevention of Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and Precursor Chemicals.

### **Environment & Disaster Management**

We agreed that the BIMSTEC Centre for Weather and Climate to be established in India, as approved by the 10th Ministerial Meeting, would be an effective mechanism in promoting regional cooperation on disaster risk reduction and management among BIMSTEC Member States.

### **Public Health**

We took note of the efforts in enhancing cooperation in the area of traditional medicine and welcomed Thailand's offer to host the 2nd BIMSTEC Meeting on the Network of National Centres of Coordination in

Traditional Medicine in 2010. We expressed our appreciation for Thailand's continued support to BIMSTEC Member States in capacity building in public health.

We also took note with appreciation India's initiative on capacity building by granting scholarships to the nationals of BIMSTEC Member States to study traditional medicine in India.

#### **People-to-People Contact**

We expressed appreciation for initiatives taken by India to set up a BIMSTEC Network of Policy Think Tanks. We expressed our hope that the forthcoming meeting of the Network to be organized by the Research & Information System for Developing Countries (RIS), India, in 2010, would significantly enhance mutual understanding and goodwill through people-to-people contact in the BIMSTEC region.

We also expressed appreciation for Thailand's hosting the 12th Anniversary of BIMSTEC to promote people-to-people contact and interaction among Member States.

We encouraged the Member States to observe the BIMSTEC Day (6 June) to create greater public awareness about BIMSTEC.

#### **Permanent Secretariat**

We stressed the need for early establishment of the BIMSTEC Secretariat to impart greater dynamism and added momentum to cooperation among Member States in the BIMSTEC region. We agreed that the Chair, in consultation with Member States, will devise the mechanism in order to decide the venue for the Permanent Secretariat.

In this context, we directed the Chair of BIMSTEC Joint Working Group to conclude its assigned tasks as decided at the 11th Ministerial Meeting in November 2008, at the earliest.

#### **BIMSTEC Centre**

We thanked Thailand for its continued contribution to the BIMSTEC Centre for the past five years.

#### **13th Ministerial Meeting**

We decided that the 13th BIMSTEC Ministerial Meeting and 15th Senior Officials Meeting will be held in 2010 in Myanmar.



**BRIC-RIC AND SCO****169. Address by Foreign Secretary Shivshankar Menon on "BRICs in the New World Order" at the Observer Research Foundation Conference.****New Delhi, May 13, 2009.****Ambassador Rasgotra, Chairman of the Observer Research Foundation;****Distinguished Participants;****Ladies and Gentlemen**

Thank you for asking me to speak at your conference on 'BRICs in the new world order'. Once again ORF is serving as a leader of intellectual opinion, and not just in India. Your choice of a subject for this conference is also extremely topical. The number of eminent experts and scholars that you have attracted from the BRIC countries is therefore no surprise.

The BRIC countries as a group have come a long way since the concept was first enunciated in 2001. We have maintained our high rates of growth and increased our integration with the world, in good economic times and bad. We have also moved to institutionalize our meetings and interactions. Last year, in 2008, we held the first stand alone meeting of BRIC foreign ministers. This year we look forward to the first summit meeting of our leaders next month in Russia.

BRIC was originally an economic concept. When first enunciated it was a grouping of economies which were growing faster than others. We continue to do so. Already BRIC accounts for 40% of the world's population, 25.9% of its total geographic area, and 40% of global GDP. This proportion is rapidly increasing and Goldman Sachs envisages it growing\* until "BRIC can become collectively bigger than the G-7 by 2035".

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\* Global consultancy firm KPMG on May 14 said the confidence of service sector firms in BRIC countries witnessed a sharp rise in April on expectations of faster growth in business activity, revenues and recruitment in the next 12 months.

According to the 2009 BRIC Services Business Outlook survey by KPMG, and quoted by *The Hindu* in its issue of May 15, 2009, all indicators signal an improvement in confidence in April after a sharp drop seen in October, 2008, amid the global economic crisis. "Optimism is highest in Brazil, while confidence has also rebounded strongly in Russia and India. However,

As the global economy evolves and works its way through the present global financial and economic crisis, the BRIC are a factor of stability and growth. This was already evident in our role during the G-20 deliberations. It seems to me that the role of the BRIC countries in the global economy will only increase. I am, therefore, happy to see that you are considering the contribution that our countries can make to restoring financial stability, and to finding solutions to the global problems of our time such as poverty, hunger and disease, through food security and energy security and sustainable development.

Increasingly the world itself is coming to espouse views that we share among the BRIC countries. For instance, it is now widely appreciated that globalization, development and economic processes cannot be left solely to the mercies of an unregulated free market. It is also now generally accepted that larger considerations of public good require both globalization and growth to be inclusive. In addition, it is becoming clearer and clearer that international decision-making on global economic issues must necessarily be democratized to reflect present realities.

As we look outwards at the world, we also look inwards among ourselves at the complementarities between our economies. These are considerable thanks to the differing patterns of growth and the stages of development that we find ourselves in. We are richly endowed collectively in terms of natural resources and other factors of production, and are today in a position to sustain our higher growth rates. Combined with our growing middle classes and the young populations that most of us enjoy, the BRIC can hope to be a factor of growth and stability in the world economy for decades to come.

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sentiment in China has eased a little compared with the previous survey, although it remains highly positive," the survey said. The BRIC Business Outlook Survey shows that India's service sector is set to grow solidly in the proceeding 12 months. "Improved sentiment is encouraging and reflects fact that many sectors have a significant dependency on domestic market and have been positively impacted by lower interest rates, lower inflation and improved liquidity. Outcome of national elections and monsoons will in the next few months determine how this trend develops," KPMG India CEO Russell Parera said.

With business activity expected to rise in the next 12 months, BRIC service providers will also step up their recruitment, the survey revealed. Confidence on staffing levels is up in all nations, with Brazilian firms particularly confident of a rise. Further, revenues and profits at Indian service firms are set to expand in 12 months, according to the findings. In India, staffing numbers are forecast to grow during the coming year, in line with expectations for higher activity.

Similarly, capital expenditure at Indian service firms is anticipated to rise solidly in year ahead with 43 per cent reporting they were looking to hike spending on fixed assets.



**Ladies and Gentlemen,**

When we look at the world around us, to some of us it seems that the world is today at a moment that does not come often, when fundamental shifts occur in the distribution of power within the international system. When these shifts happen, they are rapid, and result in a transformed balance of economic, political and, ultimately, soft power.

We are probably too close and too involved in the present transition to see the wood for the trees. But I would guess that the world is today on the cusp of a new type of multipolarity. As a result of several decades of globalization, we are in an interdependent world. Global flows of goods, people and capital, and the development and dissemination of technology have eroded the autonomy and authority of the state, the old order and old geopolitical realities. What we see is a situation where the major powers simultaneously compete and cooperate with each other, each with all the others, to a greater or lesser degree.

The shift that we are witnessing is probably towards a flatter distribution of power in the world. And this shift is hastened by the geopolitical consequences of the global economic crisis. Unlike previous financial crises which were handled within the closed shop of the G-7 industrialised countries, this crisis is sought to be addressed in the G-20 which includes all the BRIC countries. Existing power holders are always reluctant to share or lose power. This fact alone therefore shows that an unavoidable shift in the balance of economic power is underway, and that the international role of the BRIC countries will increase further.

Politically speaking, the BRIC are far from an alliance or even an organization in the traditional sense. There is, however, increasing congruence in our approach to international issues. Our bilateral relationships have steadily acquired depth and significance and have evolved into strategic partnerships. The sum of our interactions is certainly greater than the parts. The meeting of our Foreign Ministers gave us an opportunity to find common positions on issues of interest to us in the global arena. Today, two of the BRIC countries are permanent members of the United Nations Security Council while the two others have their aspirations. One is in the G-8 and the others are members of the Outreach Five. One or several BRIC members have global competence in manufacturing, knowledge-based economic activity, high-end science and technology and in various aspects of national capabilities. It is the divergences among us that create the

complementarities that give us the confidence to work together economically. I am sure that the same complementarities and the evolution of the world situation will lead to increasing political congruence among us in the future.

I do hope that your deliberations in this Conference will consider some of these themes and suggest ways forward for the BRIC.

With these few words, allow me to felicitate you again. With such impressive expertise present, I am sure that your conference will make a major contribution to preparations for the summit meeting of our leaders in June in Russia. Please do be as imaginative and open-minded as possible in looking at the new world order that is being created even as we speak, and in making suggestions for new forms of cooperation amongst our countries.

Thank you.



**170. Briefing by Foreign Secretary Shivshankar Menon on Prime Minister Dr. Manmohan Singh's visit to Yekaterinburg to attend Shanghai Cooperation Organization(SCO) and BRIC Summits.**

**New Delhi, June 12, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and welcome back as usual. Foreign Secretary is here to brief you about Prime Minister's visit to Yekaterinburg for the SCO and BRIC summits. To Foreign Secretary's right is my colleague Additional Secretary (Eurasia) Mr. Divyabh Manchanda. Foreign Secretary would be making some opening remarks and thereafter he will be very happy to take questions. Thank you.

**Foreign Secretary:** Thank you and to begin with apologies for being a little late. I think it is the first time, so I feel especially guilty.

We thought we would brief you about Prime Minister's visit to Yekaterinburg in Russia on the 15th to the 17th of June. As you know, he will be going for the SCO Summit meetings which will be in the morning of the 16th, and then for the BRIC Summit - Brazil, Russia, India, China - which will be in the afternoon and evening of the 16th of June. He will be arriving there late in the evening on the 15th and coming back to India on the 17th. It is his first visit abroad in the new term of office. He will be accompanied by a delegation which includes National Security Advisor, Principal Secretary, and some of us.

As far as SCO is concerned India has participated in all the Heads of State and Heads of Government meetings of the SCO since 2005. But this is the first time that Prime Minister will be leading the delegation himself. At the last Summit in 2008 in Dushanbe, the SCO had decided to lift the involvement of Observer States to a qualitative new level. And this time for the first time the Observer States and the Member States will be meeting together in both a restricted format and then in an expanded plenary where they will be considering all the issues together.

It is a measure of how important we think the SCO is that Prime Minister is going himself, also because we think it is particularly important that regional cooperation in Asia should be encouraged at a time when the world economy is under considerable stress and when there are major issues which need to be discussed at the summit level.

In the afternoon of the 16th June there will be a meeting of the BRIC leaders - Brazil, Russia, India and China - where again there will be a restricted meeting of the leaders followed by delegation-level talks, after which I believe the media will be addressed by the BRIC leaders themselves. The BRIC leaders are supposed to, are anticipated to, exchange views on a range of views such as the global financial and economic crisis; its implications for the world economy, for security; progress in the G-20 summits; food and energy security; development and climate change issues; and on regional developments.

As you know, the term BRIC actually came into existence because of the combined economic strength of these four countries. If you look at it today, the BRIC constitutes about 25.9 per cent of the total land area of the world; 40 per cent of global population; and about 40 per cent of global GDP as well. So, it is a sizeable grouping in any sense of the word. These also have been, for some time, among the fastest growing economies in the world with tremendous potential. So, I think it is natural that the leaders of these four countries should sit together. It is the first time we are doing a summit level meeting. We have had other level meetings of the BRIC, ministerial and other levels. And BRIC leaders have also met on the sidelines of other meetings but now they are doing a stand-alone summit. So, in that sense it is a progression on what we have had in the past.

Maybe I will leave the rest to questions, if there is any that you would like to ask about this.

**Question:** Foreign Secretary, since you have said that he will be attending the SCO meeting, would there be any chance that he would meet the Pakistani Prime Minister or President during this meeting?

**Foreign Secretary:** Well, they will be in the same room, same place, same time. I am sure there will be a meeting. But what sort of meeting, it is very difficult to say. The time is very limited. PM is arriving there only on the evening of the 15th. The 16th, as you can see, is taken up with the meetings. They will I am sure meet, shake hands, but more than that it is hard to predict at this stage.

I think he has the same question. This is why I did not go through a list of bilaterals. There are several leaders who will be there at the same time and there will be, I am sure, opportunities for meetings. But it would not I think be easy to organize a structured programme in quite the same way.

**Question :** Mr. Menon, are we looking at more bilateral meetings, say with Chinese President?

**Foreign Secretary:** As I said, PM essentially has one day there and that day, the 16th, has the SCO in the morning, the BRIC through the afternoon and evening. So, there will certainly be meetings. At this meeting together they will have social occasions to meet. But we cannot give you a list of scheduled bilateral meetings. They will meet certainly. They will have a conversation. But more than that, I cannot tell you at this stage.

**Question:** Just one follow-up question. Talking about Zardari-PM meeting, they will meet you say?

**Foreign Secretary:** They will be in the same room at the same time.

**Question:** Does our position on resumption of the dialogue stay the same? Is there no change in our position, or there would not be any?

**Foreign Secretary:** I think there can be nothing more authoritative than what Prime Minister said on the floor of Parliament earlier this week.

**Question:** There are reports emanating from Islamabad, even from India and from Washington, that resumption of talks between the two countries is around the corner. What is your response?

**Foreign Secretary:** That we do not negotiate or discuss these things through the media. What we had to say Prime Minister has said on the floor of the House. As I said, you cannot be more authoritative than that.

**Question :** From now onwards will India be attending the SCO summit on a regular basis?

**Foreign Secretary:** This particular Summit is an important Summit not only because of the importance that we attach to the efforts that Russia has made to make it possible for Observers to also participate in all the meetings - in the restricted meetings, in the regular meetings, in the delegation-level talks as well - but it is also important because for the first time the SCO has structured the meetings, the members have chosen to structure the meetings like this. So, we are very happy to participate. It is also, as I said, discussing a very important agenda, a list of issues which matter to us, to the region, to the world. So, that is why Prime Minister is going this time.

**Question:** What about next time?

**Foreign Secretary:** I cannot predict the future.

**Question:** I would like to ask you whether you are expecting anything tangible as an outcome of the BRIC summit? What are you really looking for in terms of the BRIC talks? Are there specific issues that India wants to build consensus with the other parties that India is

looking to get out of this? What do you think can come out of this? What is India's agenda?

**Foreign Secretary:** Three things. One is, certainly there is value in the leaders actually discussing the world economic situation, the crisis, what they see as the prospects. There is value just in the exchange of views and opinions on that and assessments. Secondly, there has been a preparatory process which is involved - not just Track-II but scholars, economists, various meetings. We had one in India last month at the ORF where they had called scholars from all four countries. And we have gone through a set of ideas of what leaders might do to promote regional economic cooperation or cooperation between the BRIC countries themselves. So, there is a very strong economic cooperation component which we hope will emerge from the discussions. Thirdly, there is also - and you would have noticed last year when the Foreign Ministers had their stand-alone meeting of the BRIC - some congruence of views on international issues, on political issues that face us. We will be discussing those as well. That is more in the nature of a discussion rather than any policy coordination and so on. But we do think it would be useful to have that discussion as well.

**Question:** Sir, just a few days ago Mr. Gilani had said that a special message was being sent to the Indian Government. He had said that the last thing that both countries want is a war, and so on and so forth. Has the message arrived and what is the message all about? Does it relate to discussions and beginning of talks all over again?

**Foreign Secretary:** I am not sure I have understood the question. We are in constant touch with each other - India and Pakistan. They have a High Commissioner here; we have a High Commissioner there. We have established channels of communicating with each other, apart from through you, the gentlemen of the press, through the media. So, I am not quite sure when you say 'special message'. I am sure we both watch each other's statements carefully. In the last few days you had a series of public authoritative statements from the Government of India from the leadership at the highest level. We have seen Pakistani statements as well. So, I am not sure what you mean when you say 'a special message'.

**Question:** He had said that the message would be sent to the Government of India....

**Foreign Secretary:** I think you should ask him on this.

**Question:** Have we received a formal offer from Pakistan to resume dialogue as early as at this meeting?

**Foreign Secretary:** I think it has been clear for some time that Pakistan has said that they would like to resume the dialogue. I think we have also said that we would like to, but that it is necessary before that that we see certain steps being taken, and that we need an atmosphere in which a dialogue can actually bear fruit. For that, we have made it clear what we think is necessary.

**Question:** Could the BRIC meeting lead to some common positions between the four countries in the G-20, for instance with common policies being pushed forward by the four of you?

**Foreign Secretary:** There is a great deal of overlap in the agendas. It is true. We have had BRIC meetings just before G-20 meetings. For instance, we had a meeting of BRIC Finance Ministers in Sao Paolo just before the Washington G-20 Summit. We did the same before the London G-20 Summit. I think that level of exchange of opinion and of coordination will continue in the future as well. For the outcome of this particular BRIC Summit, I do not want to prejudge what the leaders do. I think the outcome will be clear by the 16th evening and we will give it to you. I do not want to start guessing what they are going to do when they meet on the 16th afternoon.

**Question:** Could you spell out a little bit in more detail what you think of the convergence of views on international issues that would be discussed at the BRIC Summit? In addition to that, I think there is some fear that BRIC could sort of devolve into a kind of America-bashing with Russia is pushing some discussions around the dollar and things of that nature. So, what is India's position going to be in that context?

**Foreign Secretary:** I think that is an extreme word, what you said. If you look at what the BRIC has done so far, there is absolutely no reason whatsoever to categorise what BRIC has done as bashing in any form. As far as I can, I would expect more of the same in the given situation. These are four economies which were among the fastest growing economies in the world over the last decade, which have an enormous stake in the success of the world economy, in its staying open, and in it continuing to grow, and in a rapid and full recovery from the situation that it finds itself in today. So, what you will see coming out of the BRIC will be positive, constructive. And we will try and contribute to this end, which I think frankly is an objective that everybody shares. I do not see this as being, therefore, in any way directed at anyone else. No. I see it as contributing to the greater good of us all.

**Question:** What do we think about SCO membership? Is it a closed club? Who are the Ministers and senior officers accompanying the Prime Minister?

**Foreign Secretary:** The senior officers are the NSA, the Principal Secretary and I, I do not know if I count as senior. On the membership of the SCO, that is really for the members to decide. We do not anticipate movement on that issue in this summit. I know they have had some discussions among themselves, but I think that is really for them to do. Our position has been quite clear, and we find it useful to work with them functionally whether it is on counter-terrorism, whether it is on the economic issues, whether it is on economic integration issues, on all these questions; and we will continue to do so.

**Question:** I just wanted to follow up. You also said that there was congruence in international political issues. I just wanted if you could elaborate on precisely what that means?

**Foreign Secretary:** One is Afghanistan for instance where I think we all would like to see the defeat of terrorism, of extremism; return of stability and economic growth and development. That is an issue which the SCO and among the BRIC as well we have discussed in the past. If you need a list of the issues, it is best to look at what the Foreign Ministers did when the BRIC Foreign Ministers met and issued a communiqué. You can see which are the issues. I do not want to go through the whole list.

**Question:** Sir, despite repeated assurances from the Australian authorities, and even India has said that we have spoken to the authorities, there has been another attack today taking the total number of victims to twelve. I would like to know your reaction to that.

**Foreign Secretary:** I think it is a terrible thing that the attacks are continuing. Frankly, we would hope that everybody who is in a position to do something about it, primarily the Australian Government, will succeed in their efforts to try and stop this.

**Question:** Mr. Menon, do you see a shift in US policy on Kashmir? How do you respond to Burn's statement that US wants resolution of Kashmir issue as per Kashmiri's aspirations?

**Foreign Secretary:** The simple fact is, I do not see a shift. No. I think we have seen statements like this in the past and I am sure we will see them in the future.

**Question:** Mr. Menon, as the Prime Minister goes for his first foreign trip in his new tenure, would you spell out what would you think would be the



three-four foreign policy priorities for the new Government? The last tenure was taken up for a considerable extent by the nuclear deal. As India looks ahead for the next five years, what would you say are our three-four priorities?

**Foreign Secretary:** I think one is a peaceful periphery and relations with our neighbours. The second I think would be to continue the improvement in the transformation of our relations with the major powers. The third, and this is actually the threat that joins all the other priorities, is to work with the international community to see a rapid recovery in the world economy. All three of these for us really are important because they help us to achieve our domestic goals of transforming India, of bringing our growth rate up to a level where we can achieve our basic goal of abolishing mass poverty by 2020 for which we need inclusive growth. So, to my mind that is the touchstone by which we will deal with events, deal with the rest of the world is how it helps us to transform India itself.

**Question:** Mr. Menon, you will be going for the SCO right after the Iranian elections today. Is the new Head of State of Iran expected to be there as well?

**Foreign Secretary:** It depends on what happens. I am not sure that the Iranian procedures for having a Head of State in place will be completed by then. So, the expectation is that President Ahmadinejad will be there. I think that is the basis on which the planning has been done.

**Question:** A small follow-up question, Mr. Menon, on what you said about Australia. When we had trouble in Iraq, we stopped our workers from going to Iraq. There was an official ban that the Government of India imposed. If these attacks continue on our students in Australia, would the Government consider imposing a ban on sending students to Australia?

**Foreign Secretary:** I think that is a matter of judgment. If you look at the size of the population and the number of people involved, I think you have to take a call depending on whether or not the level of threat and danger to our people is so high that it justifies a ban. There have been other cases where we have chosen just to issue an advisory, say. There are a whole series of steps that we could take depending on our judgment of how grave the danger is. In the case of Australia, we have not made any such judgment. We have a cooperative, helpful government which is in authority, in power, which is doing what it can to try and stop this. There will be guidelines being issued today for students, which we will make available to you.

**Question:** Is the Indian Government happy with the kind of effort the Australian Government is making so far?

**Foreign Secretary:** We think they are doing what they can.

**Question:** I wanted to push you a little bit on this question of the dollar. President Medvedev has been very clear that he wants to use the BRIC summit meeting to talk about moving the world away from the dollar as a reserve currency. What is India's position on the global reserve currency?

**Foreign Secretary:** I am sure we will discuss the issue. If anyone wants to raise an issue, we will all discuss it. We ourselves in the past have spoken of the need to increase SDRs and their role. But there are several possible solutions to this issue, and I am sure we will discuss it. So far, frankly, it has been an academic discussion of possibilities rather than any coordinated policy decisions by states. That is the level at which it is now. So, I would rather not get ahead of ourselves here.

**Question:** Has there been an official request from the Pakistani Government for a meeting between their President and Prime Minister Manmohan Singh? Not just a handshake, a proper, formal meeting.

**Foreign Secretary:** No.

**Question:** Sir, yesterday we heard the American version of William Burns meeting with Indian Prime Minister and other leaders. He said that US emphasized on resuming dialogue between India and Pakistan. More specifically I want to ask whether the nonproliferation issue has figured in the discussion? And when are we beginning negotiations on reprocessing agreement?

**Foreign Secretary:** Nonproliferation did not figure in the meeting with Prime Minister.

**Question:** Or otherwise in the discussions.

**Foreign Secretary:** It did. We spent four hours together in our talks and that is one of the subjects which we covered. Yes, we did discuss nonproliferation. In fact, we found that we had very similar approaches on many questions on nonproliferation and that it was not a particularly difficult discussion at all. On what you said there about the resumption of dialogue, he was quite clear. What he said was they would welcome it, but that the pace, timing, content of it is up to us. I think that is what he said and not some of the exaggerated versions that we have seen out there on the ether. On reprocessing, as you know, both sides have agreed that the clock has started under article 6.3 of the 123 Agreement for discussion of reprocessing procedures and arrangements. And we hope to start those discussions before the end of next month.

**Question:** One element of the nonproliferation agenda that the Obama people have carried over from the Bush days is the Proliferation Security Initiative (PSI). We know that they are very keen that India join it. Gol in the past and the Prime Minister in particular in Parliament had spelt out India's objections to the PSI. Is this a question that is being actively re-examined right now? Is there a possibility that India may join the PSI at some point soon?

**Foreign Secretary:** I think we are looking at PSI again. As you know, we have no problems with the purposes of PSI. In fact, many of those we have carried out and implemented ourselves. I think what we have difficulty with is some of the language in the Suva which makes an artificial distinction about the rights and responsibilities of nuclear-weapon states and non-weapon states, and uses a definition of nuclear-weapon states, non-weapon states which does not conform to reality today. I think that is the source of the difficulty. On the objects of the PSI, on what it does, how it tries to prevent proliferation of sensitive technologies and material, I do not think we have any difficulty with that.

**Question:** What about the various defence agreements that India and US have been discussing like End-user Verification Agreement and Logistics Support Agreement? What is the progress on that?

**Foreign Secretary:** We continue to discuss them. We are closer than we ever have been before on finding language on the end-use monitoring which could be used generically. But do not forget, this is not an issue that is brand new. It is an issue we have solved repeatedly in the past. So, I am fairly confident that at some stage we will be able to do so.

**Question:** What about India's concerns over on-site verification?

**Foreign Secretary:** I am confident that we will be able to solve those problems, all the issues involved. I am confident that we will because we have solved them in the past.

Thank you.



**171. Statement by Prime Minister Dr. Manmohan Singh before his departure for Yekaterinburg to attend the BRIC and SCO Summits.**

**New Delhi, June 15, 2009.**

At the invitation of the President of the Russian Federation, His Excellency Mr. Dmitry Medvedev, I am leaving today to attend the BRIC and SCO Summits being hosted by Russia in Yekaterinburg.

The countries of Brazil, Russia, India and China (BRIC) together account for 40% of the world's population and 40% of global Gross Domestic Product. The BRIC grouping has the potential to lead global economic growth. In fact, global economic recovery is closely linked to the success of the BRIC economies. India is among the fastest growing BRIC economies, and we are ready to play our part in coordinating international efforts to overcome the ongoing financial and economic slowdown. BRIC countries also have a role to play in promoting the principle of multilateralism in international affairs, and in the reform of institutions of global governance, including the United Nations, to reflect contemporary realities. From these points of view, the convening of the first stand-alone summit of BRIC countries is a significant development.

I will also be attending the Summit meeting of the Shanghai Cooperation Organization (SCO) for the first time. India has been an observer of the SCO since 2005. My decision to attend the Summit is a reflection of the high regard we have for Russia's Presidency of the SCO, and our desire to intensify our engagement with countries of our extended neighbourhood in Central Asia. There are issues which concern both of us, such as the fight against terrorism and extremism and cooperation in areas of energy security, infrastructure development, agriculture, transportation, science and technology and education. India and the SCO stand to gain considerably from each other through such cooperation.

During my visit, I look forward to meeting and exchanging views with the other world leaders who will be present in Yekaterinburg.



**172. Opening Remarks by Prime Minister Dr. Manmohan Singh at the full format (Plenary) Session of the first BRIC Summit.**

**Yekaterinburg, June 16, 2009.**

I wish to take this opportunity to once again thank His Excellency President Medvedev for hosting the first BRIC Summit.

We have just concluded useful discussions in the restricted format on some of the major issues before us.

When we review the global financial and economic situation, it is worth recalling that when we met at the Second G-20 Leaders' Summit in April this year we realised that the global downturn was much more severe than what we had anticipated in Washington D.C. in November last year.

In London we were successful in agreeing on several short term measures to infuse greater liquidity, make good the decline that has taken place in capital flows to developing countries by providing adequate resources to the international financial institutions, and agreeing on a broad direction for improvement in the regulatory and supervisory structure for the world's financial system. We also agreed on the need to develop an effective early warning system which can identify the build up of risks which may threaten global financial stability.

There was a unanimous view that protectionism or restrictions on the free flow of trade and persons are counterproductive, and pose a particular threat to recovery in the developing world. The stark collapse in world trade has heightened the importance of an early completion of the Doha Round of talks keeping in mind its development dimension.

We also recognised the continuing need to redefining the role of institutions of global economic and financial governance to deal with the problems of today and to reflect contemporary realities. The broadening of representation in the Financial Stability Forum and the Basle Committee on Banking Supervision, the two key standard setting bodies, has been a useful development in this context.

We were able to identify areas for further improvement in the functioning of multilateral institutions. In the case of the IMF, these related to its surveillance function, its lending role, augmentation of the IMF's resources and governance reforms. In the case of the World Bank, three

specific points of action were identified - (i) a substantial increase in lending, (ii) a review of the Bank's lending capacity and capital adequacy and (iii) enabling large developing countries to access required levels of finance through increased lending limits so that they can support recovery in their regions.

The important issue today is to implement the decisions that we have taken. Finance Ministers and Central Bank representatives of BRIC countries have met and identified the areas where our efforts should be focused. Our countries should also keep in contact with each other in the run up to the next G-20 Leaders Summit in Pittsburgh.

Our cooperation in the G-20 process must be backed up by cooperation in the real economy. The volume of trade among BRIC countries has grown rapidly in recent years. Intra-BRIC investments have also grown. We should consider the establishment of a BRIC Joint Business Forum which can identify areas for cooperation such as science and technology, energy, agriculture, aviation, pharmaceuticals and services.

In India, we have launched a number of fiscal stimulus packages including additional public spending, amounting to over 3% of our GDP. Our monetary policy initiatives have been targeted towards maintaining a comfortable liquidity position and ensuring that credit delivery remains on track. Our banking system remains well regulated, capitalized and profitable.

The Joint Statement and the Statement on Global Food Security that we will be adopting later today provide a road-map for our future work.

I wish to congratulate His Excellency President Medvedev for his guidance and leadership during this Summit, and for the successful outcomes that we have reached today.

Thank you.



**173. Press conference of Foreign Secretary Shivshankar Menon at Yekaterinburg.**

**Yekaterinburg, June 16, 2009.**

Thank you for waiting. I will talk to you about Prime Minister's engagements today and yesterday.

As you know the day started with a meeting with President of Kazakhstan, Nursultan Nazarbayev, where they had detailed discussion on bilateral relations. You may remember that the President Nazarbayev was the chief guest of Republic day in Delhi this year, when several ideas of cooperation were discussed, many of them in the energy sector both in civil nuclear and in the oil and gas sector which are now in the process of fructifying -- so they discussed that briefly. They also discussed the other areas of cooperation which they have been agreed upon earlier.

There is considerable interest in amongst Indian companies in setting up petrochemical complex in Kazakhstan also in Pharma cooperation with Kazakhstan because there is raw material. So they reviewed the progress which has been quite rapid since January when there was a ministerial meeting and lot of detailing happened. It was decided to set a joint working group under the foreign ministers. Both sides have agreed to set a time frame and to make sure there is movement on all fronts as quickly as possible.

There after the Prime Minister went to the SCO meeting which began with the restricted session where each of the leader was accompanied by one person. They spoke really openly and frankly about the SCO and its future. Most people agreed that the SCO really works its way forward on three legs. One is of course security in the broader sense. Secondly economic cooperation and thirdly people to people contacts, cultural exchanges and that there is unanimity around the table that all the members and observers would cooperate in practical ways.

On the issue of expansion of membership I think they have a committee which will draft out a criteria for the expansion and which is supposed to report back to the leaders. But quite rightly our interest as PM then subsequently said in the preliminary meeting which I think you must have got the text that we will concentrate on our specific concrete interests in cooperating with the SCO. You can take a look at the listed areas in which we can work together and I won't go over that all over again. Also this time the summit has been structured quite differently. That is why the Prime Minister participated in the restricted meeting, he participated fully in the plenary as well.

Thereafter PM had a meeting with the President of Pakistan. They met for about 40 min most of it alone. As PM mentioned to him right at the beginning I think, when the ladies and gentlemen of the media were still in the room. He said that he was happy to meet but that his mandate was clear that he wished to see how Pakistan could fulfill its assurance that the Pakistani territory is not used for terrorist attacks on India - the assurance which has been given several times.

They had a detailed discussion where they reviewed the India - Pakistan relations, which has you know remained under considerable stress. The primary cause of which is the terrorist attacks on India from Pakistani territory. Prime Minister conveyed to President Zardari full extent of our expectation that the Government of Pakistan takes strong and effective action to prevent the use of Pakistani territory for terrorists attack on India. That it acts against the perpetrators of the past attacks and it dismantles the infrastructure of terrorism in Pakistan. The President of Pakistan explained to Prime Minister some of Pakistan's efforts to deal with it in this manner and also explained the problems that they faced in this regard.

After considerable discussion they have agreed that the primary issues of terrorism to be addressed will be discussed by the two foreign secretaries of the two countries before the two leaders meet again at Sharm-el-Sheikh, on the sidelines of the NAM meeting in the mid of July. The Foreign Secretaries will discuss what Pakistan is doing and what it can do. And we will then take stock of the situation again.

The two leaders also spoke briefly about the potential of India - Pakistan relations. And there is no question which has not been taken up in dialogue process in the past. For the rest, I think, the Prime Minister will speak to you tomorrow and let you know and you can be ask questions also.

The other thing I want to mention was that the Prime Minister had a meeting with President Hu of China quite late last night. The meeting finally broke up at about just before midnight. It must have lasted for about 45 - 50 minutes. I will give you a brief read out. Of course they discussed bilateral relations. President congratulated Prime Minister on his re-election as Prime Minister. Both of them stressed our strategic and cooperative partnership and the determination to carry it forward and to see our relations develop even better in the future. The Prime Minister made it clear that both India and China were playing an increasingly important role in promoting stability in the international system. He described the immense scope that he sees for bilateral relations and the congruence that is emerging on global issues which face us both.



They both felt that we should have an early meeting of the Joint Economic Group which is led by the Commerce Ministers of both sides. They stressed satisfaction at the defence exchanges which have been growing between us both which have been built from level of trust between the armed forces. We have held two joint military exercises so far and we will be holding another one during this year. On a number of global issues we share common concerns and aspirations such as the creation of a new global architecture, climate change, strategies which support development in other words sustainable development and the new global financial order. They agreed that the sides should stay in touch and that both countries would work closely together and keep consulting. We also recognized that we have differences with each other and they expressed satisfaction with what the special representatives have done so far. The SRs will be meeting in the 7th - 8th of August in India. Our President will be visiting China and we also expect high level visits from China. Foreign Offices are working out the details.

It was a good and positive meeting and we covered I think a whole series of questions which we will now start implementing very seriously now that we have clear indication of leadership's of both sides carry this relationship forward. For me the fact of the meeting in itself, that we managed to squeeze these meetings in when Prime Minister himself has 24 hour working time, really one day if we look at it.

Now for the rest of the day he will be at the Summit where there will be restricted meeting with BRIC leaders followed by BRIC Plenary and a Joint Press Conference by the leaders. And after the dinner, I think there is a meeting between Prime Minister and President Medvedev. So he has, as you can see, full and busy time at Yekaterinburg. I will take few questions as we have to go to the BRIC but I thought I owe you this much.

**Question:** Prime Minister's opening remarks\*, would you consider unprecedented? Leaders make remarks once you know the cameras left the room but you started these remarks when...(inaudible) --- was PM trying to address his constituency in India or what? How will you explain this? I think last year.....

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\* The reference was to introductory remarks made by Dr. Singh when he met the Pakistan President Asif Ali Zardari at Yekaterinburg. The Prime Minister began what was meant to be a one-on-one meeting with Mr. Zardari in the full glare of journalists who had gathered to capture the photo-op. "I am very happy to meet you," he told the Pakistani President after the two delegations had greeted each other, "but I must tell you quite frankly that I have come with the limited mandate of discussing how Pakistan can deliver on its assurances that its territory would not be used for terrorist attacks on India."

**FS:** I think it is clear that he wanted to say something and he said it. I think you don't need too much to read into this. He meant what he said.

**Question:** You said Pakistan Government explained some of the steps Pakistan Government has taken...

**FS:** He also described that. I can't say because I was not in the room. I can tell only what I know. Tomorrow, you will get a chance to ask PM.....

**Question:** There was talk of the Foreign Secretary's meeting. Are we moving towards some type of dialogue?

**FS:** I was very careful with my words. I said the Prime Minister met with the President. The Foreign Secretaries will discuss the primary issue - terrorism, what Pakistan has done about it. I was very careful with words. Then the leaders will take stock when they meet again at Sharm-al-Sheikh. That's it. The rest is astrology.

**Question:** What is your sense of what our markers will be? What is that we want Pakistan to do?

**FS:** First we would like to hear what they have done. We will tell them what we expect. Then, we will see what they come back with. Then we will see what will be done.

**Question:** When the leaders meet at Sharm-al-Sheikh, can we expect resumption of dialogue?

**FS:** I told you that the rest is astrology. I was very clear in what I have said. This is a meeting between the leaders. Foreign Secretaries will meet to discuss the primary issue of terrorism. Then, the leaders will take stock. That's it. Rest is all speculation. What will happen, what could happen is all speculation.

**Question:** Where will the Foreign Secretaries meeting take place?

**FS:** Nothing is decided as yet. We have just been told, like you, two minutes ago.

**Question:** How will this dialogue be different from the previous one decided in Colombo?

**FS:** We have a very clear mandate now agreed by the leaders. We know exactly what we are supposed to do..the mandate that I just spoke to you about. Thereafter the rest we will report to our leaders. Then they will decide what happens after that.

**Question:** They explained the steps taken by Pakistan as also the problems faced by Pakistan? Can you explain what were these?

**FS:** I can't. As I said I was not in the room and I can only tell what I know.

**Question:** Can we assume that the Foreign Secretaries will look at what Pakistan has done to address terrorism?

**FS:** I think that's what we are supposed to do. They will tell us what they have done. We will tell them what our expectations are. We will then report to our leaders. They will then see what to do with it. They will take stock. There is very specific clear mandate for us.

**Question:** In the meeting with the Chinese President, did they discuss restructuring International Monetary Fund (IMF)?

**FS:** They discussed only in the general sense restructuring the international financial system. That we do in the G20. We coordinate very carefully. We also discuss in some detail in BRIC. The Finance Ministers meet before every round of G20 Meeting and we have coordinated that in some detail among ourselves. We have a separate channel to do that. At this level, they spoke of our common aspirations and our common concerns about the restructuring of the International Financial Order.

**Question:** Did Pakistan agree that terrorism is the primary issue?

**FS:** I don't want to put words on their mouth? I don't want to say that yes they agreed or they did not agree and so on. I am telling you the outcome agreed by the two leaders and what they told us themselves exactly in the words that I told you. I don't want to overload this with interpretation.

**Question:** To what extent do we agree that Pakistan is also a victim suffering from terrorism?

**FS:** There is terrorism in Pakistan. But that's not the issue here. What has paused our dialogue is terrorism from Pakistan against India. Our mandate is clear. We are supposed to discuss what Pakistan has done on terrorism, whether it is Mumbai or previous attacks. We will tell them our concerns. We will then report to our leaders who will take stock when they meet. I am trying to be very precise in what I say. We have a clear mandate, a clear job to perform here. I don't want to get into larger philosophical questions where it could lead, what it could mean, whether Pakistan is a victim, I don't think that is relevant to what we have been told to do. And I think that is what is relevant to India-Pakistan relations and that's what needs to be

addressed. We have made it quite clear that we too would like a dialogue. PM said this that we must make an attempt at peace again. He said this in Parliament. But the primary issue and this is the way we are trying to address it. And we have agreed today with Pakistan that the two Foreign Secretaries will do it, will discuss that.

**Question:** How did you find Mr. Zardari after ...

**Foreign Secretary:** They are all leaders, they are quite relaxed. I did not see any difference between 'before' and 'after'. But that is not what I was looking for. I was more interested in getting my orders from the leader.

**Question (Mr. Vijay):** ..(inaudible)..

**Foreign Secretary:** That is why I am telling you; I have not used the word 'dialogue'. (free translation from the Hindi original)

**Question:** ... that from here and there.....(free translation) ...

**Foreign Secretary:** ... Talks have resumed. They have met. But dialogue process has not commenced. And what are we talking about? Just on one issue. Terrorism! We have never said that we will not talk. But the issue of concern for us is terrorism. (free translation of Original Hindi)

**Question:** Did you take any assurance?

**Foreign Secretary:** No, no assurance ... we said you first tell us what have you done and then we shall see.(Free translation from Hindi)

**Question:** ...(inaudible)...

**Foreign Secretary:** We have received many assurances. On 6 January 2004, on 24 September 08 in New York --- (Free translation from Hindi)

**Question:** You have given an assurance now? (Free translation)

**Foreign Secretary:** if they give just an empty assurance, we shall see what we have to do. What have we said? (free translation of Hindi) We will take stock of those discussions.

**Question:** Did Prime Minister specifically talk about Hafiz Sayeed's release?

**Foreign Secretary:** As I said, we were not informed. You ask him tomorrow, he will tell you. I do not want to say yes or no. I would assume that all this came up. But I do not want to put it on record categorically.



### **174. Joint Statement issued by the Leaders of the BRIC Countries after their Summit meeting.**

**Yekaterinburg, June 16, 2009.**

We, the leaders of the Federative Republic of Brazil, the Russian Federation, the Republic of India and the People's Republic of China, have discussed the current situation in global economy and other pressing issues of global development, and also prospects for further strengthening collaboration within the BRIC, at our meeting in Yekaterinburg on 16 June, 2009.

#### **We have arrived at the following conclusions:**

1. We stress the central role played by the G20 Summits in dealing with the financial crisis. They have fostered cooperation, policy coordination and political dialogue regarding international economic and financial matters.
2. We call upon all states and relevant international bodies to act vigorously to implement the decisions adopted at the G20 Summit in London on 2 April, 2009. We shall cooperate closely among ourselves and with other partners to ensure further progress of collective action at the next G20 Summit to be held in Pittsburgh in September 2009. We look forward to a successful outcome of the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development to be held in New York on 24-26 June 2009.
3. We are committed to advance the reform of international financial institutions, so as to reflect changes in the world economy. The emerging and developing economies must have greater voice and representation in international financial institutions, and their heads and senior leadership should be appointed through an open, transparent, and merit-based selection process. We also believe that there is a strong need for a stable, predictable and more diversified international monetary system.
4. We are convinced that a reformed financial and economic architecture should be based, inter alia, on the following principles:
  - democratic and transparent decision-making and implementation process at the international financial organizations;
  - solid legal basis;
  - compatibility of activities of effective national regulatory institutions and international standard-setting bodies;
  - strengthening of risk management and supervisory practices.

5. We recognize the important role played by international trade and foreign direct investments in the world economic recovery. We call upon all parties to work together to improve the international trade and investment environment. We urge the international community to keep the multilateral trading system stable, curb trade protectionism, and push for comprehensive and balanced results of the WTO's Doha Development Agenda.

6. The poorest countries have been hit hardest by the financial crisis. The international community needs to step up efforts to provide liquidity for these countries. The international community should also strive to minimize the impact of the crisis on development and ensure the achievement of the Millennium Development Goals. Developed countries should fulfill their commitment of 0.7% of Gross National Income for the Official Development Assistance and make further efforts in increasing assistance, debt relief, market access and technology transfer for developing countries.

7. The implementation of the concept of sustainable development, comprising, inter alia, the Rio Declaration, Agenda for the 21st Century and multilateral environmental agreements, should be a major vector in the change of paradigm of economic development.

8. We stand for strengthening coordination and cooperation among states in the energy field, including amongst producers and consumers of energy and transit states, in an effort to decreasing uncertainty and ensuring stability and sustainability. We support diversification of energy resources and supply, including renewable energy, security of energy transit routes and creation of new energy investments and infrastructure.

9. We support international cooperation in the field of energy efficiency. We stand ready for a constructive dialogue on how to deal with climate change based on the principle of common but differentiated responsibility, given the need to combine measures to protect the climate with steps to fulfill our socio-economic development tasks.

10. We reaffirm to enhance cooperation among our countries in socially vital areas and to strengthen the efforts for the provision of international humanitarian assistance and for the reduction of natural disaster risks. We take note of the statement on global food security issued today as a major contribution of the BRIC countries to the multilateral efforts to set up the sustainable conditions for this goal.

11. We reaffirm to advance cooperation among our countries in science and education with the aim, inter alia, to engage in fundamental research

and development of advanced technologies.

12. We underline our support for a more democratic and just multi-polar world order based on the rule of international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all states. We reiterate our support for political and diplomatic efforts to peacefully resolve disputes in international relations.

13. We strongly condemn terrorism in all its forms and manifestations and reiterate that there can be no justification for any act of terrorism anywhere or for whatever reasons. We note that the draft Comprehensive Convention against International Terrorism is currently under the consideration of the UN General Assembly and call for its urgent adoption.

14. We express our strong commitment to multilateral diplomacy with the United Nations playing the central role in dealing with global challenges and threats. In this respect, we reaffirm the need for a comprehensive reform of the UN with a view to making it more efficient so that it can deal with today's global challenges more effectively. We reiterate the importance we attach to the status of India and Brazil in international affairs, and understand and support their aspirations to play a greater role in the United Nations.

15. We have agreed upon steps to promote dialogue and cooperation among our countries in an incremental, proactive, pragmatic, open and transparent way. The dialogue and cooperation of the BRIC countries is conducive not only to serving common interests of emerging market economies and developing countries, but also to building a harmonious world of lasting peace and common prosperity.

16. Russia, India and China welcome the kind invitation of Brazil to host the next BRIC summit in 2010.



**175. Joint Statement on Global Food Security issued by the Leaders of the BRIC Countries at the end of their Summit meeting.**

**Yekaterinburg, June 16, 2009.**

The fluctuations of global food prices coupled with the global financial crisis is threatening global food security. As a result, the number of people suffering from hunger and malnutrition grows and the progress towards the achievement of the Millennium Development Goals may be reversed. This challenge should be addressed without delay in a comprehensive manner through resolute action by all Governments and the relevant international agencies.

The developed and developing countries should address the food security issue according to the principle of common but differentiated responsibility. The developed countries should provide financial and technology support for developing countries in the field of food production capacity. The BRIC countries welcome various initiatives in this field by the UN and its special agencies. The BRIC countries renew their commitment to contribute to the efforts to overcome the global food crisis.

Countering effectively the global food crisis is impossible without a clear and full understanding of its causes. Attempts to explain food price hikes by an increase in consumption in developing countries obscure the true causes which have a complex and multifaceted nature. Global Climate Change and natural disasters have direct implications on food security through changes in agro-ecological conditions. Current global economic and financial crisis also has negative impact on food security through shrinking financial resources available to agriculture sector. Restricted market access and trade-distorting subsidies in developed countries have also hampered the development of food production capacity in developing countries over the last thirty years. Further, global market conditions have not created adequate incentives for the expansion of agricultural production in developing and least developed countries that have become main importers of food products.

It is also important to assess the challenges and opportunities posed by the biofuels production and use in view not only of the world's food security, but also of the energy security and sustainable development needs. An international cooperation mechanism needs to be established to review and reevaluate the long-term implications of the development of biomass energy, and develop



relevant policy guidance accordingly. The BRIC countries welcome, therefore, the exchange of experiences on biofuels technologies, norms and regulations, in order to ensure that production and use of biofuels is sustainable, in accordance with the three pillars of sustainable development - social, economic and environmental - and that it takes into account the need to achieve and maintain global food security. Sustainable biofuels can constitute a driving force for social inclusion and income distribution mainly in the impoverished rural areas of developing and least developed countries, where most of the world's famine problems are located.

Tackling effectively the food crisis requires a fully coordinated international response and should include both short-term and long-term measures. The international community needs to work out and consistently implement a comprehensive strategy to resolve this global problem. In this respect, the BRIC countries welcome the outcomes of relevant international fora, including the Food and Agriculture Organization (FAO) High-Level Conference on World Food Security in Rome.

The BRIC countries also welcome the results of the World Grain Forum which was held in Saint Petersburg and call on all interested states and international organizations to take necessary steps to implement the measures agreed upon at the Forum.

Ensuring food security requires a well-functioning world market and trade system for food and agriculture based on the principles of fairness and non-discrimination. In this regard, it is of paramount importance to accelerate the Doha round of talks at the World Trade Organization (WTO) in order to find compromise solutions for radical reductions of multibillion subsidies in the agricultural sector, which distort terms of trade and prevent developing countries from increasing their agricultural production. We are committed to opposing protectionism, establishing a just and reasonable international trade regime for agricultural products, and giving farmers from developing countries incentives to engage in agricultural production.

The BRIC countries support the adoption of a wide range of mid- to long-term measures in order to provide for a solution to the issue of food security. Such measures may include:

- a) rendering additional resources and assistance to the agricultural sector through the channels of respective national budgets and international development institutions, mainly to household agriculture, which is the main source for food production;

- b) joint technological innovations and international cooperation to introduce advanced technologies in the agricultural sector of developing countries to significantly increase agricultural productivity. Intellectual property rights in the agricultural domain should strike a balance between the common good of humankind and incentives to innovation;
- c) upgrading agricultural infrastructure, including irrigation, transportation, supply, storage and distribution systems and promoting technical assistance, access to credit and crop insurance policies. In this context public-private partnerships could play a significant role;
- d) improving the exchange of knowledge and commercialisation of sustainable biofuels;
- e) ensuring wider access to food at the national and international level through appropriate policies and well functioning distribution systems especially for the poor and most vulnerable people in developing countries;
- f) sharing of best practices of operating successful public distribution programmes; and
- g) equipping developing countries with financial and technological means to fully implement adaptation measures to minimize the adverse impacts of climate change on food security.

Agreed by the national authorities in advance of the BRIC Summit and issued in Yekaterinburg, Russia, on June 16, 2009.



**176. Opening Remarks by Prime Minister Dr. Manmohan Singh at the Shanghai Cooperation Organisation Summit.**

**Yekaterinburg, June 16, 2009.**

I am delighted to be here today at the Summit meeting of the Shanghai Cooperation Organisation. I bring to you the greetings of the government and people of India.

I have had the honour of visiting the great country of Russia on several occasions in the past. On each occasion I have been overwhelmed by the warmth and hospitality that has been extended to me. This is however a special occasion. It is my first visit overseas after our Government was re-elected to office following the recent general elections in India.

The Shanghai Cooperation Organisation represents a vast land mass rich in cultural diversity, creativity and resources. India has the privilege of having excellent bilateral relations with each of the Members of the Organisation. Our relations with them go back in time. They rest on solid civilisational, cultural and economic linkages that have flourished over centuries.

As an Observer State\*, we have been following the evolution of the Shanghai Cooperation Organisation with keen interest. We wish to see peace, prosperity and stability in the region that the Organisation represents. We have many complementarities and have a lot to gain and learn from each other. It is in this spirit that we approach our engagement with the Organisation and its different organs and bodies.

The growth of the Indian economy at an average rate of 8 percent over the last five years has enabled us to generate higher investible resources to cater to the needs of our rural economy, the social sector and infrastructure. It has also opened up opportunities to intensify our interaction with the outside world in the areas of trade and investment, science and technology, and in the revival of the global economy.

We seek an external environment that is conducive to meeting the aspirations of our people. Against this background, the Russian Presidency's initiative to focus on the themes of regional security and sustainable development is most appropriate.

The threats we face to our security are global in nature, and require a global response. The prevalence of poverty and under-development in large parts of

\* India has the observer status at the SCO, but Russia was keen that India joined it as a full member, which was held up pending the finalization of the rules for admission of new members to the SCO. At the Summit, the Russian President Medvedev gave vent to his frustration in the delay in drafting the rules. "This work is going on; instructions have been issued, but we need to get this job done and come up with norms and procedures so that we can set the ball rolling.....it is necessary to expedite the drafting of a document defining rules for admission..." said the Russian President in his opening remarks at the Summit. President of Tajikistan Emomali Rakhmon, in his address, called for completing all formalities for the admission of new members by the 10th anniversary of the SCO in 2011.

the world continues to threaten global stability. We believe that with the resources available with us, the SCO and India can mutually reinforce each other's efforts towards the economic emancipation of our region. We would be happy to share with our friends in the SCO the experiences we have gained over the years in various sectors of nation-building.

There is a lot to be gained through strengthening connectivity between the SCO and India. We would like to cooperate in finding innovative means to strengthen people-to-people contacts, exchanges of businesspersons and scholars, and trade, investment and technology flows. We would welcome closer cooperation in the fields of energy and food security, and infrastructure development.

The spectre of terrorism, extremist ideologies and illicit drug trafficking haunts our region. Terrorist crimes committed today are transnational in nature. No country is immune from them. It is imperative that we genuinely cooperate with one another and on a global scale to resolutely defeat international terrorism.

The issue of stability in Afghanistan is one that is engaging all of us keenly. I wish to congratulate the Russian Presidency of the SCO for organizing a successful conference on Afghanistan in March this year. India is committed to contributing to international efforts for the economic reconstruction of Afghanistan, and promoting stability in that country.

The economic gains that we have made in the past are today threatened by the global financial and economic crisis. We should convert this crisis into an opportunity for much greater economic cooperation between the Members of the SCO and India. Between us we have a vast market, a large industrial base, a talented human resource base and above all, the political will. We should also work together to reform the institutions of global governance, including financial institutions, to bring them in tune with present and emerging economic realities.

We can no longer delay giving concrete shape to the concept of sustainable development. The developing world needs access to financial resources and environment friendly technologies, especially in energy, transportation, manufacturing and agriculture. We need technology innovations for reduction of energy use by industry and other sectors. We need massive action for afforestation, drought proofing and flood protection. We need action to protect the glaciers that feed our river systems.

In conclusion, let me say that as a close neighbour, we wish the Shanghai Cooperation Organisation all success in its multi-faceted activities.

I also wish to convey our deep appreciation to His Excellency President Medvedev for conducting this meeting in an exemplary manner and for the excellent arrangements made by the Government of the Russian Federation for the Summit.



**177. Remarks of Prime Minister Dr. Manmohan Singh to the Media on board his flight to Delhi after his visit to Yekaterinburg to attend the BRIC and SCO Summits.**

**June 17, 2009.**

I have had an intense and productive visit to Russia to participate in the Summit of the Shanghai Cooperation Organisation and in the first ever standalone summit meeting of the leaders of Brazil, Russia, India and China yesterday. This has been my first visit abroad in the new term of the Government. The visit has reinforced my sense of the significance of India's engagement with the world, particularly at this time of economic crisis and political change.

In the short time that I was in Yekaterinburg, I had also had bilateral meetings with President Hu Jintao of China, President Nazarbayev of Kazakhstan, President Zardari of Pakistan and President Medvedev of Russia.

As you know, India is an observer in the SCO and has primarily attended Summits at the Ministerial level. I chose to attend this Summit because of President Medvedev's personal invitation and as the format this time provided for full participation by Observers in the restricted and plenary sessions with the other leaders. Central Asia, where the SCO is active, is part of India's extended neighbourhood. We look forward to increased functional cooperation with the SCO.

At the BRIC Summit, we discussed the need to intensify cooperation among ourselves and discussed the international economic downturn, and how we can prepare for the forthcoming G-8 and G-20 Summits. We live in times of rapid economic change when the BRIC economies are a factor of stability and growth. India has borne the global economic crisis well, though we have not been unaffected. There was general agreement on the need to continue our coordination in BRIC on economic matters, to seek implementation of G-20 decisions of interest to developing countries, and reform of present systems of global governance and the international financial system. We have agreed that our Finance Ministers and Central Bank Governors will meet, and with the help of experts, examine the further steps we should take in this regard.

In my meeting with President Hu Jintao of China, we reviewed the progress in our bilateral relations and recommitted ourselves to carrying forward the Strategic and Cooperative Partnership that we established in 2005.

President Nazarbayev of Kazakhstan was our honoured guest at our Republic Day earlier this year. We both expressed satisfaction at the rapid expansion of proposals for bilateral cooperation in diverse fields including energy, petrochemicals and pharmaceuticals. Our Foreign Ministers will lay out a road map with timelines for implementing these proposals.

When I met President Zardari of Pakistan, we discussed India-Pakistan relations, which remain under considerable stress. The primary cause of this, as everyone knows, is the terrorist attacks against India from Pakistani territory. I conveyed to President Zardari the full extent of our expectation that the Government of Pakistan take strong and effective action to prevent the use of Pakistan's territory for terrorist attacks against India, act against the perpetrators of past attacks and dismantle the infrastructure of terrorism in Pakistan. The President of Pakistan told me of Pakistan's efforts to deal with this menace and the difficulties that they face.

We agreed that our Foreign Secretaries will discuss what Pakistan is doing and can do to prevent terrorism from Pakistan against India and to bring those responsible for these attacks to justice including the horrendous crime of the attacks in Mumbai. They will report to us and we will take stock of the situation when we are at Sharm el Sheikh for the Nonaligned Summit in mid-July.

I have spoken before of my vision of a cooperative subcontinent, and of the vital interest that India and the people of the subcontinent have in peace. For this we must try again to make peace with Pakistan. It also requires effective and strong action against the enemies of peace. If the leaders of Pakistan have the courage, determination and statesmanship to take the high road to peace, India will meet them more than half-way. These were the ideas and sentiments that I shared with the President of Pakistan.

With President Medvedev, I exchanged views on the unique and close strategic partnership that we enjoy with Russia. We are both looking forward to its rapid development in the future.

I return to India satisfied with the results of my visit. International developments and the economic crisis will pose fresh challenges to Indian diplomacy. I am, however, confident that we will be able to convert challenge into opportunity for India.

#### **Q. 1 Talks with President Zardari**

Let us wait for the outcome of the meeting of the Foreign Secretaries. As I said the purpose of this meeting is to learn from Pakistan what it has done to control terrorist activities directed against India and what they claim to do and

in the process President Zardari mentioned to me the problems that they face. I explained to him that whereas Pakistan has now taken effective action against Taliban and Al Qaeda, we have a feeling that those elements who are actively engaged in perpetrating terrorists acts in our country, they are not being brought to justice. So my expectation is that this meeting of Foreign Secretaries will tell us whether Pakistan has taken effective action , if it plans to take effective action against these perpetrators of terrorism.

**Q.2. Any Discussion on Kashmir ?**

No discussion on Kashmir took place. He did not raise it nor did I raise it. He did mention to me the difficulties that Pakistan is facing in containing terrorism and asked us to bear with him, give him some more time. But there was no mention of Kashmir at anytime in our discussions

**Q.3. - (Not audible )**

I have often said we can choose our friends but we have to live with our neighbours. It is necessary not to close our channels of communication with neighbours. I think that's what we should do.

**Q.4. Any tangible outcome of the talks with Pakistan? Did you raise the issue of release of Hafeez Sayeed?**

I did raise with him what tangible things we would like to see.

Q...? (not audible)

I think that's better not said.

**Q.5. Any timelines ?**

We have said that the meeting of Foreign Secretaries should take place before the NAM Summit, that is in July.

**Q.6.What will be the policy agenda for next 5 years? Will BRIC be useful or be a talk shop?**

I hope it goes beyond shop talk. We are responsible for 40 % of the population. If all the nations join together, I think their voices will be heard in the global councils.

As for India 's relations (policy agenda) we will pursue the path that has been outlined by the Hon'ble President in the address to parliament a few days ago.

**Q.7. Comments on the situation in BJP.**

Well I am not in favour of gloating over the difficulties of other political parties. I wish them well.

**Q.8. Spat with Mr. Advani ?**

Well I was compelled to reply and I did say a few things which Advaniji said had hurt him. Then he rang me up on 16th May and he expressed regret. In exchange , I apologized to him if I had said anything to hurt his feelings. I look forward to a close relationship with the leader of the opposition.

**Q.9. What are your priorities ? Pakistan ?**

You must have read the President's address. I think those are our priorities. We wish Pakistan well in dealing with the Talebans, the Al Qaedas. But I would also like Pakistan to show the same determination in dealing with terrorists who operate from Pakistan's soil and conduct acts of terror against our country.

**Q.10. Alternate Global Currency**

Those were the ideas that were aired but no concrete conclusion emerged. It was agreed that these are highly complex issues , Replacing dollar by other currency -National or SDRs. And it was felt that this matter required proper examination by our Foreign Ministers and Governors of Central Banks.

**Q.10. What difficulties were expressed by Zardari ?**

President Zardari's point was that he is fighting a grim battle and there are difficulties in fighting on all fronts and therefore he said, while I am absolutely sincere in controlling terrorism from what ever source it emanates and at which ever country it is directed you must bear with me.

**Q.11. Presidents address and the budget ?**

I would not like to disclose what's going to be in the budget. I think that would be improper.

**Q.12. Any reduction of troops along the border by India and Pakistan?**

Troop deployment is a matter of functional necessity and I won't like to speculate on that in public on what we should do or what they will be doing.

**Q.13.Situation in Kashmir.**

As regards Jammu & Kashmir , the Home Minister was there. The Home Minister made some important statements of the deployment of forces. And it is very unfortunate that these incidents have taken place. If there were any violation of human rights we will take effective action and I have also promised the Jammu and Kashmir Chief Minister that once the new



Government settles down, we will look at the problems of developing Jammu and Kashmir, update our development and reconstructive plans. I have always said that we would be happy to engage in a dialogue with any groups and I mean any groups in talking to us that option is open and we would welcome even those groups who are not in the political mainstream . If they have any views ,we are quite willing to discuss with them. In the past also I have invited the Hurriyat .They said they would send us proposals, they never sent us any proposals. They said there are too many people detained. I asked them to give me a list of people who they felt had been detained without purpose, they never gave any list. I am not complaining. We are willing to engage in dialogue with anyone who is willing to shun the use of gun.

**Q -14 BRIC has no Secretariat who will coordinate ?**

This is the first meeting at Summit level of BRIC Countries. It is an evolving situation. As we grapple with the challenges that lie ahead, what modalities there would be in place to enable us to play an effective role. As I said, it is not a one time operation and we will be meeting again next year in Brazil to take stock.

**Q.15.Membership of SCO?**

I believe it is for others. If they feel India will be useful as a member we would welcome it. But I am not lobbying for it. Central Asia is our extended neighbour .We are expanding our contacts with the countries of Central Asia. I had a very good meeting with the President of Kazakhstan when he was in Delhi for 26 th January celebrations. We had very extensive agenda of cooperation in diverse fields. We will do more of this with other countries of Central Asia. I had on the sidelines a very good discussion with the President of Tajikistan who is very keen I visit Tajikistan as early as I can.

**Q.16.Election results - Coalition Politics on way out - Are the days of single party governments coming back.**

I am not an astrologer.

Q... (not audible)?

If wishes were horses beggars would ride.

**Q.17.Kerala Governor Issue.**

The Governor is a constitutional head of state and it would not be proper to comment.

**Q.18. Naxal menace in India.**

I had said many times that Naxalism is a great danger to our polity. The Home Minister has good ideas. We will take effective action and we have plans. Would not be able to go in public what we propose to deal with the menace. But its seriousness is fully appreciated and recognized by our Government.

**Q.19. West Bengal- politics of aid?**

Mamta Banerjee is an honoured member of my cabinet and we will work together as colleagues. But the relationship between the Govt. Of West Bengal or for that matter State and the Central Government are governed by constitutional norms. We will fully abide by constitutional norms which should guide the conduct of Center-State relations.



**178. Statement of Head of the Indian Delegation and Minister of Petroleum and Natural Gas Murli Deora at the meeting of the Heads of the Government of the Shanghai Cooperation Organisation.**

**Beijing, October 14, 2009.**

Let me begin by extending felicitations from the people and Government of India on the momentous occasion of 60 years of the establishment of the People's Republic of China. I am pleased to participate in this Meeting, taking the Shanghai Cooperation process forward. We deeply appreciate the arrangements and hospitality extended by our hosts.

We are now into the fifth year of our association with the Shanghai Cooperation Organization as an Observer\* state and these years have been eventful and satisfying. We are happy that engagement of Observer states is progressively on the increase and hope that this continues to the mutual advantage of both Member and Observer states.

The recent Summit in Pittsburgh underlined the fact that a collective and inclusive approach is the best and probably only way of addressing these challenges.

Excellencies, most of us represent developing countries, and in varying degrees, have been adversely affected by the global financial and economic crisis. The crisis began in the heart of capitalist world but its effects have been felt across the globe. However, thanks to the policies and programmes adopted by the Government with the support of the people, the effect was marginal in India. The need to revive the global economy is a complex challenge, requiring efforts from all of us.

In such a scenario, the Shanghai Cooperation Organization can play an important role. On the economic front, we can strengthen the linkages between us in the areas of trade, business exchanges and investment, as well as adopt mutually reinforcing monetary and fiscal policies. Sectors like energy, infrastructure, agriculture, banking, transportation, science and technology and education offer opportunities for substantive cooperation. India will be happy to participate in these activities.

In addition to this, terrorism and the ideologies of exclusion and intolerance threaten to undo whatever we have achieved. All of us who have gathered here take pride in our civilisational values and cultural diversity. The terrorist attack in Mumbai was a grim reminder of the transnational nature of

terrorism. It evoked widespread condemnation from the world community. The time has come to adopt a policy of zero tolerance to terrorism. The need of the hour is to have greater cooperation, exchange of information and coordination. The SCO has made progress in the area of counter-terrorism and anti-drug trafficking measures. We have sought a mutually beneficial association with the Regional Counter Terrorism Structure based in Tashkent and are ready to complete the required formalities. We should also move towards early adoption of a Comprehensive Convention on International Terrorism.

As a Minister dealing with energy matters in the Government of India, I would also like to mention energy security which figures very high on each of our national agendas. We need to ensure stability and predictability of world energy markets. As SCO is a unique forum which has a mix of both energy producing and energy consuming countries, SCO countries can make an effective contribution towards a cooperative framework for ensuring energy security. In this context, we hope to see the SCO Energy Club take concrete shape and become a forum of discussion among SCO countries in this critical area.

As a close neighbour, we wish the Shanghai Cooperation Organization all success in its diverse activities. There is a lot to be gained through strengthening connectivity between the SCO and India..

In conclusion, I wish to convey our deep appreciation to His Excellency Premier Wen Jiabao for the excellent arrangements made by the Government of the People's Republic of China for the Meeting.



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\* Media report from Bengaluru where the Foreign Ministers of Russia, China and India met on October 27 for their stand-alone RIC conference, quoted the External Affairs Minister S. M. Krishna to tell his two counterparts that New Delhi was keen on participating in several of the SCO's sectoral deliberations, especially those on economic activities, counter-terrorism and Afghanistan. It may be recalled that at the Yekaterinburg Summit in June Prime Minister Dr. Manmohan Singh had said: "As an Observer State, we have been following the evolution of the Shanghai Cooperation Organisation with keen interest. We wish to see peace, prosperity and stability in the region that the Organisation represents. We have many complementarities and have a lot to gain and learn from each other. It is in this spirit that we approach our engagement with the Organisation and its different organs and bodies." Russia has been quite keen on India joining the SCO and it was because of this that the Prime Minister had responded in attending the Yekaterinburg Summit then. Russian has promised to expedite the finalization of procedure for the admission of new members to facilitate India's entry.

**179. Joint Communiqué issued at the end of the 9th Meeting of Foreign Ministers of India, Russia & China (RIC).**

**Bengaluru (India), October 27, 2009.**

1. The Ninth Meeting of the Foreign Ministers of Republic of India, the Russian Federation and the People's Republic of China was held on 27 October 2009 in Bengaluru.
2. The Ministers noted the ongoing trilateral cooperation between India, Russia and China and explored new avenues for deepening and strengthening this interaction on various issues for the benefit of the people of the three countries and peace and stability in the region.
3. Despite the impact of the international financial crisis, the pace of development of the three countries has improved contributing to faster growth among them. Enhanced engagement among them strengthens their influence on the process of democratisation of international relations and development of multipolar world order reflecting the diversity of world cultures and civilizations.
4. While reviewing the implementation of the Trilateral initiatives, the Ministers noted with satisfaction the holding of the trilateral meeting of experts of India, Russia & China in the area of Disaster Mitigation and Relief held in Samara, Russia on 28 July 2008. The prospective areas of cooperation in this important area were identified as - interaction between research institutes; exchange of experts/specialists; exchange of experience in practical response to major disasters; exchange of information between the National Disaster Management Authorities on major emergencies; training of instructors/specialists; and holding joint conferences and seminars. The next meeting of this group of experts is due to be held in China in 2009.
5. The Ministers welcomed the holding of the next meeting of the India-Russia-China trilateral expert group on agricultural cooperation, scheduled to be held in November/December 2009 in New Delhi.
6. The Ministers noted that according to the understanding arrived at in the first meeting of trilateral group of experts on Health and Medicine held in India in September 2008, the next meeting of the trilateral group of experts on Health and Medicine would be held in 2010 in Russia.
7. The Ministers reviewed the trilateral interaction among the business communities of the three countries and discussed the 2nd Trilateral Business Conference held on 17-19 September 2009 in Changchun, China. They noted

that interaction among business communities was increasing and areas like pharmaceuticals, infrastructure, IT and energy have been the focus areas. The Ministers discussed ways in which the meetings of this forum could be more meaningful to the business communities in the time ahead so that new opportunities may be grasped to expand trade and investment. They looked forward to the next meeting in Russia.

8. The Ministers discussed ways of enhancing interaction in the trilateral format. India, Russia and China, which together stretch over 20% of the total global landmass and represent 39% of the global population, are important members of the international community playing a significant role in world affairs. The Ministers agreed that trilateral dialogue in areas such as global economic governance architecture, climate change, trade policy and development cooperation would contribute greatly to global peace and prosperity and that concerted trilateral action against international terrorism, trans-national crime and drug-trafficking would promote stability and all-round development in today's inter-dependent world.

9. The international situation was reviewed by the Ministers and the major global developments were discussed. The Ministers welcomed the decision made at the Pittsburgh Summit to designate G20 as the premier forum for international economic cooperation. They stressed that the future global economic governance should feature in balanced representation, equality and result-orientedness, and ensure the voice and representation of emerging market and developing countries. The three countries advocated that future G20 summits should be held in developed countries and emerging market and developing countries by rotation based on the principle of transparency and equity. The Ministers emphasized that one of the ultimate goals of governance structure reform for international financial institutions is equitable distribution of voting power between developed countries and developing ones. The Ministers called for early implementation of the quantified targets on the governance structure reform of the international financial institutions endorsed by the G20 Pittsburgh Summit, speedy shift in IMF quota share of at least 5% to emerging market and developing countries and a significant increase of at least 3% of voting power in the World Bank for developing and transition countries, while avoiding erosion in voting shares of developing countries.

10. The three countries reiterated that they take the issue of climate change very seriously and that they are ready to strengthen international cooperation and make active effort to jointly tackle climate change. The three countries stressed that the UN Climate Change Conference in Copenhagen presents

an important opportunity for strengthening international cooperation in addressing climate change in accordance with the principles and provisions of the UNFCCC and the Bali Action Plan, taking into account the principle of common but differentiated responsibilities and respective capabilities. The Ministers reiterated the willingness of the three countries to contribute to the success of the Conference.

11. The Ministers reiterated that there was a need for a comprehensive reform of the United Nations with a view to make it more efficient so that it can deal with the current global challenges more effectively. The Ministers of India, Russia and China reiterated that their countries attach importance to the status of India in international affairs, and understand and support India's aspirations to play a greater role in the United Nations.

12. The Ministers strongly condemned terrorism in all its forms and manifestations and reiterated that there can be no justification for any act of terrorism anywhere. They underlined that the fight against terrorism needs strong international cooperation, particularly within the framework of the United Nations. The Ministers stressed that all concerned must implement relevant resolutions of the UN General Assembly and the UN Security Council, particularly UNSC Resolution 1267, 1373 and 1540 and international conventions and protocols against terrorism as well as contribute to implementation of the UN Global Counter-Terrorism Strategy. In the context of strengthening international cooperation against terrorism, the Ministers urged all UN member states to urgently conclude and adopt the Comprehensive Convention on International Terrorism.

13. The Ministers agreed that there exists a natural complementarity between India, China and Russia in the energy sector. Russia is a dominant supplier of oil and gas; India and China are energy deficit, but significant suppliers of manufactured products and services. Trilateral relations can be further reinforced by establishing mutually advantageous relations in the energy sector. India, China and Russia welcome the growing trend of discussing energy security issues in multilateral fora. Energy matters are best addressed in a framework that reconciles the long-term interests of both energy-consuming and energy-producing nations. India, Russia and China look to intensifying international cooperation in the energy sector on a new basis to promote openness, transparency and competition in the energy market and reflect in a balanced manner the interest of all parties concerned.

14. The Ministers noted that the Afghan presidential and provincial council elections were held on August 20, 2009, and a second round of the presidential elections is due to be held on November 7, 2009. The Ministers expressed the hope that the election process will be conducted peacefully and with the active participation of the Afghan people. The Ministers emphasised the necessity of the international community maintaining its commitment to render assistance to the government and people of Afghanistan in ensuring security and development, and restoring peace and stability and building a democratic, pluralistic and prosperous Afghanistan. The Ministers agreed that terrorism must be combated firmly by the international community and expressed concern at the continuing deterioration of the security situation there due to continued terrorist attacks. The Ministers condemned the terrorist attack on the Indian Embassy in Kabul on October 8, 2009. The Ministers highlighted the need to bring the perpetrators of all terrorist attacks to justice and the need for strict observance of the sanctions regime against persons and entities listed by the UNSC Committee 1267.

15. The Ministers stressed the need for sustained international efforts to effectively combat production and trafficking of narcotics in the region. In this regard, they called for close cooperation between the International Security Assistance Force and the coalition forces and the Government of Afghanistan in fighting this threat to regional stability and security.

16. The Ministers welcomed the recent talks between Iran and representatives of the P5+1 and the EU in Geneva and emphasised the need to continue efforts to achieve a political and diplomatic settlement of the Iran nuclear issue. They shared the view that Iran is entitled to the right to use nuclear energy for peaceful purposes and at the same time should fulfill its due international obligations. The Ministers emphasized that all possible efforts should be made to address the Iran nuclear issue by peaceful means through dialogue and negotiation and that the IAEA should play an important role in resolving outstanding issues.

17. The Ministers noted that the Shanghai Cooperation Organization (SCO) is steadily becoming an important factor of emerging architecture of security, economy, culture, people-to-people contacts and cooperation in Asia. They spoke in favour of further enhancement of interaction of the SCO Member-States with Observer-States and dialogue partners and other states and international organizations concerned for the benefit of strengthening security and stability in the region.



18. The Foreign Ministers of China and Russia expressed satisfaction that the Indian delegation to the SCO Summit was led by the Prime Minister for the first time and at Indian participation at appropriate levels in other SCO meetings held in 2009. The External Affairs Minister of India reiterated India's interest in participating in SCO activities particularly economic activities (SCO Business Forum, SCO Energy Club and Inter Banking Consortium), counter-terrorism (Regional Counter Terrorism Structure) and SCO Contact Group on Afghanistan. The Foreign Ministers of China and Russia welcomed India's constructive engagement in SCO activities.

19. The Foreign Ministers of India and China expressed support to Russia's efforts to maintain peace and stability in the Caucasus region.

20. The Foreign Ministers of India and China welcomed the decision that Russia would officially join the mechanism of Asia-Europe Meetings (ASEM) at the 8th ASEM Summit in Brussels.

21. The Ministers reiterated their support for the Six Party talks to achieve the objective of full denuclearization of the Korean peninsula and called upon all parties concerned to work towards bringing about peace and stability in the region.

22. The Ministers expressed satisfaction with the outcome of the meeting and decided to hold the next trilateral meeting in China.



## COMMONWEALTH

### **180. Communiqué issued on the Commonwealth Finance Ministers Meeting 2009.**

**Limassol (Cyprus), October 2, 2009.**

Commonwealth Finance Ministers met at Limassol, Cyprus on 30 September to 2 October, 2009 under the Chairmanship of Charilaos Stavrakis, Finance Minister of Cyprus.

#### **Global Economy**

**2.** Ministers considered the unprecedented global economic and financial crisis over the past year and its impact on the economies of the Commonwealth. They noted that growth in the overwhelming majority of countries in the Commonwealth had been below its potential level and in many countries living standards had fallen. They welcomed policy measures undertaken to maintain global demand and stabilise capital markets, especially by member countries of the G20, and stressed the need for continued concerted international action to end the global recession. Ministers emphasised the importance of the interests of all countries being recognised within global multilateral processes. They urged consideration of the role the Commonwealth could play to achieve this.

**3.** In some Commonwealth countries growth was now returning to trend levels. However, Ministers found that the impact of the crisis had been felt very strongly and persistently in the poorest and smallest developing members as well as resource dependent and less diversified economies. These economies are especially vulnerable to lower trade levels and capital flows and restricted in their ability to use domestic policy to alleviate the impact of exogenous economic shocks. Ministers stressed the need for greater international support for these countries to build greater resilience in the face of these shocks.

**4.** Ministers discussed the policy choices which countries face in working towards high and sustainable growth in the context of continuing global challenges. They recognised the opportunities as well as the risks posed to Commonwealth countries by the effects of climate change and resource shortages. They noted that short term policy responses to individual challenges need to be consistent with each other and sustainable over time. They urged that these issues should be addressed coherently, comprehensively and consistently at the national, regional and international

levels. They noted that the Commonwealth could provide a forum for discussing these global challenges and supporting members by providing analysis of emerging trends in the global economy.

**5. Commonwealth countries called for:**

- Continued global macroeconomic coordination including monetary and fiscal policy stimulus to avoid a return to global recession and to ensure that global growth is well established in all countries and regions before the stimulus is withdrawn;
- Greater future coordination in global economic policy making to support sustainable and balanced growth within and between countries;
- Continued global commitment to an open trading system and the rejection of protectionism. They reiterated their call for a rapid, fair and equitable conclusion to the Doha Round of trade negotiations;
- Greater international support for social protection and investment in infrastructure to support growth in developing countries. In this context they called for continuing regional integration;
- A stronger focus on boosting levels of trade finance.

**6. To address the specific challenges facing small states they:**

- Reaffirmed that small states face a number of new and enduring challenges as set out in the 2006 Review of 2000 Commonwealth Secretariat/ World Bank Joint Task Force Report on small states;
- Welcomed the Secretariat's continuing work to assist small states to cope with their inherent vulnerability, build economic resilience and integrate into the changing global economy; and
- Urged the Secretariat to collaborate with development partners to convene a biennial conference of small states representatives to promote discussion and sharing of experience amongst small states.

**7.** Ministers strongly reaffirmed their commitment to achieving the Millennium Development Goals and discussed the appalling human cost of the current economic crisis in many low income countries. Despite the greater resilience provided in these countries through strengthened policy frameworks, many millions of Commonwealth citizens have fallen into poverty as a result of the crisis. In many other developing countries, the

crisis has worsened development indicators and increased future vulnerabilities. Ministers noted the substantial shortfall in financing facing developing countries as a result of the crisis. They urged donors to meet all their commitments to provide additional resources to developing countries. They repeated their call for early attention to be given to relieving the debt burden of poor countries excluded from the MDRI and HIPC processes and of other developing countries with unsustainable debts and urged the Secretariat to support this objective actively. They also agreed to give consideration to the needs of middle income countries with no or limited access to concessional finance.

**8.** Recognising that even after these measures financing would remain inadequate, Ministers emphasised the role the Commonwealth can play in promoting innovative international measures to meet the needs of developing countries in access to finance. They called for further development of measures to be considered by Commonwealth Heads of Government at their meeting in November 2009.

#### **International Financial Centres**

**9.** Ministers reviewed the role of International Financial Centres (IFCs) in the global financial system. They noted concerns about the operation of some of these centres. They also noted the important role hosting IFCs can play in many Commonwealth countries economic development, especially in small states. In this context they discussed recent initiatives, such as the G20 supported OECD listing. They agreed on the need for enhanced transparency of IFCs and cooperation between countries in the sharing of tax information in accordance with the internationally agreed standard on the exchange of information. Ministers stressed the need for continuing adherence to the agreed principle of consistency of treatment amongst countries. The Ministers took note of the concerns of a number of countries in ensuring a level playing field and reciprocity of benefit in pursuing these initiatives. They also noted the outcomes of the latest Global Forum Meeting, especially the commitment to integrating further developing countries into the Forum's work, including within the newly established Global Forum peer review process.

**10.** Ministers recognised the need to make progress in these areas based on consensus and for all parties to strive to complete Tax Information and Exchange Agreements and/or Double Taxation Agreements. Recognising the different capacities of, and constraints on, countries with IFCs to achieve these agreements, Ministers called for consideration of less resource

intensive means for negotiating and concluding these agreements to allow the targeted threshold of 12 information exchange agreements to be met quickly, including encouraging options for multilateral agreements. They urged the development of partnerships across the Commonwealth to support the exchange of experience in the negotiation of agreements to increase transparency in this area. They called on the Secretariat to take this forward and consider how to support members further with advocacy, technical assistance and research.

### **The Governance of Global Financial Sector Regulation**

**11.** Ministers noted the crisis highlighted the importance of effective and well designed systems of global financial sector regulation. They welcomed the reforms undertaken to strengthen the system of governance of global financial regulation through greater developing country participation. This should lead to better designed international rules more tailored to the needs of developing countries. Ministers recognised the need for continued reform to the system of international financial regulation. They stressed the need for future regulation to be comprehensive in scope and counter cyclical in effect. They also called for options to be drawn up within the relevant bodies for addressing continued developing country under-representation. They noted that greater accountability of the institutions and openness to stakeholders representative of all economic interests would strengthen these institutions. Ministers welcomed the contribution of the Commonwealth Business Council on this item.

**12.** To support developing countries in their efforts to engage fully with international financial regulation, Ministers supported the further development of the Commonwealth Secretariat's work on these issues. They noted developing member governments' needs for technical assistance to implement internationally agreed standards and support in analysing the impacts of the international system on their financial sectors. They urged the Secretariat to give particular consideration to developing linkages between Commonwealth regulators for the benefit of all members.

### **The Commonwealth and the International Financial Institutions**

**13.** Ministers recognised the important role international institutions play in supporting effective multilateralism. They reviewed the reforms which have taken place in the Bretton Woods Institutions over the past year. They reaffirmed that the principles of legitimacy, fair representation, responsiveness, flexibility, transparency and accountability and effectiveness should guide reform. They

welcomed the role played by the Bretton Woods Institutions in the response to the economic and financial crisis, especially the flexibility shown in the development of new instruments and facilities in both institutions. These instruments should provide support to all members. They stressed the importance of ensuring that the resources of both institutions as well as the Regional Development Banks are adequate to meet the needs of their members and emphasised that the steps needed to allow higher levels of concessional and non concessional lending should be implemented rapidly. They also emphasised that changes in policies needed to be consistently translated into greater flexibility for borrowing members.

**14.** Ministers called for further efforts to strengthen legitimacy and fair voice in both institutions. They noted the proposals to reform governance of the World Bank currently under discussion. They welcomed the prospect of significant governance reform in the IMF. To ensure legitimacy and fair representation in the Fund and the World Bank they stressed the importance of at least protecting the voting shares of both low income and developing country small states. They reiterated their call for Heads and for Senior Management positions in the Bretton Woods Institutions to be filled through an open, transparent and merit based process with no regard to nationality or gender. Ministers agreed that the Secretariat should examine ways in which the Commonwealth can be used to bring attention to the views of its members on reform issues in this area.

#### **Debt Sustainability**

**15.** Ministers recognised the increased challenge of maintaining debt sustainability in the face of the pressures created by the economic and financial crisis. They received the report of the Chair of the Commonwealth Ministerial Debt Sustainability Forum (CMDSF) <http://www.thecommonwealth.org/cmdsfcyprus2009> and welcomed steps taken to strengthen the effectiveness of the Forum. They noted the call by the CMDSF for more explicit consideration of vulnerability to exogenous shocks in the determination of the thresholds of the joint IMF/World Bank Debt Sustainability Framework and the call for all IDA-only countries to receive a greater proportion of grant financing in their IDA allocation. They noted that the crisis had also put debt sustainability at risk in a number of non CMDSF Commonwealth countries.

#### **Senior Officials Meeting**

**16.** Ministers received a report from Senior Officials. They endorsed the recommendations of Senior Officials on the future conduct of Secretariat

work on Aid and Aid Effectiveness; Gender Responsive Budgeting and Public Financial Management. In addition, they affirmed their commitment to the concerted effort required to meet the specific objectives of the Accra Agenda for Action on Aid Effectiveness. They also reiterated their continued commitment to the implementation of Gender Responsive Budgeting and looked forward to receiving a further report on progress in two years time. They also affirmed their commitment to conduct a further round of self assessments of public financial management in 2011.

**Next meeting**

**17.** To further strengthen participation and the efficiency of future annual Commonwealth Finance Ministers Meetings, Ministers reflected on the timing, duration and venue of these meetings. They agreed, subject to confirmation through further consultation, to hold one-day annual meetings, in the period 2010 to 2012, at the location of, and immediately prior to, the IMF and World Bank Annual Meetings.

**18.** Ministers thanked the Government of Cyprus for the excellent arrangements made for the meeting.



**181. Press Briefing by the Foreign Secretary Mrs. Nirupama Rao on Prime Minister Dr. Manmohan Singh's visit to Port of Spain for the CHOGM Summit.**

**New Delhi, November 20, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and a very warm welcome to the media interaction of Foreign Secretary. Good to see you in such large numbers.

Foreign Secretary is here to talk to you about the forthcoming visit of our Prime Minister to Washington and then to Port of Spain for the CHOGM Summit. After her opening remarks Foreign Secretary will be very happy to take a few questions. Let me also introduce a colleague, who is to Foreign Secretary's right, she is very well known, Mrs. Gaitri Kumar, who is our Joint Secretary for the Americas Division.

Madam, may I request you for your opening comments.

**(For Briefing on Prime Minister's visit to the United States please see Document No.613)**

**Foreign Secretary (Shrimati Nirupama Rao):** Thank you, Vishnu. Good afternoon.

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I will now speak of the Commonwealth Heads of Government Meeting at Port of Spain in Trinidad and Tobago.

The Commonwealth Heads of Government Meeting (CHOGM) is being held in Port of Spain, Trinidad and Tobago from 27th to 29th November, 2009. It will be preceded by the Pre-CHOGM Foreign Ministers Meeting from 25th to 26th November 2009.

Hon'ble Prime Minister will be leading the Indian Delegation to the CHOGM. He will attend the Summit on 27th and 28th November. External Affairs Minister will be heading the Indian Delegation to the Pre-CHOGM Foreign Ministers meeting. He will represent Prime Minister at the Summit on the last day, that is 29th November, 2009.

The CHOGM Summit takes place in Executive Sessions and in Retreats where Heads of States and Governments interact informally with their counterparts. The theme of this year's summit is "Partnering for a more Equitable and Sustainable Future". Other than discussions on this theme, the Heads of Governments will review global developments including the political and economic situation. Two major issues of discussion will be youth issues and climate change.



The host country Trinidad and Tobago has circulated a Concept Paper entitled "Partnering for a more Equitable and Sustainable Future". The Paper urges Commonwealth members to forge partnerships for a more sustainable future. India fully supports sustainable development and understands the concerns of Small Island States regarding global warming. However, we believe that the historical responsibility of the current situation has to be addressed under the principle of Common but Differentiated Responsibilities.

A number of Commonwealth-affiliated organizations such as the Commonwealth Business Forum, Commonwealth Youth Forum will also hold their meetings in Port of Spain during this period. Their reports on their activities will be presented at the CHOGM.

At the end of the CHOGM Summit, Heads of Governments will issue a Joint Communiqué laying down the position of the Commonwealth on major international issues. It is anticipated that a separate statement on climate change will also be issued. This would highlight the common concerns of the Commonwealth member states.

The Commonwealth Business Forum will meet in Port of Spain from 23rd to 26th November, 2009. A high-level Indian Business Delegation organized by CII is expected to participate in the Business Forum.

In the 60 years since its foundation, the Commonwealth has come a long way from an initial association of six former colonies of Great Britain and Canada to an organization where non-British colonial countries are today expressing interest in its membership. Today the Commonwealth has grown to a membership of 53 nations and still has the potential to grow.

The Commonwealth has emerged in past years as an active organization with strengthened capacity to deal with economic, social, environmental and governance issues. It is doing important work in the areas of human rights advocacy, gender equality and education. It has progressively gained a greater say in the multilateral world because of its innate strength in social, economic and governance issues, particularly in executing programmes. As an organization, we believe, it has the potential to play an even greater role in relation to contemporary challenges facing the world.

Within the Commonwealth India has played a leadership role. We are the fourth largest contributor to Commonwealth budgets. India provides the largest number of technical experts funded by the Commonwealth Fund for Technical Cooperation (CFTC) extending assistance to developing Commonwealth countries, after the UK. We have consistently and significantly contributed to various Commonwealth activities and have stepped up our engagement in recent times.

We have increased our contribution to the CFTC to reach £ 1 million in 2009-10. We are contributing Euro 1 million to the Commonwealth Connects Programme, the Commonwealth Action Programme for Digital Divide. India

is a member of key Commonwealth bodies on IT, education, and counter-terrorism. Among other areas, India has offered 50 to 75 ITEC slots in various training courses for participants from Commonwealth countries in addition to the sizeable number of slots given to them bilaterally.

We would like to encourage the Commonwealth to tackle or pronounce itself on a larger number of contemporary challenges, for example the reform of inter-governmental bodies like the United Nations, strengthening cooperation in combating terrorism in a more cogent manner and development related matters. On the global economic situation, we stress that reform of the international governance architecture needs full support of all member states of the Commonwealth so that sustainable development is achieved.

India has a natural partnership with the Commonwealth. It is a community of English-speaking countries. It is an association which puts a premium on democracy and good governance where India has so much to share with others. It provides a platform to interact and build consensus with a very diverse group of countries including G8 countries like the UK and Canada, developing countries, as well as Small States who form bulk of its membership. There are 32 Small States in the Commonwealth. There is appreciation among these States for India as the largest and a vibrant democracy, for the high-tech advancement and economic progress India has achieved in the past decade and a half. India has a growing profile of development cooperation with these states. Many of the Commonwealth countries also have sizeable Indian populations.

Though the United Nations remains the principal forum for multilateral action, the Commonwealth is eminently placed to address many issues through its unique style of functioning which is based on consensus-building, informality and goodwill. The informal ways in which dialogue is conducted and decisions arrived at in the Commonwealth bodies provide a very good basis for addressing common concerns.

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**182. Statement by the Prime Minister Dr. Manmohan Singh on his departure to USA and Trinidad & Tobago.**

**New Delhi, November 21, 2009.**

Please see Document No.614.



**183. Address by External Affairs Minister S. M. Krishna at the Commonwealth Business Forum.**

**Port of Spain, November 26, 2009.**

**Mr. Chairman,**

**Distinguished participants,**

**Excellencies,**

**Ladies and Gentlemen,**

I am delighted and honoured to have this opportunity to address this meeting of the Commonwealth Business Forum focusing on "Trading for a More Equitable and Sustainable Future".

The Commonwealth Business Council is doing a commendable job of bringing together the private sector and governments, in order to foster a conducive environment for business and investments in the Commonwealth and beyond. It provides valuable inputs to the CHOGM deliberations, both at the policy level and in finding practical ways to enhance trade and investment. I am also happy to note that it is working closely with Indian institutions, to find ways and means to tap the emerging business opportunities in India.

**Distinguished participants, Ladies and Gentlemen,**

The theme of this Session is apt, particularly in the context of global economic and financial crisis. Today, international trade is key to promoting long term sustainable, global economic growth. The world has come a long way from the mercantilist thinking of 16th-18th centuries. It is now widely accepted that international trade is not a zero-sum game and the benefits of trade accrue to all partners in the game - albeit in varying degrees. The challenge today is to find ways to ensure equitable distribution of these fruits.

Furthermore, almost all the major challenges the world faces today are trans-national in nature. Be it the financial crisis, food and energy shortages, terrorism, drug-trafficking, pandemics or climate change, the situation in one part of the world deeply affects another. We can face these challenges successfully only if we cooperate closely, and ensure sustainable and fair development for everyone, thereby reducing disparities of income and wealth. Development should also respect pluralism and diversity.

Let me briefly touch upon the global financial crisis in particular. It is now well known that developing countries were in no way responsible for it, but

in many ways, they are the hardest hit. About 90 million people in the developing world are likely to be pushed below the poverty line due to the erosion of the gains made under their poverty eradication programmes over nearly a decade. Lower revenues will result in lower spend on rural infrastructure, health and education, hampering future growth. Also, the global economic downturn has caused a very substantial loss of export demand, particularly for non-oil developing countries. Their exports will remain well below the trajectory earlier projected for several years.

#### **Distinguished guests, Ladies and gentlemen,**

The past quarter century has witnessed an unprecedented level of activity on trade liberalization. In many respects, this most recent phase of global economic integration stands out when compared with any other in human history. It is for the first time that more than 180 nation states have engaged in the multilateral economic process. The WTO has provided an invaluable institutional forum for countries to find ways of expanding trade and investment. The WTO efforts have also been supplemented by bilateral and/or regional free trade agreements (FTAs). In recent years, the FTAs have increasingly taken the form of comprehensive economic partnership agreements (CEPAs) that cover not only goods, but also services and investment.

Notwithstanding the above, trade liberalization efforts seem to have been set within fundamentally narrow limits. Sufficient efforts have not been made to ensure "inclusive" outcomes. WTO's laudable objectives - raising living standards, full employment and sustainable development - remain unrealized. Negotiations under the Doha Round - called the "Doha Development Agenda" - have not come to fruition more than eight years after its launch, primarily due to lack of commitment. There is a lack of agreement on issues that would help make the multilateral trading system more "development" friendly. The G-20 leaders have, in unison, emphasised the need early conclusion of the Doha Round, a step that would not only go a long way towards re-balancing the global trading regime, but would also reinforce the need to keep markets open.

I am happy to note that the WTO Ministerial in New Delhi in September this year succeeded in reviving momentum for the Doha Round negotiations. The Delhi Ministerial meeting brought together a wide spectrum of interests and positions, with the objective of developing a broad-based consensus and providing clear directions to negotiators to re-energise the process. There was a unanimous affirmation on the need to conclude the Doha Round in 2010. On their part, India and other developing countries are making significant contribution to the Round. Other members, especially the developed countries, must show the same degree of flexibility so that

the Doha Round reaches a successful conclusion. India is ready to engage with all WTO Members to complete the modalities and address any outstanding issues.

**Distinguished guests, Ladies and gentlemen,**

**Let me now outline some of our specific concerns.**

First, easy access to trade finance at reasonable rates is an important lubricant for trade. Increase in the cost of trade finance impacts the emerging and poorer economies proportionately more than the developed ones. Appropriate monetary and risk mitigating policies need to be designed to tackle these challenges.

Second, the assistance provided to developing countries, particularly LDCs, for strengthening their trade-related capacities, i.e., 'Aid-for-Trade', should help these countries build supply-side capacity and trade-related infrastructure, in order to implement and benefit from WTO agreements. The principles enshrined in the 2005 Paris Declaration on Aid Effectiveness should be rigorously implemented. It should be kept in mind that the process of building internationally competitive economies takes time and is highly country specific.

Lastly, protectionism is a major barrier. The history of economic development has shown that the erection of trade barriers diminishes economic growth and creates instability. Shrinking demand in export markets makes it all the more important that the market access of developing countries is not further constrained by protectionism. We also need to be cautious about new protectionist measures that impact on trade prospects, either in the name of protecting jobs or introducing environmental standards.

I would like to point out here that equitable access to natural resources is seriously hampered by unsustainable patterns of production and consumption in the developed world. Developed countries must shoulder the main responsibility for preventing and reversing environmental degradation. It is equally important to provide access to developing countries to environmentally sound technologies on preferential terms and to support capacity building for inducting these technologies. Environmental protection cannot be isolated from the general issues of development.

**Distinguished guests, Ladies and gentlemen,**

Let me now touch upon some aspects of the role that the Commonwealth can play in promoting more equitable and sustainable growth. The Commonwealth currently generates an annual intra-Commonwealth trade

turnover of about US\$ 225 billion, of which India's share alone accounts for about US\$ 80 billion. Like many of its Commonwealth partners, India too has benefitted immensely from opening up of world trade. For some of the smaller Commonwealth countries, bulk (70%) of their global trade is with other Commonwealth countries.

In order to sustain growth, developing countries have to overcome a set of challenges, that are thrown up in the wake of economic development. One such challenge is capacity building. India and Indian industry can set up such capacity building centres in needy Commonwealth countries. There is need to invest in skills and it is here that industry can play a major role. For instance, Indian industry is running successful skill development programmes in the African region. Another challenge before the developing countries is 'climate change'. India's national action plan on climate change accords over-riding priority to maintaining high growth rates for raising living standards while also yielding co-benefits for climate change. Developing countries including India can benefit from technology transfer in this area from the developed Commonwealth countries.

In conclusion, let me emphasize that the Commonwealth governments and businesses should work closer together to ensure positive outcomes of international inter-governmental mechanisms on pressing issues of the day including climate change, food and energy security and pandemics. Let us resolve to make full use of the Commonwealth mechanisms in order to address these issues frontally and comprehensively, which would help sustain equitable and inclusive development.

Thank you.



**184. Intervention by Prime Minister Dr. Manmohan Singh on Climate Change at CHOGM.**

**Port of Spain, November 27, 2009.**

Please see Document No.111



**185. Intervention by Prime Minister Dr. Manmohan Singh on India's Commonwealth Initiatives.**

**Port of Spain, November 28, 2009.**

Our Summit in Port of Spain coincides with the 60th anniversary of the Commonwealth.

India, as a founder member of the Commonwealth, is celebrating the 60th anniversary through a number of initiatives. We have issued commemorative coins and released first day covers and stamps to mark the occasion as an expression of our support for the values enshrined in the Commonwealth.

On this occasion, I am pleased to announce the following initiatives:

- Organising a fully financed Diplomatic Training Module in our Foreign Service Institute which will begin in 2010. I encourage Commonwealth members to avail of this opportunity to train their young diplomats in the Institute.
- India will underwrite the cost of the first phase of the Commonwealth Partnership Platform Portal (CP3) and will support this programme as it develops.
- As host to the Commonwealth 2010 Games, India will fund a post of Sports Adviser in the Commonwealth Secretariat.
- India has long believed that stronger South-South cooperation is essential for the transformation of our societies through skill enhancement and sharing of knowledge. India would earmark 250 slots under its International Technical and Economic Cooperation (ITEC) Programme specifically for Commonwealth countries.
- India's support to the Commonwealth small states is well known and long standing. India has been contributing \$100,000 annually towards a Commonwealth tranche for a Small State Office in New York. In response to the Secretary-General's request, I am pleased to announce that India will contribute \$80,000 per annum for a similar Small State Office in Geneva.
- The Commonwealth Media Development Fund has been a success story. It gives me great pleasure to announce that India will double its contribution to the Fund and will now contribute 120,000 US dollars, spread over a period of two years.

- We will support the Commonwealth Secretary General's initiative to convene a body of National Elections Commissions to share experiences and learn lessons from each other.

I thank you, Mr. Chairman.



**186. Declaration on Climate Change issued by the Heads of Government of the Commonwealth countries at their Summit meeting.**

**Port of Spain, November 28, 2009.**

Please see Document No.112





## **187. Declaration for partnering for a more Equitable and Sustainable Future.**

**Port of Spain, November 29, 2009.**

We, the Heads of Government of the Commonwealth, meeting in Port of Spain, Trinidad and Tobago, from November 27 to 29, 2009, affirm the key role of partnerships in forging a more sustainable and equitable future for all people.

Our meeting takes place at a time when the world faces an unprecedented combination of social, economic and environmental challenges. These include a profound and debilitating global economic and financial crisis, volatility in key commodity prices, and the alarming impacts of climate change, which threaten the safety and livelihoods of millions. We also note with grave concern that many of the world's poorest communities are most vulnerable to these challenges.

We recognise that challenges of this magnitude cannot be resolved by any one country alone and that effectively addressing them will require international cooperation, sustained commitment and collective action. This calls for the strengthening of multilateral cooperation, based on mutual respect, openness and partnership. We therefore commit ourselves to deepening the Commonwealth's existing networks of cooperation and call for a fresh impetus to foster new and more effective political and economic partnerships. We will also capitalise on the Commonwealth's unique abilities to advocate for partnerships with other members of the international community and to promote, within each country, partnerships among the different levels of government, civil society, youth and the private sector.

This renewed emphasis on Commonwealth partnerships and collaboration should focus on areas which offer clear practical opportunities to improve lives, build more resilient communities and strengthen the bonds and ties between nations.

### **Protecting the poorest and most vulnerable**

At our meeting in Kampala in 2007, we recognised that the MDGs are designed to achieve the most fundamental transformation of humanity, including in the areas of poverty reduction, health, education and gender equality. While significant progress is being made in many countries, we remain deeply concerned that many Commonwealth countries are falling behind the MDG targets.

Noting that the global economic and financial crisis has profoundly affected both developed and developing countries and that the process of recovery is still slow and uncertain in many countries, we will collaborate to find ways to provide immediate help to the poorest and most vulnerable, and to develop responses to protect the people that are most at risk, particularly those in poor developing countries

We therefore commit ourselves to the strengthening and creation of partnerships and networks to increase development effectiveness, emphasising high-impact initiatives with clearly measurable outcomes. To this end we pledge to take measures to improve the quality of the data used to inform policies in key areas such as health, poverty and education, strengthen the linkages between research and policy making, and mainstream issues of gender and gender equality into policies and programmes. We will share our ideas and best practices, and deliver practical support through Commonwealth networks, including a new Commonwealth Partnership Platform Portal. We urge a stronger role for the Commonwealth Secretariat in assisting the developing country members to access and utilise the resources available to cope with the economic crisis. We will also strive to implement the recommendations of the High Level report on Democracy and Pro-Poor Growth as well as those of the Report of the Commission on Growth and Development.

### **Debt**

At our meeting in Kampala in 2007 we expressed concern that many countries were still weighed down by large and unsustainable debt burdens, and we reiterated the need to address the debt problems of middle-income countries, given the increasing share of government revenue taken by debt servicing and the implications for social spending.

In this regard, we commend the World Bank Debt Management initiative, which was developed in partnership with the Commonwealth Secretariat, and which was designed to help the governments of low-income and highly indebted middle-income countries to manage their national debts. We call on the international financial institutions to provide new and enhanced funding windows for concessionary financing for middle-income countries with serious debt burdens.

In keeping with the calls made by Finance Ministers at the Commonwealth Ministerial Debt Sustainability Forum, we also call on donor countries to honour their bilateral commitments with respect to the promised aid levels and cancellation of debt.

**Economic governance**

We will restore business confidence, the basis for investment and growth, by promoting the implementation of sound macro-economic policies, including open, competitive markets with efficient and transparent regulation, good governance and prudent and accountable management of public and private funds.

We also give our full support to the process of reform of international financial institutions and call for the urgent and comprehensive implementation of reform that responds to the needs of all countries. We should also seek to create mechanisms within established institutions that can assist small and vulnerable states.

**Science, Technology and Innovation**

We recognise that many Commonwealth countries already collaborate in innovation, particularly in key areas such as information and communication technologies. We believe that there must now be a far stronger emphasis on science, technology and innovation (STI) as key drivers of the type of economic transformation, employment generation and growth that will be required to emerge from the present economic crisis, attain our development objectives and realise our collective vision of sustainable development.

We therefore commit to promote increased investment in STI, as well as the rapid dissemination of technologies and ideas. In this regard, we request the Commonwealth Secretariat to identify, in collaboration with the Commonwealth Business Council, mechanisms for financing research to advance the development and adoption of new technologies and to assist member states to access the environmental development funds managed by the World Bank and the United Nations.

In addition, we will encourage new public-private sector partnerships, foster the expansion of the small and medium size enterprise (SME) sector, and promote new knowledge-based and creative industries.

**Strengthening synergy and coordination**

As we seek to strengthen the CHOGM process, we recognise that a more coordinated, integrated and coherent approach to implementation of the decisions reached at Meetings of Heads of Government is needed, alongside strategies to ensure the sustainability of collective Commonwealth planning and action.

We will therefore take all necessary steps to increase coordination among Commonwealth institutions, and to ensure that Commonwealth Ministerial meetings are more integrated with the CHOGM process. We will also strongly encourage cooperation and coordination among Commonwealth institutions, international financial institutions, regional development banks and other international bodies.

### **The global role of the Commonwealth**

The Commonwealth is a platform for its membership to communicate, share ideas and coordinate action across large geographical and cultural distances. It can therefore generate and sustain effective international action on global challenges. As a result of its diversity and representativeness, the Commonwealth can strengthen old partnerships and forge new ones in order play a leadership role in the international arena for the promotion of a more equitable and sustainable future for all, and particularly to work as an advocate for small and vulnerable states. Together, we pledge to act as a catalyst for positive change in the international community in these challenging times.

Port of Spain

29 November 2009



**188. Communique issued at the conclusion of the Summit meeting of the Heads of Government of the Commonwealth Countries.**

**Port of Spain, November 29, 2009.**

1. Commonwealth Heads of Government met in Trinidad and Tobago from 27 to 29 November 2009. Of the 49 countries that attended the Meeting, 34 were represented by their Heads of State or Government.
2. The Opening Ceremony of the Meeting included an address by Her Majesty Queen Elizabeth II, Head of the Commonwealth.
3. Heads of Government conveyed their sincere appreciation to the Government and people of Trinidad and Tobago for the warm hospitality extended to them and the excellent arrangements made for the Meeting. They also congratulated Prime Minister Manning for his able stewardship of the Meeting.

**Fundamental Values and Principles: The Modern Commonwealth**

4. In the 60th anniversary of the Modern Commonwealth, Heads of Government adopted the Trinidad and Tobago Affirmation on Commonwealth Values and Principles.

**Membership - Rwanda**

5. Heads of Government considered the application of the Republic of Rwanda for membership of the Commonwealth, in accordance with the criteria and procedures agreed at their last meeting in 2007. They warmly welcomed Rwanda into the Commonwealth family as its 54th member.

**Commonwealth Ministerial Action Group (CMAG)**

6. Heads of Government endorsed the Report of the Commonwealth Ministerial Action Group (CMAG), covering the Group's deliberations in the period since Heads' last meeting in Kampala in November 2007. They commended CMAG's work, which has contributed significantly to the protection and promotion of the Commonwealth's fundamental political values in member countries.
7. Heads of Government welcomed the reinstatement of Pakistan in the Councils of the Commonwealth following the conduct of credible elections in the country in February 2008 and the assumption of office by an elected, civilian government in April 2008.

8. Heads expressed deep concern at the further deterioration of the situation in Fiji Islands with regard to its adherence to fundamental Commonwealth values, including the abrogation of the Constitution in April 2009, ongoing restrictions on human rights including freedom of speech and assembly, and the Interim Government's decision to further delay elections until 2014. They noted that these actions had led to the full suspension of Fiji from the Commonwealth on 1 September 2009.

9. Heads fully endorsed CMAG's call for the Interim Government of Fiji to commit itself to a credible, inclusive and time-bound political dialogue towards the restoration of constitutional civilian democracy without further delay, and for the protection of fundamental human rights, including the immediate rescission of the Public Emergency Regulation. They reaffirmed their willingness to remain engaged with Fiji in support of any good faith efforts toward this end, in accordance with fundamental Commonwealth principles.

10. Heads noted the decision by the Commonwealth Games Federation to exclude Fiji from participation in the 2010 Commonwealth Games in New Delhi, as a consequence of Fiji's suspension from Commonwealth membership. In this context, Heads observed that Commonwealth sporting events represent a significant public demonstration of the unity of the Commonwealth as a family of members with a shared commitment to fundamental values. They affirmed that sporting ties under the Commonwealth name are inseparable from the values of the association, and endorsed the position consistently taken by CMAG that those countries under full suspension from the Commonwealth should, *inter alia*, be ineligible to participate in Commonwealth sporting events.

11. Heads of Government agreed that consideration be given to strengthening the role of CMAG, in order to enable the Group to deal with the full range of serious or persistent violations of the Harare Principles. They also noted the decision of CMAG to constitute a working group of its own member states to look into how its work may be further refined and elaborated to make it more effective, in consultation with other member states, and make proposals on this matter to the wider membership. They agreed that this examination should be confined to matters within CMAG's existing mandate and that any proposals for going beyond that mandate should be referred to Heads.

12. Heads reconstituted the membership of CMAG for the next biennium as follows: Australia, Bangladesh, Ghana, Jamaica, Maldives, Namibia, New Zealand, Vanuatu and Trinidad and Tobago (as Chair-in-Office.)

**Belize**

13. Heads of Government noted recent developments in the ongoing efforts of Belize to seek a just, peaceful and definitive resolution to Guatemala's territorial claims. They welcomed the signing of the Special Agreement between Belize and Guatemala on 8 December 2008, which provides for submission of the case to the International Court of Justice (ICJ) upon approval by the citizens of both countries in simultaneous referenda. Heads expressed a high level of confidence that the dispute could be resolved through the judicial procedure of the ICJ, and urged the support and financial assistance of the international community for this process.

14. Heads further expressed satisfaction with the ongoing Confidence Building Measures supported by the Organization of American States, which had contributed immensely to stability in the adjacent border areas of Belize and Guatemala. Heads reiterated their firm support for the territorial integrity, security and sovereignty of Belize and mandated the Secretary-General to continue to convene the Commonwealth Ministerial Committee on Belize whenever necessary.

**Cyprus**

15. Reaffirming their previous Communiqués on Cyprus, Heads of Government expressed their support for the sovereignty, independence, territorial integrity and unity of the Republic of Cyprus. They expressed their support for a lasting, just and functional settlement based on the principles of the United Nations Charter, the relevant UN Security Council Resolutions and the principles of the Commonwealth.

16. Heads of Government called for the implementation of UN Security Council Resolutions on Cyprus, in particular Security Council Resolutions 365 (1974), 541 (1983), 550 (1984), 1250 (1999) and all subsequent resolutions. They reiterated their support for the respect for the human rights of all Cypriots, including the right to property, for the implementation of the relevant decisions of the European Court of Human Rights and of the European Court of Justice, and for the accounting for all missing persons.

17. Heads of Government further agreed on the importance of supporting the efforts of the two leaders under the UN Secretary General's Good Offices Mission to bring about a comprehensive settlement of the Cyprus problem in line with the relevant UN Security Council Resolutions. They welcomed the ongoing Cypriot-owned process of the fully fledged negotiations initiated

in September 2008, aimed at reaching an agreed solution on the basis of a bizonal, bicomunal federation with a single sovereignty, single international personality, single citizenship and political equality as described in the relevant UN Security Council Resolutions.

### **Guyana**

18. Heads of Government received an update on Guyana-Venezuela relations, and welcomed the efforts being made by both States to develop their bilateral relations in spite of the controversy that emerged from the Venezuelan contention that the Arbitral Award of 1899, that established the boundary between Guyana and Venezuela, is null and void.

19. Heads noted that the two countries had jointly proposed a candidate to the United Nations Secretary-General to be appointed as his Special Representative, to assist him as Good Officer in the search for a means of settlement of the controversy. They underscored the importance of this appointment to the resuscitation of the good offices process of the UN Secretary-General.

20. Heads expressed satisfaction with the role being played by the Commonwealth Ministerial Group on Guyana, which was established in 1999 to monitor developments in respect of the controversy. Heads agreed that the Ministerial Group should continue its work, and mandated the Secretary-General to convene meetings of the Group whenever necessary. Heads of Government reaffirmed their unequivocal support for the maintenance of Guyana's territorial integrity and sovereignty.

### **Zimbabwe**

21. Heads of Government welcomed the Global Political Agreement on power-sharing in Zimbabwe, and expressed the hope that this would be implemented faithfully and effectively. They looked forward to the conditions being created for the return of Zimbabwe to the Commonwealth.

### **Disarmament and Arms Control**

22. Heads of Government once again acknowledged the threats posed by weapons of mass destruction, especially nuclear weapons, and reaffirmed their commitment towards ridding the world of these weapons. Recognising that the ultimate objective is general and complete disarmament under strict and effective international control, Heads reaffirmed their commitment to the non-proliferation of weapons of mass destruction, which should be achieved in accordance with the United Nations



Charter. Heads noted that the May 2010 Review Conference of Parties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) provides states that are parties to the NPT with the opportunity to renew their commitment to strengthen the non-proliferation regime. Heads reaffirmed the rights of states to nuclear energy for peaceful uses in conformity with their international obligations.

23. Heads noted the ongoing efforts towards the negotiation of a comprehensive Arms Trade Treaty (ATT) in respect of conventional

Weapons and the proposed ATT conference to be held in 2012. They called for the finalisation of a robust and comprehensive ATT based on consensus.

24. Heads recognised the danger posed to civilians by the indiscriminate use of cluster munitions and noted the significant contribution made by concerned states and civil society to addressing the humanitarian impact of these munitions.

#### **Small Arms and Light Weapons**

25. Heads of Government expressed their deep concern over the illicit manufacture, illegal trade and uncontrolled availability of small arms and light weapons, including man-portable air defence systems and their ammunition. They also acknowledged the resultant threat posed to peace, security, stability and development, and emphasised the importance of continued assistance to member states in this area. They reaffirmed their support for the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects. Heads furthermore called for concerted efforts at the national, regional and international levels to prevent, combat and eradicate the illicit manufacture, transfer and circulation of such weapons.

#### **Terrorism**

26. Heads of Government reaffirmed their unequivocal condemnation of terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purposes, as criminal and unjustifiable. They recognised that terrorism threatens the territorial integrity and security of states, and continues to present a serious challenge to international peace and security. They reiterated that acts of terrorism cannot be justified or legitimised by any cause or grievance whatsoever.

27. Heads stressed the continuing need for comprehensive efforts at all national and international levels to counter terrorism, including efforts to

build respect and understanding among peoples. They urged member states to exchange information, including financial information on the movement of terrorist funds, and cooperate more effectively in the prevention, investigation and prosecution of terrorist acts through existing or new regional mechanisms, as appropriate.

28. Heads emphasised the need to conclude negotiations on a Comprehensive Convention on International Terrorism on a priority basis, preferably during the Sixty-Fourth Session of the UN General Assembly.

29. Heads called upon all member states to accede to the UN Counter-Terrorism Conventions and Protocols, and to effectively implement these as well as the UN Global Counter-Terrorism Strategy and relevant Security Council Resolutions, and to prevent the use of their territories for the support, incitement or commission of terrorist acts in other states. They particularly stressed the need for member states to implement the necessary legal framework for the suppression of terrorist financing, taking into account the provisions of the International Convention for the Suppression of Financing of Terrorism (1999) and Security Council Resolution 1373 (2001), with a view to interdicting the direct and indirect flow of funds to terrorist groups, including through charitable organisations.

30. Heads welcomed the convening, in September 2009, of a Ministerial Meeting on Terrorism, which endorsed the updated Commonwealth Plan of Action on Terrorism and sought to identify new areas of cooperation among member states to meet new challenges posed by terrorism. They expressed the hope that continued implementation of the Plan would facilitate an even more effective Commonwealth contribution to the UN-led global effort on counter-terrorism.

### **Combating Piracy**

31. Heads of Government expressed their deep concern over the threat posed by piracy and armed robbery against ships. In this context, they noted the work of the International Maritime Organisation in facilitating the Djibouti Code of Conduct concerning the Repression of Piracy and Armed Robbery against Ships in the Western Indian Ocean and the Gulf of Aden. Heads commended the work of the Contact Group on Piracy off the Coast of Somalia (CGPCS) and urged the Group to carry forward its work in coordinating efforts to combat piracy. They encouraged member states to continue to cooperate to the fullest possible extent, and in a manner consistent with international law, in the combating of piracy and armed robbery against ships.

### **Combating Corruption and the Tracing and Recovery of Assets of Illicit Origin**

32. Recognising that corruption in its various forms undermines good governance, public security, respect for human rights and economic development, Heads of Government urged member states which had not already done so to consider becoming parties to the UN Convention against Corruption (UNCAC), and to implement its provisions, including those addressing asset recovery, to help them combat systemic corruption at both national and international levels.

33. Heads acknowledged the ongoing activities of the Secretariat to build institutional capacity and awareness in member states so as to assist them with implementation and enforcement of UNCAC. They also encouraged member states to consider implementing the recommendations of the 2005 Commonwealth Expert Working Group on the Recovery and Repatriation of Assets of Illicit Origin.

### **Migration**

34. Heads of Government acknowledged that migration has historically contributed to the development and the flourishing of the human prospect. They expressed concern about protection gaps in countries of origin, transit and destination, and called for the strengthening of existing global mechanisms to effectively address the protection of migrants. In this context, they also affirmed the importance of enhanced cooperation among states, and other relevant actors, in managing mixed migratory flows and addressing protection needs.

### **Human Trafficking and People Smuggling**

35. Heads, in noting the 2009 UN Global Report on Trafficking in Persons, reaffirmed their condemnation of the increasing levels of human trafficking, including trafficking for sexual and other forms of exploitation, which debases and deprives people of their human rights and dignity. They called for concerted efforts to deal with this challenge.

36. Heads again urged member states to put in place the necessary legal and administrative framework to prevent human trafficking, protect and support victims of such trafficking and prosecute the traffickers. They also affirmed the principle of solidarity and burden-sharing with regard to identification, assistance and protection of victims of trafficking.

37. Heads of Government affirmed their strongest support for combating people smuggling. Heads acknowledged that people smuggling, like all

forms of transnational crime, continues to present a threat to the integrity of regional border security processes and procedures, and undermines the ability of states to manage migration. They also expressed their concern that transnational criminal organisations continue to profit from people smuggling, with disregard for the safety or human rights of those being smuggled.

38. Heads urged member states to increase efforts to combat people smuggling, including by enhancing regional cooperation, building capacity, and implementing national legislation to criminalise this activity. They acknowledged the important role of regional consultative processes in addressing the challenge of people smuggling.

39. Heads urged member states to comply with all obligations arising under international law and to consider becoming parties to the UN Convention against Transnational Organised Crime and the Protocols thereto, in particular the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, and the Protocol Against the Smuggling of Migrants by Land, Sea and Air.

### **Human Rights**

40. Heads of Government urged all member states to consider acceding to and implementing all major international human rights instruments, especially the twin 1966 Covenants (the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) which, along with the Universal Declaration of Human Rights, form the International Bill of Human Rights.

41. On the occasion of the 30th anniversary of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), Heads called for the enactment and domestic implementation of CEDAW. Heads expressed their commitment to eliminating violence against women. They also welcomed the adoption of UN Security Council Resolution 1888 on sexual violence in armed conflict, and Resolutions 1325 and 1889 on women and peace and security. Heads stressed the need for improved women's participation, leadership and representation in decision-making at all levels, including in peace processes, conflict prevention and resolution, and in post-conflict peacebuilding.

42. Heads recalled that 2009 marked the 20th anniversary of the Convention on the Rights of the Child, which has been ratified by all Commonwealth member states. They reaffirmed their commitment to uphold

the rights of children and encouraged all member states to accede to the Optional Protocols to the Convention on the Rights of the Child.

43. Heads called for the implementation of the Convention on the Elimination of All Forms of Racial Discrimination (CERD). They noted with satisfaction the recent increase in ratifications by member states of a range of international instruments, including the Convention on the Rights of Persons with Disabilities. They also noted the adoption by the UN General Assembly of the Declaration on the Rights of Indigenous Peoples.

44. Heads recognised the work of the Secretariat in advancing and mainstreaming human rights in the Commonwealth and its support for the work of national and regional mechanisms in protecting and promoting human rights, in particular its intensive engagement with small states. They reaffirmed their support for the initiatives by the Secretariat to assist member countries, at their request, to improve their adherence to international and regional human rights instruments and in the processes of the Universal Periodic Review mechanism of the UN Human Rights Council. Heads further acknowledged the Secretariat's programmes to promote human rights education and awareness through training programmes for targeted groups such as police, other uniformed services, magistrates and government officers.

45. Recognising and underlining the centrality of human rights to the fundamental values of the Commonwealth, Heads called for greater cooperation among national human rights institutions in order to enable these institutions to promote human rights more effectively.

#### **World Economic Situation**

46. Heads of Government acknowledged the ongoing turbulence in the global economy that has resulted, inter alia, in a global economic recession, contraction in global trade and reduced levels of foreign direct investment. They recognised the devastating impact that this has had across the Commonwealth, with economic growth in nearly all Commonwealth countries below potential levels. Heads noted that for many Commonwealth citizens living standards have declined, and progress towards achieving the Millennium Development Goals in the developing countries, especially Least Developed Countries (LDCs) and Small Island Developing States (SIDS), has been reversed. In that context, Heads welcomed the Framework for Strong, Sustainable and Balanced Growth agreed at the G-20 Pittsburgh Summit in September 2009. They supported the G-20's call for advice on

promoting development and poverty reduction as part of the rebalancing of global growth and committed to working closely with international institutions, including the World Bank, to that end.

47. Heads expressed their support for the commitment to avoid protectionism, and to strengthen financial supervision and regulation. They emphasised the importance of renewing the contract between financial institutions and the society they serve, and the need to ensure the sector bears the full cost of the risk associated with their activities. They also welcomed commitments to accelerate IMF voice and governance reform, to review the capital needs of the multilateral development banks by mid-2010, and to adopt a more appropriate and dynamic formula to determine shareholder and voting power realignments at the World Bank and the IMF. They encouraged the IMF to consider the full range of options in their review.

48. Heads welcomed the steps taken by many countries to mitigate the impact of the economic crisis, and the fragile signs of growth in the global economy. They expressed concern however, that the social and economic impact of the crisis would continue to affect a vast majority of the developing countries, particularly the smallest and most economically vulnerable members of the Commonwealth, including LDCs and SIDS.

49. Heads nevertheless recognised that members in many regions including in Africa, had demonstrated encouraging and significant resilience, reflecting the presence of stronger macroeconomic and other policy frameworks. To further strengthen resilience, they urged enhanced international and national efforts to support electrification and other infrastructure development.

50. Heads also highlighted the fact that measures need to be taken to address the plight of many middle-income countries which are highly susceptible to external shocks but do not have access to concessionary loans and grants. Heads therefore welcomed the Commonwealth Secretariat's work to address the economic challenges facing these economically vulnerable member states, and urged that urgent measures be taken to provide support for them, especially in accessing adequate financing. They also welcomed the UN's Global Impact and Vulnerability Alert System (GIVAS), which highlighted that the global economic crisis is only now starting to affect hundreds of millions of people around the globe; that the near poor, who have just climbed out of poverty, are sliding back into it; and that, with pressure on social sector budgets, existing social protection programmes may prove insufficient.

51. Heads recognised the negative impact of the current economic crisis on families and communities everywhere. They expressed concern at the often disproportionate impact on women, noting that more women are in paid work than ever before, making an essential contribution to family income. However, it is often women that are the first to lose their jobs, especially since many are considered to be secondary earners. Heads believed that enabling girls and women to develop and use their skills, and realise their full potential, both during this economic crisis and in its aftermath, is of critical importance. They therefore stressed that, where women and girls are disproportionately impacted by the crisis, their needs should be specifically addressed in any measures to address the economic crisis and support families.

52. Heads stressed the importance of ensuring an holistic and comprehensive approach to the global economic recovery process and highlighted the need for increased economic and social policy cooperation to support stable, sustainable and inclusive global economic growth and poverty reduction in Commonwealth countries. They noted that a number of long term economic challenges, including food and energy security, climate change and urbanisation, require urgent, enhanced and additional international cooperation. They stressed the importance of action to tackle these challenges at the national and regional levels, and particularly through strong and inclusive multilateral processes.

53. Heads recognised the need for accelerated progress to meet the Millennium Development Goals (MDGs) by 2015 and called for 2010 to represent a breakthrough on progress. They welcomed the UN summit on the MDGs in 2010 as a critical opportunity to set out a global plan for delivering the MDGs. They looked forward to an international assessment of what is needed to achieve the MDGs as a basis for this plan. Recognising the importance of high-level attendance at the summit, they called on other world leaders to consider attending. They recognised that current global efforts to achieve the MDGs were inadequate and a renewed multilateral cooperative response to boost the capacities of the vast majority of its members was vital in this respect. They underlined the need for cooperation in achieving progress in implementing all aspects of the Monterrey Consensus, as well as the Doha Declaration on Financing for Development of December 2008. In particular, they called on countries to meet their commitments to existing timetables for the increase of Official Development Assistance (ODA) and to ensure that the level of ODA was adequate to meet the development challenges in the developing and Least Developed

Countries in the Commonwealth, and to strengthen the implementation of the measures needed to make aid more effective, as set out in the Paris Declaration on Aid Effectiveness endorsed in March 2005 and the Accra Agenda for Action adopted in September 2008.

54. Heads noted the potential of the Commonwealth as a forum for engagement and consensus building, and asked the Secretary-General to explore ways in which this potential could be further realised on issues where the Commonwealth has institutional advantage. They also urged the Secretary-General to work with Commonwealth members to develop options for strengthening the relationship between Commonwealth members and the G-20 as well as with other relevant multilateral fora.

55. In this context, the five Commonwealth members of the G-20 recognised the special responsibility they bear in transmitting to the wider group the perspectives and priority concerns of the Commonwealth.

#### **Reform of International Institutions**

56. Heads of Government welcomed the Marlborough House Statement on the Reform of International Institutions, agreed by the representative group of Commonwealth leaders established by the Secretary-General, as a basis to support reform of international institutions. They agreed that the Statement contains useful principles for such reform and that the Commonwealth should lead by example by striving to achieve the highest standards possible in each of the areas set out under the said principles. They also reiterated their intention to accelerate UN reforms and their effective implementation, as a matter of urgency, through lobbying and advocacy in the UN itself as well as in other international fora. Heads noted the conclusion of the representative group that the Commonwealth should act as a network for supporting members in discussions of inclusive reform, facilitating exchange of information and providing a forum for a dialogue on reform issues, particularly those of concern to small and other vulnerable developing states. They called on the Secretariat to provide assistance in this area consistent with its mandate at the request of the membership.

57. Heads noted that current global challenges had reinforced the importance of stronger and more effective multilateral institutions. They reaffirmed their commitment to continued efforts to push for increased inclusivity, accountability and modernisation of the institutions. They stressed the importance of Commonwealth members working to ensure. That all the processes of reform in international institutions are



comprehensive and inclusive. Heads reiterated their call to strengthen the voice and representation of developing countries in international economic decision making and norm setting, taking into account prevailing conditions in these countries. They noted the recent widening of the membership of the international bodies concerned with supporting international financial stability and stressed the need for a continuing process of constructive engagement between these bodies and all developing countries. Heads welcomed the decisions of the G-20, in particular its support to strengthen the voice and representation of developing countries at the IMF and World Bank. They noted the increased role developing countries will play in international bodies.

58. Heads supported current efforts to reform international environmental governance arrangements. They proposed an approach that would be based on the principles of transparency, equal voice and fair representation, legitimacy, responsiveness, flexibility, accountability, and effectiveness. Such reform should cover all elements of the international system that relate to environmentally sustainable development, integrate environmental and development priorities, and be practically and speedily responsive to the priority needs of small states and least developed states.

### **Trade**

59. Heads of Government expressed their commitment to active and continued participation in multilateral trade negotiations. They recognised that a development-oriented, ambitious and balanced conclusion to the Doha Round can contribute to global economic recovery and combating protectionism, as well as the fuller and more beneficial participation of all countries in global trade, thereby making a fundamental contribution to prosperity, sustainable development and the elimination of poverty. Heads of Government therefore called for a successful and development-centred conclusion to the Doha Round in 2010 and urged all parties to demonstrate the flexibility and political will required to make such an outcome possible.

60. Heads expressed their commitment to supporting developing countries to expand their economies through trade. This could be achieved through improving market access for developing countries by supporting their effective participation and integration into regional and global trade agreements, or through improving the international competitiveness of developing countries' economies. In this context, Heads considered there was especially a need to focus on addressing the non-tariff measures that impact adversely on the exports of developing countries. A balanced

approach using bilateral, regional and multilateral channels was recommended.

61. Heads acknowledged the contribution to economic growth and development of increased trade between developing countries. While noting that this does not replace trade between developed and developing countries. They were of the view that trade between developing countries has assumed greater significance and will be even more important in the emerging global economy, marked by significant changes in patterns of demand and consumption as a consequence of rebalancing. Heads expressed support for regional economic integration initiatives which are WTO-consistent and which promote the interests of developing countries as partners in regional trade agreements, as well as the interests of members adversely affected by the erosion of existing preferences or trade diversion.

62. Heads emphasised the importance of sustained and predictable Aid for Trade (AfT) in strengthening the capacity of developing country members, in particular small and vulnerable economies, to become more competitive and better able to capture opportunities created by more open regional and global markets. They welcomed the delivery of AfT commitments to 2010 and called for sustained delivery of increased AfT, post 2010, in line with national development plan priorities of recipient countries. They also acknowledged the benefits AfT can offer small and vulnerable economies in adjusting to liberalisation commitments and the implementation of trade agreements, thereby ensuring market access, especially for LDCs, in line with the special and differential treatment provisions of the WTO regime. They further emphasised the importance of mainstreaming AfT in national and regional poverty reduction strategies.

### **Investment**

63. Heads of Government noted the valuable role of investment in contributing to economic growth, the eradication of poverty and the expansion of economic space for their citizens. While strongly supportive of the role of external investment in development and urging expanding inflows to developing members, they also called for urgent economic reforms to improve the prevailing investment and business climate and to mobilise domestic investment. Heads emphasised the need to have clear, transparent and rule-based investment regimes. They also encouraged the use of home country incentives to promote investment in LDCs, small states and other developing countries. They emphasised the need for

comprehensive skills development in promoting the environment for investment.

**64.** Heads recognised the importance of access to finance and called for the development of domestic financial markets with specific emphasis on micro-finance and micro-credit in support of poverty alleviation and economic democratisation programmes, particularly for marginalised groups including women. They also called for innovative and market-friendly interventions that mobilise official development assistance to share investment risks.

**65.** Heads recognised the importance of encouraging and requiring multinational enterprises to respect applicable laws and international standards of Corporate Social Responsibility (CSR) in their operations.

Heads further expressed support and encouragement for the investment community to develop and promote CSR standards, tools, and best practices.

#### **International Financial Centres**

**66.** Heads of Government considered the issue of International Financial Centres (IFCs). They noted concerns about the operation of some IFCs. They also noted the role hosting IFCs can play in many Commonwealth countries' economic development, especially small states. In this context they discussed recent initiatives, such as the G-20 supported OECD listing. They agreed on the need for enhanced transparency of IFCs and cooperation between countries in the sharing of tax information in accordance with the internationally agreed standard. Recognising the different capacities of, and constraints on, countries with IFCs, Heads called for consideration of less resource intensive means for negotiating and concluding tax information exchange agreements to allow the targeted threshold of 12 information exchange agreements to be met quickly, and encouraged options for multilateral agreements to increase the transparency of IFCs.

**67.** Heads took note both of the concerns of a number of countries in ensuring a level playing field in pursuing these initiatives, and progress that had been made over the last year in this regard. They recognised the need to make progress on these issues based on consensus. They also noted the outcomes of the latest Global Forum Meeting, especially the commitment to integrating developing countries further in the Forum's work, including within the newly established Global Forum peer review process.

**Climate Change**

68. Heads adopted the Port of Spain Climate Change Consensus: The Commonwealth Climate Change Declaration.

69. They reaffirmed their commitment to the Lake Victoria Commonwealth Climate Change Action Plan, welcoming progress in its implementation.

70. Recognising that member states are entering a more intense phase of work at the national level to prepare their economies and societies for climate change, Heads called for continued implementation of all six elements of the Plan by the Secretariat and other Commonwealth organizations, and urged particular emphasis on:

Supporting small states and least developed countries in advancing their own strategies and policy frameworks on adaptation and towards carbon-neutral and climate-resilient economies. In this regard, they asked the Commonwealth Secretary-General to develop his good offices for the environment, exploring the potential for a partnership between the Commonwealth, the World Bank and others, to provide specific programmes of support to vulnerable countries.

Continuing to support the effective participation of small and vulnerable member states in international negotiations on climate change issues; working with young people, parliamentarians and others to support a broad engagement in setting and implementing policy frameworks related to climate change; and further promoting reform of international environmental governance arrangements to ensure greater participation and opportunity for all states and other relevant actors.

**Sustainable Development**

71. Heads of Government recalled the 1989 Langkawi Declaration and underlined the critical importance of integrated and sustainable approaches to development. They recognised that the challenges of the twenty-first century are deeply interconnected and that sustainable development requires institutions whose mandates and operations are responsive to this fact and to the needs of small, poor and highly vulnerable developing countries.

72. Heads emphasised the importance of promoting sustainable development with regard to environment infrastructure, entrepreneurship development and human resource development. They called for mobilisation

of additional funds, technical assistance and collaboration. In this context, they reaffirmed their call for increased and comprehensive support for Aid for Trade activities.

73. Reflecting the Commonwealth's long-standing commitment to the sustainable development of small states, Heads of Government sought an effective review process of the Mauritius Strategy for the further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States in 2010 under the auspices of the UN Commission on Sustainable Development, leading to strengthened implementation of sustainable development in small states and addressing new and emerging development concerns. They saw a role for the Commonwealth in supporting small states during the review and in addressing its findings through practical programmes.

74. Heads recognised that rapid urbanisation was posing a significant challenge in many Commonwealth countries, and that new and inclusive approaches to urban planning and management were central to achieving the MDGs. They acknowledged that leadership and a deeper understanding of the trends were required at all levels, together with the provision of effective financing for local infrastructure and services, to improve human security and achieve the Commonwealth goal of "demonstrated progress towards adequate shelter for all with secure tenure and access to essential services in every community by 2015".

**They welcomed continued Commonwealth efforts to address these challenges.**

### **Energy Security**

75. Heads of Government noted that access to energy was essential to sustainable development. They voiced their concern that with fossil fuels being a finite resource and the urgent threats of climate change, ensuring safe, reliable and affordable energy for the people of the Commonwealth was a fundamental challenge. Heads reaffirmed the right of each country to the development and use of its own energy resources and committed to work together with a view to increasing energy efficiency and diversifying energy resources while minimising environmental impacts.

76. Heads endorsed the need to develop energy partnerships based on cooperation and market principles. In this regard, they encouraged participation in existing initiatives that foster investment and innovation in the development of diverse renewable energy sources and energy efficiency and promote cleaner energy through research and development, capacity

building and the transfer of knowledge on environmentally efficient and sustainable technologies.

77. Heads also expressed their support for ongoing international initiatives such as the Joint Oil Data Initiative to improve transparency and reliability in the energy sector. They further recognised the importance of collaboration with the private sector to foster the sustainable development of natural resources, energy efficiency and conservation as well as to develop best practices for Corporate Social Responsibility.

### **Food Security**

78. Heads of Government expressed their deep concern about the threats that climate change, lack of access to fresh water resources, dumping of toxic waste and volatile commodity and energy prices pose to world food security. Recognising that poverty remains the fundamental cause of food insecurity, they called for increased investment in sustainable agriculture, rural development, and natural resource management, including innovative practices, and stressed the importance of a coherent, multi-dimensional approach to sustainable agricultural development and food security. Further, they recognised the need to increase food production, particularly in countries most affected by hunger, alongside measures to improve access to food and provide safety nets and social protection, especially for the poorest and most vulnerable.

79. Heads also agreed to strive to ensure that food, agricultural trade and overall trade policies and supporting infrastructure, including irrigation, were conducive to fostering food security for all through a fair and market-oriented world trade system. They endorsed the L'Aquila Joint Statement on Global Food Security and the development of a global partnership for agriculture and food security (GPAFS). They also noted the Declaration of the FAO's World Summit on Food Security which took place in Rome on 16-18 November 2009. They agreed to take forward urgent actions to meet the declaration's objectives to achieve the MDG targets on hunger by 2015, to reverse the decline in funding for food security and to tackle the challenge that climate change poses to food security.

80. Heads acknowledged that the sustainable harvesting of the world's fish stocks supports food security and can have long-term economic benefits. They expressed concern that the unsustainable exploitation of the world's fish stocks posed a threat to food security and could lead to long-term economic losses of depleted stocks. They also expressed concern

at the plunder caused by Illegal, Unreported and Unregulated Fishing (IUU), in violation of, inter alia, the UN Convention on the Law of the Sea and the FAO Code of Conduct for Responsible Fisheries. They recognised that many developing states were particularly vulnerable to illegal fishing by foreign fleets. They agreed that urgent action was needed to strengthen fisheries and marine management in member states' waters, particularly in the case of the more vulnerable member states.

### **Challenges Facing Small States and Middle Income Countries**

81. Heads of Government reaffirmed the challenges facing small states as set out in the 2005 Gozo Statement on Vulnerable Small States. They noted with concern that the global financial and economic crisis is having significant negative effects on small states in trade, aid, tourism and remittances and that the crisis has exacerbated the challenges already faced by these countries by deepening unemployment and creating budgetary pressure in crucial social sectors.

82. Heads of Government noted that the disproportionate impact of the global economic crisis on small states underscored the importance of a conducive external environment to their development. They encouraged these countries to continue to implement outward-oriented development strategies that would assist them to overcome their vulnerabilities and diversify the structures of their economies. They also called for an holistic and integrated approach to development for small states. Heads commended the work done by the Small States Network for Economic Development.

83. Heads welcomed the advocacy and policy development work of the Commonwealth Secretariat on behalf of small states. They urged the Secretariat to continue work in all the areas that would assist small states in their endeavour to implement crisis-resilient growth and development strategies. They agreed to make further efforts to better utilise the resources and capacities across the Commonwealth's membership to support effort to strengthen economic and social development in small member states. They welcomed the work of the Secretariat through its Joint Office for Commonwealth small states in New York and looked forward to further progress towards establishing a similar Joint Office in Geneva. They requested the Secretary-General to explore the possibility of the Geneva office being established as a cooperative venture with La Francophonie.

84. Heads urged the international community to provide support to small states in the pursuit of their development strategies and, in particular, the

provision of comprehensive development assistance programmes and the use of regional mechanisms to address development challenges. They also called for continued international assistance to small states in meeting the MDGs and commitments under the Mauritius Strategy.

85. Heads expressed concern at the growing debt burden of Commonwealth small states. In the context of the acute pressures on small and middle-income states in respect of their debt burdens, liquidity and access to finance, Heads supported efforts to develop innovative solutions in areas of constraint, as recommended by Commonwealth Finance Ministers. They recognised that viable solutions would need to be adequately financed and urged that international financial institutions allocate more substantial resources for analytical and advisory services, capacity building and technical assistance for small states to meet the developmental challenges arising from the global economic and financial crisis.

86. Heads recognised that several Commonwealth countries are classified as middle-income countries (MICs) and still face significant challenges in their efforts to meet the internationally agreed development goals, including the MDGs. In that regard, they underlined the importance of international support that is aligned with national priorities, to address the development needs of middle-income countries, especially lower-middle-income countries. In view of the challenges faced by MICs, especially those that are small, vulnerable and highly indebted lower-middle-income countries, Heads welcomed the work of the Commonwealth Ministerial Debt Sustainability Forum (CMDSF) and in particular the recent launch in June 2009 by the World Bank, in partnership with the Commonwealth and other organisations, of a Debt Management Facility to help highly indebted low income and other developing countries. They urged continued action in this regard.

87. Heads extended sincere condolences to those affected by the recent natural disasters in the Asia-Pacific region, especially to those affected by the earthquake and subsequent tsunamis in Samoa and Tonga. They noted that small island developing states (SIDS) are among the most vulnerable to the impacts of natural disasters, and reaffirmed their commitment to supporting disaster risk reduction efforts in line with the Hyogo Framework for Action and the Mauritius Strategy.



## Education

88. Heads of Government noted with concern the effect of the global economic downturn on social sectors such as education, particularly in developing countries and small states, acknowledging that education provides a fundamental tool for self-improvement and national development, and is a basic human right. They reaffirmed their commitment to achieving the MDGs of reaching universal primary education and gender parity by 2015 and agreed to prioritise reaching some 27 million Commonwealth children who are currently out of school, as well as those not completing primary education. They stressed the need to embrace an integrated and holistic vision of education systems, as encapsulated in the theme of the 17th Conference of Commonwealth Education Ministers (17CCEM, Malaysia, June 2009), Education in the Commonwealth: Towards and Beyond Global Goals and Targets. Also pursuant to 17CCEM, they acknowledged the vital role that education can play in conflict prevention and resolution, and requested the Secretariat to explore options to strengthen its education work programme on Respect and Understanding.

89. Heads called on all Commonwealth countries to commit further resources to basic education, including by actively supporting the replenishment of the Education for All Fast Track Initiative. They supported the aims of the "1 Goal: Education for All?" campaign to use the FIFA World Cup to raise awareness of education and to mobilise additional finance.

90. Heads noted that the expansion and quality of primary, secondary and higher education are integrally linked to the number and quality of teachers. Primary education provides the foundation for higher-level skills and knowledge, while secondary and higher education are critical for developing innovative solutions to national challenges, enhancing equity in the delivery of education, and for socio-economic development. Heads noted the need for all children to have equity of access to quality education, regardless of geographical location, resources, gender, ethnicity and ability, in order to equip them to interact effectively in the global community. They urged the advancement of quality basic education in developing countries and small states in particular, and noted the desirability of improving access for students of such states, who face cost constraints, to higher education institutions in Commonwealth countries.

91. Heads of Government attached particular importance to the work and potential of the Commonwealth of Learning (CoL), advocated additional

inter-governmental support to advance its projects, and encouraged the creation of strategic partnerships by CoL.

92. Heads recognised the progress made in the expansion of the Commonwealth Scholarship and Fellowship Plan (CSFP) and expressed their appreciation for the initial commitments of approximately £1.6 million made towards the CSFP Endowment Fund in response to the 50th Anniversary Appeal. Heads welcomed the pledges already made and encouraged all member governments to consider making contributions to the Fund.

### **Health**

93. Heads of Government reaffirmed their commitment to attaining the health-related MDGs and the need to closely monitor progress towards achieving these goals. They noted with concern the lack of progress towards achieving the goal for maternal and reproductive health, which is the most off-track, and the need for continued effort in relation to HIV and AIDS. They agreed that access to quality, affordable health services is fundamental to reaching the MDGs. They committed to achieve universal coverage of health services, free at the point of use, particularly for women and children. They agreed to invest in free health services to ensure that the poorest people, especially women and children, can access trained health workers with the right skills, in the right place, at the right time, and with the right infrastructure, equipment and drugs. Recognising the huge diversity in health needs across the Commonwealth, they agreed on a Commonwealth Health Compact, through which they: called on donor countries to deliver existing commitments for financing in health and identify ways to increase international resources;

welcomed the steps taken by low-income countries towards universal access to health services, and making them free at the point of use and urged further concerted action; support the role of civil society to advocate for, support and contribute to universal coverage of basic health care.

94. Heads adopted the Statement on Commonwealth Action to Combat Non-Communicable Diseases.

95. Heads noted with concern the impact of the global economic crisis on progress towards achieving the health related MDGs in Commonwealth countries, including universal access to HIV prevention, treatment and care. Heads firmly supported the need to strengthen health systems in Commonwealth countries, considering a primary health care approach. Noting that international cooperation is critical in addressing the phenomenon of NCDs, Heads called for the consideration of a Summit on NCDs to be held in September 2011, under the auspices of the United Nations General Assembly, in order to develop strategic responses to these

diseases and their repercussions. They also supported initiatives to include the monitoring of NCDs in existing national health information systems and emphasised the need for NCD indicators to be included in the Monitoring of the MDGs. They endorsed efforts to address the health work force crisis and to expand the use of e-health technologies. They noted the continued challenges countries face in providing access to affordable medicines, and supported the exploration of options, for increasing access to appropriate, low cost medicines.

96. Heads reiterated that a rights based approach to health is fundamental to the achievement of human development goals. They acknowledged the need to explore and remove obstacles to accessing health, as a means of achieving better health for all. They noted the importance of evidence-based research for the programming, planning and policy development of quality health services and encouraged the sharing of knowledge among senior health practitioners in member countries.

### **Gender**

97. Acknowledging the centrality of gender equality and empowerment to achieving all MDGs, Heads of Government committed themselves to accelerated implementation of the various international and regional instruments and agreements on gender equality and women's rights. Heads called for allocation of adequate and visible resources as well as other measures to promote gender equality and women's empowerment.

98. Heads recognised the facilitating role of the Secretariat in enhancing policy dialogue, increasing advocacy and modelling of good practices on key gender issues affecting member countries. Heads reiterated their commitment to the implementation of the Commonwealth Plan of Action for Gender Equality 2005-2015 (PoA). They endorsed the need for effective monitoring and evaluation of progress in the implementation of the PoA, called for strengthened accountability mechanisms to be put in place, noting that gender mainstreaming is the collective responsibility and business of all, and welcomed its Mid-Term Review.

99. Heads noted that gender responsive budgeting can be an effective tool to promote effective economic and social governance in an equitable and sustainable growth and development strategy. They welcomed the commitment of their Finance Ministers to engage with Women's Affairs Ministers in the context of the 9th Women's Affairs Ministers Meeting in June 2010 on the gender related aspects of the global economic crisis, to ensure that the gender dimensions of the global economic crisis are recognised and incorporated into measures to respond to the downturn.

100. Heads commended the establishment of a single UN agency for women in the context of system-wide coherence in addressing gender equality concerns and women's rights, and urged swift implementation of measures to that end. Heads also stressed the need to strengthen mechanisms for gender mainstreaming including enhancing the capacity of national women's machineries.

### **Youth**

101. Heads of Government welcomed the emphasis on young people in this, the sixtieth year of the modern Commonwealth, with its theme of The Commonwealth @ 60: Serving a new Generation. They recognised the role and active contributions of young people in promoting development, peace and democracy, and acknowledged that the future successes of the Commonwealth rest with young people. Heads adopted a Declaration on Young People: "Investing in Young People."

102. They also noted the challenges in developing and implementing the new assessed scale of contributions for the CYP, and, mindful of the importance of the CYP in underpinning the Commonwealth's commitment to future generations, agreed that the new scale should be finalised as a priority and implemented with effect from the 2010/11 financial year.

103. Heads welcomed the inaugural Youth Olympic Games, to be held in Singapore from 14 to 26 August 2010. They supported its aim of inspiring youth around the world to embrace, embody and express the Olympic values of excellence, friendship and respect through an integrated sport, culture and education programme.

### **Bridging the Digital Divide**

104. Heads of Government recognised the important role that Information and Communication Technology (ICT) can play in economic and social transformation. They expressed their appreciation for the work of the Steering Committee of Commonwealth Connects, and welcomed its 2009 Report to CHOGM. They endorsed the strategy to focus on promoting strategic partnerships, building ICT capacity and helping member countries to access new resources.

105. Heads recognised the role of the Commonwealth Connects programme as a catalyst for the initiation of partnerships to promote the use of ICT for development, and reiterated their support for the continued role of the programme in helping make ICTs available for citizens, businesses and governments throughout the Commonwealth. They encouraged increased partnering and sharing of expertise from ICT-

advanced member countries, as well as further contributions to the Commonwealth Connects Special Fund.

### **Commonwealth Secretariat**

106. Heads of Government continued to stress the importance for the Commonwealth Secretariat of incorporating results-based management and outcome-based reporting into its governance structure. Heads also emphasised the need to continue to implement the recommendations of the Commonwealth Fund for Technical Cooperation (CFTC) review in 2008 and focus on its comparative strengths. They also noted the good progress achieved in restoring the CFTC to its earlier value, undertook to complete five years of increased pledges as agreed at the 2005 CHOGM in Malta, and agreed that member governments should thereafter at least maintain the real value of their contributions to the CFTC.

107. Heads adopted the proposal on a revised scale of assessed contributions for the Commonwealth Secretariat budget, to be implemented with effect from the 2009/10 financial year, with the changes phased in over a three-year period. They noted that in future the scale should be reviewed and adjusted on a five-yearly basis.

108. Heads welcomed the continued efforts by the Secretary-General to promote the development of strategic partnerships, which they saw as a valuable means primarily of extending the global reach and impact of Commonwealth values and principles, as well as offering potential for securing additional support and resources for the Secretariat's work.

109. Heads reaffirmed the importance they attached to the continued strengthening of the governance of the Secretariat, and welcomed the Secretary-General's efforts to improve its effectiveness and efficiency within its areas of priority and focus, including improved reporting of results, as agreed by member governments in the Strategic Plan. Heads agreed that the troika of the past, present and future Chairs-in-Office should be informed on selected matters at the initiative of the Secretary-General.

### **Commonwealth Functional Cooperation**

110. Heads of Government took note of the various aspects of Commonwealth Functional Cooperation presented to the Committee of the Whole (COW). They requested the Secretary-General to continue to bring to the notice of Heads of Government any proposed mandates arising from Ministerial meetings that have significant implications for the Secretariat's work programme and resources. Heads acknowledged in particular the contribution of the accredited Commonwealth Inter-Governmental Agencies and Commonwealth Organisations which reported to the COW and to Foreign Ministers.

**Commonwealth Cultural Festival**

111. Heads of Government received a proposal from the Government of Pakistan for the holding of a biennial Commonwealth Cultural Festival. They requested the Commonwealth Foundation to conduct a feasibility study in this regard.

**Civil Society**

112. Heads of Government affirmed the centrality of civil society, including professional networks, in supporting the values and principles of the Commonwealth. They recognised the importance of a vibrant and active civil society as a key partner in delivering a sustainable and equitable future for all, and valued the contribution that civil society continues to make through its engagement with Commonwealth intergovernmental institutions and processes. They noted the statement from the Commonwealth People's Forum and its assessment of the interconnected challenges facing Commonwealth citizens and the particular impacts on women and young people.

**Commonwealth Foundation**

113. Heads of Government received the Report of the Commonwealth Foundation and its four year Strategic Plan 2008-12: Civil Society: a Force for Transformation. They valued the unique role of the Foundation in working with governments and civil society to forge partnerships. They welcomed the commitment of the Foundation to expand its grants programme and the consequent 25% increase in support allocated to civil society over the period 2006-08. They recognised the value of dialogue between civil society and governments, both nationally and in Commonwealth processes, and the contribution made by the Foundation in providing civil society a voice at Ministerial meetings, notably at 17CCEM. They noted the additional resources secured by the Foundation in support of its mission and commended its initiatives on culture and development, sustainable economic recovery and fisheries and food security. They welcomed Maldives into the membership of the Foundation.

**Commonwealth of Learning**

114. Heads of Government received with appreciation the Report of the Commonwealth of Learning (CoL) and its three year plan 2009-2012 Learning for Development. They expressed satisfaction that the number of countries making voluntary contributions to its budget had increased to 41, and encouraged other member governments to also consider doing so. They expressed particular appreciation for the work of the Virtual University for Small States of the Commonwealth, and - with its first period of funding

drawing to a close - encouraged the Secretariat to assist the CoL in securing new funding to continue and expand the programme in terms of capacity-building in the use of ICTs in education, and the development and delivery of courses.

#### **Commonwealth Business Council**

115. Heads of Government commended the Commonwealth Business Council (CBC) for its work in building private-public partnerships for trade and investment in Commonwealth countries, and its establishment of initiatives on business action against corruption and business engagement to support the achievement of the Millennium Development Goals. They also welcomed the dialogue with the private sector through the Commonwealth Business Forum and requested the CBC to carry forward its work in collaboration with governments, the public and private sectors.

#### **Commonwealth Local Government Forum**

116. Heads of Government noted the continuing work of the Commonwealth Local Government Forum (CLGF) to promote effective and transparent local governance and democracy in member countries, including capacity building in this regard. In this context, they welcomed the outcome of the CLGF's 2009 conference - the Freeport Declaration on Improving Local Government: The Commonwealth Vision as well as CLGF's programme in the Caribbean and other regions of the Commonwealth.

#### **Future Meetings**

117. Heads of Government accepted the offer from the Prime Minister of Australia to host the 2011 CHOGM. They also accepted the offers of the President of Sri Lanka and the Prime Minister of Mauritius to host the 2013 and 2015 CHOGMs respectively.



**EU****189. Remarks by External Affairs Minister S. M. Krishna at Press Conference on conclusion of the 20<sup>th</sup> India – EU Ministerial Troika meeting.****Prague, June 29,2009.**

May I at the outset, thank the Czech Presidency for the warm hospitality that has been extended to me and to my delegation which is here in this beautiful city of Prague for the 20th India-EU Ministerial level Troika meeting.

This afternoon, I have had useful and constructive discussions with the Czech Foreign Minister Mr. Jan Kohout, the EC Commissioner for External Relations and European Neighbourhood Policy, Ms Benita Ferrero Waldner, (ENP), Ms. Helga Schmid, Representative of the EU High Representative for Common Foreign and Security Policy and the incoming Swedish Presidency.

India and EU have a strategic partnership. We greatly value our interactions with the EU leadership, which have intensified and diversified to cover all areas of bilateral engagement and regional and international issues. The 20th Troika Ministerial Meeting, which is the first high level bilateral political interaction between India and EU after the formation of a new government in India, has a special significance. We believe that India and the EU are indispensable elements in a multi-polar structure and our strategic partnership, based on shared values and commitment to democracy, freedom, pluralism and multilateralism will be important in addressing the daunting challenges.

Today, we shared assessments of our respective regions and also exchanged perspectives on global issues including the current international financial crisis, need for reform of international institutions, including the United Nations, energy, climate change and terrorism.

Since the 9th India-EU Summit held in Marseille, the two sides have sustained the momentum by holding regular interactions. We were able to take stock of the progress in the areas identified under the reviewed Joint Action Plan (JAP) signed during the last Summit. The progress made under JAP has been satisfying and also encouraging. Both sides have reaffirmed their commitment to further intensify our consultations and diversify and strengthen our economic and trade ties.



The holding of annual Summits between India and the EU reflects the importance both sides place on this relationship. The Troika Meeting also serves as a preparatory to the Summit and in this context I am very pleased to announce that we have agreed to the date proposed by the EU - November 06, 2009 – for the next India-EU Summit to be held in New Delhi.

My discussions today with my EU interlocutors have reinforced our conviction that India-EU relations will continue to grow and diversify on the basis of the many synergies and complementarities that exist between us. We are hopeful that our deliberations today and the decisions taken will play a critical role in realizing the full potential of the India-EU Partnership.

I would like to take this opportunity to thank the outgoing Czech Presidency for their valuable contribution in strengthening India –EU relations and also warmly welcome Sweden, the incoming Presidency of the EU.



**190. Keynote Address by Minister of State Mrs. Preeti Kaur  
at Indian Council of World Affairs on India -European  
Union Forum on Effective Multilateralism.**

**New Delhi, October 9, 2009.**

**Ambassador Chhatwal,**

**Director General ICWA Ambassador Sudhir Devare,**

**Members of the delegation from the European Union**

**Institute of Security Studies and the Indian Council of World Affairs,**

**Distinguished guests,**

**Ladies and gentlemen,**

I am glad that the Indian council of World Affairs, the oldest think-tank in India on foreign affairs, has significantly stepped up its activities during the past six months during which Ambassador Devare and Joint secretary in the MEA Dr Ramesh Chandra have been here. I congratulate them, and hope that they will carry forward the legacy of the founders of this institution, Sir Tej Bahadur Sapru and Hridya Nath Kunzru.

I have great pleasure to be here when the first track II level dialogue between the European Union Institute for Security Studies (EUISS) and the Indian Council of World Affairs, two leading think-tanks is taking place. This event reflects the growing realization that the European Union and India are finding increasing interdependence across a wide range of issues and areas. Of late, the EU -India interaction has become multifold. The first bilateral summit was held in Lisbon in 2000. Within 4 years, at the Hague summit, the landmark Strategic Partnership Agreement between the two was signed and in 2005 a Joint Action Plan (JAP) was adopted which is a roadmap for action. The upcoming summit next month in Delhi should further concretize our common resolve for consultation and cooperation.

With the geopolitical centre progressively shifting, it is fairly clear that the EU-India relationship has steadily moved from commercial or economic one to that of strategic partnership though trade and investment continue to be the principal components. In terms of political organization or decision-making, the 27 member European Union and a single state India have obvious differences. The European Union in forging a unique brand of regionalism has undergone an experience of political accommodation and

compromise. India, on the other hand, has had a very different kind of history in which it created through non-violence and constitutionalism a secular democratic state. Yet, today, as India and EU interact they find a good deal of coherence on shared values and practices - of democracy, pluralism, human rights, international conflict resolution or peacekeeping. At a time when India is engaged in establishing a partnership with all major powers or regions of the world, the positive response reciprocated by the European Union is a development much welcomed in India.

India and the EU are active players in a multi-polar world constantly shaped by the forces of globalization. Multi-polarity is a reality of the contemporary global order which India and the E.U as pluralist societies readily accept, if not welcome. And they seek to address a number of global issues and challenges through multilateralism. Effective multilateralism requires understanding and respect for mutual concerns, needs or aspirations. It is only through this any coordination and cooperation can develop. The dialogue between the EU and India would need to see how to enhance that mutual understanding or respect so that the issues of peace, security or development that require bilateral or multilateral cooperation can be effectively addressed.

Terrorism is one of the biggest challenges which confronts us today. It threatens the very core of our civilized societies. India has been a victim of terrorism for over two decades. The EU has also witnessed horrific terrorist incidents in recent years caused by Al Qaeda terrorists. India and the EU would need to address, wherever possible, the menace of terrorism with coordination and cooperation. I am happy to learn that the EU Coordinator for Counter-terrorism is attending this Forum and will be sharing his views on the subject this afternoon.

On Afghanistan, again, India has gone through the tragedy of terrorist violence against its Embassy in Kabul last year and civilian personnel working elsewhere in the country on development projects. In fact we just had a similar attack on our Embassy in Kabul yesterday, in which several innocent people of Afghanistan died. India nevertheless believes that the cause of democracy and peace in Afghanistan can be best served through development programmes which the Afghan government and people need most urgently. India has committed to assist them with such assistance estimated at 1.2 billion U.S dollars.

EU and India can also usefully cooperate on security issues, including in areas such as maritime and energy security. India's recent contribution in

anti-piracy operations off the coast of Somalia or help to keep the SLOCs (sea lanes of communication) in the Malacca Straits safe for navigation is part of its efforts to secure further the Indian Ocean. In the field of energy security where both India and the EU are major importers of fuel, it is imperative for the two to secure safe, affordable and sustainable energy supplies. The India-U.S civil nuclear deal is expected to open new vistas for India with respect to the environment-friendly nuclear source. Countries forming the EU who are also members of the Nuclear Suppliers Group (NSG) supported the India-U.S agreement. Some of them, notably France has also signed agreement with India on civilian nuclear energy. As India gears itself for a major expansion of nuclear energy production the EU countries can work for obtaining a large share in this undertaking.

There are two issues which seem to pose a major challenge to the world today. They are Climate Change and the WTO impasse. On Climate Change, though both the EU and India have common interests and emphasize the central role of the global protocols there are clear differences in their approach. Unlike the developed countries of the EU which favour quantitative restrictions on green house gas emissions, India finds it difficult to adopt emission caps given its priority for development and economic growth for large population. 'Global action is needed by all parties, according to their common but differentiated responsibilities and respective capabilities, with developed countries taking the lead' said the joint statement at the recent EU-India summit.

WTO deadlock on the Doha round is another issue that should engage our urgent attention. A multilateral, rule-based universal trading regime is in the best interest of both, developed as well as developing countries and therefore every attempt should be made to resolve the impasse to put the WTO talks on the track. Bilaterally, the EU is India's largest trading partner with trade between the two having gone up from 2002 to 2008 at 20% on an average. EU is also one of the largest sources of foreign direct investment for India.

As you are aware, in the wake of the international financial and economic crisis, the first G-20 Summit was held in Washington DC (November 15, 2008) marking the arrival of dynamic emerging market countries at the global high table. The London Summit (April 2, 2009) issued a Communique which addressed the broad themes or issues. The steps taken by the G-20, including those emerging from the recent Pittsburgh Summit, to stabilise financial markets and the global economy can be expected to lead to an early revival of private capital flows, and a step up to domestic growth

through revival of external demand and exports.

In the pursuit of effective multilateralism no objective is more important than strengthening the role of the U.N. Both EU and India recognize the need to make the multilateral system more responsive to move the global agenda forward. For this it is also essential that the process of decision-making in the U.N and other international bodies such as the IMF, World Bank etc is democratized. Only then issues related to peace and security and UN reforms will be addressed fairly and equitably.

Finally, I wish to stress that greater interaction through civil society networks between the EU and India is essential and should be feasible. The two are democracies and enjoy freedom of expression, judiciary and pursuit of individual faith or religion. They are foremost examples of multi-ethnic and multi-religious societies. Human rights protection receives highest priority in both. Thus, societies based on common values and ideals should find greater resonance and synergy. As the Joint Action Plan very aptly puts it: 'We see this partnership as a qualitative transformation in the way we engage as equal partners and work together with the world at large'.

I am happy that this dialogue is addressing in an open and candid manner all issues which the EU and India regard important and urgent. Needless to say, we in the Ministry of External Affairs will find these deliberations to be of utmost importance in the context of our Summit-level interaction next month. I wish the deliberations of this conference all success.



**191. Statement by the Prime Minister Dr. Manmohan Singh to the Press on India-EU Summit.**

**New Delhi, November 6, 2009.**

**His Excellency Prime Minister Reinfeldt**

**His Excellency President Barroso**

**Distinguished members of the media**

It is an honour for me to welcome His Excellency Prime Minister Reinfeldt of Sweden and His Excellency President Barroso of the European Commission for the 10th India-EU Summit.

We have just concluded very productive and wide-ranging discussions. Our talks were held in a spirit of friendship and warmth, which is the hallmark of India-EU relations. An important outcome was the signing of the India-EU Agreement in the field of Fusion Energy Research. This agreement underscores the growing importance of energy security and clean energy in our cooperation.

We also reviewed the progress on the Joint Action Plan that was adopted in 2005 and agreed on measures to speed up its implementation.

India and the European Union have a Strategic Partnership based on shared values of democracy, pluralism, cultural diversity and respect for human rights. In this context, we reviewed the entire spectrum of our bilateral cooperation. We have identified trade and investment, energy, counter-terrorism, science and technology, climate change, and movement of peoples and as priority areas of our cooperation.

Despite the economic slowdown, I am happy to note that trade in goods and services between India and the European Union has doubled over the past five years to reach almost Euro 80 billion. We agreed to expedite the conclusion of a balanced and mutually beneficial Broad Based Agreement on Trade and Investment that will lead to increased economic opportunities and creation of jobs as well as wealth. I invited European businesses to increase their investments in India.

We have decided to forge stronger cooperation in the fields of science and technology, education and culture. I urged the European Union to facilitate movement of people, professional, business-persons, students, civil society and tourists through a friendly visa regime.

We also exchanged views on global and regional issues. We have agreed to continue to work closely on issues such as the reform of international institutions, the global economic and financial crisis, climate change and nuclear disarmament and non-proliferation. We agreed on the importance of a multilateral approach to addressing these challenges.

We reviewed the situation in Afghanistan and Pakistan and emphasised the need for concerted international action to combat terrorism. We have agreed to work towards early finalization of the agreement between EUROPOL and India. We also reviewed the situation in West Asia, Iran, Myanmar, Sri Lanka and discussed other regional issues.

I am satisfied with the outcome of our discussions. India looks forward to taking this very important relationship forward in all areas.



## **192. Joint Statement issued on the conclusion of INDIA-EU Summit.**

**New Delhi, November 6, 2009.**

1. The Tenth India-European Union Summit was held in New Delhi on 6 November 2009. The Republic of India was represented by the Prime Minister, Dr Manmohan Singh. The EU was represented by Mr Fredrik Reinfeldt, Prime Minister of Sweden, in his capacity as President of the Council of the European Union, and Mr. Jose Manuel Durão Barroso, President of the European Commission. The leaders discussed regional and global issues, and the means to prioritise, rationalise and strengthen EU-India relations. The leaders expressed satisfaction with the rapid expansion of the relationship between the EU and India since the first Summit in 2000, which is now deeper and stronger, founded on a global, strategic and mutually beneficial partnership.

### **I. GLOBAL ISSUES**

#### **Strengthening the multilateral system**

2. Recalling that their Strategic Partnership is rooted in shared values and principles - democracy, rule of law, respect for human rights and fundamental freedoms - both India and the EU agreed on the importance of an effective multilateral system, centred on a strong United Nations, as a key factor in tackling global challenges. In this context, they also recognized the need to pursue the reform of the main UN bodies, among them the General Assembly, ECOSOC and the Security Council, with a view to enhancing the representativeness, transparency and effectiveness of the system.

#### **Climate change and energy**

3. India and the EU underlined that climate change is one of the most important global challenges. They reaffirmed the provisions and principles of the United Nations Framework Convention on Climate Change (UNFCCC), including that of common but differentiated responsibilities and respective capabilities, and underscored the importance of its full, effective and sustained implementation.

They recognised the scientific view that the increase in global average temperature above pre-industrial levels ought not to exceed 2 degrees Celsius. They recognised that this objective should take into account the



overriding priority of poverty eradication and social and economic development of the developing countries. They will work together to achieve an ambitious and globally agreed equitable outcome of Copenhagen based on the principles and provisions of UNFCCC and the Bali Action Plan.

In this context, they expressed determination to step up the pace of negotiations. They agreed that, in the fight against climate change, equal priority had to be given to mitigation and adaptation, and recognised the critical role of enabling financial and technological support to developing countries to this end. The EU highlighted the importance of the EU Energy and Climate package. India highlighted the importance of its National Action Plan on Climate Change. These are significant contributions to global action to addressing climate change and in meeting the ultimate objective of the Convention. Both parties acknowledged the right to development and growth of developing countries and recognized that enhancing the implementation of UNFCCC represents an opportunity to promote continued climate-friendly economic growth, sustainable development and the fight against poverty. In this context they expressed hope that a global goal of significantly reducing greenhouse gas emissions by 2050 compared to 1990 levels would be reached at Copenhagen. They will prepare ambitious, credible and country-owned climate-friendly plans including adaptation and mitigation actions and will work together to implement the agreed outcome at Copenhagen.

4. Both India and the EU underline the importance of achieving security, sustainability and reliability of energy supplies. The increased production and use of renewable energy and the efforts aimed at improving access to energy and increasing energy efficiency are viewed by both sides as an important contribution to fulfilling sustainable development needs as well as achieving greater energy security. To this end the leaders welcomed the launch of the International Partnership for Energy Efficiency Cooperation (IPEEC) in May 2009 at the G8+5 Energy Ministerial Meeting in Rome and looked forward to a close EU-India cooperation in the framework of IPEEC. They also welcomed the ongoing establishment of the International Renewable Energy Agency (IRENA) to which both parties adhere and will join efforts for a rapid transition towards the widespread and sustainable use of renewable energy worldwide.

#### **International financial crisis and global economy**

5. Leaders addressed the current international financial and economic crisis and its severe impact on the world's Economy. They repeated their

commitments to the decisions taken at the London and Pittsburgh G20 Summits to continue to sustain a strong policy response until the recovery is secured, to prepare internationally co-ordinated and cooperative exit strategies to be implemented once the recovery has taken hold, to strengthen and reform financial regulatory and supervisory systems to ensure global financial stability and prevent future crises, and to ensure that the International Financial Institutions reflect contemporary economic realities.

6. They called for strengthening the signs of recovery through an inclusive and global approach and for maintaining adequate flow of finance to the developing countries. They welcomed progress being made to respond to the crisis, and to ensure the smooth running of the financial sector and to support global demand so as to revive the real economy. They called on the international community to continue to demonstrate vision and resolution and to take effective economic and financial measures to promote strong, sustainable and balanced global economic growth. In order to avoid a repetition of such a crisis, they stressed the need to address systemic failures, to reform the global financial architecture and to promote an international framework of reform of the regulation of the financial markets.

Both sides underlined the importance of the financial services reforms that have been implemented in India. In this context, both sides agreed to develop a deeper dialogue on financial services.

7. India and the EU reconfirmed their adherence to the G 20 commitment to refrain from adopting protectionist measures in all its forms covering trade in goods and services, investments and financial flows. They committed to rectify any such measures so as to avoid a further deterioration of international trade. They underlined the importance of successfully concluding in 2010 multilateral negotiations at the WTO for an ambitious, comprehensive and balanced agreement that fulfils the development objectives of the Round and welcomed the renewed momentum exerted by the Delhi Ministerial meeting in September 2009. Such an agreement should significantly foster trade flows in the agriculture, industrial goods and services among and between developed and developing countries, as well as promote transparent and simplified rules and procedures and address all other remaining issues. India and the EU remain committed to engage constructively and endeavour to find solutions that promote the successful and balanced conclusion of the Round. India and the EU believe

that closure of the Doha Round in 2010 should take place on the basis of progress already made, including with regard to modalities. India and the EU further called on all WTO members to work unitedly to close the round in 2010, indicating any specific demands they may have where necessary.

The EU and India underlined that in the absence of progress within this timeframe, the objective of closing the Round in 2010 will be at risk. India and the EU agreed that WTO Members should from now until the time of the WTO Ministerial Conference engage in constructive discussions, including at the level of Ministers.

#### **Food Security and Rural Poverty**

8. Both sides recognize that eradication of poverty and food insecurity is one of the greatest challenges of our times, especially in view of achieving the MDG-1 and the eradication of hunger worldwide. They furthermore recognize that the food crisis, which peaked during mid-2008, remains sensitive to a number of factors including the financial and economic crisis, and commodity prices fluctuations. The EU and India express their concern and will work closely together to enhance food security and fulfil the objectives of the Global Action Against Hunger and Poverty and to promote increased investments in agriculture, rural development and food security. They agreed that the international community needs a fully coordinated response and a comprehensive strategy to address this issue in a comprehensive manner, from short to medium and long term. They recognize the importance of the work which is being done on this issues in FAO as well as UN HLTF and thus, they look forward to the World Summit on Food Security, to be held in Rome, on the 16th - 18th November 2009. They also declared that a high level of priority should be given to rural development policies, technology transfer and development in particular with a view to enhancing agricultural productivity. They stress the importance of building on and implementing the global partnership for development as agreed in the Monterrey Consensus.

#### **Human Rights**

9. As both the EU and India are committed to respecting, protecting and promoting human rights, fundamental freedoms, and the rule of law, they are reinforcing cooperation within the UN Human Rights Council. The

Leaders reiterated that there should be no impunity for the perpetrators of genocide, war crimes and crimes against humanity.

### **Terrorism**

10. India and the EU stand united in combating the challenge of terrorism, which constitutes one of the most serious threats to international peace and security. The leaders condemned terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose.

11. The EU expressed strong condemnation of the terrorist attacks in Mumbai last year and reiterated the need for intensifying global cooperation in combating international terrorism. The two sides emphasised the utmost importance of bringing the perpetrators of this heinous crime to justice and acknowledged the contribution this would make to the success of the global fight against terrorism.

12. The EU and India are convinced that the Comprehensive Convention on International Terrorism should become a vital law enforcement instrument in our joint counter-terrorism efforts. India and the EU attach great importance to counter-terrorism cooperation in the framework of the United Nations, and share a commitment to universal ratification and full implementation of all UN counter-terrorism conventions and related protocols, as well as supporting the work of the Counter Terrorism Implementation Task Force (CTITF). The EU and India committed themselves also to the implementation of the UN global counter-Terrorism Strategy in all its aspects. Efforts to counter terrorism can only be successful with a sustained and comprehensive approach. They should be pursued in full respect of international law.

The EU and its member-states extended full support to India's bid for membership of the Financial Action Task Force (FATF), which will further reinforce India's commitment to combat terrorist financing and money laundering. At the bilateral level, India and EU looked forward to advance the negotiations between Europol and the Indian authorities in order to conclude an agreement that will reinforce cooperation in the field of counter terrorism.

### **Disarmament and non-proliferation**

13. India and the EU welcome the renewed momentum in global disarmament efforts. India and the EU reaffirmed their shared interest in working together for disarmament and for countering the proliferation of

weapons of mass destruction and their delivery systems. In this context, they stressed the importance of strengthening national export control laws.

India and the EU have supported the adoption of a programme of work for its 2009 session by the Conference on Disarmament including the negotiation of a Fissile Material Cut-off Treaty. They look forward to the early commencement of substantive work, including negotiations, at the next CD session.

India and the EU share the understanding that the development of nuclear energy for peaceful purposes should take place in conformity with the highest standards of safety, security, and non-proliferation.

### **Peace-keeping**

14. The EU and India agreed to further intensify dialogue on peace-keeping, peace-building and post-conflict assistance, in accordance with the provisions of the Joint Action Plan of 2005.

### **International Centre for Promotion of Enterprises (ICPE)**

15. The EU and India took note of the work carried out by the International Centre for Promotion of Enterprises (ICPE) within the UN framework to promote cooperation in areas of entrepreneurship and SME development, corporate governance, trade and knowledge-based society through research consultancy.

## **II. REGIONAL ISSUES**

### **SAARC**

16. The Leaders reaffirmed their strong willingness to strengthen cooperation between the SAARC and the EU. They also noted the SAARC Delhi Statement on Environment, including Climate Change, the Fifteenth SAARC Summit statements on Global Economic Crisis and Cooperation on Fighting Terrorism, crucial issues that are being addressed in both SAARC and the EU.

### **Afghanistan**

17. The Leaders welcomed the conclusion of the Presidential electoral process and congratulated President Hamid Karzai on a second term in office. They welcomed the statement of the President on his intention to constitute a national unity Government and on setting a comprehensive agenda to promote the stability and development of Afghanistan.

India and the EU acknowledged each other's significant contribution towards Afghanistan's stabilisation, reconstruction, and development and expressed their commitment to a democratic, pluralistic and stable Afghanistan. They stressed the need for the international community to maintain its commitment to render assistance to the Government and people of Afghanistan in support of the efforts of the UN in Afghanistan. They acknowledged UNAMA's coordinating role and its efforts for the comprehensive development of Afghanistan.

The Leaders strongly condemned the terrorist attacks in Kabul, including those targeting the Indian Embassy and highlighted the need to bring the perpetrators of these and other terrorist attacks to justice. The Leaders expressed serious concerns over the continuing deterioration of the security situation in Afghanistan and agreed that all parties concerned should continue the fight against terrorism.

#### **Burma/Myanmar**

18. India and the EU discussed the situation in Burma/Myanmar. They agreed on the need to strengthen efforts towards democracy and national reconciliation and, in this context, reaffirmed the need for an inclusive dialogue, including with Daw Aung San Suu Kyi and ethnic groups. They welcomed the signs of greater engagement between Myanmar and the international community.

India and the EU reiterated their support for the Good Offices Mission of the UN Secretary General and his Special Advisor, and called upon the authorities of Myanmar to cooperate fully with the UN.

#### **Nepal**

19. The leaders expressed their concern at the faltering peace process in Nepal. They stressed that rebuilding trust and confidence among all stakeholders was essential to conclude the peace process and draft a new inclusive Constitution within the stipulated timeframe. They were distressed that the legislature-Parliament has not been allowed to function and called upon all political parties, in a spirit of accommodation, to resume the process soon. They stressed that economic progress would contribute to sustainable peace.

#### **Iran**

20. The Leaders welcomed the recent talks between China, France, Russia, the United Kingdom, the United States, Germany, the EU and Iran on the Iranian nuclear programme. They agreed on the need for an intensive

and constructive dialogue, aiming at practical steps and confidence building measures, and stressed their commitment to seeking a negotiated solution to the Iranian nuclear question. While recognising Iran's right to peaceful use of nuclear energy, the leaders also underlined the need for Iran to meet all international obligations.

### **ASEM**

21. Both sides underlined their common wish to strengthen the political dialogue between Asia and Europe and agreed that its enhancement within the ASEM framework was necessary and fruitful. As they are both ASEM facilitators, they expressed their commitment to further engage actively in the ASEM partnership to maintain peace and stability as well as to promote conditions conducive to sustainable economic and social development.

### **III. BILATERAL ISSUES**

22. The Leaders underscored that the successive Summit meetings have provided a solid ground for nurturing the strategic partnership between India and the EU. The Leaders affirmed their determination to further strengthen the Strategic Partnership and to cooperate both at the bilateral and global levels for the cause of peace, security and sustainable development for all. The Joint Action Plan (JAP), which was reviewed by the 2008 summit in Marseilles, and which has expanded to include diverse areas, is an important element of this partnership. The EU and India have the ambition to build on this to further deepen their dialogue, including on a political level.

23. The EU and India confirmed the shared objective of concluding an ambitious and balanced Broad Based Trade and Investment Agreement, which will bring significant economic benefits to both sides and further strengthen the bilateral economic relationship. The EU and India took note of the progress made so far and agreed to intensify the negotiations with a view to concluding the Agreement as swiftly as possible.

24. In the field of climate change and energy, they underlined the importance of an early implementation of the Joint Work Program on Energy, Clean Development and Climate Change, especially cooperation in solar energy, development of clean coal technology and increase in energy efficiency. In this context, they also welcomed the launch of call for proposals focusing on solar power technologies amounting to • 10 million, and the two EIB loans totalling • 250 Million.

25. Both sides noted the ongoing cooperation under the India-EU energy panel and underlined the need also in this context to focus on energy efficiency, clean coal technology, energy conservation and renewable energy, and expressed their intent to develop expeditiously their cooperation efforts in these areas.

26. They expressed satisfaction at the conclusion of the agreement between the EU and India in the field of fusion energy research and look forward to the early conclusion of the agreement on research and development in the field of peaceful use of nuclear energy.

27. Reaffirming the importance of their dialogue on migration and consular issues, the EU and India agreed that further effort was needed to facilitate the movement of persons, based on a comprehensive approach.

28. In the field of transport, both India and the EU expressed the hope that they will be able to resume their negotiations on a maritime agreement with a view to finalise them rapidly.

29. India and the EU agreed that an urgent global effort was required to meet the MDGs and expressed their readiness to enhance their efforts to reduce global poverty. In the context of the EC-India development cooperation, both sides welcomed the preparations that are underway for agreeing on a new Multi-Annual Indicative Programme covering 2011-13 for which an indicative envelope of • 210 million will be made available, aimed at strengthening the social sectors, in particular education and health, as well as the continuation of activities identified under the EU-India Joint Action Programme. The EU has been a partner to India's developmental efforts including especially in the social sector.

30. The EU and India firmly share values of democracy, fundamental freedoms, pluralism, and rule of law, and believe strongly in the universality of Human Rights, as reflected in their dialogue on the same.

31. India and the EU expressed the wish that the Joint Working Group on Agriculture pays particular attention to joint efforts towards agricultural productivity, economic growth and eradication of rural poverty and food insecurity. The Leaders also welcomed the launch of a joint call for proposals in the field of biotechnologies.

32. The Summit welcomed the India-EU efforts in supporting joint research projects in solar energy launched within the 7th EU Research Program



and the India-EU agreement in Science and Technology, as an important step to strengthen strategic cooperation in the area.

33. In the field of Space, India is actively pursuing with the European Space Agency, the French National Space Agency and various other players in EU for developing, launching and operating Earth Observation and Communication satellites through appropriate bilateral relations.

34. India and the EU recognised the importance of promoting people-to-people exchanges through the medium of culture and education and welcomed the signing of the India-EU Joint Declarations on Multilingualism and Education. The parties hope to advance negotiations regarding their Joint Declaration on Culture, aimed at establishing a policy dialogue on culture between the EU and India.

35. The Leaders noted with appreciation the role of Indian and European civil society and of the EU-India round table, and agreed on the need to review its role in India-EU relations and to decide on its future activities.



**G-8 AND G-5****193. Opening remarks by External Affairs Minister S. M. Krishna at interaction with media on return from the G-8 Outreach Ministerial meeting on Afghanistan.****New Delhi, July 1, 2009.**

I attended the G-8 Outreach Ministerial Meeting on Afghanistan at Trieste, from June 26-27, 2009. Major topics of focus at the conference included narcotics production, border control and security, refugee issue and the development of Afghanistan's economy and infrastructure. The regional dimension of improved coordination and cooperation on border issues, trade and transit, etc were also discussed.

In the recent past, there has been a renewed international focus on the situation in Afghanistan and its linkage to Pakistan. India has a direct interest in the success of the international efforts in stabilizing the region, and has stood ready to play a constructive role in defeating extremism. We have welcomed the recent international efforts with regard to Afghanistan, which are in line with our thinking.

As you all are aware, we ourselves have a substantial reconstruction and assistance programme in Afghanistan that stretches across different sectors. Indeed, the success of many of our projects, often in extremely difficult circumstances, is a factor in many countries wanting to consult with us and engage us in Afghanistan. In my discussions in Trieste I underlined, based on our experience, that strengthening Afghan capacity and resources was going to be the critical factor for its future.

We view greater international cooperation in Afghanistan as a key factor in restoring stability there. Afghanistan is going through a sensitive phase in the context of its forthcoming Presidential election. We view the elections as an internal matter of Afghanistan and believe that the role of the international community should be no more than supportive in this regard.

My overall impression from this meeting is that greater and continuing international focus and attention on developmental and security issues concerning Afghanistan and its neighbours is helpful and in fact necessary.

I also had a series of useful bilateral meetings at Trieste, including with my counterparts from Afghanistan, Pakistan, Russia, Great Britain, Italy, and Canada, besides Ambassador Richard Holbrooke, EC Commissioner

for External Relations and UN Secretary General. My interlocutors were *inter alia* keen to know more about India's large and well-received assistance programme in Afghanistan. Discussions with the Afghan Foreign Minister included bilateral issues including on the progress of Indian assistance projects. I also conveyed to him that I was looking forward to visiting Afghanistan

I also visited Prague for the 20th India - EU Ministerial Troika meeting on 29 June 2009. You have already seen my remarks to the media at Prague, on the nature of our discussions. India and EU have a strategic partnership. Our interactions with the EU leadership, have intensified and diversified to cover all areas of bilateral engagement and regional and international issues. I am convinced that India-EU relations will continue to grow and diversify on the basis of the many synergies and complementarities that exist between us.

During my stay at Prague, I had a productive exchange of views with my Czech counterpart. I also called on the President and Prime Minister of Czech Republic, when we reviewed bilateral relations and reiterated our common desire to build on them further.



**194. Remarks by External Affairs Minister S. M. Krishna at the launch of G5 website.**

**New Delhi, July 6, 2009.**

Excellencies the Ambassadors of Brazil, China, Mexico and the High Commissioner of South Africa,

Members of the media,

Foreign Secretary Shri Shivshankar Menon,

Ladies and Gentlemen,

I am very pleased to be here on the occasion of the launch of the website of the G5. This is an important and timely initiative, coming just 2 days before the G5 Summit, and will showcase the achievements of the interaction of our 5 countries over the last couple of years. The website will also serve to provide greater visibility to our group. I would like to commend the efforts that have been put in by the Government of Mexico in preparing this website which will provide a platform for communicating amongst our countries.

2. Our five countries started interacting in the context of the G8 Outreach Summits in order to coordinate positions on various pressing global issues on the agenda of these Outreach Summits. At the same time, through our interaction over the years, we have developed synergies on various issues of global concern such as food security, climate change, energy security, development, international trade and others.

3. As a result of this cooperation, we have emerged as a cohesive group of 5 major developing economies with considerable influence over today's pressing global issues. Apart from interacting in the context of the G8 Outreach Summits, we are all members of the G20 which is addressing the current global economic and financial crisis. Our coordination in this context is equally important given the reach and depth of the current global economic and financial crisis and the urgent need for the reform of International Financial Institutions to ensure both a sustainable recovery from the current crisis and also to prevent recurrence of such crises in future.

4. Through our coordination in the context of the reform of global institutions be it the UN, IMF, World Bank or FAO, we can present the perspectives of the developing countries at various international fora and effectively voice their concerns.

5. Our interactions at various levels, including the meetings at the level of Heads of State/Government, Foreign Ministers and teleconferences amongst our vice Ministers have helped develop better understanding among our countries on many global issues of mutual concern. We have also been working closely in the context of the Heiligendamm Process to reach a common understanding with the G8 countries on some delicate issues such as IPRs, Energy Efficiency and others. We will continue to do so during the next phase of the Heiligendamm Process i.e. the Heiligendamm-L'Aquila Process.

6. Once again I would like to express my appreciation for the Mexican efforts in preparing this website of the G5 countries. I also take the opportunity to greet my G5 counterparts on this occasion, and conclude with the hope that our partnership in this important grouping will help all our 5 countries in their search for socio-economic development.

7. I will now formally launch the G-5 website.



**195. Briefing by Foreign Secretary Shivshankar Menon on Prime Minister's visit to Italy to attend G 8/G 5 Summits.**

**New Delhi, July 6, 2009.**

**Official Spokesperson (Vishnu Prakash)** - Good Evening! As you are aware Prime Minister would be leaving for Italy tomorrow to participate in the G8 and G 5 Summits. Foreign Secretary is here to brief you about PM's visit. After his opening remarks he would be happy to take a few questions.

I would also like to introduce a colleague, AS (MER) Mr. Yogendra Kumar who is sitting to the right of Foreign Secretary. Sir, the floor is yours.

**Foreign Secretary (Shivshankar Menon):** Thank you Vishnu. I thought I would brief you on PM's visit to Italy for the G-8 Outreach meeting and the Stand alone G-5 Summit, which will also be taking place.

As you know, PM will be leaving tomorrow afternoon for Italy. I will give you the programme first. On the 8th, there will be parallel separate meetings of the G-5 leaders and of the G-8. The G 5 leaders will be meeting in the afternoon. G 5, as you know, includes Brazil, China, India, South Africa and Mexico. Mexico is chairing the meeting as the host and there will be a press conference by the five leaders followed by a dinner among themselves.

On the next day on the 9th July, there will be the G-8 / G-5 Outreach meetings. In the morning, the G 8 will meet with all G 5 leaders and Egypt which has also been invited by Italy, as the host. They will be discussing the global issues and development policies and how to take the dialogue forward between the two. As you know in 2007, at the Heiligendamm Summit, they had started a Heiligendamm Dialogue Process between the G 5 and the G 8 countries on a host of issues including protecting innovation, research and innovation, on cross border investment, on energy, and on development particularly in Africa. It was supposed to be a two-year dialogue which has gone through two Summits actually, and now they will report to the leaders and the leaders will decide how to carry forward this dialogue in the future.

At lunch, the leaders will discuss, which again involve G 8 / G 5 and the few other invitees. They will discuss the future sources of growth in the world economy, how to revive the growth in the world economy. And in the afternoon there will be meetings of the Major Economies Forum on energy and climate change in two sessions, and at least one on trade which will

see how to fight protectionism, and to move the international trade agenda forward. And then the session of the forum on climate change in the lead up to the Copenhagen Conference in December.

The next day, on July 10th, the G 8 are doing an Outreach with African countries over breakfast which will be followed by a session including the G5 as well and international organizations which would be devoted to food security initially.

There would also be bilateral meetings on the sidelines of these meetings but we will let you know about those as we go along because it is quite a crowded schedule and like last time, I think it is better for me to tell you about as we go through this process.

As you know this will be Prime Minister's 5th such summit that he is attending. India has been an invitee, as an Outreach partner from 2003 from the Evian Summit in France. In 2004, there was no real Outreach. Thereafter in 2005 at Gleneagles, India was one of the invitees along with the other members of the G-5 and we presented a paper actually on climate change and the international cooperation and energy security. In 2006, at St. Petersburg and the G-5 have been really invited to successive Summits after that - St. Petersburg and Heiligendamm in Germany last year was in Japan (Toyako) and this one is in Italy.

For us it is a useful occasion where some of the leaders of the major economies and our significant partners, get a chance to discuss major global issues in a relatively informal session and get a chance to discuss this with each other. So the issues have varied over time. Obviously, this Summit takes place at a time of the world economic crisis when there is an after effect of financial crisis which is why you saw one of the subjects of recovery, how to promote recovery, where to find sources of future growth, what sort of growth we looking at so and that is going to be one of the big issues.

The other big issue which we think will run through the Summit is also climate change because as we work the way up to Copenhagen in December, this is an issue the international community will need to address. They will get the chance to talk about it. This is not a negotiating forum and this is not an occasion where you try and substitute what is done in the various negotiating forums but it does provide a chance to people to talk to each other frankly and to try and understand each other's points of view and to see how we can take this forward. And that is really the value of this sort of dialogue at the highest level.

We, from our point of view, it is clearly important that as we look for global solutions to global problems that we work with rest of the international community and in a constructive, positive way and India also assumes her responsibilities internationally and this is why we find it essential and useful to engage in this process and have done so consistently as I said for the last five, this is the fifth Summit in a row actually that we are doing so. I would be happy to take any questions, anything that you want to know about these meetings.

**Question:** My question is related to the meeting you will hopefully have next week with your Pakistani counterpart. How exactly will the meeting be structured? I know you said only about terrorism but are you expecting the Pakistanis to give you something in writing about what exactly they are doing with regard to the Mumbai investigations?

**Foreign Secretary:** I think as far as my meeting with my Pakistani counterpart is concerned, it is likely to take place at Sharm-al-sheikh because I think this will be the first location where we will be get a chance to meet. We will do what we have been asked to do by our leaders which is quite clear, Pakistan will tell us what they have done, we will tell them about our concerns and we will then report to our leaders about where we stand on the issues, which for us are quite clear which is bringing the perpetrators of terrorism against India to justice and dismantling the infrastructure of terrorism in Pakistan which supports these activities. So we will report to our leaders, they will take stock of it. As they have told us they would act at Yekaterinburg and we will see where it goes from there.

**Question:** My question is about the G-8 Summit. Sir, would India be open to a discussion of the dollar as the global reserve currency and this debate of replacing the dollar with any other instruments like the SDRs.

**Foreign Secretary:** We are open to discussing all the issues which are relevant to finding a way forward out of the global economic crisis and clearly the issue of imbalances, of what might have caused the imbalances, what enables the world to prevent the future imbalances is one of them, quite apart from what other remedial measures are required to prevent recurrences of financial crisis, many of which have already been agreed in the G-20 format and which are being implemented. But this would be one of the ideas which is already on the table, there have been ideas which have been expressed, we are ready to discuss all of them.

**Question:** Sir, two questions. One is how many bilateral meetings will be there at G-8 with Dr. Singh and second, today Der Spiegel carried a story



that actually G-8 is quite obsolete and they said there are lots of arguments, officially also Germany has said that G-20 is the only relevant thing. What is your comment on this?

**Foreign Secretary:** About the bilateral as I said, we will tell as we go along. We are fixing, some are fixed, others we are in the process of fixing. It is better, I think that we will tell it to you there itself, all in one go, rather than piecemeal.

But on the other question of relevance of which forum, the G-8, the G-8 plus five, G-20, frankly these are matters of form and for us as India what really matters is which is the forum which is best equipped to actually deliver results. When we will be looking at the financial crisis and the consequences of financial crisis, clearly the G-8 was probably the best place to do that and I think both the Washington Summit and the London Summit they have shown an ability to deal with the financial issues whether it is in terms of restructuring of financial organisations whether it is in terms of strengthening financial regulations, whichever way you look at it, that was the right place. The G-8 plus G-5 Outreach Summits have a different function. They have a much broader discussion and a much more informal discussion of global issues, and issues like, as I said, we have been discussing energy security and climate change in this forum since 2005, since Gleneagles, in fact, we have presented papers on that. Now it is not only just the economic crisis that is an issue for the Summit, in fact one of the major issues is development, what sort of development policies and how we look at the global economy going forward, those are larger issues, broader issues, which I think they will discuss this time as well.

Food security, for instance, so I don't think it is so much a question of saying this one forum is relevant, another forum, the world is more complicated than any single forum, I think, so you need to pick and choose and decide which forum works for the world, I think. But the basic crux of it, from our point of view, as internationalist by conviction that these are global problems. They need global solutions. No single country can fix these kinds of problems - food security, energy security, environment - these are not issues that anyone can do on their own. So you need fora like this, where you have an informal discussion between the leaders where they can actually talk to each other frankly and understand what their interests are and what is possible and what can be done.

**Question:** Sir, petitions against the release of Hafeez Saeed were dismissed by the Pakistan Supreme Court. Your reactions to that.

**Foreign Secretary:** I think there are different stories as you can see. I have heard all kinds of stories. I was told petitions were filed at 12 o' clock, that it was rejected at 2:06. I was told two petitions were filed, one is being rejected, I do not want to comment, frankly, on something that is so unclear. On Friday itself, we heard four different stories of what was actually happening. Once we know, we will let you know.

**Question:** Sir, two short questions. One is that the Finance Minister announced a Rs. 500 crore package for Sri Lanka. Is the package kind of ready or is it still in the making, have you discussed it with the Sri Lankans and second you mentioned development policy as being the core of the G-8 this time. Do we have yet another paper that we are presenting and your thoughts on the development policy in the current situation?

**Foreign Secretary:** I did not say it is the core of the G-8 this time, I just said it is one of the big issues; it is part of the broader issues which the G-8 is actually well equipped to discuss and for that part of the discussion in fact it would be a much broader meeting with other countries. We will not be presenting a paper this time, not this time around.

On the Sri Lankan package, on the 500 crores for relief and rehabilitation in Sri Lanka which we provided in the budget today, you know, we have been discussing with the Sri Lankan authority and with the civil society in Sri Lanka also what is required to resettle populations which have been affected by this long-drawn out tragic conflict in Sri Lanka and there are a series of steps that we, as India, have indicated that we would be willing to take that we think we can take. The Sri Lankan Government has assured us at the highest level that it is their goal also to resettle all their internally displaced people those who are in the camps in six months, in 180 days, and we will do what we can do to make that possible to bring people back to their homes in safety back to their original place of habitation with proper livelihood and a proper prospect of living in comforts, some comfort, at least. This would involve a whole series of steps; de-mining to start with, making sure that the paddy fields and their other produce uses the next growing season which is now really over the next few months, so that they have some livelihood to depend on when they go home. That we also provide some shelter in terms of material and so on so, we do have a plan of things that we want to do in these areas to try and help people to go home. We discussed them with the Sri Lankan government in some detail but we will have to keep detailing these and making them more and more details.

Some of these materials has actually already been shipped, some of the help is already there, there is a large hospital, ours is in fact one of the few hospitals which is working within the camps itself and we are trying to take care of their medical needs. There is a whole series of needs which we think this 500 crores will be necessary for. So, yes, we do have a plan which will have to be improved as we learn, as we go along, we are working with the Sri Lankan Government, the authorities, with the civil society in Sri Lanka to see that we can carry out this plan and hopefully achieve our goal.

**Question:** Today's five hundred crores is in addition to the previous package announced in May?

**Foreign Secretary:** In May we were speaking of one hundred crores, then PM said five hundred crores. So this implements what the PM had said. It is in the budget.

**Question:** Will we be sending de-mining experts to Sri Lanka?

**Foreign Secretary:** Yes, we will be sending experts from India. We have some expertise in it. More than experts it is also equipment which helps to do this.

**Question:** Will the experts be from the Army as well?

**Foreign Secretary:** Possibly. But there are groups outside the Army who have specialized in this.

**Question:** Just wanted to know if there will be a meeting between PM and US President Barack Obama and what will be the agenda of the meeting?

**Foreign Secretary:** I am sure they will be meeting but as I said on bilateral meetings we will tell you once we have them all sorted out, we have them fixed and have precise timings and places for them.

**Question:** An American funded but an Indian company is building a road in Afghanistan near Khost. There appears to be very strong threats. In fact on Friday, there was an attack and though Indians were not killed, six Afghan policemen and an Ukrainian supervisor were killed. Now is anything being done to ensure security as a lot of Indians are working there?

**Foreign Secretary:** We are working very closely with the Afghan authorities, who as you know, have taken responsibility for security and have actually made great efforts to ensure security of not only of Indian workers but of all

workers on this project because this is a project of very high priority for them to which they attach a great deal of importance and we are very grateful to them actually for all that they have done. You mentioned that some of the Afghan personnel have lost their lives. This is not the first time actually, it has happened before as well which gives you an idea of how seriously they take their responsibilities.

**Question:** Sir, are we offering any help to Afghanistan towards their elections?

**Foreign Secretary:** Our Election Commission is in touch with their Election Commission and as you know we had helped in the past in their previous Presidential election and also in the parliamentary elections and they have been in touch with each other and in the process of working out details of what sort of things they might require.

**Question:** Prime Minister was of the opinion that G 8 countries should consult G 5 countries before sorting out the agenda and also said that we are coming here as not petitioners but we are partners? Are they doing it?

**Foreign Secretary:** True, very true, still true. Let me tell you, it is a process of evolution. To begin with, perhaps yes, there was a tendency for the G-8 to issue declaration before they had even met to G-5. This time, for the first time ever, there is likely to be a joint G-8 plus G 5 declaration which I think answers your question.

**Question:** Just in addition to earlier question, the discussion with your Pakistani counterpart, is it going to discuss terror in general? Taking stock is it specifically about Kabul and Mumbai?

**Foreign Secretary:** I think it is clear. For us it is not one incident or the other. It is the fact there is terrorism coming out of Pakistan which affects us. And that is the fact. And that is exactly how we have defined it consistently. You must have seen at Yekaterinburg when we spoke about and thereafter and that is really the issue. This is the issue which has bothered us for many years. That is why we raised it before, that is why there are assurances on record from Pakistan about not permitting the use of its territory for terrorism against Indian in any manner and that is really we will discuss.



**196. Statement by Prime Minister Dr. Manmohan Singh prior to departure for the G8-G5 Summit.**

**New Delhi, July 7, 2009.**

I am leaving today for Italy to attend the Summit meeting of the G-8 and G-5 countries being hosted in the city of L'Aquila on July 9-10 by the Italian Presidency of the G-8. I will also attend a meeting of the leaders of the G5 group of countries (Brazil, China, India, Mexico and South Africa). This will be an occasion for projecting India's views on major global issues relating to the world economic and financial crisis and its impact on development, food security, energy security and climate change, international trade negotiations and reform of international institutions.

As part of the G-8 related events, I will also participate in the meetings of the Major Economies Forum on Trade Matters and Climate Change, as well as a meeting on food security being organized by Italy with the participation of several African nations.

The global financial and economic slowdown that we are witnessing is particularly detrimental for the development objectives of developing countries such as India. This has not been a crisis of our making, but we have had to bear its consequences. The slowdown in the advanced economies has affected our exports, strengthened protectionists sentiments and impacted credit and capital flows. We would therefore like to see a concerted and well coordinated global response to address systemic failures and to stimulate the real economy. In the longer run, we would like to see a much higher level of stability and sustainability in the growth patterns of the developed world, and in international financial governance.

The issues of food security, energy security and climate change are closely interlinked. They have to be approached as a single undertaking if we are to give meaning to the concept of sustainable development.

Climate change will be an important subject of discussion. It is the developing countries that are the worst affected by climate change. What we are witnessing today is the consequence of over two centuries of industrial activity and high consumption lifestyles in the developed world. They have to bear this historical responsibility. India will actively participate in the international negotiations on climate change within the framework of the United Nations Framework Convention on Climate Change and the Bali Action Plan.

During my visit, I look forward to having bilateral meetings with the leaders of Italy, Angola, Germany, Japan and the UK.



**197. Opening Remarks by Prime Minister Dr. Manmohan Singh at the Press Conference of G-5.****L'Aquila, July 8, 2009.**

Your Excellency President Calderon, President Lula of Brazil, President Jacob Zuma of South Africa and Minister Dai Bingguo, Ladies and Gentlemen of the media,

I am very happy to be here in the beautiful town of L'Aquila, which has recovered remarkably from the devastating earthquake that struck the area in April.

In our meeting today we covered a large agenda and I thank President Calderon for his efforts in making the discussions fruitful and productive of results.

The developing countries have been the most affected by the global financial and economic crisis. We discussed how we could contribute to strengthening the green shoots of recovery. It is only through an inclusive approach that a collective global effort can be truly effective.

We will stress tomorrow the importance of maintaining adequate flow of finance to the developing countries and also of keeping markets open by resisting protectionist pressures.

The developing countries are also the worst affected by high food prices. We agreed that agriculture and food security need to be placed at the core of the international agenda paying particular attention to the concerns of the small and marginal farmers. As responsible members of the international community, we recognize our obligation to preserve and protect our environment. But climate change cannot be addressed by perpetuating the poverty of the developing countries.

The concept of sustainable development has so far been a buzz word. We need to evolve a coherent strategy of growth that brings about a higher standard of living without harming the environment.

Technology has to be a key element in our global strategy to meet the challenge of climate change. India in collaboration with the UN Department of Economic and Social Affairs will be hosting a conference on technology development and transfer related to climate change on 22nd October in New Delhi. The objective is to promote the collaborative development, deployment, dissemination and transfer of climate friendly technologies in a rapid and widespread manner.

The G-5 Declaration reflects many of the concerns and positions of developing countries and have been admirably summarized by President

Calderon. These need to be taken into account in shaping global responses to global challenges. We would like to engage in a dialogue with our developed country partners on an equal footing.

India looks forward to working with the G-5 as we begin our dialogue with the G-8 countries tomorrow.

I would like in conclusion to thank our host Prime Minister Berlusconi and the people of Italy for their warm reception and hospitality."



**198. Press Conference of Foreign Secretary Shivshankar Menon and Special Envoy to the Prime Minister Shyam Saran.**

**L'Aquila (Italy), July 8, 2009.**

Please see Document No.79.



**199. Declaration on Trade issued by the leaders of the G-5 after their meeting.****L'Aquila (Italy), July 8, 2009.**

We, the Leaders of the Group of Five (Brazil, China, India, Mexico and South Africa) having met in L'Aquila, Italy on July 8, 2009, have decided to issue the following Declaration on Trade:

1. We are concerned with the present state of the world economy, which submits the developing countries to an inordinate burden resulting from a crisis they did not initiate. We are convinced that the successful conclusion of the Doha Round on the basis of its development mandate will provide a major stimulus to the restoration of confidence in world markets and inhibit emerging protectionist trends which are particularly damaging to developing countries.
2. We also believe that a strengthened multilateral trading system must play a role in promoting development and reducing poverty. The full integration of developing countries in world trade requires a fair, equitable and development-friendly multilateral trading system. The Doha Development Round must deliver real and improved market access to developing country products and services and also ensure meaningful results where the greatest distortions lie, eliminating export subsidies and bringing down the massive trade-distorting subsidies in developed countries. The objective must be to ensure that the rules-based multilateral trading system is fair, equitable and addresses the legitimate aspirations of the developing countries.
3. We need to conclude this final stage of negotiations. The only way to achieve this in the foreseeable future is by upholding the mandates negotiated over the last seven years. The conclusion of the modalities in agriculture and non-agricultural market access (NAMA) continues to be a necessary step in the negotiations. The December 2008 draft Agriculture and NAMA texts must be completed in line with the development mandate and their overall balance must be preserved, as they offer the only prospect for a timely conclusion of the Round. There is no scope for selectively reopening issues; any changes in one negotiating area will require adjustments elsewhere to preserve the balance and proportionality of the outcome.
4. The time has come to intensify dialogue among WTO Members with a view to finding solutions to the remaining negotiating gaps. The contribution



that our countries are making in this Round is unprecedented and all Members must be prepared to do the same, especially the developed ones. We are ready to engage with all WTO Members with a view to completing the modalities and addressing any outstanding problems, within the context of a transparent and inclusive multilateral process.

After consultations, Egypt has associated itself with this Declaration.



## **200. Political Declaration issued by the G-5 after their meeting.**

### **L'Aquila (Italy), July 8, 2009.**

We, the Leaders of the Group of Five (Brazil, China, India, Mexico and South Africa) having met in L'Aquila, Italy on 8th July, 2009 have decided to issue the following Political Declaration on:

1. We express our solidarity with the victims and their families that were affected last April by the earthquake in L'Aquila.
2. The global economic crisis in its multiple dimensions, including social, employment and food and energy security risks, non traditional threats to security such as diseases and epidemics, as well as the challenges posed by climate change, underscore our fundamental interdependence and the imperative of enhancing cooperation to achieve equitable and sustainable development for all.
3. The world needs a new global governance, the construction of which must be based on inclusive multilateralism. In our evolving multi-polar world, the G5, as a positive platform that contributes to the promotion of the interests of developing countries, will continue to actively engage in jointly tackling global challenges.
4. The recent outbreak of influenza A(H1N1), along with its rapid spread to various countries all around the world, has further underscored the growing interconnection among people and countries. We will continue monitoring the development of this epidemic and facing it on the basis of constructive dialogue and cooperation.
5. Collectively, at the G-20 Summit held in London last April, we stressed the need of addressing the global and financial crisis in an integrated manner, carefully considering its social and developmental

impacts, as well as the long term requirements of stability and sustainability. It is our conviction that efforts to address food security, energy security and other issues of common concern to developing countries, should not be reduced because of the financial crisis. On the contrary, we must grab the crisis as an opportunity to reform the international economic system for the benefit of all, particularly the most vulnerable. As a first step, we call for the full implementation of the G-20 London Summit Declaration without any delay.

6. At the global level, we must swiftly strengthen macroeconomic policy coordination and adopt strong economic stimulus measures to restore market confidence, stabilize financial markets and promote world economic growth. Developed countries have a leading responsibility in this regard.

7. The G5 will continue to promote the reform of the international financial system in a comprehensive, balanced and result-oriented way, with the purpose of establishing a new international financial order which is fair, just, inclusive and well-managed. In particular, we pledge to devote appropriate efforts to fundamentally resolving the issue of under-representation and inadequate voice of developing countries in international financial institutions, which is urgently needed. Towards this end, the G5 will collaborate with other world leaders. In this light, we welcome the outcome document adopted by the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development.

8. The promotion of equitable and sustainable development for all must be at the core of global efforts. We urge international financial institutions to use their recently augmented resources to mainly help those developing countries which have been seriously affected by the crisis. We also call on all countries to consider the impact of their macroeconomic policies on developing countries and avoid aggravating the difficulties of developing countries due to the negative spillover effect of their policies.

9. Trade is a fundamental engine for growth and inclusive economic development. Thus, all members of the international community, must resist trade protectionism and refrain from raising new barriers to investment or trade in goods and services, or implementing inconsistent measures with World Trade Organisation (WTO). We all must strengthen cooperation and coordination in trade finance in support of developing countries to reduce the gravest impacts of the financial crisis. The G5 is fully committed to working for an ambitious and balanced outcome at the WTO Doha Development Round negotiations at the earliest date. The needs and

interests of developing countries have to be placed at the heart of the Doha negotiations.

10. We reaffirm our commitment to meeting the Millennium Development Goals and to contributing to poverty eradication and the promotion of social development and justice at a global scale. In this regard, considering the threatening social impact of the global financial and economic crisis, we urge developed countries to speedily meet the already committed target of 0.7% of their gross national income for official development assistance to developing countries. Also, we emphasise the importance of fully implementing the outcomes of major World Summits, especially the United Nations Conference on Environment and Development, the Monterrey Consensus and the Johannesburg Plan of Implementation. This is also a necessary condition for global recovery.

11. We stress the need for developing countries to strengthen coordination and collaboration on outstanding global issues and call on all Governments, international organizations and relevant parties to vigorously support South-South and trilateral cooperation, making full use of the existing mechanisms to deepen cooperation in all fields. An expanded South-South cooperation can be supplementary but is not a substitute for North-South cooperation.

12. Global warming poses a defining challenge for the present and future generations. Adaptation to climate change is of crucial importance and should be given equal emphasis as mitigation. We urge developed countries to assist the developing countries that are particularly vulnerable to the adverse effects of climate change in meeting costs of adaptation. We also urge developed countries to commit themselves to ambitious and comparable quantified emission reduction targets by reducing their emissions in aggregate by at least 40% below their 1990 levels by 2020, in the second commitment period of the Kyoto Protocol. Reaffirming the principle of common but differentiated responsibilities and respective capabilities and underlining the fundamental role of the United Nations Framework Convention on Climate Change and its Kyoto Protocol, we urge developed countries to provide measurable, reportable and verifiable technology, financing and capacity building to support and enable developing countries to take nationally appropriate mitigation actions in the context of sustainable development. In particular, we express our interests in further considering proposals for the establishment of international funding arrangements, including the proposal of Mexico for a Green Fund, and the setting of a climate financing goal for all developed

countries to contribute a certain percentage of their annual GDP in addition to ODA, among others aimed at ensuring adequate, predictable and sustained funding to support nationally appropriate mitigation actions by developing countries. Given the fundamental role of technology in addressing climate change, we call for the establishment of an international mechanism for the development, deployment and transfer of climate-friendly technologies.

We are fully committed to working for an ambitious outcome at the 2009 United Nations Climate Change Conference in Copenhagen, to ensure the full, effective and sustained implementation of the Convention and its Kyoto Protocol.

13. Peace and development are mutually reinforcing. The G5 will continue to support efforts that promote global security based on international law, and through constructive dialogue and diplomacy, seek to strengthen the international legal framework. We remain committed to supporting the role of the United Nations in global governance and further undertake to intensify international cooperation, especially in the multilateral arena. We will continue to strive for a comprehensive reform of the United Nations that includes strengthening the General Assembly, revitalizing ECOSOC, reforming the Secretariat, strengthening the UN gender architecture and, in particular, achieving an early reform of the UN Security Council, that properly reflects the current economic and political realities.

14. We unequivocally condemn in the strongest terms terrorism in all its forms and manifestations. The global scourge of terrorism need strongest collective action by the international community to prevent terrorist acts and punish perpetrators, financiers and others involved in such acts. In order to provide a comprehensive international legal framework against terrorism, the UN member states should conclude and adopt the Comprehensive Convention on International Terrorism as early as possible.

15. We reiterate our commitment to ensure a world free of nuclear weapons and other weapons of mass destruction and welcome the strengthening of multilateral dialogue on disarmament issues. In particular, we support the implementation of the World Program of the Conference on Disarmament for its 2009 sessions and expect a substantive outcome of these meetings.

16. We are determined to continue engaging in all multilateral efforts leading to achieve the improved global economic governance and other

major changes required to ensure that globalization and interdependence work for the benefit of all. Our strategic objective is to continue promoting an action-oriented global partnership for truly equitable and sustainable development worldwide.



**201. Media Briefing by Foreign Secretary and Special Envoy of Prime Minister on Climate Change during the G-8 Summit.**

**L'Aquila (Italy), July 9, 2009.**

Please see Document No.80



## **202. L'Aquila Statement on NON-PROLIFERATION**

**L'Aquila, July 10, 2009.**

1. We recognize, as we did at Hokkaido Toyako and at previous Summits, that the proliferation of WMDs and their means of delivery continues to represent a global challenge and a major threat to international security. We are determined to seize current opportunities and the new momentum to strengthen our common non-proliferation and disarmament goals through effective multilateralism and determined national efforts. All States must meet in full their arms control, disarmament, and non-proliferation commitments under relevant international treaties and multilateral arrangements. The universalization and reinforcement of the non-proliferation regime remains an urgent priority. We call upon all States still not party to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), the Chemical Weapons Convention (CWC) and the Biological and Toxin Weapons Convention (BTWC) to accede without delay.
2. We underscore that the NPT remains the cornerstone of the nuclear non-proliferation regime and the essential foundation for the pursuit of nuclear disarmament, and reiterate our full commitment to the objectives and obligations of its three pillars: non-proliferation, the peaceful uses of nuclear energy and disarmament. We will work together so that the 2010 NPT Review Conference can successfully strengthen the Treaty's regime and set realistic and achievable goals in all the Treaty's three pillars. We call upon all States Parties to the NPT to contribute to the review process with a constructive and balanced approach.
3. Safeguards are an essential tool for the effective implementation of the NPT and its non-proliferation objectives. We confirm our full support for the IAEA and are committed to continuing our efforts towards the universal acceptance of the IAEA Comprehensive Safeguards Agreement and the Additional Protocol as the verification standard. We will also work to establish the Additional Protocol as an essential standard in the field of nuclear supply arrangements. We call upon all States that have not yet adopted an Additional Protocol to do so without delay while implementing its provisions pending ratification. We seek to ensure that the IAEA continues to have the technology, expertise, authority and resources needed to fulfil its vital, statutory responsibilities. We also agree that measures are needed to address non-compliance, to include real and immediate consequences for States that withdraw from the NPT while in violation of it, including appropriate action by the UN Security Council, and full use of IAEA

inspection authorities that provide for access to all relevant locations, information and people.

4. We welcome the announcement made by the President of the United States of America that he has decided to seek ratification of the Comprehensive Nuclear-Test-Ban Treaty (CTBT) and we will intensify our efforts towards the early entry into force and universalisation of the CTBT as one of the principal instruments of the international security architecture and a key measure of non-proliferation and disarmament. Meanwhile, we urge all States concerned to observe a moratorium on nuclear weapon test explosions or any other nuclear explosions.

5. We welcome the adoption by the Conference on Disarmament of a program of work for its 2009 session. We strongly support the early commencement of international negotiations on a Treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices (FMCT) including verification provisions, and call upon all States concerned to declare and uphold a moratorium on the production of such material. We welcome the fact that the nuclear-weapon States among the G8 members have already decreed such a moratorium. We will take action to resume substantive work in the CD as soon as possible.

6. We are all committed to seeking a safer world for all and to creating the conditions for a world without nuclear weapons, in accordance with the goals of the NPT. We welcome the nuclear disarmament measures implemented thus far by the nuclear-weapon States among G8 members.

We welcome the Joint Statement by the President of the Russian Federation and the President of the United States of America of 1 April 2009, their Joint Understanding signed on 6 July 2009, and their intention to conclude a legally binding agreement to replace the START Treaty before it expires in December 2009. We call upon all States to undertake further steps in nuclear disarmament and to greater transparency.

7. We reaffirm the inalienable right of all NPT Parties to the peaceful uses of nuclear energy, in conformity with all their Treaty obligations; compliance and effective verification will not hinder the use of nuclear energy, but rather facilitate its safe and secure development and deployment as energy source. We are committed to promoting nuclear non-proliferation, safeguards, safety and security in cooperation with the IAEA and welcome new initiatives in emerging nuclear energy countries on nuclear education and training as well as institutional capacity building in these fields. We

encourage the work of the IAEA on multilateral approaches to the nuclear fuel cycle, including assurances of nuclear fuel supply, as effective means of addressing the expanded need for nuclear fuel services, while taking into account the global interest in minimizing the risk of proliferation.

In this regard, we appreciate the ongoing work at the Russian-led International Uranium Enrichment Centre at Angarsk and welcome progress made towards establishing a Nuclear Fuel Bank administered by the IAEA, Russia's proposal to guarantee supply of low enriched uranium and the further development of Germany's Multilateral Enrichment Sanctuary Project. We also take note of other initiatives, including Japan's proposal for an IAEA Standby Arrangement System for the Assurance of Nuclear Fuel Supply, the UK's proposal for a political assurance of non-interference in the delivery of commercial nuclear contracts and the U.S. nuclear fuel reserve generated from material from its national security stocks.

8. To reduce the proliferation risks associated with the spread of enrichment and reprocessing facilities, equipment and technology, we welcome the progress that continues to be made by the Nuclear Suppliers Group (NSG) on mechanisms to strengthen controls on transfers of such enrichment and reprocessing items and technology. While noting that the NSG has not yet reached consensus on this issue, we agree that the NSG discussions have yielded useful and constructive proposals contained in the NSG's "clean text" developed at the 20 November 2008 Consultative Group meeting.

Pending completion of work in the NSG, we agree to implement this text on a national basis in the next year. We urge the NSG to accelerate its work and swiftly reach consensus this year to allow for global implementation of a strengthened mechanism on transfers of enrichment and reprocessing facilities, equipment, and technology.

9. We acknowledge the UN Security Council's key role in addressing the challenges of proliferation and the consequences of non compliance. We call upon all States to fully implement UNSC Resolution 1540 on preventing non-State actors from obtaining WMDs, their means of delivery and related materials. We support the 1540 Committee's fulfilment of its renewed mandate. We encourage all States to participate actively in the comprehensive review of the status of implementation of the Resolution and contribute to its success.

10. We welcome the ongoing progress under the CWC and BTWC and highlight the vital importance of the full and effective implementation of both Conventions.



11. We reiterate our unanimous commitment to working for a comprehensive, peaceful and diplomatic solution to the Iranian nuclear issue and strongly support ongoing efforts to resolve it through negotiations. We urge Iran to use the present window of opportunity for engagement with the international community in a spirit of mutual respect and to respond positively to the offers advanced, in order to find a negotiated solution which will address Iran's interest as well as the international community concerns. While recognizing once again that Iran has the right to a civilian nuclear program under the NPT, we stress that Iran has the responsibility, as reiterated by UNSC Resolutions, to restore confidence in the exclusively peaceful nature of its nuclear activities, allowing for the establishment of a fruitful and wide-ranging cooperation with the G8 and other countries.

The proliferation risks posed by Iran's nuclear program continue to be a matter of serious concern. We urge Iran to comply with the relevant UNSC Resolutions and to fully cooperate with the IAEA by providing the Agency such access and information that it requests to resolve the issues raised in the IAEA Director General's Reports.

12. We condemn in the strongest terms the nuclear test conducted by the Democratic People's Republic of Korea (DPRK) on 25 May 2009 which constitutes a flagrant violation of the relevant UN Security Council Resolutions. Such a test undermines peace and stability in the region and beyond. In this regard, we welcome the UN Security Council Resolution 1874 of 12 June 2009 which represents the clear and strong will of the international community. We also condemn the April 2009 ballistic launch conducted by the DPRK which is in contravention of UNSCR 1718. We continue to urge the DPRK to abide by UNSCRs 1695, 1718 and 1874, not to conduct any further nuclear test or any launch using ballistic missile technology and to abandon all nuclear weapons and existing nuclear programs, as well as ballistic missile programs, in a complete, verifiable and irreversible manner. We demand the DPRK to return to full compliance with the NPT and IAEA safeguards obligations. We call upon the DPRK to return immediately and without preconditions to the Six-Party Talks and reiterate our strong support for the early resumption of the Talks and the full implementation of the 19 September 2005 Joint Statement, including the resolution of all the outstanding issues of concern.

13. The threat of terrorist acquiring WMDs continues to be cause for deep concern. We are determined to continue working together to ensure that terrorists never have access to those weapons and related materials. We look forward to the development of the initiative announced by the

President of the United States of America regarding a new international effort to secure all vulnerable nuclear material around the world. We will further promote the Global Initiative to Combat Nuclear Terrorism (GICNT), which plays an important role in developing its participants' capacity to confront this global threat on a determined and systematic basis, consistent with national legal authorities and obligations under relevant international legal frameworks.

14. We maintain our support for the Proliferation Security Initiative (PSI), which plays an important part in preventing and countering proliferation of WMD, their delivery systems and related materials. We recognize the progress in combating the financing of proliferation activities, and the role of the Financial Action Task Force (FATF).

15. We will continue to uphold the importance of the Hague Code of Conduct against Ballistic Missile Proliferation (HCoC), by promoting its universalization and full implementation. In this respect, we are encouraged by the positive developments announced at the 2009 HCoC annual meeting, and are confident that all subscribing States will soon fully implement their commitments. We call upon all States that have not subscribed to the Code to do so without delay.

16. The Global Partnership against the Spread of Weapons and Materials of Mass Destruction launched in 2002 at Kananaskis has become a successful large-scale initiative for the enhancement of international security. In parallel with the implementation of ongoing priority projects in Russia and Ukraine, to which we fully reconfirm our commitments, we are discussing the options for the Partnership's further expansion by engaging potential new participants, including CIS countries, committed to the Kananaskis Principles and Guidelines.

The G8 is also ready to include new fields of cooperation in areas where the risks of terrorism and proliferation are greatest. To prevent global WMD knowledge proliferation, particularly through collaboration with scientists, we welcome the Recommendations for a coordinated approach in this field.

17. Regarding nuclear safety, we acknowledge the progress made since the last Summit meeting in ongoing projects at the Chernobyl site and, while noting that additional financial resources will be needed for their completion, we reassert our commitment to undertake joint efforts with Ukraine to convert the site into a stable and environmentally safe condition.



## **203. G-8 Declaration on Counter Terrorism**

### **L'Aquila, July 10, 2009.**

Now is the time for a new era of international cooperation that strengthens old partnerships and builds new ones to confront our common challenges and to defeat terrorism worldwide.

Terrorism continues to represent one of the greatest challenges to international peace, stability and security. We reiterate, in the strongest terms, our firm condemnation of this phenomenon in all its forms and manifestations. All acts of terrorism – by whomever committed – are criminal, inhumane and unjustifiable, regardless of motivation, especially when they indiscriminately target and injure civilians. In particular suicide bombings - and recruiting the young or disadvantaged to carry out such acts - as well as abductions and the taking of hostages are repugnant practices.

We remain convinced that terrorism can be effectively defeated only through multifaceted, collective and coordinated efforts – particularly in the fields of information-sharing and capacity-building – which shall include both short term provisions and long term policies. In this respect, a central role must be accorded to the United Nations, the organization uniquely suited to fostering a universal consensus on counter terrorism.

In constant cooperation with the competent UN bodies, the G8 plays a key role in the global fight against terrorism, primarily through the Roma/Lyon Group, which gathers our experts on counter terrorism and transnational organized crime, and the Counter-Terrorism Action Group (CTAG). We welcome CTAG's enhanced outreach initiatives and its increased emphasis on regional and local technical assistance and capacity building.

Consistent with the fundamental principles embodied in all relevant UN provisions, we reiterate our commitment to respecting human rights while countering terrorism.

We emphasize that special attention must also be paid to the victims of terrorist acts. Our countries are committed to further developing initiatives that assist survivors and families of the victims, and we welcome all efforts in this direction by other members of the international community.

The inherent strength of our societies lies in their openness and in the genuine respect for freedom, in which we believe and that we will always defend. Nonetheless, we should never allow terrorists to exploit our open

and inclusive way of living for their murderous purposes. In this context, we shall strive to impede the mobility of terrorists, their access to financial resources and, last but not least, challenge the dissemination of their false messages and their appeal to violence.

An increase in radicalization leading to violence, especially among some vulnerable individuals in our communities, is a source of serious concern to us all. The main goal of terrorists is not only to spread fear and sow the seeds of instability, but also to undermine the basic values of our societies. Special attention must be paid to the abuses by terrorist organizations of both modern and more traditional means of public communication for propaganda and recruitment purposes. In particular, the internet is widely exploited by terrorists to disseminate their radical messages and to plan and facilitate violent acts. We must increase our understanding of the way in which terrorists use these methods of communication, and increase collaboration on countering such abuses.

Therefore, while we stress the fundamental importance of disrupting and prosecuting terrorists, we are convinced that in the long term the most effective response to their criminal strategy remains the promotion of democracy, human rights, the rule of law and equitable social conditions. We are committed to continue promoting a culture of dialogue, inclusiveness, and full respect for diversity – particularly with younger generations – which represents the most effective response to counter those who incite hatred for their violent purposes. In this context, we call on the Roma/Lyon Group to continue addressing these complex issues, as well as fostering cooperation to improve the integration of immigrant communities into G8 societies.

Visible progress has been achieved in our joint fight to prevent terrorist travel, terrorism financing, terrorist abuse of non-profit organizations (NPOs), and other forms of material support, including weapons, mainly through the establishment of a comprehensive sanction regime by UNSC Resolutions 1267/1999, 1373/2001, other relevant resolutions, and through implementation of the International Convention for the Suppression of the Financing of Terrorism.

We are committed to strengthen global implementation of sanctions and further reinforce our actions in working towards universal compliance with international standards in the area of counter terrorism financing, through the full implementation of the Forty Recommendations and Nine Special Recommendations of the Financial Action Task Force (FATF), and via the

FATF-style regional bodies (FSRBs). Enhanced coordination, data exchange and upgrading of such information-sharing mechanisms would further global compliance as well. Special focus must also be placed on the phenomenon of cash smuggling, abuse of money transfer and other forms of moving terrorist funds. We welcome the important work completed on combating cash smuggling and the use of cash couriers to finance terrorism, specifically the joint G8 cash courier interdiction operation which resulted in over 70 seizures totaling approximately \$3.5 million USD.

Although terrorism and organized crime respond to different logics, we remain deeply concerned about the connections between these two phenomena, as noted by the General Assembly when the United Nations Convention against Transnational Organized Crime (Palermo, December 2000) was adopted. We commit ourselves to continue promoting targeted initiatives – by providing capacity building and other forms of technical assistance – to disrupt all possible links between these two phenomena, especially in those countries characterized by a weak institutional context that provides a fertile ground for other destabilizing challenges, such as trafficking in arms, humans and illegal narcotics: as has been highlighted by experts during the G8 Conference on Destabilizing Factors and Transnational Threats (Rome, 23-24 April 2009), these criminal activities can have a multiplier effect on terrorism.

Terrorists have diversified their strategies and offensive methods. Therefore, we will intensify our efforts in tackling the widest variety of threats, such as chemical, biological, radiological and nuclear terrorism (CBRN), and attacks on critical infrastructure (including critical information infrastructure), sensitive sites, and transportation systems. We welcome the Roma/Lyon Group's efforts to identify and promote best practices for expanding biometric identity management practices for travelers and improving security in all modes of transportation. This will resound positively far beyond the G8 countries.

Research and development in explosives detection and operational measures and technologies for the protection of the critical transportation infrastructure (such as video surveillance technologies) and agreement on best practices for conducting threat assessments of critical chemical infrastructure demonstrate G8 leadership in making the world safer and more secure for all. We call on our experts to continue their work to combat threats within all transportation modes, promote outreach campaigns that raise situational awareness, acceptance and compliance with transportation

security requirements, and to enhance the role of the human resource factor in transportation security through the development of cooperation, training and certification processes. We recognize that globalization means our infrastructure is inter-independent and, as a result, we will promote dialogue and collaboration between specialists in the area of critical infrastructure protection.

All our actions against terrorism have been, and will always be, based on the fundamental principles set by the UN system. We reiterate our call for countries to join and fully implement all universal counter terrorism conventions and protocols. Moreover, we stress the importance of the UN Global Counter Terrorism Strategy and we welcome its review by the General Assembly in September 2008.

We reject the idea of a trade-off between security and the founding principles of our democracies. The respect for international law and the promotion of the rule of law are fundamental pillars in the fight against terrorism. All States must meet their obligations to implement the UN sanctions regimes, and should strive to do so in a way that promotes fairness and transparency.

In this context, we welcome the improvements brought to the UN sanction system by UNSC Resolutions 1730/2006 and 1822/2008. We believe that the G8 can play an important role in promoting and supporting efforts designed to enhance the transparency and the effectiveness of the UN sanction system. To this end, we urge our experts to study ways of more effectively implementing the new obligations under UNSC resolutions 1822/2008 and other 1267/1999 successor resolutions as an important step in bringing about greater fairness and effectiveness of targeted sanctions regimes.



**204. A'quila Declaration for the promotion of Global Agenda.****L'Aquila, July 10, 2009.**

1. We, the Leaders of Italy, Brazil, Canada, the People's Republic of China, France, Germany, India, Japan, Mexico, Russia, South Africa, the United Kingdom, the United States of America and the President of the European Commission, together with the Leaders of Egypt and Sweden, as President of the European Council, commit to work together on global challenges and to improve international governance. Our purpose is to foster a genuine partnership, in the context of a strengthened multilateralism. We will cooperate to ensure that the global economy resumes growth along a balanced, equitable and sustainable path for the benefit of all, especially the most vulnerable. We will resist protectionism and promote open markets for trade and investment. We will contribute to ensuring food security and energy security. We will support developing countries in withstanding the impact of the crisis and restoring conditions for their future progress. We share a common vision on development and will mobilise resources to respond to the development emergency and to advance in the achievement of the internationally agreed development goals including the Millennium Development Goals (MDGs).

2. The economic and financial crisis has clearly reinforced the need for enhanced international and multilateral cooperation. We have acted more forcefully and cooperated more fully than in any earlier economic crisis. We are fully committed to implementing rapidly the Washington and the London Summit decisions, including those to strengthen financial regulation and reform International Financial Institutions (IFIs), and to provide them with adequate resources. It is further important to ensure that developing economies, in particular low income countries, are able to cope with the effects of the crisis.

3. In 2007 in Heiligendamm our thirteen countries took the initiative to begin an equal and enduring partnership on key issues on the global agenda. We have carried forward our overall dialogue in an open, transparent and constructive manner and have built common understanding and trust - as highlighted in the annexed Concluding Report. This dialogue adds value in the search for shared solutions and complements formal negotiations in multilateral institutions and fora. We will cooperate in a stable and structured manner with a view to reaching a common understanding on key issues to advance the global agenda. We have decided to continue our partnership over the next two years on an equal footing, along the lines described in the

annexed Note on the Heiligendamm-L'Aquila Process (HAP). This will be a results-oriented process, focusing on global challenges of common and crucial interest to our countries. We instruct the HAP Steering Committee to organize the necessary actions and to prepare a substantive report for the Muskoka Summit in 2010, where we will review progress and provide guidance for the next steps of our common work. Building on the results achieved through our dialogue, we aim to reinforce our interactions at all levels, with a view to enhance our collective capacity to contribute to advance the global agenda.

**Discussing a global recovery agenda for balanced, inclusive and sustainable growth**

4. We are committed to working together to ensure a green global recovery based on firm and lasting foundations for sustainable, balanced, innovative and inclusive growth in the medium term. We have discussed a global recovery agenda and future sources of growth, both in terms of macroeconomic patterns and of structural issues. To this end:

- We will foster a macro-environment that supports a robust and balanced resumption of domestic private spending to promote the revival of demand. Such an environment will require rehabilitating banking sectors in some countries, and the resumption of lending on a sound basis.
- While continuing to support our economies with every necessary measure to overcome the crisis, we will also begin to prepare exit strategies from the extraordinary policy measures taken to respond to the crisis, to be adopted once the recovery is assured and to ensure monetary and fiscal sustainability in the medium term.
- We will cooperate in our efforts to support domestic demand and achieve a robust, balanced, inclusive and sustainable global recovery. We will foster and work together to ensure an appropriate adjustment of savings, and investments, according to respective national circumstances.
- We will refrain from competitive devaluations of our currencies and promote a stable and well-functioning international monetary system.
- Concerned by the high social costs of the crisis in terms of unemployment and poverty, we are committed to tackle the social dimension of the crisis, putting people's concerns first. We are modernising, reinforcing and increasing the efficiency of social protection policies, including safety



nets, health and education. Strengthened and sustainable social protection, supporting employment and enhancing skills, will also help to sustain and rebalance global demand. We will exchange best practices in support of the people who have lost their jobs or who are threatened by unemployment. We will strengthen our capacity for training to adapt to new labour market conditions.

- We are resolved to continue reforming financial system regulation and supervision to prevent boom and bust cycles and we will work to ensure propriety, integrity and transparency of international economic and financial activity. We support an international financial system which fosters global economic and financial stability.
- We will promote higher growth potential through a range of policies in the areas of human capital, research, infrastructure, and promotion and protection of innovation. We will put greater emphasis on the development of agricultural and small scale industries to make economic recovery more inclusive and more resilient.
- We will encourage and facilitate the development, dissemination and mutually agreed transfer of clean, low-carbon technologies, reducing carbon emissions and increasing energy efficiency from production to consumption, thereby improving energy security and access. We reconfirm our political will for reaching a comprehensive, fair, effective, agreed outcome, following the principle of common but differentiated responsibilities and respective capabilities at the UN Framework Convention on Climate Change Conference in Copenhagen in December.
- We will continue to reform the IFI's mandates, scope and governance, to enhance their relevance, effectiveness, and legitimacy and improve accountability and credibility and to give emerging and developing economies, including the poorest, greater voice and representation.

5. We will promote regular consultations on structural and macroeconomic issues in all appropriate fora. Enhanced international dialogue and strengthened coordination will help to build a more stable, equitable and long-lasting global growth model, and so to gradually achieve and sustain a rebalanced global economy.

#### **Supporting open markets and concluding the Doha Round**

6. We reaffirm our commitment to maintain and promote open markets and reject all protectionist measures in trade and investment. We stress

the importance of adhering to the standstill commitment renewed in London to refrain from measures that would introduce barriers to trade and investment and to rectify promptly any such measures. We reaffirm our request that the WTO, together with other international bodies, within their respective mandates, monitor the situation and report publicly on the adherence to these commitments on a quarterly basis.

7. We, together with the leaders of Australia, Indonesia and Republic of Korea and in the presence of the Director General of the World Trade Organization, are committed to seek an ambitious and balanced conclusion to the Doha Development Round in 2010, consistent with its mandate, building on the progress already made, including with regard to modalities. We regard enhancing the transparency and understanding of the negotiating results to date as a necessary means to facilitate the conclusion of an agreement. In order to fill in the remaining gaps in the negotiations as soon as possible, we instruct our Ministers in charge of trade to explore immediately all possible avenues for direct engagement within the WTO and to meet prior to the Pittsburgh Summit.

#### **Promoting and protecting Cross Border Investment to our Mutual Benefit**

8. We consider international investment a major source of growth, employment, innovation and development in our countries. We are committed to maximizing the positive impact of investment as a catalyst for sustainable development, including through a further dissemination of Corporate Social Responsibility standards, and to minimizing protectionist responses. There is a need for continued discussion on key principles that enhance predictability and stability in the international investment environment and that could serve as the basis for a coherent common framework.

9. Building on the results of this process, we will consider appropriate further steps, involving emerging economies, developing and developed countries, relevant international organizations and other major stakeholders.

#### **Responsible Policies for an Inclusive and Sustainable Development**

10. We are alarmed about the serious implications of the global crisis for growth and for poverty eradication in developing countries. We reaffirm our shared commitment to contribute to achieving the MDGs through economic growth and support to peace and security, especially in Africa. We received with great concern the estimates of the World Bank and other development institutions regarding the number of people, in particular

children, who may perish or fall into poverty as a result. We underscore that climate change severely affects developing countries and is becoming a major threat to their ability to achieve internationally agreed development goals including the MDGs. We are committed to mobilising all resources for development, as we keep engaged to ensure the proper follow-up and implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development. We recognize that mobilising financial resources for development and the effective use of all those resources are central to the global partnership for sustainable development. As part of these overall efforts, the G8 countries are committed to meet their ODA commitments, especially to sub-Saharan Africa, including those on Aid for Trade and debt relief.

11. We are committed to strengthening our dialogue and partnership with low income countries on the basis of a set of core development principles:

- *Promoting effective and responsible policies for sustainable development:* We are determined to engage responsibly with low-income countries, especially those in situations of fragility. We respect and support the ownership and leadership of developing country partners in identifying and implementing priorities for their development and we will enhance coordination among development partners. We are fully committed to enhancing our coordination and implementing the Accra Agenda for Action, to improve the quality, predictability and effectiveness of development policies with the aim of maximizing their impact. We will continue to promote debt sustainability and transparency principles which we have agreed in other fora. We will make sure that climate related measures are integrated in a comprehensive development approach.
- *Promoting good governance, accountability and transparency:* we reaffirm the importance of promoting good governance and the rule of law, which requires responsible and transparent use of public resources as well as appropriate policy frameworks and decision-making processes conducive to sustainable development. We will strengthen mutual accountability and assess progress of development initiatives, making information on these initiatives available.
- *Promoting partnership, dialogue and capacity development:* we acknowledge the key role of engaging all agents of development - central and local governments, civil society and private sector - to

achieve internationally agreed development goals including the MDGs. We are committed to supporting partner countries' efforts to build capable and effective governments, strong and transparent institutions, and healthy and engaged societies. We also underscore the value of triangular cooperation in providing an important link that can enhance synergies between South-South and North-South cooperation. We agree to pursue effective triangular cooperation on a case by case basis and according to our respective national capacities.

- *Strengthening multilateral and regional institutions that play an increasingly prominent role in development*, including by fostering income and job generation, economic integration, regional trade and cooperation and contributing to promote peace and security.

12. We are committed to advance reform processes in international organisations, including the UN, to reflect contemporary reality and challenges thus enhancing their relevance, legitimacy and efficiency. In this respect, we ask the HAP Steering Committee to examine coordinated approaches to strengthening the reform process of specialised international institutions dealing with food security issues. We are dedicated to improving the coherence of the multilateral system and welcome stronger coordination of international organisations. In particular, we encourage the relevant UN organisations, the IMF, the FSB, the ILO, the OECD, the WB and the WTO to work in a coordinated manner.



**205. "L'Aquila" Joint Statement on Global Food Security*****L'Aquila Food Security Initiative (AFSI)*****L'Aquila, July 10, 2009.**

1. We, Heads of State, Government and International and Regional Organizations convened in L'Aquila, remain deeply concerned about global food security, the impact of the global financial and economic crisis and last year's spike in food prices on the countries least able to respond to increased hunger and poverty. While the prices of food commodities have decreased since their peak of 2008, they remain high in historical terms and volatile. The combined effect of longstanding underinvestment in agriculture and food security, price trends and the economic crisis have led to increased hunger and poverty in developing countries, plunging more than a further 100 million people into extreme poverty and jeopardising the progress achieved so far in meeting the Millennium Development Goals. The number of people suffering from hunger and poverty now exceeds 1 billion.
2. There is an urgent need for decisive action to free humankind from hunger and poverty. Food security, nutrition and sustainable agriculture must remain a priority issue on the political agenda, to be addressed through a cross-cutting and inclusive approach, involving all relevant stakeholders, at global, regional and national level. Effective food security actions must be coupled with adaptation and mitigation measures in relation to climate change, sustainable management of water, land, soil and other natural resources, including the protection of biodiversity.
3. We therefore agree to act with the scale and urgency needed to achieve sustainable global food security. To this end, we will partner with vulnerable countries and regions to help them develop and implement their own food security strategies, and together substantially increase sustained commitments of financial and technical assistance to invest in those strategies. Our action will be characterized by a comprehensive approach to food security, effective coordination, support for country-owned processes and plans as well as by the use of multilateral institutions whenever appropriate. Delivering on our commitments in a timely and reliable manner, mutual accountability and a sound policy environment are key to this effort. We see a comprehensive approach as including: increased agriculture productivity, stimulus to pre and post-harvest interventions, emphasis on private sector growth, smallholders, women and families, preservation of the natural resource base, expansion of employment and decent work opportunities, knowledge and training, increased trade flows, and support for good governance and policy reform.

4. Food security is closely connected with economic growth and social progress as well as with political stability and peace. The food security agenda should focus on agriculture and rural development by promoting sustainable production, productivity and rural economic growth. At the same time, coherent policies to foster economy-wide growth, which is inclusive and environmentally sustainable, are to be pursued in conjunction with social protection mechanisms such as safety nets and social policies for the most vulnerable. Our attention to promoting access to health care and education in rural areas will substantially contribute to productivity and economic growth and, as importantly, improve nutrition and food security. It is necessary to improve access to food through more equitable income generation and distribution, employment creation and income prospects in developing countries.

5. Sustained and predictable funding and increased targeted investments are urgently required to enhance world food production capacity. Commitments to increase ODA must be fulfilled. The tendency of decreasing ODA and national financing to agriculture must be reversed. We are committed to increase investments in short, medium and long term agriculture development that directly benefits the poorest and makes best use of international institutions. We support public-private partnerships with adequate emphasis on the development of infrastructure aimed at increasing resources for agriculture and improving investment effectiveness.

6. Access to adequate and affordable nutritious food is a critical aspect of food security. Emergency assistance will remain an important means through which national authorities, supported by WFP and other specialized Agencies, Funds and Programmes, together with non-governmental organizations, can provide help to people facing acute hunger. Delivering food, cash and vouchers through effective emergency assistance as well as through national safety-nets and nutrition schemes, such as food and cash for work, unconditional cash transfer programs, school feeding and mother-and-child nutrition programs, is an imperative goal. In the long-term, government led, cash based social protection systems and targeted nutrition interventions are needed to support the poorest and excluded populations. We call upon all nations to support these aims by providing sufficient, more predictable and flexible resources. We also call upon all countries to remove food export restrictions or extraordinary taxes, especially for food purchased for humanitarian purposes, and to consult and notify in advance before imposing any new restriction. The feasibility, effectiveness and administrative modalities of a system of stockholding in dealing with humanitarian food emergencies or as a means to limit price volatility need to be further explored. We call upon the relevant International

Institutions to provide us with evidence allowing us to make responsible strategic choices on this specific issue.

7. Open trade flows and efficient markets have a positive role in strengthening food security. National and regional strategies should promote the participation of farmers, especially smallholders and women, into community, domestic, regional and international markets. Markets must remain open, protectionism rejected and factors potentially affecting commodity price volatility, including speculation, monitored and analysed further. We are therefore committed to reduce trade distortions and refrain from raising new barriers to trade and investment and from implementing WTO-inconsistent measures to stimulate exports. To this end, we aim at an ambitious, comprehensive and balanced conclusion of the Doha Development Round and call for renewed, determined efforts to bring it to a timely and successful conclusion. We are committed to improve access to information, promote conducive business environments and investment in rural infrastructure, such as transportation, processing, storage facilities and irrigation schemes.

8. Strengthening global and local governance for food security is key to defeating hunger and malnutrition, as well as to promote rural development. Improved global governance should build on existing International Organizations and International Financial Institutions, making use of their comparative advantage, enhancing their coordination and effectiveness and avoiding duplications. To this end, we support the UN High Level Task Force on the Global Food Security Crisis. At the same time, we support the fundamental reform processes underway in the FAO, the Committee on World Food Security, the Consultative Group on International Agricultural Research and the global agricultural research system through the Global Forum on Agricultural Research.

9. By joining efforts with partners and relevant stakeholders around the world, we can together design and implement an effective food security strategy, with priority on the world's poorest regions. We agree to support a global effort whose core principles are country ownership and effectiveness. We pledge to advance by the end of 2009 - consistent with our other actions aimed at an improved global governance for food security - the implementation of the Global Partnership for Agriculture and Food Security. Its mission includes enhancing cooperation in achieving global food security, promoting better coordination at the country level and ensuring that local and regional interests are duly voiced and considered. We intend that the Global Partnership will count on a reformed and effective Committee on World Food Security involving all relevant stakeholders, including Governments, International and Regional Organisations, IFIs, civil society

and farmers organizations, the private sector and scientific community.

10. We support the implementation of country and regional agricultural strategies and plans through country-led coordination processes, consistent with the Accra Agenda for Action and leveraging on the Comprehensive Framework for Action of the UN High Level Task Force and on existing donor coordination mechanisms. Building on the experience of FAO, IFAD and other Agencies, special focus must be devoted to smallholder and women farmers and their access to land, financial services, including microfinance and markets. Sustained efforts and investments are necessary for enhancing agricultural productivity and for livestock and fisheries development. Priority actions should include improving access to better seeds and fertilizers, promoting sustainable management of water, forests and natural resources, strengthening capacities to provide extension services and risk management instruments, and enhancing the efficiency of food value chains. In this regard, the increased involvement of civil society and private sector is a key factor of success. Investment in and access to education, research, science and technologies should be substantially strengthened at national, regional and international level. Their dissemination, as well as the sharing of information and best practice including through North-South, South-South and Triangular cooperation, is essential to promote knowledge-based policy and national capacity. We recognize the opportunities and challenges associated with renewable energy production from biomasses. Related investment should be promoted in a sustainable way compatible with our food security goals.

11. In Africa, NEPAD's Comprehensive Africa Agriculture Development Program (CAADP) is an effective vehicle for ensuring that resources are targeted to a country's plans and priorities. Local ownership must begin with the national political will to develop and implement comprehensive food security strategies, based on sound scientific evidence, inclusive consultation, domestic investment and clear directions. We also acknowledge the positive contribution of African-led public-private partnership such as the Alliance for a Green Revolution in Africa. We commit to provide resources - whether financial, in-kind or technical assistance - in support of CAADP and other similar regional and national plans in Africa, Latin America and the Caribbean, and Asia.

12. We are determined to translate these principles into action and take all the necessary measures to achieve global food security. We will aim at substantially increasing aid to agriculture and food security including through multiyear resource commitments. In this respect, we welcome the commitments made by countries represented at L'Aquila towards a goal of mobilizing \$20 billion over three years through this coordinated,



comprehensive strategy focused on sustainable agriculture development, while keeping a strong commitment to ensure adequate emergency food aid assistance. We encourage other countries and private actors to join in the common effort towards global food security through a coherent approach. We are determined to improve coordination of financing mechanisms and stand ready to ensure that new resources complement existing facilities and programmes and catalyse additional funds around country-owned strategies, in particular to increase food production, improve access to food and empower smallholder farmers to gain access to enhanced inputs, technologies, credit and markets.

#### **L'Aquila 10 July 2009**

*The Joint Statement on Global Food Security ("L'Aquila Food Security Initiative") is endorsed by the G8 and by Algeria, Angola, Australia, Brazil, Denmark, Egypt, Ethiopia, India, Indonesia, Libya (Presidency of the African Union), Mexico, The Netherlands, Nigeria, People's Republic of China, Republic of Korea, Senegal, Spain, South Africa, Turkey, Commission of the African Union, FAO, IEA, IFAD, ILO, IMF, OECD, The Secretary General's UN High Level Task Force on the Global Food Security Crisis, WFP, The World Bank, WTO who attended the food security session at the G8 Summit in L'Aquila on 10 July 2009 and by the Alliance for a Green Revolution in Africa (AGRA), Bioversity/Consultative Group on International Agricultural Research (CGIAR), Global Donor Platform for Rural Development, Global Forum on Agricultural Research (GFAR).*



#### **205A. Declaration of the Leaders of the Major Economies Forum on Energy and Climate Change.**

**L'Aquila, July 10, 2009.**

Please see Document No.81



**206. Press Conference of Prime Minister Dr. Manmohan Singh on-board the special Flight en-route from Rome to New Delhi.**

**July 10, 2009.**

**Opening statement**

I am returning to India after attending meetings of the G 5 leaders ( India, Brazil, China, Mexico and South Africa) , of the G5 + G 8 and Egypt, and of the G 8, G 5, Egypt and African Countries. There were also meetings of the Major Economies Forum on Trade and Climate Change.

These meetings took place when the world is attempting a recovery from the recession caused by the financial crisis in the heart of the developed world. After our discussions, it is my sense that while there are some signs of recovery, the world economy is still a long way from recovering the earlier growth momentum and there must be questions whether that will soon be possible for the global economy.

We also discussed other global issues such as Climate Change and Sustainable Development, and the elimination of hunger through food security. On trade, the dangers of protectionism were highlighted. It is clear to me that meaningful global action on all these issues requires a restructuring of the institutions of global governance, starting with the UN Security Council. The sentiment has been recognized in the declarations of our meetings.

I return home convinced that we must continue to strengthen our steps at home to regain the 8-10 % growth path. The international environment will not be as supportive as before for some time to come. I am however, confident that our domestic economic strengths will enable us to return to our earlier path of rapid and inclusive growth.

I also had useful conversations with the leaders of Angola, Japan, the USA, Russia, the UK, Australia, our host Italy, and several other world leaders.

**Q&A**

**Q-1** - About the discussions on climate change where does India stand in regard to reduction of emissions?

**PM-** We are not able to undertake quantified emission reduction targets but we are also quite clear that as citizens of the global economy we have

an obligation to do our bit to control emissions and therefore all countries have an obligation to be prepared to depart from business as usual.

In my own statement I said we are quite alive to the dangers of climate change; in fact we recognize climate change is already taking place. We recognize our responsibility to do more by way of mitigation as well as by way of adaptation. In this context I presented India's climate action plan and I mentioned about the eight national missions which we have set up in this regard. We are willing to do more provided there are credible arrangements to provide both additional financial support as well as technological transfers from developed to developing countries so that green sustainable development can really become an effective instrument of strengthening the atmosphere to tackle climate change.

**Q-2:** How satisfied are you regarding objectives achieved which you had in mind before coming here? (free translation from Hindi)

**PM -** This is a big struggle. I have placed the thinking of India before the G-8, G-5 and before the entire world. I believe there has been a great appreciation of our view point. But it would not be correct to say that all other countries are in agreement with us. Particularly there is going to be greater pressure on India and China. We have to stop it. Alongside we have to make the world understand that as global citizen we understand the responsibilities of India. What is reasonable to stem the climate change we shall do and in fact we are doing. (free translation from Hindi)

**Q-3 -** It is said that if the monsoons are good and the US economy recovers the India economy will revive. What happens if the EU economy slips?

**PM-** In my statement yesterday I did mention that all available indicators for 2009 point to a deceleration in the US economy, in the European Union economies and therefore one can say that the global environment for the development of the countries of the Third World has undergone a sharp deterioration. Our exports have suffered, capital flows from abroad have declined, international bank lending to the developing countries has declined and therefore the challenge before us is to sustain and revive the growth momentum which we have built up in the last five years, notwithstanding the deterioration in the international environment for development.

It is not going to be easy but I am convinced that India's savings rate which is as high as 35 %, with a normal capital output ratio of 4:1 we should be able to sustain, with a little bit extra effort, a growth rate of about 8 to 9 percent, notwithstanding the difficulties on the international front.. So I remain confident that India will come out of this crisis stronger but the road ahead is also going to be a difficult road to traverse.

**Q-4** - UPA I and UPA -II any change in your agenda?

**PM-** I have always viewed that our role as a government is to enable our country to get rid of chronic poverty, ignorance and disease which still afflict millions and millions of our people. We have made some important gains in the last five years. We managed to impart to our economy a stronger growth momentum, we strengthened the forces which make for inclusive social and economic development, we have put in place social safety nets which soften the harsh edges of extreme poverty substantially. But this is a long and arduous journey and our challenge is to take full advantage of the instrumentalities which are now in place for inclusive growth to plug loopholes, to reduce leakages and to ensure that these instruments become more effective instruments of social and economic change, accelerated growth, more inclusive development and more emphasis on rural development and agriculture. So it is a continuation of the journey we undertook for five years, with renewed commitment and with renewed determination even though we must recognize that the international environment is not as supportive as we had imagined at one time.

**Q-5** - There apparently is an impasse with Pakistan, is there anything that India can do to break that impasse?

**PM-** I have often said India and Pakistan are close neighbours, we can choose our friends but we have no choice with regard to our neighbours. I have always believed that for India to realize its development ambitions, to realize its place in the comity of nations, requires to work with its neighbours to bring about peace and amity in South Asia. And we will do all that is necessary to resolve all outstanding issues that have bedeviled India's relations with Pakistan. But it requires credible action on the part of Pakistan to deal with terrorist elements directing their energy to disrupt and destabilize our economy and polity.

So I look forward to the meeting with Prime Minister Gilani for an exchange of views and I do hope that out of that meeting we will have a renewed reaffirmation on the part of Pakistan that they will bring the perpetrators of the Mumbai massacre to justice, that they will not allow Pakistani territory to be used for terrorist acts directed against our country. If they do that we are willing to walk more than half the distance to normalize our relations.

**Q- 6.** IT and textiles have been badly affected by the global slowdown, do you see the situation getting worse or getting better?

**PM:** As far as IT is concerned, the world financial system was the greatest source of demand for our IT services. I think things are stabilizing -the

global financial system seems to have reached a new plateau. It is not a high growth plateau; so I do expect there should be some improvement in the international environment for IT.

And also with regard to exports of textiles and garments, I do feel that if the world economy can effectively stand up against protectionist sentiments, the demand pressures can move in the reverse direction as well. It is also possible to do more at home to create demand for IT services. I think given the e governance processes in our own country, we have a vast unexplored market and we can take full advantage of the global slowdown, the Indian Information Technology industry need not face such a bleak future.

**Q- 7.** You have been talking about the need for reforms in the UN structure specially the Security Council, how do you feel your views have been received by other leaders ?

**PM:** There is today growing support that the international structures and systems which were put in place soon after the end of the WW II, they are not reflective of the current realities of the global structures and global equations. There is a growing support for the view that the Security Council membership should be enlarged both in the permanent category members as well as in the non permanent category members. And countries like India have a legitimate claim to be considered for permanent membership of the Security Council.

But having said that let me also say that International relations in the final sense are power relationships. And no body gives up power willingly; those who have the power want to hold on, so I don't think an easy solution is in sight. It will have to be a long drawn out struggle and I do believe that we have every reason to feel that in the long run our views will prevail.

**Q-8.** *You met Zardari in Russia and now you are meeting Gilani. Has there been some progress since then? Did you talk to the world leaders to put pressure on Pakistan? (free translation from Hindi text)*

**PM-** *After I talked to Mr. Zardari, our High Commissioner had been talking. He has been talking to the ISI chief and the Foreign Office. They have offered some suggestions as to what they were doing to punish the persons involved in the Mumbai massacre. It is our hope they will go further in this direction. I will talk to Prime Minister Gilani with this hope.*

*The second point I want to make is, wherever I happen to talk, I emphasis our position that we are the victims of terrorism; terrorism is trying to destabilize our country for the past twenty-five years. We have evidence of the people who are responsible for this. I appeal to the world leaders that they put pressure on Pakistan to give up the path of terrorism and come forward with India on the path of friendship. (free translation from Hindi text)*

**Q- 9.** Delhi HC recently gave a ruling on Section 377 of the IPC. Has the Govt. crystalized its views on whether to appeal further on it?

**PM-** I haven't discussed this matter with my Cabinet Colleagues and when I go back, I will seek their views as to if anything further needs to be done or said in this regard.

**Q- 10.** Can we expect more private experts in government following Nandan Nelakani's induction into the government?

**PM:** I would like to involve more and more intellectuals in the processes of governance of our country. It is a process, and we have made a beginning and it is my hope that in due course of time, we can enlarge this process. We need all the wisdom, knowledge and experience and there is enormous reserve of knowledge, wisdom and experience available outside the political system. It has to be harnessed in the service of the Indian people. It will be my effort to do so at a pace at which it does not create any side-effects. I think Nandan Nilekani's appointment has been widely welcomed and I sincerely hope that in due course of time we can enlarge the involvement of top intellectual elements in the processes of governance.

**Q- 11.** *There is a lot of difference in the surplus of Rail budgets for 2008 and 2009. What do you think? (free translation from Hindi)*

**PM -** *We can discuss the statistics. I have not seen in detail. Of course the Rail Minister told me that she is going to issue a white paper. I hope that white paper will throw light on this aspect;*

**Q-12 .** In Yekaterinburg you were frank with President Zardari. Is it back to business as usual with Pakistan and do such messages work.

**PM:** Well, there are difficulties, But I have not given up hope. Let me say that what I had said to Zardari Sahib, I had not intended to say that in the presence of all the media. I simply forgot that the media were present there. It was not my intention in anyway to hurt Zardari Sahib's feelings.

**13.** Can Doha round be concluded early.

**PM:** We have a strong interest in the success of the multilateral trade negotiations, because we as a country are not member of any regional groups, so we need a rule based, liberal multilateral trading system to realize our development ambitions. And we have an obligation to contribute to the success of the Doha round. We also hope that the world will recognize that the Doha round started with the promise of making development the centrepiece of global trade negotiations. If those commitments are honoured, I don't think there would be problems in reaching the satisfactory outcome of the Doha round.

14. A perception that Obama may be good for the world, but not for India. Your meetings with him...?

**PM:** I find President Obama to be very supportive of India's development ambitions. He has great admiration for India. I spent considerable time this morning, he and I were sitting side by side in the session on Agriculture. We exchanged notes on a large number of issues and I look forward to my visit to Washington to meet with him and as I said earlier, we have invited President Obama to pay us a visit and therefore there is no basis for apprehension that the Obama Administration will be less sensitive to India's concerns than the previous US Administration.

Interruption ...

find him very supportive of India, that he mentioned to me on more than one occasion in the last 2 days, that is the impression he gave me in London, and that is the consistent impression that I have got that we have a very responsive President Obama, as far as India's aspirations are concerned.



**207. Statement by Prime Minister Dr. Manmohan Singh in the Rajya Sabha on his visit to Italy, France and Egypt.**

**New Delhi, July 17, 2009.**

Please see Document No.39



**208. Discussion in the Lok Sabha on the issues arising out of Prime Minister Dr. Manmohan Singh's Visits abroad.**

**New Delhi, July 29 and 30, 2009.**

Please see Document No.43



**G-20****209. Interview of Prime Minister Dr. Manmohan Singh with *Financial Times*.****New Delhi, March 29, 2009.**

[James Lamont, south Asia bureau chief, Alec Russell, world news editor, and Amy Kazmin, the south Asia correspondent, interviewed Manmohan Singh, the prime minister in New Delhi on March 29 2009 and it was published on March 31 issue of the paper in London.]

**FT:** Do you agree with China on the failures of the global monetary regime and the case for a new reserve asset in place of the dollar?

**Manmohan Singh:** Well these are not new issues. I was associated with the first committee of 20 with Paul Volcker in the 1970s. These issues have been discussed many times - moving to a neutral reserve asset. But there are complicated issues. The power to issue money is an indication of the power of a country and no-one gives up power voluntarily. So these are complicated issues, depending on the power balance. There are virtuous technical solutions but I don't see these are the issues that can be resolved through technical analysis.

**FT:** Do you expect this to be an issue that arises at G20 meeting?

**MS:** It's too early. You need a lot of preparation.

**FT:** There's been an intense debate about what G20 should be doing. The US is proposing deep fiscal stimulus, but Europe is stepping back. Where does India stand?

**MS:** In all these matters there has to be some umpire. I've seen a letter from the managing director of the IMF saying that the stimulus that has been planned in the year 2009 by major economies amounts to 2 per cent of GDP. This is probably adequate but it's necessary to ensure that stimulus is sustained and maintained in the year 2010. I would suggest that these are again issues that should probably be handed to an expert crew either inside or outside the IMF so that whether each country is doing its bit - its adequacy, effectiveness - can be assessed by objective means.

**FT:** What kind of agreement can be reached at the G20?

**MS:** In one day you are asking the leaders of the world to resolve all these issues. Beyond a point they are issues relating to the redistribution



of powers among nations. I don't think these are issues that can be resolved in a short period of time. If you look at Bretton Woods, it took two years for the Americans and British to work out arrangements. There was the Keynes plan, the White plan and now the power system is much more complex, there are much more issues. If you are talking about global reform it requires a lot more work. It is a task that should be entrusted to a competent group of people under the auspices of the IMF or another arrangement we are willing to look at.

**FT:** So what is possible?

**MS:** An agreement for effective, credible fiscal stimulus is the responsibility of all major economies to do their bit. The second is that credit flows must be resumed. For that matter, the cleaning up of the balance sheet of the financial institutions -whatever it involved. These are very unpleasant decisions. There are problems for the tax player, political problems. If you don't have a functioning financial system the world economy won't be revived. All the major economies have their responsibility to assist at a pace which is required to clean up the balance sheet of the banking system and to ensure that credit flows are resumed. We in the developing countries see the effect of the stoppage of credit flows much more. Capital flows have sharply declined. Trade credit has sharply declined. And there is a fall of export demand. The problems of emerging economies should also be taken on board. The decline in capital flows that has taken place should be made good by providing adequate resources to the international financial institutions to come to the rescue of the emerging countries and low-income countries.

**FT:** The last G20 meeting ended in lots of positive statements, but it wasn't long before protectionist measures crept in. How can you guard against a repeat of that?

**MS:** Protectionism has to be avoided. Protectionism is not only on goods but also in the area of services. Financial protectionism is also bad and should be avoided. Some action by the developed countries particularly the withdrawal of capital resources from the developing countries by the banks of the developed countries is equally worrisome. We have entirely agreed that protectionism of all sorts including financial protectionism has to be avoided. Although some countries have taken action, in practice the impact of what has been done has not been reversed.

**FT:** Lashkar e Taiba, the militant group responsible for the Mumbai attacks, appears to be once again menacing India with this recent firelight in Kashmir. Why do you think that Lashkar has been able to bounce back so quickly?

**MS:** It is because the promises that the government of Pakistan have made to control terrorism and all its instrumentalities, they are either not able to control them or they are not willing to control them.

**FT:** Why has Pakistan not been able to do this?

**MS:** I'm not an expert on how Pakistan is being run. But the proof of pudding is in the eating. That the attacks on Mumbai were planned and acted upon in Pakistani territory is now admitted by everybody, including the intelligence agencies of developed countries. That is living proof that despite many promises made by Pakistan since 2004 to my predecessor and to me that Pakistan will not be allowed to be used to undertake acts of terror against India, in practice no effective action has been taken to control terror.

In the past, it has been our experience that there are elements in the armed forces of Pakistan, some segments of the ISI involved in perpetrating acts of terror, particularly the attack on the Indian embassy in Kabul. We have been told that the ISI in Pakistan has a different mindset. I hope that is right. The world has a responsibility that Pakistan lives up to the promise that it will not allow its territory to be used to promote acts of terror directed against India.

**FT:** How do you assess the chances of success for the strategy of US President Barack Obama to stabilise Afghanistan and Pakistan?

**MS:** We would like both Afghanistan and Pakistan to be free of the hold of terrorist elements. I have not studied the Obama plan. We are victims of terrorism and we hope that whatever the world community plans to do they will pay adequate attention that terrorism ceases to be a problem in Afghanistan as well as Pakistan. We all know the epicentre of terrorism in the world today is Pakistan. The world community has to come to grips with this harsh reality.

**FT:** What more does India have to do to protect itself from the global financial crisis?

**MS:** Our growth rate has been affected we were having a growth rate of 9 per cent until 2007/8 when the growth rate has come down to 7 percent and maybe lower than that. We have taken measures. Our fiscal deficit has gone up substantially. We have deliberately allowed it to go up to

provide stimulus as a substitute for the decline of exports, for the decline of international capital. For the time being we believe that the fiscal stimulus that we have provided is adequate. With the decline of inflation there is added manoeuvrability in the use of monetary policy which will be utilised when and where it becomes necessary.

**FT:** There were high hopes that you could maintain the pace of economic reform that you achieved in the 1990s. Are you disappointed that you seem to have been constrained by your coalition government in doing more?

**MS:** You would have liked to push through more reforms. The coalition has its own compulsions. What we have done is something that can't be ignored - the fact that the Indian economy has for the first time in the last four years grown by 9 per cent per annum is an achievement that deserves some credit. We have invested very substantially and there has been an increase in demand in education, health and in strengthening the social safety net. The employment guarantee programme which we have provided to the poor of the country in rural areas is one of the most important elements of moving toward an inclusive economic growth process. All these cannot be ignored. It is certainly true that we would have liked to move faster on some elements on the econ reforms but politics is the art of the possible.

**FT:** Critics in the BJP say you are also constrained by the president of the Congress party, Sonia Gandhi. Do you feel this?

**MS:** I am not constrained by the fact that the Congress party 's management is looked after by Mrs Gandhi and I can concentrate on managing the world of the government. It is a distinct advantage the fact that the Congress president has carried this heavy burden of managing the party and bringing various political parties together in the United Progressive Alliance is a positive element. It's not a constraint on me.

**FT:** Is India doomed to have coalition governments that prevent it from pursuing its goals with the single-minded determination that China appears to have?

**MS:** The Chinese have certain advantages. The fact that it's a single party government. But I do believe in the long run the fact that India is a functioning democracy committed to the rule of law. Our system is slow to move but I'm confident that once decisions are taken they are going to be far more durable. You take the case of economic reform. When we launched the reform in 1991, the Financial Times and all other friends used to tell me "How will you be sure that these reforms will be carried forward by all successive

governments". I used to say "Don't judge politicians by what they say but what they do in power". We've seen since 1991 there have been four or five governments in our country and none have dared to reverse the path of reform that we started. I'm confident. Democracy has its problems, it's slow moving, the decision making process is slow. But once decisions are taken they are far more durable. I have every reason to believe that what is happening in India to move towards an inclusive growth path, in the framework of a democratic polity, committed to the rule of law, respect for fundamental human rights. If we do succeed we have lessons for a large number of countries in the so-called Third World.

**FT:** What is the future of capitalism, especially in India?

**MS:** Capitalism with a human face. We are a mixed economy. We will remain a mixed economy. The public and private sector will continue to play a very important role. The private sector in our country has very ample scope and I am confident that India's entrepreneurs have the capacity, and the will to rise to the occasion.

The following questions were answered in writing:

**FT:** Can the world agree a common policy response at the G20? What do you think is achievable? What will India's contribution be to the debate?

**MS:** We should not look for complete agreement in everything. The fact that G-20 Leaders are meeting after six months to focus on the global crisis suggests a shared sense of urgency and commonality of purpose which itself is bound to lead to more concerted, albeit, national responses. I think governments recognise that they have to intervene actively to restart the growth process. There is also agreement that supervisory and regulatory structures in the financial sector need to be hugely improved to reduce risk of similar crises in the future. There is also agreement that the international community should take special steps to counter the effects of the crisis in emerging markets. India will work constructively to expand the consensus in all these key areas, especially where developing countries' interests are involved.

**FT:** Do you fear a wave of protectionism emanating from the global financial crisis? How will this affect India?

**MS:** Protectionism is a very real danger. It is understandable that in times of a severe downturn protectionist pressures mount but the lessons of history are clear. If we give in to protectionist pressures, we will only send the world into a downward spiral. This will obviously hurt all countries and also India.

We have a common interest in ensuring that the global economy remains open and provides an environment in which emerging market countries can increase their interaction with the world through trade and investment

**FT:** What line will India take on the sharp drop of financial flows into emerging markets this year as some OECD leaders pressure their banks into giving preference to lending at home?

**MS:** The withdrawal of private capital flows from emerging markets in 2009 is estimated at around 700 billion dollars and there is no immediate prospect of resumption in 2010. Although these flows in many cases were going in part into foreign reserves, withdrawal on this scale is likely to hurt growth prospects in emerging market countries. The international community must respond by expanding the flow of resources from international financial institutions to help developing countries to deal with this shrinkage, until international capital markets recover.

The phenomenon of industrialised countries pressurizing their banks to give preference to lending at home does present a problem. It is a form of financial protectionism which should be avoided and where possible reversed.

**FT:** The US is widely blaming India for the Doha Development Round deadlock. Where do you see responsibility lying?

**MS:** There is no truth in the charge that India is responsible for the deadlock in the Doha Round. I have repeatedly stated that India has a strategic stake in the successful functioning of the multilateral trading system and in a positive outcome of the Doha Round. We took on onerous obligations in the 1990s to bring the WTO into existence. We played an active role in launching the Doha Development Round. We want the developmental objectives of this Round to be addressed in any final deal. There were many areas of difference between different groups of countries, including differences between the US and the Europe. In our case the differences related to sensitive issues affecting the livelihood of small and vulnerable farmers. I should add that while public attention focusses on points of disagreement, we should remember that a great deal of work has been done to narrow differences. The negotiators just did not have enough time.

**FT:** What do you want to see in reform of the international financial institutions especially from India's perspective?

**MS:** The IFIs were established at a time when the world was very different, the challenges facing the global economy were different and the distribution of economic power was very different. Since then, the world has changed dramatically. There is need to redefine their role to deal with the problems of today. This often calls for changes in their mode of operation and internal governance. Their voting structure also needs to be changed to reflect contemporary reality. They also need more resources to cope with the exceptional volatility in private capital flows which can present severe problems on occasion.

As for putting more money into the IMF, I can assure you that we will do our bit. India does not need IMF funding but we are ready to contribute to IMF resources on the scale required to reflect the rebalancing of quotas we want in favour of developing countries.

**FT:** What more can India do at home to mitigate the immediate impact of the financial crisis?

**MS:** We have taken a number of steps to counter the impact of the financial crisis. Fortunately, our banking system is sound and untainted by the kind of toxic assets that have caused problems elsewhere. This is the result of cautious financial regulation. However, the global slowdown has obviously affected our real economy via exports, the investment climate and the withdrawal of capital from emerging markets. Like other countries we have used both monetary policy and fiscal policy to counter the slow down. I think this is having some effect. Our growth rate in the five years ending 2007-08 averaged about 8.8%. In the current year 2008-09, which is just about to end, it will slowdown to less than 7 percent. No one expects the global economy to recover before the end of 2009. So the year 2009-10 will be a difficult year. We will have to continue to rely on an expansionary monetary policy and also on fiscal stimuli. Fortunately, inflation has come down very substantially, giving us more room to act contra-cyclically. We also do not expect problems in managing the balance of payments.

We will have a new government in place following the general elections by the end of May. Our government is very clear on what we will do if we come back to power. We will act in the short run to stimulate the economy to return to our medium growth potential, which is around 9 percent or so. We will do this in a manner which ensures that growth is inclusive. We have focused a great deal on strengthening the part of the economy which most directly helps the poor and they are therefore better insulated from the downturn. We must also continue to focus on infrastructure development.

**FT:** How can you bridge the \$190bn funding gap that stands between India and its infrastructure needs in the short term?

**MS:** Infrastructure is a priority area for medium term growth in India. We are relying on a combination of public investment plus public private partnership for infrastructure development. The need to give a fiscal stimulus provides an opportunity to expand public investment in infrastructure. The change in the international financial environment does present problems in mobilizing some of the private investment which we had hoped would flow into these sectors. Recognising that the global financial crisis may present short term financing problems, we are taking steps to increase public investment in infrastructure and also to stimulate greater bank lending for infrastructure projects. This is an area where IFI funding can play a crucial bridging role for the next two years.

**FT:** What was your top achievement as head of the Congress-led government?

**MS:** Our Government has been able to increase the trajectory of India's economic growth rate to a new high of close to 9.0 per cent while at the same time ensuring that our growth process is more socially and regionally inclusive. Inclusive Growth has been our watchword and that is what we are delivering. We have increased the income of our farming community by ensuring they get better prices. We have increased employment in urban and rural areas, and created the first ever 'rural employment guarantee' programme in the world. This is a safety net that will smoothen the harsh edges of extreme poverty across the country. There has been unprecedented capacity expansion in education. We have taken important initiatives in the area of foreign policy, including a landmark nuclear deal that has dismantled a decades old technology denial regime. It will give a big boost to our energy security and clean energy development programme. I think overall we have much to show both at home and abroad to say that India is a better place and a better nation today than five years ago.

**FT:** What do you regret most that you did not achieve?

**MS:** There is a lot to be done to wipe out the last vestiges of economic backwardness, poverty, ignorance and disease in this ancient and great land of ours that has lived through very difficult times for hundreds of years. So there is much more I would have liked to do in all areas. That is what we have dedicated ourselves to doing in years to come.

**FT:** During Nehru's time caste politics were expected to be on the wane. But in contemporary times they are on the rise and ever more powerful. Is this good for India?

**MS:** Caste politics is an unfortunate fact of life in our environment where caste identity is important. However the only way of overcoming this is to show that non-caste parties deliver substantial results for those who belong to disadvantaged castes. That is what we are trying to do.

**FT:** Who are the best role models for young Indians?

**MS:** Our youth are fortunate today to have a wide variety of role models from the fields of education, science and technology, sports, art and culture, social development and business and enterprise. I find every year there are so many awards being given in so many different fields to the best and brightest. Each one of these awardees is a role model for millions of others. I find this energy and dedication truly inspiring. The diversity of role models in diverse professions adds richness to our social life. India is a society on the move. The energy of our youth is driving this nation to new heights and they seek inspiration from so many great achievers. Some of them in fact live outside India, like the woman astronaut Sunita Williams, an Indian American, who has inspired young girls in our villages to study science. Recently millions of our youth were enthused when our musician A R Rehman got two Oscars for composing music for a British film!

**FT:** What is the greatest threat to India's security? Is it internal divisions or the external threat of Pakistan?

**MS:** India is a plural and liberal democracy. What you call 'internal divisions' we see as our plurality and our diversity. There were many in the West who imagined that as a developing country, post-colonial India would not be able to cope with this internal diversity. I think after 60 years we have proved them wrong. We are a functioning constitutional democracy and a secular Republic based on the rule of law. Our internal differences define us, they do not threaten or weaken us. That is why I said India is built on the idea of "unity in diversity", and its experience holds great hope for the people of other multi-cultural, multi-ethnic, multi-lingual and multi-religious nations. Our main security threat is no different from your main security threat. The entire civilized world faces a grave security threat from terrorism.

**FT:** India's minorities are facing more and more pressure from militant Hindu groups. Has your government done enough to protect minorities?



**MS:** During our five years in office we have worked to ensure the safety and security of all minorities. In fact many of the terrorist attacks in India were aimed at generating communal conflict. They have failed in achieving this goal. Wherever there have been attacks on one community we have taken action. There are enough correctives in our system.

**FT:** In your opinion is India a "great power" that can stand up to scrutiny of its internal affairs by the international community? Is India willing to make sacrifices for the good of the world beyond its borders?

**MS:** I think we have made strides in the past decade or two and the world is taking notice of what India is doing. I cannot claim that we have solutions to all our problems. But we have shown that it is possible for a pluralistic and diverse society to grow and flourish in an open democratic framework. The Indian experience is important for the world. I have great faith in the creativity and imagination of our people to address the challenges that confront us and this can be seen in our growing soft power that is making an impact on the world.

India is deeply conscious of its role in the international arena and we have been seeking a restructuring and reform of the global polity that will allow us to play a commensurate role. I can say with pride that Indians have made sacrifices beyond their borders for the good of the world. Our contribution to UN Peacekeeping Forces is recognized around the world. We have sent our troops to Africa and the Balkans and other parts to protect the lives and property of peoples of other nations. Indian Navy personnel were involved in tsunami relief in the Indian Ocean region. They risk their lives to protect merchant vessels from pirates in the Indian Ocean region and in South China Seas.

**FT:** India has been criticised for not doing enough on climate change. Is there really a serious lack of commitment to curb emissions?

**MS:** India currently has one of the lowest per capita emissions among large major economies including major emerging economies at 1.8 tonnes of CO<sub>2</sub> per annum. The US figure is over 20 tonnes. Even in total volume terms, India's emissions constitute only 4 percent of the global figure whereas the US and China are responsible for over 20 percent each. This is the result of India consciously pursuing a path of sustainable development and reducing the energy intensity and therefore the carbon intensity of its growth. Over the past decade our economy has grown by 9 percent per annum while energy use has increased by 4 percent per annum.

As one of the countries likely to be impacted most by Climate Change, India has every reason to contribute to an effective global response to this challenge. These criticisms are based on inadequate appreciation of our position. India is engaged actively in the negotiations under the UNFCCC to ensure an ambitious but also a fair and equitable outcome at Copenhagen. We are very conscious of the need for taking action on climate change and this is reflected in our National Action Plan for Climate Change. It was our confidence in our ability to ensure an ecologically sustainable path of growth which has enabled me to pledge on behalf of India that even as our emissions increase in the short term we will ensure that our per capita emissions will never exceed that of the average of developed countries. This is a very significant commitment.



**210. Briefing by Foreign Secretary on Prime Minister Dr Manmohan Singh's visit to London for G-20 Financial Summit.**

**New Delhi, March 30, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good afternoon and welcome to the briefing by Foreign Secretary on the eve of Prime Minister's visit to London for the G-20 Financial Summit. After his opening remarks Foreign Secretary will be taking a few questions. Let me also introduce my colleague Mr. J.S. Mukul, Joint Secretary (ER&TC).

**Foreign Secretary (Shri Shivshankar Menon):** Mukul is also one of the sous-Sherpas for the G-20 process. That is why he is here. I thought I would brief you on the PM's visit to the UK to the meeting of G-20 leaders in London. But before that there was something I wanted to give you about the situation in Lahore.

We, the Government of India, are deeply saddened and shocked by the events in Lahore. We hope that the Pakistan authorities will be able to resolve the situation soon with a minimum loss of life. Our sympathies and condolences go out to the families of those who have been killed. Terrorism is a menace to the entire region.

About the G-20 leaders' meeting, as you know Prime Minister will be leaving tomorrow for London. He will be in London on the first and the second, and will return on the third. He is accompanied by a senior delegation which includes Deputy-Chairman, Planning Commission, and Mr. Montek Singh Ahluwalia, who is the Sherpa for the G-20 process from India.

In London, the Summit programme starts with the reception by Her majesty the Queen on the first, which is followed by a dinner by the Prime Minister of the UK for the visiting G-20 leaders. On the second of April, there is an intense programme which starts with the Leaders' Breakfast Meeting followed by Summit Plenaries in the morning, Leaders' Lunch; and then another Plenary in the afternoon. Prime Minister will also be having a bilateral meeting with Prime Minister Brown of the UK on the first, and a separate bilateral meeting with President Obama of the US on the second of April. He will, as I said, return to India on the third (of April).

I presume you know the names of the countries in the G-20 and if necessary we will circulate that. By way of background, the G-20 came into existence in 1999 following the Asian Financial Crisis. It was essentially an informal forum of major developed countries and major emerging economies

representing anywhere between 85 to 90 per cent of world GDP together. It was a forum which met at the Finance Ministers, Governors of Central Bank level consistently until the financial crisis and the economic crisis which began in 2007.

Last year, there was the first meeting of the leaders of the G-20 in Washington on November 15. That was when the leaders actually agreed on a Declaration, which I am sure you have seen, which spoke of a common understanding of the root causes of the global crisis, spoke of common principles for reforming financial markets, spoke of the launch of an action plan to implement those principles and reaffirm their commitment to free market principles and opposition to protectionism.

The Washington Summit had mandated follow-up work in several areas - in strengthening transparency and accountability, enhancing sound regulation, in promoting integrity in financial markets, in reinforcing international cooperation, and in reforming international financial institutions. Work on these was conducted in four Working Groups. India participated in all of them and actually co-chaired the First Working Group with Canada. Rakesh Mohan, the Deputy Governor of the Reserve Bank, was our nominee on that.

Working Group-1 was on enhancing sound regulation and strengthening transparency. Working Group-2 was on reinforcing international cooperation and promoting integrity in financial markets. Working Group-3 was on reforming the IMF. Working Group-4 was on the World Bank and other multilateral development banks. All four of the Working Groups have done their work; they have produced reports; they have made a set of recommendations; all of which were considered by the Finance Ministers two weeks ago and will now come to the Summit.

What will happen is that the Sherpas will meet again and the Finance Ministers on the first (of April), just before the Summit in London. So, the preparatory process is still going on. Besides, I do not want to here start telling you about outcomes when they have not completed even the preparatory process, let alone the Summit has not happened yet. But what we would expect really from the London Summit - and these are really expectations, not so much the outcomes, which will have to await the end of the preparatory process and the leaders' meetings where they will discuss these things - is that once they have reviewed the international economic situation and what has been recommended to them that there would be a set of regulatory measures for efficient and effective supervision and

oversight of the financial and economic system, I am sure that individual countries will also brief on their national stimulus packages and what they intend to do to promote economic recovery and to reverse the recession in those countries where there is recession.

The area where we would like to see action is really against protectionism in various forms, which we consider is very important. This was agreed in the Washington Summit. But it is something that will have to be taken forward since we have seen both the crisis deepen and a series of steps by several countries which to our mind appear protectionist.

The other area that we attach considerable importance to is reform of the international financial institutions. There are some suggestions which have already come from the Working Groups and which have been approved by the Finance Ministers. For instance, expanding the membership of the FSF (the Financial Stability Forum) or of the Basel Committee in which India and other emerging economies will now be members. But there are other steps as well, including steps like increasing the ability of the IMF, the World Bank and regional development banks like the ADB, to deal with crises like these to respond the needs of developing countries in particular.

There is general agreement on increasing the amount of resources available to these institutions but the manner of doing so and how quickly it can be done, I think those are still issues which will need to be discussed and resolved. There is also agreement, for instance, on bringing forward the reallocation of quotas to January 2011. The Finance Ministers announced this on the 14th of March. But we will have to see how that works out in detail.

One issue which we think and which we will be highlighting is really the need in dealing with the effects of the crisis and in dealing with both the financial aspects and the economic recovery to ensure that development is not a victim. That is because some of the worst sufferers from the crisis, from the drying up of trade finance, of other forms of finance, have really been developing countries, smaller developing countries. That is something that, I think, will be addressed during the Summit. These are really the themes - if one has to look for outcomes, for what matters, what we would measure the Summit against - these are the issues that we would be looking at.

I would expect that the Summit would also produce a Declaration or an outcome document, but work is continuing. So, as I said, I do not want to jump the gun

and say what we think will come out at the end. We will brief you right through the process both on the way there and after the Summit as well.

I would be happy to answer any questions which you might have.

**Question:** Sir, you have just spoken about the meeting with Mr. Obama on the sidelines and with Mr. Brown on the sidelines of the Summit. What is going to be the crux of discussion with Obama? Is it only protectionism which will be discussed or will it discuss things beyond that? Secondly, the Opposition Leader Mr. Advani yesterday raised the matter of the money stashed in Swiss banks and asked the Prime Minister to take up this matter saying that because of the recession all over this money could be used for different purposes and maybe for the infrastructure and all those things. Is the Prime Minister going to take up this matter as has been demanded?

**Foreign Secretary:** On the meeting between the Prime Minister and President Obama, I think it is our expectation that they will naturally discuss some of the issues that come up in the Summit - the question of world economic crisis and how we are both dealing with it. But certainly, as this is their first meeting, this will also be an opportunity to discuss our bilateral relationship - what this Administration has already called a true strategic stand-alone global partnership. So, they will discuss the bilateral relationship and how we take that forward. I am sure there will be other regional, global issues that will come up. ... (interruption)... That is among the regional issues that will come up I am sure.

On the question of money in Swiss banks and in various countries which have nondisclosure policies in place, this is an issue which has been discussed at considerable detail in the preparatory process. It is not only the question of money in Swiss banks. There are other countries, other banking systems which also were very careful about revealing where the money is from and so on. There is general agreement both in the institutions concerned - for instance in the FSF, Basel Committee - and in the G-20 preparatory process that there is a need for much more open disclosure and that there will be much easier access to this information for certain purposes, especially if there is any question of this money being linked to either illegal functions or anything like that. So, we will work for greater transparency in the system because frankly we think it is also an economic good quite apart from any other advantages that one might see in that. We have urged much greater transparency, and we think that at the end of this process there will be much greater transparency in these cases.

**Question:** Sir, in the wake of the attack that has happened in Pakistan today, the Interior Minister has said that the same Jihadi groups could be behind the attack. What is India's assessment of the situation right now?

**Foreign Secretary:** I think it is too early for us to comment on who did it how and so on. It is still under way. Let the Pakistan authorities investigate and look into it. We will tell you when we are in a position to come to conclusions. But now it is too early.

**Question:** All the recommendations, or what India seeks seem to be medium-term to long-term issues. Aren't there any discussions to resolve the immediate crisis at hand, for instance easing credit and so on?

**Foreign Secretary:** I think you need to draw a distinction between what the function of G-20 is and what the function of national governments is. As national government certainly we will take immediate steps to deal with what we face. Easing of credit for instance is something that might be discussed at a policy level but the ultimate decisions will be taken by individual national governments. So, the discussion will be at a policy level rather than saying, "Okay, this is a level at which you will peg." I think it is quite clear. We all feel that there is a need to increase aggregate demand in the global economy. I think that is agreed.

**Question:** But the other discussion which is more short-term is getting stimulus packages....

**Foreign Secretary:** Exactly what I am saying. There is a need to increase aggregate demand which is what a stimulus package is meant for. How do you choose to do that? Some economies might have exhausted fiscal, monetary measures; some might not. Some might already be at very low rates of interest. Some, like us, might be in a position to cut some rates of interest. We still have space for fiscal manoeuvre and monetary manoeuvre. So, as I said, the actual measures will be a matter of national decision. But there is certainly consensus across the board that you do need to boost aggregate global demand. That is something that I am sure they will discuss and they will also see how they can encourage each other to do that.

**Question:** Mr. Menon, this is about the Prime Minister's scheduled meeting with Mr. Obama. Is India rethinking on the question of signing the CTBT? Is that likely to figure in the talks between the Prime Minister and Mr. Obama?

**Foreign Secretary:** Our position on CTBT has been repeated several times, most recently in Washington by Special Envoy Shyam Saran. Position remains the same. We would not stand in the way. What we want is a CTBT which actually contributes to disarmament. That linkage is very important for us right from the beginning when we started advocating a CTBT long before anybody else did. We are not sure that this treaty does so, at least in its present form. But let us see where this goes. Other countries have changed their positions on the CTBT. We are still watching the process. Our position is clear. It remains the same. Hasn't changed. But clearly other countries' views are evolving. We will see where that goes. On whether it will come up or not, nothing prevents it from coming up. But I have no reason to say, "Yes, it will" or "No, it won't". I cannot tell you that yet.

**Question:** Sir, what is our response to the Af-Pak policy unveiled by President Obama a few days ago, specifically with regard to the regional cooperation which he talks about in terms of setting up a contact group where India will be one of the players, and also giving large amount of aid to Pakistan - some 7.5 billion dollars over the years and more is on the way? Is our Prime Minister going to take up the issue with President Obama?

**Foreign Secretary:** I think the situation in the region including what happens in Afghanistan and what is happening in Pakistan will certainly come up during discussions. As far as this comprehensive strategic review of US's policy which is in the process of being rolled out and being discussed also at various fora, we welcome the very clear expression of will to carry through the struggle against extremism in Afghanistan and its roots in Pakistan, which is contained in the new comprehensive US strategy. India has a direct interest in the success of this international effort. And India is ready to play a constructive role as a responsible power in defeating extremism of all kinds.

**Question:** President Asif Zardari has recently expressed Pakistan's desire to restart the Composite Dialogue with India. What is India's reaction?

**Foreign Secretary:** I think it is quite clear that in the present situation what we are looking at is bringing the perpetrators of the terrorist attacks in Mumbai to justice, and credible action to dismantle the infrastructure of terrorism in Pakistan, from which Mumbai and various other attacks on India have taken place in the past. We are waiting.

**Question:** My first question is a follow-up of the Swiss bank question that was asked sometime back. The US has filed a lawsuit asking for details of



American citizens who have accounts in Swiss banks. Is India looking at doing something on the similar lines? My second question, there is a problem with the Western banks lending out to developing countries like India. Is this issue likely to come up in G-20?

**Foreign Secretary:** On the first question I cannot give you a categorical answer yet. I think we are looking at it. I do not think we have come to a final decision yet on how we do it, which is the best way to approach it. But as I tried to say to you earlier, it is more than just a question of Swiss banks. I think it is a broader issue of transparency and access to information.

On the question on Western banks, the problem is a broader problem. It is not just straight finance but it is various other kinds of liquidity in the banking system. Both at Washington and in the subsequent meetings we have been pressing - frankly we have all been pressing, it is not only India or other developing countries or emerging economies, we have all been pressing including the developed countries - for bank lending to start flowing again as it used to. If you look at the figures now, contraction has been really quite drastic. So, one of the steps and one of the big working groups actually on restoring confidence in the financial system, one of their big tasks is really to make sure that the conditions exist for that flow to start again. This is very important for us. We think it is very important to get the world economy going, equally to get trade going again in the world which for the first time in many many years is shrinking this year. As I said, it is essential for development as well. So, this is one of the outcomes that we would be looking for.

**Question:** Will the issue of terrorism form part of the Prime Minister's address to G-20?

**Foreign Secretary:** It is not strictly speaking part of the agenda of the G-20. In these two G-20 meetings, leaders have actually been meeting in order to address specifically the financial crisis and the world economic crisis. I think that pretty much fills their plate. In the other broader conversations on the sidelines of the Summit, I am sure terrorism is one of the issues that will figure.

**Question:** Obama spoke of constructive diplomacy to bring down tensions between India and Pakistan. How do you see that? And, is there any meeting slated with the Chinese?

**Foreign Secretary:** The two bilateral meetings that we have slated are these two right now because there really is not much time. So, these are

the two that we have scheduled. There will be other conversations, what we call pull-asides, because they will all be there together for a considerable length of time. But, that I cannot predict at this stage. On the issue of constructive diplomacy our views have been quite clear. On how the India-Pakistan process has been most successful when it has been bilateral. It is very hard for any external influence to substitute or to replace an absence of political will intrinsic to the process itself. It takes two hands to clap, and you know getting hands from elsewhere really does not help. We have actually been most productive and we have made the most progress - if you look at the period between the middle of 2003 and until about the end of 2006 - actually when we did it ourselves. I think that is an important lesson to learn for the future.

**Question:** Already there are subgroups that are forming within the G-20 with UK and USA on one side, continental Europe on the other, China standing singularly, and developing nations on one side. There are already barriers. Lula is saying that it is a white and blue-eyed people who have caused this crisis. Do you really see a common solution emerging out of this?

**Foreign Secretary:** As I said, this represents about 85 per cent to 90 per cent of world GDP, depending on whose figures you use. Unless we act together, we are not going to solve a crisis of global proportions and of such depths. It is something quite unprecedented since the Second World War. I do not see us being able to solve it unless we act together. So, I would assume that while we might have differences in tactics, in approach - each one might stress different portions of what we would like to see done - but ultimately our common interest will override these differences. There will be differences. That is what the whole point of sitting around the table is. It is to sort out of these differences because we each come from our own situations. Each of us naturally will see parts of the solutions much more important for themselves. But ultimately I would assume that our common interest in getting the world economy going again, and fixing the financial system would override these differences because none of us can do it alone, none of us. And certainly, if we each chase individual solutions of our own preference, nothing will happen. The problem would not be solved. So, in that sense I am more of an optimist.

**Question:** Just a follow up on that, Sir. In ...(inaudible)... of meeting you cannot do that. There are already things going on right now.

**Foreign Secretary:** But this is why the whole preparatory process is important. If we can get a lot of the detail out of the way in the preparatory

process - which is what the Working Groups have done, Finance Ministers have done - then really at the Summit level you can concentrate on the big issues, and on, in a sense, unifying thinking so that at the end of it you emerge with a much clearer idea of what is possible, what can be done, what is likely to be done.

**Question:** I would like you to take you back to Pakistan, Mr. Menon. Since 26/11 India has had a consistent position. I know the investigations into today's attack in Lahore\* and the operations there are not yet over. But India has had a consistent position that there are elements in the Pakistan State that believe in using terror as an instrument of state policy. Would you continue to say that that is the Indian stand today also because will that wash on the world stage today when attacks in Pakistan are mounting at such a pace?

**Foreign Secretary:** We have an attack today, which is clearly a terrorist attack, which is now what seven hours old? I do not think anybody should jump to conclusions about who did it, how it is done, why; or should, therefore, then go to even bigger conclusions about describing the nature of the relationship between terrorist elements in Pakistan and parts of the Pakistan establishment. I mean those are huge conclusions to draw on an absolute absence of information. So, I will be very careful before jumping to all the conclusions that you have mentioned on the basis of what happened today. Our basic judgment and assessment is based on our experience over several years, in fact over decades, and over what we have seen. So, it is not going to waver from day to day. This is not something that changes with the weather or with one event or the other. We will have to see. And let us see. Before we jump to conclusions about what happened in Lahore today and how it affects our assessment, let it play itself out and let us see who actually did it and how it was done and why it was done as well.

**Question:** Mr. Menon, on G-20 a lot of what we have heard from the Indian side in the public domain has been rather defensive, that we are looking to fight against protectionism. I am just wondering what our views are on certain ideas that have come up. For example, the People's Bank of China Chairman had spoken about the need to move away from the dollar standard and have greater reliance on SDRs. Does India have a position on these kinds of changes?

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\* In a terrorist attack on the Police training school near Lahore eight trainees were killed, 95 injured and number of them were taken hostage. The Pakistani security forces succeeded in taking control of the training school after a grim eight-hour gun battle. The training school at Manawan is a mere 10 km from the Wagah border with India.

**Foreign Secretary:** If you look at what Prime Minister said at the first meeting in Washington, we had spoken about the use of SDRs, about the need to greatly increase the numbers of SDRs and to allocate SDRs so that in effect I think we are all addressing the same problem. We see not just a liquidity problem, a temporary and a shortage of credit as somebody said there. But we also see the problem of what the kinds of stimulus packages that we are talking about, the effects that that will have on currencies, on exchange rates and on reserves ultimately. So, I think there are larger issues here which we are all grappling with. I think many of us have ideas, some of which have been expressed in the public domain, some in the course in the course of the preparatory process since we were very involved in the preparatory process at all levels. I think most of our work has been done there. Maybe that is why you have this impression. But yes, I think we need to look at several imaginative, innovative ideas and ways of dealing with these problems. There are issues here which are I think unprecedented. I do not think we have had some of these issues in global economic discourse for a very long time. So, the more ideas, the better. I am not sure that the Summit is the place to actually deal with big new ideas. I think the way to do it is exactly as is happening now. Many new ideas out in the public, in the open; a lot of detailed discussion in preparatory meetings; and then to see levels of comfort, what is feasible what can actually be implemented, because I think people have to get used to these ideas and their implications. I do not these are the kinds of ideas that this Summit, and certainly not this meeting, will take decisions about.

**Question:** On Pakistan, what is the metric that we are looking at following which you could conceive of a resumption of dialogue? Are we looking at a trial beginning, extradition? When you say 'shut down the infrastructure', can you be more concrete?

**Foreign Secretary:** We have always avoided setting down timeframes.

**Question:** I am asking for a metric.

**Foreign Secretary:** I am not setting down concrete markers. Whichever word you use, ultimately it is the same thing you are asking for. Metric is a fine word. But basically you are saying, "What is your marker, at what stage do you think?" We have made it quite clear. What we expect is credible action against terrorism. Now you will say that it is subjective. Yes, but it has to be credible in our view. Unless we think it is credible, it is not going to be worth it. We want to see credible action against the infrastructure of

terrorism in Pakistan. We want to see the perpetrators brought to justice. At that level of generality, I think everybody knows what we mean. Rather than quibbling about whether that involves filing a charge-sheet, or taking them to court, or finishing the prosecution, or sentencing, or judgment, I would rather not get into that.

**Question:** On CTBT, Sir, you have half-used a phrase that we have not heard from the Gol since 1998, that 'India will not stand in the way'. Could you complete that sentence? Not stand in the way of what?

**Foreign Secretary:** That is it. We would not stand in the way.

**Question:** Does it mean India has an open mind?

**Foreign Secretary:** That is not what I said. No, we cannot because we have a position and it has been consistent. So, it is not an open mind.

**Question:** A follow-up on the question on international currency to replace the dollar which the People's Bank of China talked about. Subsequently, Russia also said the same thing. China and Russia said that India also has a similar position. Does India have a position on a currency to replace the dollar? Has India thought about it?

**Foreign Secretary:** Here we have a much more open mind, since you want the phrase finally. As I said, there is a real problem here which needs to be addressed. This is one of the possible ways of addressing this problem. The Chinese are pragmatic people, they have come up with a very specific solution. But I think what solution ultimately the international community adopts will depend on a lot of us, on everybody feeling comfortable with the solution. We will need to work this out among ourselves. We had recognized the need for a solution, to work out a solution, in November in Washington itself. If you look at what PM had said at that stage, he had spoken of the need for a major increase in SDR allocations, of how we should address this problem. So, I think if you go back there you will see that we tried to start this discussion, we identified the problems. I do not think we are at the stage today where either the G-20, or in fact the larger international community is ready to say, "That is the solution that we all want." Not yet. We still need to go through a lot more discussion and reiteration of the problem, I think.

**Question:** Going back to Pakistan, while the US has been talking about its new policy on Afghan and Pakistan and talking about civilian reconstruction, will we be raising the issue of military aid to Pakistan in any way? Has our

position on that changed in any way? And, while Washington expects us to play a role in the region, what is it that we expect of Washington vis-à-vis Islamabad?

**Foreign Secretary:** We have made it quite clear that for us the links between the Pakistani establishment and terrorist elements is what really causes us concern. So, anything that anybody can do to cut those links, and to persuade Pakistan of its own interest in fighting terrorism and these extremist groups, we would welcome. We have an ongoing conversation with the US, with other friends around the world, where we tell them what we think, what our approach is; which is when we tell them, how we see this evolving. So far I have no reason to believe that people do not accept our diagnosis of the problem. This is important because increasingly it is clear what the problem is. Different countries might have different approaches to how to solve the problem. But that is a different issue. And that is something that I think is normal in the circumstances. We will naturally continue these conversations. I think Mr. Holbrooke wants to come here in early April. So, we are looking forward to that. And we will tell him again what we think.

**Question:** The subject is G-20. Sir, we are observing a lot of statements and counter-statements of leaders. In spite of that, is India in favour of some global fiscal regulation policy to correct the recession, like the two per cent cut in the GDP somebody objected but the US is in favour of that. So, is there any possibility, is there any effort to reach a global fiscal regulation policy at the Summit?

**Foreign Secretary:** I think PM was one of the first to say last year itself, long before even the Washington meeting, that what was seen now by way of crisis is a result of both regulatory failure and a failure of surveillance that is supposed to have taken place in the international system. In fact in Washington in November, he spoke of what needs to be done to do that. Now, there are several ways of improving the regulatory system. One is to strengthen national regulation in different ways. The other is to agree a set of international guidelines, standards, benchmarks, which all national regulations will have to meet, or at least to internationally devise a set. The third would be some form of different regulatory functions being brought, some to international level, some at national levels. There are many possibilities of how you do this, how you strengthen the regulatory mechanisms. Most important is to bring all similar activities - by whatever, by hedge funds, by banks, by whoever is involved in these, whoever is dealing in derivatives for instance, in various forms of derivatives - to bring them all into a regulated sector, rather than what actually happened over two or three years which was for most of these derivatives to actually trade risk off

on to non-regulated sectors, which has what led to the mess. So, I think that is exactly what has been done in the Working Groups, in the meeting of Finance Ministers, to discuss these issues through. We hope that at the end of the Summit you will hear much more clarity on this, on the regulatory aspects. This is important because if we want to restore confidence and stability into the world financial system, it is very important. Regulation, I think is one of the highest priorities that we will see. So, that we will work for very strongly.

**Question:** Sir, you mentioned earlier that India expected action on the issue of protectionism. Could you elaborate on that a bit? And also what do you make of the accusations or allegations which have been made India is also very protectionist and that they are ...(inaudible)... placed to be asking for less protectionism from the developed countries.

**Foreign Secretary:** We do not think we are protectionist. I do not think there is anything we have done which is non-WTO compliant. I do not think that is the issue. Obviously, each country will define protectionism in ways that suit it. But what we have seen not just in terms of a contraction in market but also in terms of various conditions which are attached to recovery packages, stimulus packages and recovery programmes, which favour national firms in Government procurement for instance or which try to limit the movement of natural persons - whether Mode-1, Mode4 - in all these I think we have seen a clear increase in protectionist sentiment and certainly there is much more demand for protectionist steps in several developed economies. That is something that we feel the Summit has a role in opposing. At Washington everybody agreed that there should not be an increase in protectionism. I think everybody realizes that in a sense that would be suicidal for the world economy. That is exactly what happened in the 30s. People put up protectionist barriers. It only hastened and deepened the depression. I think everybody recognizes that has an intellectual construct. But the question really and the trick is how to make that happen in practice. And that is why we think that this G-20 process has been useful because it has given us a chance to discuss all this, not just at the Finance Minister's level but in the Working Groups and in other meetings in the preparatory process. If we can, we would like to see a very strong statement coming out of the leaders eschewing protectionist steps.

**Question:** Sir, there are reports about your computers in Washington being hacked into by the Chinese. How correct is that report and how safe are your computers worldwide?

**Foreign Secretary:** We have been through this before. There are a series of attacks against computers. The report that you are mentioning is the

one done by a set of Canadian scholars. That itself says that there were attacks mounted on computers in a 103 countries; that of the four servers from which the attacks were mounted three were in China, one was in the US; and that there is no proof to link this to governmental activity in China or in the US. We assume that - and this has happened to us before, we have discussed this - there will be attempts to attack our computers, to hack into them and so on. We do what we can and what we need to prevent it; or even if it does happen, to make sure that the consequences are non-catastrophic and that actually the consequences are minimized to the extent that we can. So, we take both defensive and other measures to try and deal with this. But this is a reality of a world where we all depend on cyberspace. We all use cyberspace. It is open to everybody - good, bad, whatever. Malware is out there. You have a problem as much as we do. I think the media has this problem as well. We have had e-mail identities stolen of some of our personnel and then used. This is a reality of today's life. But we will do whatever we can to minimize the effects of this and to counter it wherever it comes from.

**Question:** This is about Mr. Obama's strategy for Pakistan and Afghanistan. Mr. Obama wants India and Pakistan to work together to sort out the hassles in the region including China, Russia and so on. Considering the Pakistanis sensitivities about India's active involvement in Afghanistan's reconstruction, is that a workable proposition? What is your take on that? Secondly, the NATO forces are looking for an alternative supply route to Afghanistan and Iran says that it is now ready to let India and others use Chabahar to Afghanistan. Are we likely to use that route for our exports to Afghanistan and Central Asia? How do you look at the possibility of that route being used for NATO supplies to Afghanistan?

**Foreign Secretary:** I am not quite sure what you expect on the first question. As I said, we are ready to play a constructive role as a responsible power in the region in defeating extremism of all kinds. That is the goal of the strategy. We are ready to work with the US, with other regional powers, to see how we that. On other people's sensitivities, what might happen, could it happen, I am not an astrologer. This is not my business. We will do what we have to in our own interest, in our national interest. On the Chabahar route, yes, it is available. It is now feasible now that we have done the Zaranj-Delaram road in Afghanistan. We would welcome people using it because we did after all make a sizeable investment both in terms of money but more important in terms of lives in building that road. We think it is important. It seems to have helped to generate a fair amount of economic activity in Nimroz province



and around in southwest Afghanistan. In fact the town itself has grown from 50,000 to a 100,000 people just in the last two years as the road was being built thanks to the economic activity that the road has generated. But it is more than that. I think it is a linkage to Chabahar port. We will be very happy to see that. This was one of the subjects that we discussed with the Iranians when Mr. Jalili was here on Saturday. It is something that we are both looking forward to seeing used.

**Question:** Sir, can you give us the latest information on India's humanitarian assistance to Sri Lanka? Secondly, Indian Prime Minister's Principal Secretary has visited Colombo and come back. Can you give us the update on his visit? Did he meet any dignitaries there?

**Foreign Secretary:** Yes, he had a very good visit. The Principal Secretary to the Prime Minister met with his counterpart who is the Secretary to the President. He also called on the President. There were three main purposes to this visit. One was to urge upon the Government of Sri Lanka that they take steps towards a credible devolution and a political package which could be seen as contributing to meeting the needs of all the communities in Sri Lanka, particularly the Tamil community and to bring them into the normal political democratic framework; and secondly to see what we could do for reconstruction, rehabilitation in the North especially. We had a fairly detailed discussion of that. Thirdly, to see what we could do on the humanitarian side, which you have mentioned. As you know, we have increased the size of the hospital because of the numbers of people who were coming out. Now I think almost something like 55,000 civilians have come out of the conflict zone and this hospital has been treating fairly large numbers of people in each batch. So, we had to increase its capacity. We have also shipped a new shipment of medicines, end of last week. And we have also got food supplies into the conflict zone both through the ICRC and the UN. This was important because supplies of food into the conflict zone in February had actually dropped considerably because of the fighting. So, we thought it very important that we get it there. You would have seen recent statements by the Government of Sri Lanka that they are ready to work out modalities including a pause of some kind if necessary, to allow civilians to come out of the conflict zone and to bring them out of harm's way. We would welcome that.

As you know, our Minister has said so last month already. He had said publicly that we would welcome that. And we would hope that there is progress towards bringing remaining civilians out of the conflict zone so

that at least this kind of situation where each side is blaming the other but civilian casualties continue and where we then have to deal with the consequences in the hospitals, in terms of rehabilitation is avoided, and we can then concentrate on the big job of actually getting people back into normal activity and a normal political life in Northern Sri Lanka. So, all in all we were very heartened by the results of the Principal Secretary's visit. It was a very useful visit.

**Question:** Are you planning to send more doctors?

**Foreign Secretary:** We have sent more doctors actually last week to the field hospital.

**Official Spokesperson:** Thank you very much.

**Foreign Secretary:** Thank you.



**211. Interview of the Deputy Chairman of the Planning Commission Montek Singh Ahluwalia with the *Hindu*.**

**New Delhi, March 31, 2009.**

[Planning Commission Deputy Chairman Montek Singh Ahluwalia left early on Monday for London for the preparatory sherpa meeting ahead of the G-20 summit of Heads of State on April 2, which is to be attended by Prime Minister Manmohan Singh.

In an exclusive interview with *The Hindu* prior to his departure, Mr Ahluwalia spoke at length on issues pertaining to the global financial crisis, the steps that need to be taken to combat the resultant slowdown and India's expectations from the summit.]

**Q: What is the backdrop of the G20 London summit?**

A: The summit is taking place at a time when there is global crisis of extraordinary magnitude, the worst in 60 years. I think all the leaders understand that the summit's aim is to look at the global economic situation, to review what has been achieved in the areas identified in November last year when they met in Washington and, may be, to give some messages on what should be done in future.

**Q: What is India's expectation from the summit?**

A: Obviously, we are interested in all the different elements of the global crisis which needs a global response. India is one of the 20 countries which represent about 70 per cent of the world GDP and we hope the summit comes out with a global message which meets our expectations. We need a revival of the global economy, we need the financial system in industrialised countries to get fixed as soon as possible, without which it is difficult to envisage a revival of confidence. We think that the global community needs to take some special measures to make sure that the developing countries are helped at a time when a crisis that was not of their making is having a very severe effect on them.

The whole shrinkage of private capital flows from emerging markets is massive, something like US\$ 700 billion. Obviously, this will have an adverse effect on growth of many developing countries and I think that this withdrawal of capital has occurred not because of anything that has gone wrong in developing countries but because

the financial systems in the industrialised countries malfunctioned. So the global community needs to take corrective steps so that some revival of capital flows takes place till the multilateral institutions step in. There is also the larger issue of financial architecture. We need to make sure that in a globally integrated world where a crisis in one part of the system can affect the whole world, we should have a global governance framework that can anticipate such crises and then take corrective action.

**Q: From the Indian perspective, what should be the ingredients of these special measures?**

A: First of all, it is very important that a coordinated effort is made by all major economies, including India, to take steps to de-lever the crisis. Since this is a period when governments have to actively intervene, it is our view that both monetary and fiscal policy should be actively used to restore growth momentum. On our own front, we would certainly tell the assembled leaders that we are doing what is necessary. We have had a major relaxation of monetary policy, we have had a major fiscal stimulus, we have tried to make sure that the more vulnerable sections of our population get an adequate flow of support through the NREG programme and we would like to see the rest of the world also take steps to stimulate their economies.

Secondly, I think it is very important that the global economies remain open. We are very concerned that there are protectionist noises being made and I want to emphasise that we must distinguish between a protectionist noise and actual protectionist action. The fact is that a protectionist noise actually gets converted into action unless there is a strong political leadership. When the leaders met in Washington in November, they had said that we must have a 'standstill' agreement -- in the absence of an agreement on the Doha Round -- that we will not increase protectionism. Actually, every country has taken some action but, by and large, the protectionist actions taken have been minor.

But protectionist pressures are rising and we are very concerned, for example, over financial protectionism. We support the fact that industrialised countries are trying to save their banking system. So when the banking sector has problems, we have to recapitalise banks. But some governments have said that one of the conditions of recapitalising is that they will preferentially increase domestic lending.

This is protectionist. As a result, trade finance has dried up as banks are focusing on their own home turf. This hurts developing countries because if they have an incentive not to lend to trade, then I think trade will decline. So we are opposed to that.

Then finally, I think in the area of multilateral institutions, we can increase the flow of resources to developing countries through institutions like the IMF and the World Bank. Fortunately, India has no intention of going to the IMF as our reserves are very ample. But for developing countries as a whole, it's very important that the IMF is adequately financed. The present position is that the IMF's total resources are \$ 250 billion, which is exactly equal to India's foreign exchange reserves. Now how can the IMF solve the problems of the world if its resources are equal to only India's reserves? On the one hand it tells you that India is very adequately protected, but it also certainly tells you that the IMF is not adequately funded. So we want more of that.

**Q: What about funding of regional development banks?**

A: We are very keen that regional development banks should increase their lending at this time when countries are experiencing a withdrawal of private capital. I think the multilateral institutions should step in, may be temporarily, to offset this outflow. The ADB, for example, has a long-standing demand to increase its capital by 200 per cent in order to support higher levels of lending. India is very keen to do that. So are the Japanese and other countries in Asia are in favour of it and we have to see whether we can get endorsement by the summit. So I think on all these fronts, we need to find ways of finding more resources.

The US Treasury Secretary had said that the IMF needs an additional \$ 500 billion, which is almost a trebling of its resources. That is more or less our estimate also. In Davos in January this year, when an official spokesman of the IMF said that they needed a doubling from \$ 250 billion to \$ 500 billion, we said that IMF needed a trebling of resources to \$ 750 billion. One of the issues that comes up is that how does it get these resources. Do you just borrow them in an ad hoc manner which is a temporary solution or do you increase the IMF quota. And if you increase the IMF quota, how do you rebalance the voting share, because you could follow a rule or a formula for the additional quota which is different from the existing share and that

would help to rebalance. We think that should be done so that the emerging market countries which have gained in their position in the global markets have their economic strength reflected in their voting share.

**Q: But what about a greater voice for developing countries?**

A: We have been arguing for a greater voice for developing countries in most of the fora where critical decisions are made. One of the key issues in the financial crisis is -- what are going to be the supervisory and regulatory rules imposed on the financial system of the world to make it less vulnerable to crisis. The international regulatory forum for banking supervision is the Basel Committee and there is the Financial Stability Forum (FSF) which brings the different groups together.

In the past, India has not been a member of these and we had argued that the group should be broad-based. There is already success in that because the FSF has been expanded and the countries in the G20, which were earlier not a part of the forum, have been made members. There are two groups, the BRIC countries have been brought in on the same level as the G7 in terms of number of seats. The non-BRIC G20 countries have been brought in a second tier. Similarly, the Basel Committee has also been expanded and India is now included. I think these are important systemic changes which democratise the system.

At the Finance Ministers' meeting, it was agreed that the heads of both the World Bank and the IMF should no longer be a closed selection process in which there is some informal understanding that the World Bank head will be an American and the IMF head will be a European. Rather it should be an open competitive system. Obviously, the bigger countries will have a larger say because they have a larger voting power, but the process will be open and all the countries will vote for their preferred candidate.

**Q: What about the differences in perception on the corrective steps required? The US is banking more on fiscal stimulus packages but the European countries want stricter financial regulation...What is India's stand in this regard?**

A: India's position on this is very clear. First of all, these are two separate issues. There is the issue of what you do with the global economy today and the issue of how do you regulate the financial system so

that these kinds of problems do not happen in future. We are quite clear that we need to act on both fronts. We need to do something to take care of the global situation today, but we also need to change the system of regulation and improve it.

I think there is a lot of agreement among different countries that the perimeter of regulation should be expanded. We should cut out regulatory arbitrage. Shadow banks which were doing the same thing as banks, particularly in the United States and also in Europe, should be subjected to similar regulation. Otherwise, you are basically legitimising an area for non-regulatory activity by institutions that become very large. This is not a very serious problem at all in India because the non-banking sector is still very small. But in the US, the non-banking sector is as big as the banking sector.

As you know, we have ourselves internally been very cautious, but we are certainly in favour of more effective international regulation and particularly for systemically important institutions which operate across borders because it is these institutions that can transmit contagion from one part of the world to another part of the world. I don't think the Americans dispute that either. You may occasionally have differences over how much regulation, but even the Europeans say they want more regulation but regulation should not kill innovation. The Europeans perhaps want tighter regulation on hedge funds; the Americans feel that the problem was not because of hedge funds, it was because of leveraging and the leveraging was done by regulated institutions. So they are more in favour of registering hedge funds and getting more information, but these are matters of detail.

There is complete agreement that we need stricter regulation as the present system of regulation and supervision has been shown to be inadequate. I do not think that the US has any different view. We need a better system, but what that better system is going to be has already been fixed by the leaders and it will go back to the regulators, Basel Committee and others. It's the regulators that will then determine as to what is the global standard that we should aim at. Now one good development is that we are part of that system because we are now represented. It is not as if some G7 regulator will come up with a solution and we have to implement it. We are part of finding the global consensus.

Even when the global consensus is determined, regulation will be national. National regulatory authorities will be looking at the global

standards while allowing their own regulation as global regulation. In the case of systemically important institutions which operate across borders, there is, I think, agreement that we should have some sort of system of a college of supervisors.

**Q: How is this system of college of supervisors likely to function?**

A: Typically, let me say that you have a banking institution which is also doing investment banking activity and some part of it is also doing insurance activity. In the home country, the college of supervisors should include the regulators of these three segments. Across countries, the college of supervisors should include supervisors in the host countries where this entity has a significant presence. So this will be a completely new idea because up to now we have not had supervision by a college including international representation.

**Q: Will this college have statutory powers to point out where a country is going wrong?**

A: I don't think it will have global statutory powers. Each regulator will control what an institution does in its own country. But being part of the college, it will become a part of the supervision of that institution by others. So hopefully, by being a member of this organisation you will have a better sense of the possible problems. An Indian member of the supervisory college cannot stop the institution from doing something somewhere else. But based on what they learn, they can stop it from doing whatever they are doing in India. So in that sense, they don't have a global regulator.

Sometime ago, there was an impression that some people would like to have a global regulator. I don't think that is possible as it is actually not practical. Today, I don't think there is any country actually arguing for a global regulator. They want national regulation but they want the standards to be made globally more acceptable and national standards to be aligned and cooperation among supervisors. Now that's quite a big change from the past and very significant for forward development.

**Q: Everyone knows that the reckless behaviour of US financial institutions that led to the current global crisis. Do you think that the London summit can work out a mechanism to correct the situation and ensure that it does not happen again?**



A: A lot of what you said relates to where you put the blame on the crisis. Now that's an important issue and I don't want to go into it. I don't think the leaders are going into this meeting on the blame-game point of view. But they are going into the meeting saying that look, whatever happened is pretty bad and how do we stop it from happening in future.

The key answer to that is a better system of financial supervision and regulation and two, the IMF as a global monitoring body interacting with the Financial Stability Forum with the responsibility of becoming an early warning system to be able to spot difficulties. Now there is a lot of scepticism about whether the IMF can actually do that job and it is a very difficult job. Everybody is agreed to improve the regulation and in addition to that, we need an international institution which specialises in trying to see whether the dangers to stability are mounting.

Historically, the IMF has tended to be viewed as having a lot of clout when it is dealing with countries that have to borrow from it and having no clout at all when it is dealing with countries that don't have to borrow from it. .

**Q: During the East Asian meltdown, the IMF had no inkling of what was going on? So can it be trusted in a wider global crisis?**

A: That's true, but let me put it this way. In trying to build an international financial architecture, you are engaged in a really creative act in trying to set up systems that will strengthen themselves over time. There's nothing you can do in three days from now that will be a guarantee. One can be very cynical and point out that what's the use of this agreement which is saying things it does not mean anything in practice. Now some of what they are saying is very substantive. Like for example, we will expand the perimeters of regulation, we will set up a college of supervisors, we will set up global standards.

They are also saying that we will set up the IMF as an international organisation charged with studying problems of vulnerability and financial instability and being an early warning system.

It's true that in the past, the IMF has not done a good job. But let me say that it is a very difficult job to do. But all said and done, there is

a lot of scepticism and there is a feeling that the IMF has actually not been very effective in being able to raise issues of stability when the problems rests with industrialised countries. They have been quite willing to identify problems in developing countries but even there, there are many instances where they missed signs of these problems. Now, can you overcome this? We have to see. Obviously, no one is saying they are confident that the IMF can do it. But what they are saying is that if it has to be done, it must be given to the IMF and then find and work out why it is finding it difficult and how we can strengthen them. They must become more self critical and I think peer review also very important.

Countries must realise that the current crisis is serious. And that does not mean only the emerging market countries. If the problem emerges in any of the major blocs of the world - whether it is the US, Europe or Japan - we can see that in a world of global integration it can badly affect the other blocs. It's not that the bad effect is only on the developing countries. I think they have seen that it is in their interest to try and spot when there are problems.

**Q: When compared to the fiscal stimulus packages announced by the US and China, do you think that the packages announced by India are good enough to combat the slowdown?**

A: That's a very important question. There is a misunderstanding on the extent of stimulus in India. That is because if you define the fiscal stimulus to be the extent to which the fiscal deficit is allowed to worsen. India's fiscal stimulus is very substantial. The IMF itself has documented that it is over three percentage points of the GDP. The problem is that some of that happened not because of what we call fiscal stimulus but because of other increases in expenditure that occurred during the course of the year. Some of them may have occurred even before the crisis. But nevertheless, the bottom-line is that while new expenditures took place, we did not try to cut other expenditures.

Actually, as a conscious management decision, we lived with a higher fiscal deficit. I think the fiscal stimulus was not just what was announced in December 2008 and January this year. If fiscal stimulus is (measured) by how much the fiscal deficit widens, to that extent the fact that you gave a Pay Commission increase but didn't try to offset it by higher taxes or cutting other expenditure is a fiscal stimulus. Even the fact that

your revenues turned out to be less than what was expected is a kind of automatic stabiliser leading to a fiscal stimulus.

So I think India's fiscal stimulus is actually not small. In fact, many people think that India does not have fiscal space and, therefore, the fiscal deficit has been allowed to widen too much. India's fiscal policy thus cannot be criticised on both counts. You cannot say your fiscal stimulus is too small and simultaneously say that your fiscal deficit is too large. In my view, the fiscal stimulus is not too small because it must be looked at in totality.

Now we come to the question whether we are being irresponsible by allowing the fiscal deficit to increase as much as we have. The answer is no. And the reason for that is we are facing a massive shock of demand because of the shrinkage of exports and financial disruptions which is affecting investment activity. Now if you face such a shock of demand in a world where exports are not going to increase, you have a choice. You can either let the multiplier effect work and get a depressed level of output or you can offset this loss of demand by injecting new demand which will generate feedback through a multiplier. That is what we have done.

The only argument one could make is have we done the fiscal deficit increase in the best possible way. Some people might say that by not allowing the oil price to rise in the first half of the year when oil prices shot up, that itself contributed to a big fiscal deficit. Some others might say that is not the best way of doing it, you should have raised oil prices and done the fiscal stimulus in the form of infrastructure spending. But there is no doubt that in the short run, by allowing the gap on the oil front to widen, you are actually doing a fiscal stimulus. And then you have to consider whether we have allowed the fiscal deficit to become too large. I don't think so, given the nature of the global shock.

**Q: China has questioned the status of the US dollar as the world reserve currency. What is India's view on that?**

A: I have seen the article published by the Governor of the Bank of China wherein he raised the issue that an international reserve currency has to observe certain kinds of discipline which, in his view, the US dollar is not in a position to meet and therefore is not a suitable international currency any longer. He suggested that we should rely

on the SDR (special drawing rights). I think the issue of what is the most stable form of having a reserve currency is a very real issue. So the problem he is addressing is a legitimate problem. It is true that potentially, the dollar is not the only reserve currency. There is the Euro, there is the Japanese Yen, but the way it has worked, the dollar has been seen by most people and most countries at a dominant position. As far as the SDR is concerned, there are two separate issues. India's view is that we should have an expansion of the SDR and that it can play a useful role by being expanded, including therefore, by encouraging people to hold their reserves in the form of SDRs.

But you know, at the practical level, there is inadequate consensus to allow that to happen because the SDR is a very restrictive form of currency. The IMF's ability to control it is very restrictive. For example, if we are to move to an SDR-based system, we will have to redefine the rules. Today, it is extremely difficult to expand the SDR as we need an 85 per cent majority and what is more, if you have to contract it, you would still need an 85 per cent majority. Keynes had said that when we move to a globally integrated world, the IMF should be able to create a global currency.

The SDR is only a very small step towards that. So as practical matter, the only choice we have is to let the SDR's role expand and let the IMF push in new SDRs which will give everybody a little bit of liquidity. India is definitely in favour of that and we have argued in the discussions leading up to the G20 that there is a case for a significant fresh issue of SDRs.

**Q: Did the Washington summit play down the culpability of the US and Europe?**

A: You know, I think to talk about culpability, international summits are not the place where you discuss these issues. Another way of focusing is that the Washington Summit did not come to an analysis of what caused the crisis, except in very general terms. The US did own up to the crisis but there was no clear understanding of what caused the crisis.

I think today there is a better understanding and a lot more recognition that there was a regulatory failure. Remember, that monetary policy and controls and things like that, both in Britain and in the US, is not in the hands of the political leadership. They are in the hands of politically-appointed regulators. Today there is a perception that these

regulatory authorities failed and had they acted more prudentially, this crisis would not have occurred or whatever happened would have been less damaging.

**Q: The current crisis is giving rise to protectionism. Do you think it is a short-term reaction?**

A: There is no doubt that the rise of protectionism will create problems for all members of the world economy, including us, and we often make the point that at least as developing countries there is a lot of doubt and suspicion about the fairness of the global economic system. We have been very successful, I think, in opening up our economy and showing people that opening up the economy to the world gives you many opportunities and while here and there it might cause problems, the opportunities it opens up are worth those problems.

Now if as a result of protectionism, those new opportunities begin to disappear or even to be reduced, it will reduce the support for globalisation. And it is not that this will actually help the countries that practise it. They know from their own history that the Great Depression was greatly exacerbated by their resort to protectionism. One of the biggest disasters of 1930 was that industrialised countries resorted to protectionism amongst themselves and sent the world trade into a tailspin. I think it is a no-brainer that we must avoid repeating the mistake of history. I think they know that and they say it. So I think we need to strengthen the resolve to fight against protectionism. You know, here the leadership has to come from countries that have more stake in the global economy which is the industrialised countries. We hope that they will show that leadership and stand firm, explain to their own public that these sort of knee-jerk reactions are not in the interest of their own economy, quite apart from the fact that they will hurt us. And, of course, when they hurt us there will be a danger of retaliation which we cannot control.



**212. Statement by Prime Minister Dr Manmohan Singh on his departure to UK to attend the G-20 Summit.**

**New Delhi, March 31, 2009.**

I leave today to attend the second meeting of the leaders of the G-20 in London.

The G-20 has an important role to play in addressing the global economic and financial slowdown by taking coordinated and purposeful action. A considerable amount of preparation has been done for the Summit. These preparations relate to provision of coordinated fiscal stimulus by major economies to offset the decline in private demand, agreement on a set of principles to plug loopholes and weaknesses in the supervisory and regulatory arrangements for the financial institutions and the need to undertake effective measures designed to provide emerging and developing countries adequate resources to offset the effects of global slowdown on their economies. It is important and necessary for the Summit to take credible decisions which will help to halt and reverse the current slowdown and to instil a sense of confidence in the global economy.

It is an unfortunate reality that the effects of the slowdown have spread across the world, and developing countries, particularly those in Africa, are facing its worst consequences. There are some issues which require particular focus such as the need to ensure the adequate flow of finances to the developing countries to overcome the reversal of international capital flows, and not retard progress towards the attainment of the Millennium Development Goals, the need to avoid protectionism in the trade of both goods and services, facilitation of trade finance, and reform and restructuring of international financial institutions. The time has come for the international economic and financial architecture to reflect contemporary economic strengths.

India has benefitted from growing global interdependence as manifested in the high growth rate that we have achieved over the last five years. We would like to ensure that our economy continues to expand at a healthy rate to meet the principal challenges of eradicating poverty and ensuring balanced and inclusive socio-economic development for our people. Our economic, financial and banking institutions have shown great resilience and the fundamentals of our economy remain strong.

Besides a bilateral meeting with Prime Minister Gordon Brown, who is the host of the meeting, I also look forward to my meeting with US President Barack Obama. This will be our first meeting and will be an opportunity for

us to review our bilateral relations, as well as hold discussions on important regional and global issues such as terrorism, the situation in Afghanistan, energy security and climate change.



**213. Remarks of Prime Minister Dr. Manmohan Singh at the dinner hosted by the British Prime Minister Gordon Brown on the occasion of the G-20 Summit.**

**London, April 1, 2009.**

I would like to begin by thanking Prime Minister Gordon Brown and the Government of the UK for the warm welcome we have received and for the excellent arrangements made for the meeting. I would also like to welcome President Barack Obama to his first meeting of this Group.

The problems facing the world economy are well known and need no elaboration. The only point to note is that the downturn is much deeper than we thought when we met in Washington D.C. in November last year, and the prospects of a recovery have receded to 2010 at best. This is the worst recession in sixty years and is generating negative expectations which threaten a downward spiral if not corrected. The pain is being felt both in industrialised countries and in developing countries.

A global crisis requires global solutions. In Washington D.C. we pledged to take action to revive the world economy and also to bring about basic reform of the financial sector to reduce the likelihood of similar severe crises in future and to build institutions that can intervene more effectively if we do. We have made considerable progress in several areas, but I believe much more needs to be done.

The world is looking to us to show that we can act cooperatively in a manner commensurate with the scale of the crisis. As we deal with the immediate problems, we must also be careful not to sacrifice the gains of openness of trade, direct investment and immigration. It will be a test of the leadership of the G-20 whether we can craft a strategy that meets all these objectives.

There can be no doubt that restoration of the banking system in the industrialised countries to full functionality is precondition for successful revival of the global economy. This is primarily a task for the Governments of the individual countries concerned. It is a task that will require commitment

of resources on an unprecedented scale. The IMF has estimated that the write down of toxic assets needed may be as high as \$2.8 trillion in the US and \$1.4 trillion in Europe and Japan. Many Governments, most recently the United States, have made large commitments of resources to deal with the problem of tainted assets and also to recapitalise the banking system. More may well be needed.

A rescue effort on this scale will place a huge burden on tax payers and this has given rise to considerable public anger, which is entirely understandable. However, it has to be explained to tax payers, and also their elected representatives, that anger at the irresponsible, and even morally reprehensible behaviour on the part of managements of financial institutions, should not come in the way of efforts to resurrect the system.

I recognise that this is ultimately a political problem that has to be handled by each national government. This Summit can help by sending a clear message that the problem affects many industrialised countries and has to be tackled if we want to bring about an economic revival and tackle unemployment. The main reason why we can expect to avoid a repeat of the Great Depression is that governments know a great deal more about the role of contra-cyclical policies and they are also willing to act. However, contra-cyclical policies will not have their full expansionary effect if credit does not flow to where it should. We have to explain to the public that reviving the banks is important not for the banks, as is sometimes perceived by the public, but for the economy, for employment, and for global prosperity generally.

Active contra-cyclical policy must be a priority item on our agenda and global markets are looking to see if we are united on this issue. We have seen a massive contraction in consumer demand in industrialised countries arising from the wealth effect of the decline in house prices and in stock market values. This is compounded by uncertainty about future employment prospects. The emergence of excess capacity in several sectors is bound to discourage private investment. Some contraction of demand in countries where current account deficits were too high was to be expected. Ideally this should have been offset by expansion in surplus countries. For whatever reason, this orderly adjustment could not be brought about. We are now seeing a contraction that has overshot and contra cyclical stimulus is therefore necessary in all countries.

Most industrialised countries, and also developing countries, have responded by using monetary policy fairly aggressively to counter the downturn. They have also resorted to a fiscal stimulus to varying degrees. I recognise that it is



not easy to determine the level of fiscal stimulus that is appropriate for different countries in different circumstances. But we do know that expansionary policies are most effective when they are coordinated. I hope the Summit will give a clear signal that we are willing to act in a coordinated, or at least in a credible concerted manner, to ensure that the downslide is minimised.

The International Monetary Fund had estimated that a discretionary fiscal stimulus of about 2 per cent of GDP in 2009 would be needed, in addition to the operation of automatic stabilisers. This was to be followed by a similar order of stimulus in 2010 to achieve the objective of moving from an unavoidable decline of around 1% in 2009 to a modest positive growth of about 2% in 2010.

Available information suggests that whereas the actual stimulus of the G-20 countries in 2009 is approximately equal to the Fund target, what is currently planned for 2010 may be too little. Many observers have also commented that the modest global recovery projected for 2010 may be over optimistic. I recognise that there are time lags in the system and the effects of actions already taken may be felt only in the coming months, but it does seem that the risks lie in doing too little rather than too much, and we are not doing enough to ensure recovery in 2010.

If we cannot agree to do more, we should at least send a clear message that we will watch developments carefully in 2009 and act speedily to do more if necessary. The IMF should be tasked with monitoring developments in this area and reporting back periodically.

Let me now turn to the steps needed to ensure the revival of growth in the developing countries. These countries have suffered a double shock. They have seen a collapse in world trade, with an unprecedented decline of almost 9 per cent in trade volume in 2009. They have also suffered a massive decline of private capital flows estimated by the Institute of International Finance at close to \$700 billion in 2009, with little prospect of a significant revival in 2010. To some extent, financial protectionism, built into the conditions for assisting banks in industrialised countries, may have encouraged this trend, though there are of course many other factors.

We in India have been fortunate in having weathered the global downturn better than many others. Our growth rate, which was close to 9% in the previous 5 years, will fall below 7% in 2008-09. Like other countries, we have made aggressive use of both monetary and fiscal policy, with a total fiscal stimulus or expansion of the fiscal deficit above the planned level of almost 4 percentage points of GDP in 2008-09. We hope to be able to achieve a similar growth rate in 2009-10, with continuing reliance on monetary and

fiscal policy. We recognise the importance of fiscal sustainability and it is our firm intention to return to a fiscally sustainable path after 2010. The additional fiscal stimulus we have undertaken will raise our debt to GDP ratio by a few percentage points above what it would otherwise have been, but this is relatively modest compared to what would have happened had our banks suffered a financial crisis. Effective regulation of the banking system has gained us much more than any additional strain imposed by temporary fiscal expansion. Besides, since most of the fiscal stimulus will be directed to increased investment in infrastructure, it will in the medium term contribute to growth and thus help reduce the debt ratio automatically.

Expansionary policy at home in an environment where exports are weak and private capital flows have dried up would normally lead to pressure on the balance of payments. In our case this has been partly offset by the fall in oil prices, but even so, India's current account deficit in 2009-10, is likely to be about 1.4 per cent of GDP. We expect to be able to finance this without difficulty and in any case our strong foreign exchange reserves position enables us to cope with any shortfall in capital flows we may experience.

While India will be able to manage, many other developing countries may not be in the same position and this is where the international community can help. We must ensure that countries hurt by the massive withdrawal of private capital that has taken place, which is unlikely to be reversed in 2010, are able to rely upon an increased flow of resources from the international financial institutions. This will help these countries to maintain a higher level of demand than would otherwise be possible and thus help global revival.

There are several steps we can take which will demonstrate our willingness to help.

We must declare our resolve to increase the resources available with the IMF substantially, by around \$500 billion over the next two years. This can be done initially through bilateral arrangements, an expansion of the NAB and other borrowing by the Fund. However, we should also signal that these are interim steps pending an increase in Fund quotas. The next quota review, normally due in 2013, should be advanced as much as possible, and we should aim at a doubling of IMF quotas at the very least.

In addition to increasing resources with the IMF, we should also signal that the conditions associated with the use of Fund resources are made more appropriate and flexible. Unless this is done, countries will prefer to build foreign exchange reserves which would be counter-productive in current circumstances.

We should also agree on a fresh allocation of SDRs of around \$250 billion. This would provide the developing countries with about \$80 billion of usable resources at a time when liquidity is exceptionally tight.

We support the sale of a part of the Fund's gold to support concessional lending to low income countries through the Fund's concessional windows.

The multilateral development banks can play an important role in maintaining the flow of resources to developing countries over the next two years. As an immediate step, we must endorse a 200% increase in the capital of the Asian Development Bank which can be approved by its Board of Governors in May.

The World Bank should also expand its lending in the next two to three years in a manner which helps to fill the gap left by the withdrawal of private capital flows. By directing its lending to infrastructure development and recapitalisation of the banks, it would help to support contra-cyclical policy in a manner which stimulates an early resumption of growth in these economies. To perform this role, the Bank's present single borrower limits need to be urgently reviewed. Its debt to capital ratio also needs to be made more liberal.

We must also take concrete steps to revive trade finance which has been badly hit in part, I regret to say, because of financial protectionism. Export credit agencies can expand their lending. The IFC pool to support trade finance can be substantially expanded, with bilateral assistance from countries in a position to contribute.

An issue of vital concern to developing countries is the rise of protectionist sentiment in the industrialised world. This phenomenon is not surprising, given the downturn in economic activity and the rise in unemployment. However, it will be a test of leadership whether we can persuade the public that we must not repeat past mistakes. We know that the Great Depression was as deep and prolonged as it was because countries resorted to protectionism which triggered retaliatory protectionist responses, leading to a downward spiral.

Leaders of the developing countries have struggled to overcome the doubts and fears of our public to persuade them of the merits of integrating with the global economy. I believe we had substantial success in this effort, and the open economy has brought prosperity to an ever widening circle, in both developing and industrialised countries. These hard won gains will be destroyed if industrial country markets are not kept open in these difficult times. I must emphasise that this is an area where leadership must come from the industrialised countries. I hope the Summit communiqué will contain firm commitment of our intentions to keep our markets open.

Let me now turn to issues of longer term reform of the global financial system. The crisis we have experienced has drawn attention to some basic flaws in the functioning of the banks and other parts of the financial system which enabled a dangerous build up of risks. This experience shows that it is not enough to rely on light regulation of the financial system, combined with market enforced discipline and enlightened managements using in house risk management techniques. We have to move to stronger regulation and improved supervision if we are to prevent a repeat of the crisis. Valuable work has been done by the working groups set up to chart the broad directions of reform in this area. We should endorse the recommendations emerging from this work and entrust the recently expanded Financial Stability Forum and the expanded Basel Committee on Banking Supervision to prepare detailed proposals which can then be used by national regulators to align our national regulations with the new global standards. I think we all agree on the need to expand the perimeter of regulation to cover the non-banking sector, the need to redefine capital requirements to avoid procyclicality, the need to avoid a build-up of excessive leverage and the need to subject systemically important institutions to supervision by a college of supervisors. We should also endorse sharing information and bringing tax havens and non-cooperating jurisdictions under closer scrutiny.

In addition to improving regulation in our individual countries, we also need to develop an effective early warning system which can spot a build up of risks which would threaten global financial stability. This task must be assigned to the IMF in consultation with the expanded FSF. The IMF is the logical institution to deal with this task but I must add that its capacity to undertake even-handed surveillance needs to be greatly strengthened if it is to perform the task well. This is ultimately connected with the governance and accountability of the institution.

The world has changed greatly since the multilateral institutions were established and the role of these institutions needs to be redefined and their mandate suitably revised. The representation of the developing and emerging market countries in the decision making levels of these institutions also needs to be improved. Better representation is essential if the institutions are to have the legitimacy they need to play their role in an increasingly integrated world in which actions taken in one country affect many other countries.

These are longer term issues of institutional reform which we must address once the immediate priorities of crisis management are handled.



## **214. Press Conference of Prime Minister Dr. Manmohan Singh at the conclusion of the G-20 Summit.**

**London, April 2, 2009.**

### **Opening Remarks (Prime Minister):**

1. We met in London at a significant moment for the world economy and therefore for the world as a whole. I am grateful to Prime Minister Gordon Brown for the initiative that he has taken to host this second Summit of leaders of the G-20, and for the excellent arrangements that were made for our meetings.
2. The purpose of this Summit meeting was to take forward the search for solutions to the economic crisis facing the global economy today. The world is going through the worst recession since the Great Depression. We have fared much better than others though we are also affected. This is a global crisis requiring global solutions.
3. Earlier today and yesterday evening, we discussed various ways in which the crisis can be addressed. All countries have used monetary policy. An effective fiscal stimulus is also being resorted to by all major economies. There was agreement that credit flows to developing countries also must be restored. There was also agreement that we must tackle the crisis in a way which does not create other problems for the future. For instance, protectionism or restrictions on the free flow of trade and persons would be counter productive. Nor can development be halted or sacrificed in the search for solutions to the financial crisis. Hence the need for special attention to the needs of developing countries.
4. I was happy to note that our views received wide acceptance and support.
5. We emphasised the need to make good the decline that has taken place in capital flows to developing countries by providing adequate resources to the international financial institutions. I am happy to say that the G-20 have agreed to expand the resources of the IMF and the ADB and to also bring forward the quota review in the IMF. The leaders have also agreed to a fresh issue of SDRs. These are positive decisions. Together they involve a massive provision of \$ 1.1 trillion to emerging market economies. India does not need IMF funding but we have been in favour of expanding IMF resources as this will help developing countries that need assistance. It will restore confidence about emerging markets.

6. We also discussed and agreed on broad direction for improvements in regulatory and supervisory structure for the world's financial system. These will take time to take effect but they are very important. They will be carried forward by the Financial Stability Forum (FSF) and the Basle Committee on Banking Supervision, the two key standard setting bodies. India is now a member of both bodies. Broadening representation in these bodies is an important improvement. The directions of the reform of financial regulation and supervision that have been agreed are in line with our own thinking in India.

7. This meeting has shown the utility of the G-20 Leaders' process, and we took forward to the next Summit meeting of G-20 leaders in the second half of the year, and to the early implementation of what has been agreed today. There is a continuing need to redefine the role of our institutions of global economic governance to deal with the problems of today and to reflect contemporary realities.

8. As you know, I also had an opportunity to meet Prime Minister Gordon Brown yesterday, where we reviewed our bilateral relationship and discussed ways of taking India-UK relations forward. India and the UK enjoy a close partnership in diverse fields of human endeavour. We are determined to and confident of carrying this partnership forward.

9. Earlier this afternoon I met with President Barack Obama of the United States of America. This was our first meeting and was marked by exceptional warmth and cordiality. We reviewed our bilateral relations. I thanked President Obama for all that he has done in the US Senate and outside in the past few years to make possible the transformation of India-US relations, and to bring to fruition our civil nuclear initiative. Today we discussed several positive and constructive steps to take the India-US global partnership forward.

10. We discussed regional and global issues, including the threat that terrorism emanating from our neighbourhood poses to all free societies, and the international efforts that are required to deal with this problem. We had a significant convergence of views and approaches in this regard. President Obama informed me of the new comprehensive US strategy for Afghanistan and Pakistan. I welcomed his clear enunciation of the problems and the goals. India will continue to play a constructive role, working to build peace and stability in our periphery.

11. I leave London satisfied that my bilateral and other meetings have been productive and useful, and that the G-20 Leaders Summit has shown a way

forward. The process of overcoming the global crisis will not be easy. Given the goodwill and the meeting of minds among leaders that was possible in London over the last two days, the world has a basis to begin solving the crisis. The international community can and must work together to do so.

#### **Interaction with the media**

**Question:** (inaudible).....

**Prime Minister (Dr. Manmohan Singh):**..(inaudible) will make a substantial difference to the outcome of economic development in the next two or three years.

I should also mention that in addition to attending G-20 meeting I had a very good meeting with Prime Minister Gordon Brown. On the sidelines I had very good meetings with President Hu Jintao, President Medvedev of Russia, His Majesty the King of Saudi Arabia, the Prime Minister of Japan, and several other world leaders. I benefited enormously from exchanges with my colleagues represented on the Committee of 20. And I have just had a very useful, productive meeting with President Obama in which we discussed the development of our relations bilaterally, how can the problems of our region be resolved through cooperative interaction between our two countries, how can the global issues like energy security, like climate change, can be dealt with by India and the United States working together. So, I go back home very satisfied with the outcome both of the Summit and my meetings with world leaders, particularly President Barak Obama.

**Question (Shrinjoy Choudhuri, Times Now):** Sir, you just said you met President Obama. Did the issue of Afghan and Pakistan come up? And have you got any indication from the United States that they are willing to put pressure on Pakistan on checking terror and also on Mumbai?

**Prime Minister:** We did discuss the developments in Afghanistan and Pakistan. We both agreed that our two countries must work together to counter the forces of terror.

**Question (Natasha Bretton, Dow Jones):** There has been lots of discussion (inaudible) Would India consider..?

**Prime Minister:** A little louder. I am not able to hear that.

**Question (Natasha Bretton, Dow Jones):** I would like to ask whether India, like Mexico indicated last week, ...could be interested in making use

of the new IMF credit line? And also you said many countries will ... of resources. I wanted to ask what India's contribution would be to that. Thank you very much.

**Prime Minister:** As far as India's contribution is concerned, the question arises that we should contribute. We can consider contribution in proportion to our quotas in the IMF. As far as drawl by Mexico is concerned, we are happy that conditions have been relaxed so that Mexico has found it possible to borrow about 47 billion dollars. It augurs well I think. In the past, the high conditionality attaching to IMF loan was one of the factors which deterred developing countries. And since then the IMF has realized that it needs to do something to soften terms and conditions. That Mexico is the first recipient of the loan under the new facilities is a welcome development. It sets a precedent. As far as India is concerned, India has no intention of going to the IMF. Our reserves are about 250 billion dollars. We do not visualize that there is going to be a need in the near future for India to go to the IMF.

**Question (Sachidananda Murthy, *Malayala Manorama*):** Sir, a quick read of the communiqué issued by G-20 has two or three areas of concern for India. I would like you to clarify on them. One is that article 12 of the communiqué says that all countries and their economies would be under the surveillance of IMF. What kind of surveillance? You know how sensitive IMF conditions and others of India. The second concern is regarding that there will be an early conclusion of the Doha Round of talks. So, will there be more pressure on India because India has taken a tough position? And the third concern, Sir, ...

**Prime Minister:** Let me answer one at a time. I cannot handle three questions. Could you repeat the first question?

**Question (Sachidananda Murthy, *Malayala Manorama*):** Sir, article 12 of the communiqué says that all countries and their economies would be under the surveillance of the IMF. The word used is surveillance.

**Prime Minister:** Let me say that as far as the developing countries are concerned there has already been, all these years, excessive surveillance of the developing countries' economies. The real imbalance in the functioning of the IMF has been that there has been too little surveillance of the affairs of the developed countries. I see this statement as a statement which will induce the IMF to an even-handed approach towards surveillance because we all know that the present crisis does not originate in the



periphery, in Asia or in Latin America. It originates in the heart of capitalism and it is the laxity of regulation and nobody pointed it out earlier. So, part of the blame must be shared by the IMF.

**Question (N. Ravi, *The Hindu*):** Mr. Prime Minister, after your meeting with President Obama what is the sense that you came away with on the direction in which India-US relations broadly?

**Prime Minister:** We have a global strategic partnership with the United States. What President Obama and I have discussed is that we both are agreed that there are enormous opportunities to further strengthen our relationship to make this partnership more productive, more durable in diverse fields.

**Question (Iftexhar Qaiser, *Geo TV*):** Are you willing to start dialogue on Kashmir with Pakistan? And are you satisfied on the investigations which are taking place in Pakistan regarding Mumbai attacks?

**Prime Minister:** Let me say that we expect Pakistan to do all that is required to bring the culprits of Mumbai terror attack to book. We have supplied Pakistan answers all the questions that they raised. Now the ball is in the court of Pakistan. It has to convince us that it is absolutely sincere in bringing to book the culprits of the attack on Mumbai. As far as Kashmir is concerned, we have always said that we are willing to discuss bilaterally all outstanding issues which have bedeviled the relationship of our two countries. But let me say that these relations or these discussions cannot proceed if hundreds of people, as happened in Mumbai, are being killed. Therefore, Pakistan has the opportunity to assure the world that it is absolutely sincere in its statements that the territory of Pakistan will not be used to promote acts of terror directed against India. This is a minimum precondition for any discussions between India and Pakistan.

**Question (Smita Prakash, *ANI*):** Mr. Prime Minister, you are heading towards the end of your first term as Prime Minister. What would you say is your legacy. Mr. Obama just a few minutes back said it was unleashing India's economic power. What would you say are the milestones of your first term? Also, Sir, what were the challenging moments? Anything you would have done differently?

**Prime Minister:** Our biggest achievement has been to get the economy moving forward at the rate of nine to ten per cent per annum. As I mentioned to President Obama, our biggest challenge is to get rid of chronic poverty, ignorance and disease, which still afflict millions and millions of our citizens.

And we need a very high rate of growth which is an essential condition, though not a sufficient condition, of getting rid of poverty. Therefore, I take some credit for the fact that for nearly five years the average growth rate of the economy has been 8.6 per cent. We have also made every effort to make this growth process more inclusive to ensure that our farmers benefit, that our agricultural workers benefit, the employment guarantee programme, the investments that we have made in the farm sector, the Bharat Nirman programme, the food security mission that we have launched, and the Jawaharlal Nehru Urban Renewal Mission to improve living conditions in metropolitan areas including slum-dwellers, the National Rural Health Mission today under which six lakh *mahila* workers are working in our villages as Accredited Social Health Workers. So, I think these are some of the achievements of our Government. But I would be the last one to say that we have achieved. There are lots of things we would have liked to accomplish. But there are compulsions.

**Question (Shigeki Tosa, *Ashai Shimun*):** Thank you, Prime Minister. Some are saying that this meeting shows the end of the G-8 era and the beginning of the G-20 as the most important forum to discuss the international issues. Would you agree with this? And would you hope that this forum can meet regularly and become an institution to replace the G-8?

**Prime Minister:** It depends on what this forum actually achieves. This was the second meeting. There will be a third meeting though the dates and the time has not been specified. If the Group of 20 can find credible answers to the major global issues, it would certainly carve out for itself a place of honour. I sincerely hope that the way the first two meetings have gone, there is a lot of hope that the Committee of 20 consisting of people from different parts of the world - Russia is there, China is there, Europe is there, major developing countries are there - I think that is a unique combination. If it succeeds in dealing with the global problems in a cooperative manner, I think it would have served its purpose.

**Question (Gautam, *The Hindustan Times*):** Sir, you were among the first to flag the issue of protectionism at the Washington Summit. Now also in the statement we see that countries are being encouraged to fight protectionism. But there is the strange line here which says that we extend this pledge to the end of 2010. So, are you saying the end of protectionism will end at 2010 and we can go back to our old ways after that?

**Prime Minister:** No, these are emergency measures. The hope is that by 2010 the world economy would revive, in which case the normal WTO guidelines would become operative.

**Question (Gurdeep Singh, UNI):** Apart from being brought on the Basel Committee and the Financial Stability Forum, what do you see are the other gains of the G-20 Conference to India?

**Prime Minister:** The fact that India is now accepted as a major player on the world economic scene itself is a great achievement. And the fact that the developing countries are going to benefit by increased resource flows of 1.1 trillion dollars, we will also benefit because we have trade relations with these countries, and if their economies flourish, it will also spillover into some good for our economy as well. We have a vested interest in the world economy doing well because that is a precondition for our exports flourishing.

**Question (Shivnath, NDTV):** Dr. Singh, looking at the issue of representation within the IMF and communiqué talking about greater transparency, by when do you see the fact that emerging countries like India would have a say, because there was a lot of talk about China in the statement? One is that. Secondly, the way the Summit has talked about solutions and a roadmap, how soon in your assessment as an economist do you think things will start falling into place, because people have started writing off 2010 as well?

**Prime Minister:** As of now there is agreement only to increase quotas, to undertake a review of quotas. As far as rebalancing of quotas is concerned, I think it is not still on the cards even though there was a demand by developing countries including myself that the Summit should endorse rebalancing of quotas in the IMF which would have recommend the rebalance of the power structures. Quite frankly, I cannot say today that we have as of now an agreement to rebalance the quotas in the IMF. But I have every reason to hope that there is a paragraph in the Summit in which the Chairman has been asked to talk to various members, various Finance Ministers, to come up with new innovative ideas about a long-term reform of the international financial institutions. I do hope that when the Chairman reports on that subject this particular issue will figure as one of the items.

**Question (Vaidyanathan, Indian Express):** Sir, one thing when you look at the entire text of the G-20 leaders' statement, one or two things which kind of puzzle me are the WTO Director-General saying that all the infringements which 17 countries out of 20 members have done are well

within the means, which means that protectionism is not really high on the agenda, which Mr. Brown also talked about in the press conference today. And the other was, about this global stimulus package, a coordinated effort to fiscal stimulus. Yes, we have 1.1 trillion dollars coming into the global economy. But how much of it is all developed and developing countries pushing their economy together?

**Prime Minister:** That only time can tell. But you have for the first time a statement by the major powers of the world that they recognize that they have a cooperative responsibility to put their shoulders together to revive the world economy. As far as protection is concerned, I think it is a fact. Although 17 out of 20 countries had I think infringed the Washington communiqué, the WTO itself has said the amounts involved are not very large. So, therefore, the problem still can be contained if there is a determination to do so. And the Summit has endorsed that protectionism is bad and I do hope that it would have a salutary effect. From our point of view we have highlighted that protectionism is not mainly protection of goods, but protectionism of services, protectionism in financial services is also something which is worrisome. I think that has also to be attended to. We know for example that many of the banks in the developed countries who have received help from their governments to solve their problems are not lending to developing countries. That is also protectionism. We also know that some branches of the foreign banks in our country have stopped lending to Indian entities. That also is protectionism. So, I hope that protectionism of all sorts will I think be looked down upon by the world community.

**Question (Devender Malik, All India Radio):** Sir, during your first meeting with the US President Obama, was the issue of H1B visas discussed as far as the Indians in US are concerned?

**Prime Minister:** I raised the issue of protectionism in general. I did not go specifically into H1B visas. But I did raise the issue of protectionism. And both of us agreed that everything in our power has to be done to roll back protectionism.

**Question (Pawan Kumar, Zee TV):** The issue of tax havens has been has been discussed at length over here. Recently, Mr. Lal Krishna Advani raised the point of black money. Have you discussed with any of the leaders here in general or particularly with the European countries on something like that?

**Prime Minister:** Yes, if you look at the communiqué there is an explicit reference to tax havens and also that information with regard to tax matters should become available. I think that is the direction in which we should move. If information relating to tax matters becomes available to all governments I think the problems that have arisen with regard to tax havens would disappear.

**Question (V.S. Arun, *Deccan Herald*):** Sir, in your speech last night you had expressed fears that if measures are not taken immediately, recovery even by 2010 would be difficult. Now, with today's statement are you hopeful that these fears have receded?

**Prime Minister:** I am certainly more hopeful now than I was yesterday. Yesterday if you had looked at the newspapers you would have noticed people were highlighting the divergence in the viewpoints of the French, the Germans, the Anglo-Saxons. Fortunately I think those differences did not surface and the Committee as a whole has endorsed the package. I think that augurs well for the future recovery of the world economy.

**Question (Sushil Choudhury, *Dainik Ganadoot*):** Sir, what is the main and important contribution for G-20 Summit from India?

**Prime Minister:** I think we are part of the 20 countries, we have made important contribution. Our concern was that the developing countries' problems should not be lost sight of, that the resource flows which have declined should be made good by increased multilateral flows. And that is why our emphasis on increasing the resources of the IMF, increase in the allocation of the SDRs, increased resource flows becoming available from the World Bank, increase in quota of the Asian Development Bank of which we will be direct beneficiaries. So, all these measures are I think are a result of efforts we have made. I am not saying we were the only one. I think many other developing countries felt alike and the fact that the developing countries felt strongly I think we were able to get an endorsement of resource flows of 1.1 trillion dollars to the developing countries through multilateral development institutions including the IMF.

**Question (Jayant Ghoshal, *Ananda Bazar Patrika*):** Yesterday we got copy of your speech at the dinner. And today we got the copy of the Joint Communiqué. I found lot of strong similarities between these two. What you said yesterday on protectionism, on the role of IMF, even this surveillance issue also you have mentioned, monitoring and the relevance of global regulation. In the Joint Communiqué, I found a follow-up of your

yesterday's speech. Can I interpret it in that way that economist Manmohan Singhji influenced the draft of the communiqué today?

**Prime Minister:** I think I will put it differently. I will say, all right-thinking men think alike when dealing with global issues of great seriousness as the revival of the world economy.

**Question (Jayant Ghoshal, *Ananda Bazar Patrika*):** ... have given in a speech today and yesterday you have said all these things.

**Prime Minister:** Because I was given the chance last night by Prime Minister Gordon Brown, first President Obama spoke, then he asked me to speak. The agreement was that if you speak at the dinner, you will not speak in the Plenary. So, I got a chance to speak early enough and I thought I should have my say so that it could reach the gentlemen of the press in time.

**Question (Shamsul Haq, Frankfurt Newspaper):** *I will ask the last question in Hindi. I wanted to know the future of your party in the coming elections; and whether the elections in India will be transparent? Please answer to these two questions.(original in Hindi)*

**Prime Minister:** *I can guarantee that the elections will be transparent. I am also confident that in the coming elections the Congress Party will emerge number one party. (original in Hindi)*



**215. Statement issued by the leaders at the end of the G-20 Financial Summit.**

**London, April 2 2009.**

1. We, the Leaders of the Group of Twenty, met in London on 2 April 2009.
2. We face the greatest challenge to the world economy in modern times; a crisis which has deepened since we last met, which affects the lives of women, men, and children in every country, and which all countries must join together to resolve. A global crisis requires a global solution.
3. We start from the belief that prosperity is indivisible; that growth, to be sustained, has to be shared; and that our global plan for recovery must have at its heart the needs and jobs of hard-working families, not just in developed countries but in emerging markets and the poorest countries of the world too; and must reflect the interests, not just of today's population, but of future generations too. We believe that the only sure foundation for sustainable globalisation and rising prosperity for all is an open world economy based on market principles, effective regulation, and strong global institutions.
4. We have today therefore pledged to do whatever is necessary to:
  - restore confidence, growth, and jobs;
  - repair the financial system to restore lending;
  - strengthen financial regulation to rebuild trust;
  - fund and reform our international financial institutions to overcome this crisis and prevent future ones;
  - promote global trade and investment and reject protectionism, to underpin prosperity; and
  - build an inclusive, green, and sustainable recovery.

By acting together to fulfil these pledges we will bring the world economy out of recession and prevent a crisis like this from recurring in the future.

5. The agreements we have reached today, to treble resources available to the IMF to \$750 billion, to support a new SDR allocation of \$250 billion, to support at least \$100 billion of additional lending by the MDBs, to ensure

\$250 billion of support for trade finance, and to use the additional resources from agreed IMF gold sales for concessional finance for the poorest countries, constitute an additional \$1.1 trillion programme of support to restore credit, growth and jobs in the world economy. Together with the measures we have each taken nationally, this constitutes a global plan for recovery on an unprecedented scale.

### **Restoring growth and jobs**

6. We are undertaking an unprecedented and concerted fiscal expansion, which will save or create millions of jobs which would otherwise have been destroyed, and that will, by the end of next year, amount to \$5 trillion, raise output by 4 per cent, and accelerate the transition to a green economy. We are committed to deliver the scale of sustained fiscal effort necessary to restore growth.

7. Our central banks have also taken exceptional action. Interest rates have been cut aggressively in most countries, and our central banks have pledged to maintain expansionary policies for as long as needed and to use the full range of monetary policy instruments, including unconventional instruments, consistent with price stability.

8. Our actions to restore growth cannot be effective until we restore domestic lending and international capital flows. We have provided significant and comprehensive support to our banking systems to provide liquidity, recapitalise financial institutions, and address decisively the problem of impaired assets. We are committed to take all necessary actions to restore the normal flow of credit through the financial system and ensure the soundness of systemically important institutions, implementing our policies in line with the agreed G20 framework for restoring lending and repairing the financial sector.

9. Taken together, these actions will constitute the largest fiscal and monetary stimulus and the most comprehensive support programme for the financial sector in modern times. Acting together strengthens the impact and the exceptional policy actions announced so far must be implemented without delay. Today, we have further agreed over \$1 trillion of additional resources for the world economy through our international financial institutions and trade finance.

10. Last month the IMF estimated that world growth in real terms would resume and rise to over 2 percent by the end of 2010. We are confident that the actions we have agreed today, and our unshakeable commitment



to work together to restore growth and jobs, while preserving long-term fiscal sustainability, will accelerate the return to trend growth. We commit today to taking whatever action is necessary to secure that outcome, and we call on the IMF to assess regularly the actions taken and the global actions required.

11. We are resolved to ensure long-term fiscal sustainability and price stability and will put in place credible exit strategies from the measures that need to be taken now to support the financial sector and restore global demand. We are convinced that by implementing our agreed policies we will limit the longer-term costs to our economies, thereby reducing the scale of the fiscal consolidation necessary over the longer term.

12. We will conduct all our economic policies cooperatively and responsibly with regard to the impact on other countries and will refrain from competitive devaluation of our currencies and promote a stable and well-functioning international monetary system. We will support, now and in the future, to candid, even-handed, and independent IMF surveillance of our economies and financial sectors, of the impact of our policies on others, and of risks facing the global economy.

#### **Strengthening financial supervision and regulation**

13. Major failures in the financial sector and in financial regulation and supervision were fundamental causes of the crisis. Confidence will not be restored until we rebuild trust in our financial system. We will take action to build a stronger, more globally consistent, supervisory and regulatory framework for the future financial sector, which will support sustainable global growth and serve the needs of business and citizens.

14. We each agree to ensure our domestic regulatory systems are strong. But we also agree to establish the much greater consistency and systematic cooperation between countries, and the framework of internationally agreed high standards, that a global financial system requires. Strengthened regulation and supervision must promote propriety, integrity and transparency; guard against risk across the financial system; dampen rather than amplify the financial and economic cycle; reduce reliance on inappropriately risky sources of financing; and discourage excessive risk-taking. Regulators and supervisors must protect consumers and investors, support market discipline, avoid adverse impacts on other countries, reduce the scope for regulatory arbitrage, support competition and dynamism, and keep pace with innovation in the marketplace.

15. To this end we are implementing the Action Plan agreed at our last meeting, as set out in the attached progress report. We have today also issued a Declaration, Strengthening the Financial System. In particular we agree:

- to establish a new Financial Stability Board (FSB) with a strengthened mandate, as a successor to the Financial Stability Forum (FSF), including all G20 countries, FSF members, Spain, and the European Commission;
- that the FSB should collaborate with the IMF to provide early warning of macroeconomic and financial risks and the actions needed to address them;
- to reshape our regulatory systems so that our authorities are able to identify and take account of macro-prudential risks;
- to extend regulation and oversight to all systemically important financial institutions, instruments and markets. This will include, for the first time, systemically important hedge funds;
- to endorse and implement the FSF's tough new principles on pay and compensation and to support sustainable compensation schemes and the corporate social responsibility of all firms;
- to take action, once recovery is assured, to improve the quality, quantity, and international consistency of capital in the banking system. In future, regulation must prevent excessive leverage and require buffers of resources to be built up in good times;
- to take action against non-cooperative jurisdictions, including tax havens. We stand ready to deploy sanctions to protect our public finances and financial systems. The era of banking secrecy is over. We note that the OECD has today published a list of countries assessed by the Global Forum against the international standard for exchange of tax information;
- to call on the accounting standard setters to work urgently with supervisors and regulators to improve standards on valuation and provisioning and achieve a single set of high-quality global accounting standards; and
- to extend regulatory oversight and registration to Credit Rating Agencies to ensure they meet the international code of good practice, particularly to prevent unacceptable conflicts of interest.

16. We instruct our Finance Ministers to complete the implementation of these decisions in line with the timetable set out in the Action Plan. We have asked the FSB and the IMF to monitor progress, working with the Financial Action Taskforce and other relevant bodies, and to provide a report to the next meeting of our Finance Ministers in Scotland in November.

### **Strengthening our global financial institutions**

17. Emerging markets and developing countries, which have been the engine of recent world growth, are also now facing challenges which are adding to the current downturn in the global economy. It is imperative for global confidence and economic recovery that capital continues to flow to them. This will require a substantial strengthening of the international financial institutions, particularly the IMF. We have therefore agreed today to make available an additional \$850 billion of resources through the global financial institutions to support growth in emerging market and developing countries by helping to finance counter-cyclical spending, bank recapitalisation, infrastructure, trade finance, balance of payments support, debt rollover, and social support. To this end:

- we have agreed to increase the resources available to the IMF through immediate financing from members of \$250 billion, subsequently incorporated into an expanded and more flexible New Arrangements to Borrow, increased by up to \$500 billion, and to consider market borrowing if necessary; and
- we support a substantial increase in lending of at least \$100 billion by the Multilateral Development Banks (MDBs), including to low income countries, and ensure that all MDBs, including have the appropriate capital.

18. It is essential that these resources can be used effectively and flexibly to support growth. We welcome in this respect the progress made by the IMF with its new Flexible Credit Line (FCL) and its reformed lending and conditionality framework which will enable the IMF to ensure that its facilities address effectively the underlying causes of countries' balance of payments financing needs, particularly the withdrawal of external capital flows to the banking and corporate sectors. We support Mexico's decision to seek an FCL arrangement.

19. We have agreed to support a general SDR allocation which will inject \$250 billion into the world economy and increase global liquidity, and urgent ratification of the Fourth Amendment.

20. In order for our financial institutions to help manage the crisis and prevent future crises we must strengthen their longer term relevance, effectiveness and legitimacy. So alongside the significant increase in resources agreed today we are determined to reform and modernise the international financial institutions to ensure they can assist members and shareholders effectively in the new challenges they face. We will reform their mandates, scope and governance to reflect changes in the world economy and the new challenges of globalisation, and that emerging and developing economies, including the poorest, must have greater voice and representation. This must be accompanied by action to increase the credibility and accountability of the institutions through better strategic oversight and decision making. To this end:

- we commit to implementing the package of IMF quota and voice reforms agreed in April 2008 and call on the IMF to complete the next review of quotas by January 2011;
- we agree that, alongside this, consideration should be given to greater involvement of the Fund's Governors in providing strategic direction to the IMF and increasing its accountability;
- we commit to implementing the World Bank reforms agreed in October 2008. We look forward to further recommendations, at the next meetings, on voice and representation reforms on an accelerated timescale, to be agreed by the 2010 Spring Meetings;
- we agree that the heads and senior leadership of the international financial institutions should be appointed through an open, transparent, and merit-based selection process; and
- building on the current reviews of the IMF and World Bank we asked the Chairman, working with the G20 Finance Ministers, to consult widely in an inclusive process and report back to the next meeting with proposals for further reforms to improve the responsiveness and adaptability of the IFIs.

21. In addition to reforming our international financial institutions for the new challenges of globalisation we agreed on the desirability of a new global consensus on the key values and principles that will promote sustainable economic activity. We support discussion on such a charter for sustainable economic activity with a view to further discussion at our next meeting. We take note of the work started in other fora in this regard

and look forward to further discussion of this charter for sustainable economic activity.

### **Resisting protectionism and promoting global trade and investment**

22. World trade growth has underpinned rising prosperity for half a century. But it is now falling for the first time in 25 years. Falling demand is exacerbated by growing protectionist pressures and a withdrawal of trade credit. Reinvigorating world trade and investment is essential for restoring global growth. We will not repeat the historic mistakes of protectionism of previous eras. To this end:

- we reaffirm the commitment made in Washington: to refrain from raising new barriers to investment or to trade in goods and services, imposing new export restrictions, or implementing World Trade Organisation (WTO) inconsistent measures to stimulate exports. In addition we will rectify promptly any such measures. We extend this pledge to the end of 2010;
- we will minimise any negative impact on trade and investment of our domestic policy actions including fiscal policy and action in support of the financial sector. We will not retreat into financial protectionism, particularly measures that constrain worldwide capital flows, especially to developing countries;
- we will notify promptly the WTO of any such measures and we call on the WTO, together with other international bodies, within their respective mandates, to monitor and report publicly on our adherence to these undertakings on a quarterly basis;
- we will take, at the same time, whatever steps we can to promote and facilitate trade and investment; and
- we will ensure availability of at least \$250 billion over the next two years to support trade finance through our export credit and investment agencies and through the MDBs. We also ask our regulators to make use of available flexibility in capital requirements for trade finance.

23. We remain committed to reaching an ambitious and balanced conclusion to the Doha Development Round, which is urgently needed. This could boost the global economy by at least \$150 billion per annum. To achieve this we are committed to building on the progress already made, including with regard to modalities.

24. We will give renewed focus and political attention to this critical issue in the coming period and will use our continuing work and all international meetings that are relevant to drive progress.

**Ensuring a fair and sustainable recovery for all**

25. We are determined not only to restore growth but to lay the foundation for a fair and sustainable world economy. We recognise that the current crisis has a disproportionate impact on the vulnerable in the poorest countries and recognise our collective responsibility to mitigate the social impact of the crisis to minimise long-lasting damage to global potential. To this end:

- we reaffirm our historic commitment to meeting the Millennium Development Goals and to achieving our respective ODA pledges, including commitments on Aid for Trade, debt relief, and the Gleneagles commitments, especially to sub-Saharan Africa;
- the actions and decisions we have taken today will provide \$50 billion to support social protection, boost trade and safeguard development in low income countries, as part of the significant increase in crisis support for these and other developing countries and emerging markets;
- we are making available resources for social protection for the poorest countries, including through investing in long-term food security and through voluntary bilateral contributions to the World Bank's Vulnerability Framework, including the Infrastructure Crisis Facility, and the Rapid Social Response Fund;
- we have committed, consistent with the new income model, that additional resources from agreed sales of IMF gold will be used, together with surplus income, to provide \$6 billion additional concessional and flexible finance for the poorest countries over the next 2 to 3 years. We call on the IMF to come forward with concrete proposals at the Spring Meetings;
- we have agreed to review the flexibility of the Debt Sustainability Framework and call on the IMF and World Bank to report to the IMFC and Development Committee at the Annual Meetings; and
- we call on the UN, working with other global institutions, to establish an effective mechanism to monitor the impact of the crisis on the poorest and most vulnerable.

26. We recognise the human dimension to the crisis. We commit to support those affected by the crisis by creating employment opportunities and through income support measures. We will build a fair and family-friendly labour market for both women and men. We therefore welcome the reports of the London Jobs Conference and the Rome Social Summit and the key principles they proposed. We will support employment by stimulating growth, investing in education and training, and through active labour market policies, focusing on the most vulnerable. We call upon the ILO, working with other relevant organisations, to assess the actions taken and those required for the future.

27. We agreed to make the best possible use of investment funded by fiscal stimulus programmes towards the goal of building a resilient, sustainable, and green recovery. We will make the transition towards clean, innovative, resource efficient, low carbon technologies and infrastructure. We encourage the MDBs to contribute fully to the achievement of this objective. We will identify and work together on further measures to build sustainable economies.

28. We reaffirm our commitment to address the threat of irreversible climate change, based on the principle of common but differentiated responsibilities, and to reach agreement at the UN Climate Change conference in Copenhagen in December 2009.

#### **Delivering our commitments**

29. We have committed ourselves to work together with urgency and determination to translate these words into action. We agreed to meet again before the end of this year to review progress on our commitments.



## **216. Communiqué on the Meeting of Finance Ministers and Central Bank Governors of the G-20 countries.**

**London, September 5, 2009.**

1. We, the G20 Finance Ministers and Central Bank Governors, met ahead of the Pittsburgh Summit to assess our progress in delivering the Global Plan for Recovery and Reform and agree further actions to ensure sustainable growth and build a stronger international financial system. We reiterated the need for swift and full implementation of all the commitments made at the Washington and London Summits and have agreed the further necessary steps to strengthen the financial system, as set out in the accompanying declaration.

2. Our unprecedented, decisive and concerted policy action has helped to arrest the decline and boost global demand. Financial markets are stabilising and the global economy is improving, but we remain cautious about the outlook for growth and jobs, and are particularly concerned about the impact on many low income countries. We will continue to implement decisively our necessary financial support measures and expansionary monetary and fiscal policies, consistent with price stability and long-term fiscal sustainability, until recovery is secured.

3. We must build on what we have already achieved and tackle the significant challenges that lie ahead. It is vital for growth that we act to support lending, including dealing with impaired assets and conducting robust stress tests where necessary. We must promote employment through structural policies, active labour market policies, and training and education. We will work to address excessive commodity price volatility by improving the functioning and transparency of physical and financial markets and promoting a closer dialogue between producer and consumer countries. We welcome the swift implementation of the \$250 billion trade finance initiative and reaffirm our commitment to fight all forms of protectionism and to reach an ambitious and balanced conclusion to the Doha Development Round.

4. We agreed the need for a transparent and credible process for withdrawing our extraordinary fiscal, monetary and financial sector support as recovery becomes firmly secured. Working with the IMF and the FSB we will develop cooperative and coordinated exit strategies, recognising that the scale, timing and sequencing of actions will vary across countries and across the types of policy measures.



5. We will work to achieve high, stable and sustainable growth, which will require orderly rebalancing in global demand, removal of domestic barriers and promotion of the efficient functioning of global markets. The need to combat climate change is urgent, and we will work towards a successful outcome in Copenhagen.

6. We have made significant progress in strengthening the IFIs, but more needs to be done. We are close to completing the delivery of \$850 billion of additional resources agreed in April, including an expanded, more flexible New Arrangement to Borrow; and \$50 billion to support social protection and safety nets, boost trade and safeguard development in low income countries. We welcome the overhaul of the IMF's lending facilities. We encourage the Multilateral Development Banks to make full use of their balance sheets and reaffirm our commitment to ensure they have appropriate capital, recognising that they are fully on track to deliver \$100 billion of additional lending. In the period ahead we need to focus on providing resources to low income countries to support structural reforms and infrastructure development.

7. We look forward to prompt implementation of the 2008 IFI governance reforms, and will complete World Bank reforms by Spring 2010 and the next IMF quota review by January 2011. We recognise that the IMF should remain a quota-based organisation; and as part of the reforms, the voice and representation of emerging and developing economies, including the poorest, must be significantly increased to reflect changes in the world economy. To achieve this we look forward to substantial progress in Pittsburgh. We also reaffirm our commitment to increase accountability, strengthen the involvement of Fund Governors in strategic oversight, and agree to move to an open, transparent and merit-based selection of IFI management. To improve the role and effectiveness of the Fund in supporting stronger cooperation and ensuring a more sustainable global economy and international financial system, candid, even-handed, and independent surveillance will be vital. We call on the IMF, working with other international institutions, to continue assessing our actions to secure a sustainable recovery.



**217. Declaration of the Finance Ministers and Central Bank Governors of the G-20 countries on Further Steps to Strengthen the Financial System.**

**London, September 5, 2009.**

**We**, the G20 Finance Ministers and Central Bank Governors, reaffirmed our commitment to strengthen the financial system to prevent the build-up of excessive risk and future crises and support sustainable growth.

**We** have made substantial progress in delivering our ambitious plan, which will ensure a robust and comprehensive framework for global regulation and oversight. The Financial Stability Board and the Global Forum on Transparency and Exchange of Information have expanded their mandate and membership. The regulatory bodies have agreed to more stringent capital requirements for risky trading activities, off-balance sheet items, and securitised products; they have developed proposals to address procyclicality, issued important principles on compensation and deposit insurance, and established over thirty supervisory colleges. But more needs to be done to maintain momentum, make the system more resilient and ensure a level playing field, including the following actions:

1. Clear and identifiable progress in 2009 on delivering the following framework on corporate governance and compensation practices. This will prevent excessive short-term risk taking and mitigate systemic risk, on a globally consistent basis building on and strengthening the application of the FSB principles:
  - o greater disclosure and transparency of the level and structure of remuneration for those whose actions have a material impact on risk taking;
  - o global standards on pay structure, including on deferral, effective clawback, the relationship between fixed and variable remuneration, and guaranteed bonuses, to ensure compensation practices are aligned with long-term value creation and financial stability; and,
  - o corporate governance reforms to ensure appropriate board oversight of compensation and risk, including greater independence and accountability of board compensation committees.

**We** call on the FSB to report to the Pittsburgh Summit with detailed specific proposals for developing this framework, which could be incorporated into supervisory measures, and closely monitoring its delivery. We also ask the FSB to explore possible approaches for limiting total variable remuneration in relation to risk and long-term performance. G20 governments will also explore ways to address non-adherence with the FSB principles.

2. Stronger regulation and oversight for systemically important firms, including: rapid progress on developing tougher prudential requirements to reflect the higher costs of their failure; a requirement on systemic firms to develop firm-specific contingency plans; the establishment of crisis management groups for major cross-border firms to strengthen international cooperation on resolution; and strengthening the legal framework for crisis intervention and winding down firms.
3. Rapid progress in developing stronger prudential regulation by: requiring banks to hold more and better quality capital once recovery is assured; introducing countercyclical buffers; developing a leverage ratio as an element of the Basel framework; an international set of minimum quantitative standards for high quality liquidity; continuing to improve risk capture in the Basel II framework; accelerating work to develop macro-prudential tools; and exploring the possible role of contingent capital. We call on banks to retain a greater proportion of current profits to build capital, where needed, to support lending.
4. Tackling non-cooperative jurisdictions (NCJs): delivering an effective programme of peer review, capacity building and countermeasures to tackle NCJs that fail to meet regulatory standards, AML/CFT and tax information exchange standards; standing ready to use countermeasures against tax havens from March 2010; ensuring developing countries benefit from the new tax transparency, possibly including through a multilateral instrument; and calling on the FSB to report on criteria and compliance against regulatory standards by November 2009.
5. Consistent and coordinated implementation of international standards, including Basel II, to prevent the emergence of new risks and regulatory arbitrage, particularly with regard to Central Counterparties for credit derivatives, oversight of credit ratings agencies and hedge funds, and quantitative retention requirements for securitisations.
6. Convergence towards a single set of high-quality, global, independent accounting standards on financial instruments, loan-loss provisioning, off-balance sheet exposures and the impairment and valuation of financial assets. Within the framework of the independent accounting standard setting process, the IASB is encouraged to take account of the Basel Committee guiding principles on IAS 39 and the report of the Financial Crisis Advisory Group; and its constitutional review should improve the involvement of stakeholders, including prudential regulators and the emerging markets.



**218. Extract Relevant to Prime Minister's visit to Pittsburg for the G-20 Summit Conference from the media briefing by the Foreign Secretary Mrs. Nirupama Rao.**

**New Delhi, September 19, 2009.**

**Official Spokesperson (Vishnu Prakash):** Good afternoon and welcome. Foreign Secretary is here to brief you about Prime Minister's forthcoming visit to Pittsburgh for the G-20 summit as also India's participation in the 64th session of UNGA\* at New York. After her opening remarks Foreign Secretary would be happy to take up a few questions.

Let me also introduce colleagues here with us. To Foreign Secretary's right is Mr. Asith Bhattacharjee, Joint Secretary to UN Division. To my left is Mr. J.S. Mukul, Joint Secretary, TC and Economic Relations, who is also MEA's sou Sherpa for the G-20 process. Ma'am the floor is yours.

**Foreign Secretary (Nirupama Rao)**

Thank you for coming for this briefing which I will do in two parts. First, I will brief you on Prime Ministers visit to Pittsburg, to attend the G-20 Meeting. Thereafter, I will outline the programme and other details of the high level segment of the United Nations General Assembly at UN headquarters in New York where EAM will lead India's delegation.

The third G-20 Summit is being held on September 24 & 25, 2009 in Pittsburgh, USA. As the host, the President of USA will chair the Summit. Leaders of G-20 member countries (along with high representatives from the UN, World Bank, IMF, WTO, ILO, Financial Stability Board, etc.) are expected to attend.

PM's will be participating in the G-20 Summit. PM's high level delegation will include Deputy Chairman Planning Commission, who is also the G-20 'Sherpa' from India, the National Security Adviser and senior officials.

PM will be reaching Pittsburgh on September 24. The Summit programme starts with a Reception followed by a Dinner by the US President on September 24. On September 25, the programme includes a Summit Plenary, a Leaders' lunch and ends with a concluding Plenary in the afternoon. PM will be leaving Pittsburgh the same evening.

Prime Minister will have interaction with the Leaders of participating countries. He will also be meeting leaders to discuss a range of bilateral, regional and global issues of common interest.

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\* For the briefing on UNGA, Please See Document No.700.

By way of background, the G-20 came into being in 1999 following the East Asian financial crisis. It is an informal forum comprising major developed countries and leading emerging market economies representing around 90% of global GDP, 85% of world trade and two-thirds of humanity.

The G-20 had been traditionally meeting at the level of Finance Ministers and Central Bank Governors. As you are aware, in the wake of the international financial and economic crisis, the first G-20 Summit was held in Washington DC (November 15, 2008) marking the arrival of dynamic emerging market countries at the global high table. The Washington Declaration included:

- Common understanding of the causes of the global crisis
- Strong message for restoring confidence and stability
- Measures for combating the crisis and restoring growth
- Launch of an action plan

The London Summit (April 2, 2009) had issued a Communiqué which addressed the broad themes or issues relating to:

- Ambitious stimulus and growth measures including pledge to mobilize \$1.1 trillion in resources for the international financial institutions mainly to sustain growth in emerging markets.
- Strong regulatory package
- Commitment against protectionism in all its forms
- Strengthening and expansion of the Financial Stability Forum (FSF) now called the Financial Stability Board (FSB) and the Basel Committee on Banking Supervision (BCBS)

The steps taken by the G-20 to augment the resources of the multilateral development banks (MDBs) has led to substantial stepping up of World Bank lending to India. Likewise, the G-20 pressure on the Asian Development Bank (ADB) to enhance its capital is likely to increase infrastructure funding for India. The steps taken by the G-20 to stabilize financial markets and the global economy can be expected to lead to an early revival of private capital flows, and a step up in domestic growth through revival of external demand and exports.

The preparatory process for the forthcoming Pittsburgh Summit has included meetings of the G-20 Finance Ministers & Central Bank Governors, as well as meetings of the G-20 Sherpas earlier this month.

The Pittsburgh Summit will take the process forward. Without trying to pre-judge the Summit results or to speculate on the details, the Leaders could be expected to review the international financial and economic parameters since the London Summit and take stock of the improving situation including the emerging “green shoots of recovery” since then. While the earlier G-20 Summits had focused on immediate action to contain a rapidly deteriorating downward spiral, the Pittsburgh Summit is likely to take a more long-term view of the global economy. The Leaders can also be expected to review the Washington and the London Summit measures adopted and implemented so far and their impact. Broadly speaking, they may:

- Exchange views on stimulus and growth measures while planning exit strategies with caution
- Review the regulatory framework
- Reiterate commitment against protectionism
- Focus on reforms of the international financial institutions
- Redress the requirements of mobilizing resources for the poor developing countries
- Send out a strong and clear political message calling for a balanced and successful outcome of the climate change negotiations in the UN Framework Convention on Climate Change (UNFCCC) at Copenhagen
- Chart a roadmap for the future

In terms of an outcome document, a Summit Declaration/Communiqué is expected to be issued, though as I have said we should refrain from pre-judging the outcome of the Summit.

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**Question:** On the G20 meeting in Pittsburgh, the EU had a summit of Heads of States and Governments where they made several proposals regarding climate change. One was that all G20 States should participate in financing climate change measures in least-developed countries. What

does India think of this proposal? Does it support it? Secondly, France and Germany propose that the EU levy a carbon tariff on imports if there will be no agreement in Copenhagen. What does India think of this proposal?

**Foreign Secretary:** On your question about forums like G20 being seized with the climate change issue, I just wanted to say that obviously all these various mechanisms including the G20 structure give an impetus to the multilateral negotiations under the UNFCCC through a strong political message. But these are not negotiating fora in themselves and cannot substitute for the mechanisms already established under the UNFCCC insofar as climate change issues are concerned.

On the issue of the carbon tariffs and the Indian position on that, as you know climate change is a global environmental concern and it requires a global response. Such a response has to be based on the principle of equity and common and differentiated responsibility and respective capabilities. And most of all it should take into account the imperatives of poverty reduction and economic development in developing countries. So, any long-term goal or any conditionalities that you set should always take into account the centrality of the need of the developing countries in this regard.

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**Question:** Foreign Secretary, what has brought about the change for us to say that we will now cut emissions voluntarily?

**Foreign Secretary:** You are asking me whether India is ready to accept quantifiable emission targets?

**Question:** Yes. Because the Minister had first said, during the visit of the Danish Prime Minister, that we were a bit hesitant on this issue a while earlier but then now that has changed. So, what I am asking is what has prompted this change?

**Foreign Secretary:** Let me put it in context for you. Climate change takes place because of the cumulative accumulation of greenhouse gases in the earth's atmosphere. This has happened over two centuries of industrial activity and high consumption lifestyles in the developed world. There is thus a historical responsibility involved on the part of the developed countries. On the other hand the per capita emissions of developing countries are still very low. For example, India's per capita CO<sub>2</sub> emissions

are currently only 1.1 tonnes when compared to over 20 tonnes for the United States and over 10 tonnes for most OECD countries. It is in recognition of these facts that a legally binding emission and production target has been stipulated by the international community under the Kyoto Protocol of the UNFCCC, while there is no such obligation for the developing countries. Despite this India has already declared that even as it pursues its social and economic development objectives, it will not allow its per capita greenhouse gas emissions to exceed the average per capita emissions of the developed countries. We have thus accepted a limit on our emissions, but at the same time provided an incentive to our developed country partners to be more ambitious. The more significant their reduction of emissions will be, the lower the limit we would need to accept for our own.

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**Question:** What is Indian position on the reform of international financial architecture. What are Indian concerns which India will present during G20 summit? What are the initiatives? What would India like to highlight during the summit?

**Foreign Secretary:** On the issue of the reform of the international financial institutions, I think the most important issue before us is the need for these institutions to reflect ground economic realities as they exist internationally today. The other issues that we are focusing on are the issue of finances, the funding position of these institutions, the need to suitably define their mandate, and the need to strengthen their voice so as to reflect ground economic realities today.

**Question:** Madam, I think the Prime Minister is skipping UNGA because of the importance of G20. At this time global economic crisis, are we going to contribute to the G20 meeting? What are our expectations from the G20? Where will our Foreign Secretary be between the two?

**Foreign Secretary:** As I said in my introductory remarks, our expectation is that the forthcoming Pittsburgh Summit would take the process of all the understandings and the issues that have been identified in the previous summit meetings further forward. We do not want to prejudge the outcome of the summit or speculate on the details. The fact that we are an important member of the G20 as an emerging market economy and one of the largest economies in the world today, we will make important contributions to the furtherance and to the progress of this



dialogue. As far as the second question you asked about my presence, I will be there during the Pittsburgh meetings. I will be a member of the delegation of the Prime Minister.

**Question:** Madam, you said the US is sponsoring a resolution on nuclear disarmament and non-proliferation. Who will represent India at this debate? What is our position? Do you envisage a growing global pressure, especially American pressure, over CTBT and non-proliferation issues? Linked with this, the nuclear establishment in India seem to be divided over the country's deterrence capability. What is Government's position at this moment?

**Foreign Secretary:** The first question you asked refers to the US sponsored meeting. This is a Security Council summit. As you know India is not yet a member of the Security Council. We are aware that the Council members are discussing a draft resolution on non-proliferation, and our Permanent Mission to the United Nations is closely monitoring those developments. That is where the matter stands at the moment.

To your second question, that is a matter you should address to the scientific community. I do not really want to enter into a debate on these issues in this forum.

**Question:** Madam, you have been listing many items on the agenda of G20. From your point of view what will be the most important things that will be discussed in Pittsburgh? To put it differently, what will be India's specific message in this meeting?

**Foreign Secretary:** As you know, in the G20 today the summit meetings have been focused on the international financial and economic crisis. The results from the previous have all been positive. We want to cooperate and coordinate our positions and our outlook with other countries within the framework of the G20. As you are aware, the financial crisis has affected all countries in the world including India. This has been felt in terms of trade, in terms of investment, in terms of growth. While it is true that India has been relatively less affected than other countries, the impact has still been considerable because our growth rate has been brought down to the range of six to seven per cent from a range of nine per cent. Now we look forward, with the green shoots of economic recovery being visible, to coordinating efforts with a view to raising our growth rates and restoring trade and investment flows. We would also like to see the Pittsburgh summit follow up on the regulatory measures that are required to ensure that such a crisis, which was in the first place the result of regulatory failure in the

developed world, is not repeated. And we remain opposed to protectionism in all its forms covering trade in goods and services, investment, and financial flows. As I said earlier, we hope that the Pittsburgh Summit will also address the issue of reform of international financial institutions. Therefore, we do have a proactive and constructive agenda when it comes to the G20 summit.

**Question:** Madam, you have also been invited to the bilateral talks in Washington. Could you just tell us what is on the agenda and when are those talks being held?

**Foreign Secretary:** I will be in Washington on Monday when I will meet Under Secretary Burns, my counterpart at the State Department. He has invited me across to Washington from New York. This will be my first meeting with him and I am looking forward to that meeting. As you know, we have what has been termed as a stand-alone global partnership with the United States. This is a relationship where we are seeking to build a strong dialogue architecture built on the five pillars of strategic cooperation; energy and climate change; education and development; economy, trade and agriculture; science and technology and; health and innovation. So, we have a very productive exchange of views ongoing with the Government of the United States on these issues and I am looking forward to my meetings in Washington.

**Question:** -- --- not audible

**Foreign Secretary:** I do not believe we are being diffident at all. I think at every opportunity we have expressed ourselves very clearly and with confidence and clarity. And we will do so at the opportunity provided by the G20 meeting also. The responsibilities of the developed countries, especially in terms of financing of all the technological requirements that we as developing countries need to deal with the effects of climate change cannot be denied. We have proclaimed that need at every opportunity and we will do so even on this occasion.

As far as the UN Security Council Summit is concerned, yes, we have certain positions that we have expressed not just now but also in the past on the provisions that you referred to in the draft resolution. All I want to say on this issue for the moment is that we are in touch with friendly countries in the Security Council about this.



**219. Statement of Prime Minister Dr. Manmohan Singh prior to his departure for the G-20 Summit at Pittsburg.**

**New Delhi, September 23, 2009.**

I leave today to attend the Summit of G-20 Leaders in Pittsburgh, USA. This is the third Summit of the G-20 Leaders in less than a year. This reflects the seriousness which the G-20 countries attach not just to the recovery of the global economy and financial system, but to a recovery that is coordinated, sustainable and enduring.

The Summits in Washington and London were convened at the height of the global economic crisis, and therefore focused on the urgent and the immediate. The London Summit resulted in ambitious liquidity stimulus measures and growth packages. Importantly, it pledged to mobilize USD 1.1 trillion of resources for international financial institutions, largely to sustain growth in emerging markets. The steps taken by the G-20 to augment the resources of multilateral development banks have led to substantial stepping up of World Bank lending to India.

The global economy and financial markets have shown a distinct improvement since then, but we are still not out of the woods.

Even though our economic growth rate has slowed to 6.7% in 2008-09, India approaches the Pittsburgh Summit with a sense of confidence. Our growth is primarily driven by domestic demand, our savings rate is robust and the external sector has exhibited resilience. Capital flows, especially portfolio flows, have started picking up, and we remain an attractive investment destination.

The Pittsburgh Summit is expected to focus on medium and long-term issues such as a framework for sustainable and balanced growth, strengthening the international financial regulatory system, reforming the mandate mission and governance of the IMF and development banks, strengthening support for the most vulnerable, an open global economy and energy and climate change.

It is necessary for India to engage in the management of the world economy because we have a lot at stake, and a lot to contribute.

I will convey India's interest in seeing the earliest possible return to trend growth and stabilisation of the banking and financial sectors in the advanced economies, because this directly affects our exports, capital inflows and

investment. We would like to see a continuous increase in the capital base of multilateral development banks to finance the massive infrastructure needs of emerging markets.

The expansion and strengthening of the erstwhile Financial Stability Forum, and now the Financial Stability Board, and the Basel Committee on Banking Supervision was a step in the right direction to address the regulatory aspects. There is a need to carry the process of governance reform of international financial institutions further to give greater voice and representation to under-represented countries.

We would also like to see a strong message to emerge from Pittsburgh against protectionism in all its forms, whether trade in goods, services, investment or financial flows.

The G-20 process is a continuing one and it is in our interest to ensure that it succeeds both in its short term and long term objectives.

During the Summit I look forward to exchanging views on these and other matters with several of the leaders who will be present, including the new Prime Minister of Japan.



**220. Remarks by Prime Minister Dr. Manmohan Singh at the Plenary session of the G-20 Summit Meeting.**

**Pittsburgh, September 25, 2009.**

**Mr. President,**

Let me begin by thanking you for the excellent arrangements made for this Summit and for your warm hospitality.

2. We have discussed the complex challenges posed by the need to revive the global economy. I would like to focus on what this implies for the developing countries.

3. We all know that these countries were in no way responsible for the crisis, but in many ways, they are the hardest hit. In the seven years before the crisis, the GDP of the developing countries grew at an average of 6.5 per cent per year. In 2009 it will grow by only 1.5 per cent, implying a fall in real per capita income.

4. Of course, experience varies across countries. Countries in Asia have generally fared much better. Countries in sub-Saharan Africa and in many other regions have been very badly hit.

5. India too has been affected but, in common with other Asian countries, we have weathered the crisis relatively well given the circumstances. After growing at 9 per cent per year for four years our economy slowed down to 6.7 per cent in 2008-09. In 2009, despite a drought, which will affect agricultural production, we expect to grow by around 6.3 per cent in 2009-10 and then recover to 7 to 7.5 percent growth next year. This relatively strong performance is partly due to the strong stimulus measures introduced in the second half of 2008-09, which have been continued in the current financial year.

6. However, the fact that some of us have fared relatively well does not mean that the crisis has not affected the developing world significantly. The fact that the growth of developing countries as a group will fall to 1.5 per cent indicates the extent of the impact.

7. An estimated 90 million people in the developing world are likely to be pushed below the poverty line. Lower revenues will also lead to lower levels of expenditure on rural infrastructure, health and education. This will not only hurt future growth, but also delay achievement of the Millennium Development Goals. Social and political tensions could increase,

undermining the national consensus in support of much needed structural reforms and adjustment.

8. The prospects of convergence, which seemed bright before the crisis, have receded. We must take steps to counter these developments and restore the momentum of growth in the developing world.

9. First, the problem must be tackled at its root by ensuring the quickest possible return to normalcy in the global economy. This requires a commitment that we will not undertake any premature withdrawal of stimulus. We must certainly plan for an orderly "exit" when the time is right, but that time is not now. The global economy may be bottoming out, but it is not expected to reach 3% growth until the end of 2010.

10. The depressed state of the global economy translates into a considerable loss of export demand for the developing countries. Exports of non-oil developing countries are expected to decline by about \$900 billion in 2009, compared to the previous year. They will remain well below the trajectory earlier projected for several years. This is bound to reduce production, incomes and employment in the developing countries.

11. The measures taken by the G-20 to increase the flow of assistance will help, and they certainly represent an important achievement in international cooperation. However, the scale of the transfers we have planned will only help the developing countries to manage their balance of payments at depressed levels of economic activity. They cannot counter the effect of the loss of exports.

12. To resuscitate growth in the developing countries, we have to replace lost export demand by expanding other components of domestic demand. The best option is to expand investment. An obvious area where additional investment is needed in developing countries is infrastructure, including energy, transport and other infrastructure for public services. These investments can be made ahead of requirements and therefore are an ideal form of countercyclical activity.

13. The World Bank and the other regional development banks can play a major role by financing such investment. They should expand lending for infrastructure development to emerging market countries which have relied on capital markets in more normal times, but will need support in the medium run, till capital markets recover. The poorer, low-income countries had very little access to capital markets. For them, financing on suitable terms may have to be made available for an even longer period.

14. A strategy of expanding investment demand in developing countries to replace lost export demand will not only help growth in developing countries, it will also contribute to a broader global revival. This is because the import content of investment is typically higher than of exports, which means a significant percentage of the initial increase in demand will spill over into the global economy.

15. The World Bank has announced that the volume of IBRD lending would be increased to \$100 billion over the next three years. This is commendable. However, if the capital base of the IBRD is not expanded, they will have to compress lending at the end of the three year period to less than the pre-crisis level. This is surely not acceptable.

16. There is, therefore, an overwhelming case for doubling the capital of the IBRD. Similar increases in capital are needed for the other regional development banks also.

17. I realize there may be hesitation in committing additional public resources for recapitalization. However, we must keep in mind that what is needed for these institutions is small compared to the massive scale of public money used to stabilize the private financial system in industrialized countries. Some additional effort is surely justified to help the developing countries to cope with the spillover effects of a crisis for which they were not responsible.

18. Finally, Mr. President, a word on trade. The collapse in export markets makes it all the more important that the market access of developing countries is not constrained by protectionism. I recognize that when growth is low, and unemployment is high, it is inevitable that protectionist pressures will arise. It will be a test of the collective political leadership of this Group, whether we are able to resist these pressures in our countries. I am happy to note that the Delhi Ministerial succeeded in reviving momentum for the Doha Round negotiations. I venture to suggest that this is an area where the industrial countries can give a lead to achieve a successful outcome.

19. We have done a great deal on finance and what remains is easily doable. We need to address the difficult tasks on the trade front which are now more important for the medium term.

Thank you.



## **221. Press Conference by Prime Minister Dr. Manmohan Singh at the conclusion of the G20 Summit.**

**Pittsburgh, September 25, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening once again and welcome to the press conference by the Prime Minister of India Dr. Manmohan Singh. The Prime Minister would be making an opening statement. Thereafter he will be happy to take a few questions. Sir, the floor is yours.

**Prime Minister (Dr. Manmohan Singh):** Ladies and gentlemen, we have had a very productive meeting in which there was a comprehensive discussion among the leaders of the world on a wide range of economic issues.

The communiqué including its summary statement is before you, as is the text of my remarks. This Summit was not meant to be a trillion dollar summit as was the case with the London Summit. Its purpose was to review what has happened since the last meeting in London and chart the way forward in the light of experience. Some of the important issues we discussed are:

1. There will be no pre-mature withdrawal of stimulus.
2. The emergency financing for the International Monetary Fund has been successfully completed. We now have to address the issue of the IMF quota increase by early 2011. We have agreed to shift 5 per cent share to countries that are under-represented in the IMF.
3. We have agreed to help the World Bank and other regional development banks to find the necessary resources based on a review of their capital needs to be completed in the first half of 2010.
4. We have agreed on a new framework for discussing global macro balances, and the contributions individual countries can make through their own policies with a new process of peer review or discussion in the Group of 20.
5. We have discussed the important issue of climate change. The G20 have called for a successful outcome in the United Nations Framework Convention on Climate Change at Copenhagen.
6. We have agreed that we should work for an early resolution of the Doha round of trade negotiations so as to counter protectionism. The success of the Delhi Ministerial meeting in reviving the process of negotiations was appreciated.



7. We have agreed - and in some ways this is the most important conclusion emerging from the meeting - that the Group of 20 will henceforth be the premier forum for international economic issues. This is an important development to broadening the global governance structure, to incorporate major developing and emerging countries into the new framework.

Thank you.

**Question:** Mr. Prime Minister, how serious is India's economic crisis and how can the NRIs help? Can you clarify, Sir, Chinese bragging going on around the globe including in the media in India and here in the US?

**Prime Minister:** There is no economic crisis in India. It is certainly true that as a sequel to the global economic crisis our exports have suffered. That has affected the rate of growth. Even then our economy is growing at the rate of six to six and a half per cent. Therefore, there is no crisis as such in India. As far as the NRIs are concerned, they are very welcome to contribute to India's development through bank deposits, through participation in capital markets both direct and portfolio investment. Portfolios are open to non-resident investments and we very much welcome their participation in processes of economic development in our country.

**Question:** On behalf of Indian Correspondents resident in the US, who unfortunately will not be travelling with you tomorrow, I would like to wish you a very happy birthday.

**Prime Minister:** Thank you very much.

**Question:** I would like to draw your attention, Prime Minister, to a late night announcement by the White House last night which implied that the G20 will be replacing the G8 as the primary vehicle for economic negotiations globally. What in your opinion is the impact of this on the changing architecture of international economic diplomacy?

**Prime Minister:** I think interdependence of nations is a fact of life. Interdependence in a globalised world means that no country, howsoever powerful it may be, can take on the entire burden of economic adjustment and economic decision-making that may be required to manage the global system in an orderly fashion. It is that perception and that reality which has I think persuaded many people in Europe and the United States that this G8 is ill-equipped to handle all the global issues. With the rise of Asia, with the growth of India, China and Brazil, the economic decision-making has to take into account the views of these countries if it is to have an optimum impact.

**Question:** President Obama has piloted a Resolution in the UN Security Council asking all countries to sign on to the NPT. What would your response be to that? Is this another irritant in the Indo-US relationship which has seen better days under the previous Administration?

**Prime Minister:** We have been assured that this is not a Resolution directed at India; and that the US commitment to carry out its obligations under the Civil Nuclear Agreement that we have signed with the United States remains undiluted. That, we have been assured officially by the United States Government.

**Question:** After three rounds of G20, can you give us a sense of what India's *aam aadmi* (Common man) has gained from this? How does he benefit in his daily life from these G20 meetings?

**Prime Minister:** If the world economy collapses, there is obviously some effect on our country. Already the rate of growth of our economy, particularly our exports, has suffered. This has led to a decline in exports of important labour-intensive products like gems and jewellery, leather goods, textiles. No country by itself can ensure that all its goals of economic life can be achieved working to the exclusion of other participants, in the increasingly interdependent world that we live in. There is, therefore, a necessity for India to ensure that the global economic system continues to progress. We need an external environment which is conducive to the growth of our exports. We need an external environment which is conducive to the increasing flow of capital; an international environment which is conducive to increased flows of technology. All these things have a bearing on the rate of growth of our economy.

**Question:** Sir, the G20 has reaffirmed commitment towards continuation of stimulus packages and also no premature withdrawal of stimulus packages. Given our fiscal situation, do we have any scope for any more stimulus measures? Also given the fact the way inflation is rearing its head again, is not it time to start thinking of some amount of withdrawal of the easy monitoring fiscal policies?

**Prime Minister:** Our specific circumstances have to respond to our domestic situation. It is certainly true that we have a limited fiscal space and, therefore, the scope for fiscal stimulus, accelerated stimulus, is rather limited. Monetary policy had some scope, but that also would be affected if inflation really becomes a problem. As of now inflation is not a problem. Inflation is under control. But you are right that our options are limited,

constrained as we are by the substantial amount of fiscal deficit. Also with the monetary initiatives which the Reserve Bank has taken, the scope gets reduced at the margin.

**Question:** Over-leveraging of banks in the industrial economies took the whole world almost to the brink of disaster. IMF and World Bank used to advise everybody else. Now, will the IMF and the World Bank have any role in monitoring the economies and banks of industrialised nations?

**Prime Minister:** There is the IMF, there is the World Financial Stability Board, there is also an agreement in today's meeting that the Group of 20 economies will be monitored by the IMF through an independent process of evaluation, and there will be a sort of peer review. So, obviously I think the process of peer review, if it gets going, will provide opportunities for all Group of 20 countries to exchange views, to discuss, to analyse the weaknesses and the strength of the economies of various countries including the strength of their financial system, the banking system included.

**Question:** Mr. Prime Minister, you mentioned that India has put a priority, or the G20 leaders put a priority, on concluding the Doha Round in 2010. These negotiations have gone on for some time and there is a perception that the US is maybe not moving as aggressively as it should be to finish that round. I just wanted to know what sort of signal you got from President Obama on this point. Did it appear to you that the United States was interested in wrapping up those negotiations?

**Prime Minister:** That is certainly what he stated that the United States is as much interested in ensuring that the Doha Round reaches a satisfactory, balanced conclusion as any other country. And I have no reason to doubt his sincerity.

**Question:** The Foreign Ministers of India and Pakistan are scheduled to meet very soon in New York. How hopeful do you feel about the outcome of those talks and what will India's main message and focus be during those talks?

**Prime Minister:** India's message is that India seeks to normalise its relations with Pakistan. The only obstacle is that Pakistan should give up its old attitudes regarding the use of terror as an instrument of state policy. We hope that they would carry out investigations based on the material that we have supplied to Pakistan regarding the massacres that took place in Mumbai in November. Although the tragedy took place in India, the conspiracy was hatched in

Pakistan, and that has been admitted by Pakistan Government. We sincerely hope that they would carry forward this process of investigation and bring to book all the culprits. If that is done, I have said it in Parliament, we will move an extra mile in order to normalise our relations. We are neighbours, and as neighbours we have an obligation to work together.

**Question:** On the very eve of this Conference, a sensational disclosure about Iran's nuclear capability has come out. Every big nation has reacted very sharply to it including the United States, England and France. What is India's position about it? Will this disclosure in any way affect the directions taken by G20?

**Prime Minister:** This is not a subject matter which came up for discussion in the G20. I heard only today about this news being flashed. As far as India is concerned, our position has been a principled position. Iran is a signatory to the NPT. As a signatory to the NPT, it has all the rights which go with its membership of peaceful use of atomic energy, and it must also carry out all its obligations. That is our position and that is the principled position we have taken in the last five years.

**Question:** Sir, in your remarks you have said that stimulus packages should not be withdrawn now because you believe that there is economic recovery but it has not yet fully reached its goal. As of today food prices in India are not under control and exports position is also not good. What are the steps that you will be taking going from here? Are you going to give any further packages, bring about any major change in policy to uplift the mood?

**Prime Minister:** I should not like to announce any changes in policies while I am on the foreign soil.

**Question:** As India takes its seat at the high table in international affairs, we still live in a very unstable neighbourhood. How does India navigate its way through this unstable neighbourhood? Specifically there is a recent report where Gen McCrystal has made some critical observations about India's role in Afghanistan, although he acknowledges that it is useful for the Afghan people. Is there any hint from the US that India should dilute its stakes in Afghanistan?

**Prime Minister:** No, not to my knowledge. The United States and other European countries have been very appreciative of the role that India has played in Afghanistan. We have not supplied any armed forces; we are there to assist Afghan people in reconstruction and development. We are

helping to finance some of the most important projects in the area of power, road transport, health, education. Till today we have committed about 1.3 billion dollars. Not only the Government and the people of Afghanistan appreciated but whenever I have had an opportunity to discuss with the European leaders and the leaders of the United States, they have been of the same view.

As far as the neighbourhood is concerned, I agree with you that we live in an unstable environment. We have to sail in these difficult waters as best as we can.

**Question:** Sir, through the Summit did you get an opportunity for a one-on-one meeting with President Obama?

**Prime Minister:** President Obama this time did not give anyone any separate meetings. But I had an opportunity to talk to him last night. I was sitting immediately to his right. I had an opportunity this morning also to talk to him on some important issues. But as a principle, this time he said because of his preoccupation with the Conference he was not able to meet any leader bilaterally.

**Question:** *Sir, you may answer in English or in Hindi as you like: we want to know this time on black money, or tax heavens or like that doubtful money was discussed - has their importance come down or no attention was paid to that: It appears whatever progress was achieved in the last six months, was considered sufficient; this time the meeting was busy perhaps with too big issues that no attention was paid to it [free translation from Hindi text].*

**Prime Minister:** No, the regulatory system has to be reformed is part of the continuing agenda of the G20. Therefore, treatment of entities in tax heavens remains a matter of concern. Even today's discussion touched upon that. So, it is not correct to say that that is a subject which is not of concern to the Group of 20.

**Question:** Sir, in your statement you have talked about the need for rejecting all kinds of protectionism. Similar words have been echoed by President Hu Jintao. More or less the words appear in the statement of the Brazilian President as well as the South African President. Are you all hinting at some of the protectionist measures initiated by some of the western economies?

**Prime Minister:** Obviously we are worried about protectionism raising its ugly head in many developed countries. So, there is no doubt about that.

**Question:** And in particular are you hinting at some of the measures that have been announced by the United States?

**Prime Minister:** The United States included.

**Question:** Sir, which part of the G20 agreement will help rebalance some of the major imbalances in the world economy? The macroeconomic review will say that China should increase domestic consumption and more foreign exchange resources should be diverted away from the dollar. Is there anything in this meeting's outcome which will help achieve this kind of aims?

**Prime Minister:** As of now the Group of 20 is an essay in persuasion. Whether this essay in persuasion really succeeds in achieving its objectives, only time can tell.

**Question:** Sir, did you get to meet the South African President and whether there was any talk on MTN which is a big issue now? Secondly, on stock markets nothing fundamentally has changed in the last one and a half years but the stock markets in India back home have gone up, almost doubled, in a short period of time. Fundamentally the economy is still reviving. Do you have any concerns on it?

**Prime Minister:** As far as the MTN issue is concerned, I did mention this to President Zuma that I sincerely hope that this deal will go through and that Indian companies will not be subjected to any discriminatory treatment. It has been agreed that this matter can be further discussed with the Government of South Africa.

As far as the stock market is concerned, I am now out of touch with what is happening in stock markets. But obviously in recent months the stock markets have benefited from the return of confidence, the return flow of capital back into India. So, that is one factor. Plus, I think the fundamentals of the economy continue to remain strong. If fundamentals have a role in influencing stock prices, I think that is in the right mood.

**Question:** Mr. Prime Minister, you mentioned the proposal to shift five per cent share representation on the IMF Board. Is this a figure that comports with India's perception of the governance overhaul that was necessary or is this a compromise figure?

**Prime Minister:** It is a compromise figure because as of now the developing countries' quota is about 44 per cent. The four countries who are members of BRIC had suggested a rebalancing to the extent of seven per cent, in which case the developing countries would have I think more than 50 per cent or nearly that. So, the compromise is, seven was the demand, five is the agreed. So, obviously it is a compromise.

**Question:** Okay. Secondly, how exactly will the peer review process work? Is it possible that this may place constraints on domestic policy-making in the future, given the specificity of circumstances that each individual country and particularly India, as you mentioned, faces?

**Prime Minister:** As far as our domestic policy is concerned, every year the fund reviews it under Article 4. I do not see what more can be done as far as reviewing the Indian policy. But bringing the policies of major developed countries within the framework of a review by the Group of 20 will give us an opportunity to pick up holes in the functioning of their economies. I think that is a positive factor.

**Question:** Mr. Prime Minister, to expand a little bit on the climate change issue, there is a speech by President Hu at the United Nations talking a little bit about climate change. There is only about two months' time left before Copenhagen. Are you optimistic about reaching an agreement at Copenhagen? And what actions could either developed or developing countries take to reach an outcome?

**Prime Minister:** Let me say that I am not an astrologer. There are difficulties. On the signs of climate change, now there is a broad agreement. But how to bring about the adjustments in emissions is a complicated matter which requires an exercise in burden-sharing. There is no agreement about the rules of the game as to how this burden-sharing is to be brought about. Developing countries are of the view that the major responsibility for bringing about this situation is that of the developed countries and, therefore, they should carry out credible action in order to control emissions; and that if the developing countries are required to take any national action, for that financial resources as well as technological support should be provided. There is a broad, vague agreement that any agreement in which developing countries are also required to take any national action will have to be accompanied by credible action on the part of developed countries by way of additional provision of finance and also in ensuring flow of technologies at affordable price. But other than expressing a pious wish with regard to the success of the framework convention meeting in Copenhagen, the Group of 20 did not go into the mechanics of these things.

**Question:** Out of all the planks on which agreement was reached between the G20 leaders, what do you think has been the one thing that is the most beneficial for India? You talked earlier about a conducive environment for exports. You also mentioned protectionist pressures rising in the developed world. How confident are you that the two can be reconciled?

**Prime Minister:** I think things could be worse with regard to protectionism. There is an evidence of creeping protectionism but it has not reached an alarming point. Therefore, it is necessary to wield international pressure to restrain and to restrict the growth of protectionism.

With regard to which of the measures taken will benefit India, let me say that I believe the institutionalisation of the Group of 20, plus also the agreement that countries which have adopted stimulus should not prematurely withdraw, has a very significant impact for the growth of Indian economy. India needs an international environment in which its economy can grow. That means, if the world economy is growing, if the world trade is growing, that certainly will help to improve our own growth reforms.

**Question:** Sir, you said there was an agreement that the stimulus packages should continue. Was there any realisation of the fact that this economic downturn should not block funds to developing countries for mitigation and adaptation to climate change at the G20 meeting?

**Prime Minister:** I am afraid the view that the developing countries should not adopt any mitigation or adaptation measures has no support among developed countries. Even developing countries recognise their responsibilities to undertake the adaptation and mitigation measures depending upon their capacities based on the principle of equity. I am not aware of anybody asking that the developing countries should not be asked to undertake any mitigation or adaptation efforts.

**Question:** Sir, important public figures in Pakistan have very openly admitted that the aid which was being given by the American Administration to them was being openly utilised for military purposes. Again huge aid has been given to them. Do you say that it will be again used for building military assets against India?

**Prime Minister:** I have seen those reports and the Government of India has officially taken note of that. We have brought this to the notice of the US Government. Even in the past whenever sophisticated weaponry was made available by the United States to Pakistan, we have always known that the only country against whom these weapons can be used is India.

**Question:** Mr. Prime Minister, two thirds of the Indian population and the area is very much affected by the Naxalite terrorism. In fact it is also said that they are getting foreign aid from the neighbouring countries. There is a



doubt that proper steps are not being taken in this regard. Further, all development projects and programmes are very much affected. In fact, there is no development in those areas.

**Prime Minister:** We have to operate from both sides. We have to accelerate the tempo of development. But you are very right, if the law and order situation is disturbed, the development work cannot also proceed. A minimum amount of enforcement of law and order is an essential precondition even for carrying out development work. So, on both fronts action is being taken.

**Question:** Sir, just to take you back to Sharm el-Sheikh, you have broken through old mindsets in dealing with Pakistan. Does the lack of action on the ground by Islamabad disappoint you? Are you at all hopeful of Pakistan taking any credible action and thereby the Composite Dialogue process being restarted?

**Question:** If you read my statement in Parliament soon after I came back from Sharm el-Sheikh, I think I have explained the whole position at great length. There is no change in my thinking on that subject.

**Question:** Sir, first of all I will like to greet you on your birthday from all the countrymen; I would like to know we will get the cake in Geneva or in the plane itself. Also on this occasion what message you would like to give to the people of India.[free translation from the Hindi text]

**Prime Minister:** I am very grateful to the people of India that they have given me this unique opportunity to serve them. I completed the first five years that they have given me this opportunity for. They have renewed their confidence in me and it is a debt I can never repay. The only way I can make even an effort to repay is to rededicate myself to the service of the people of India to the best of my ability.

Thank you very much.

**Official Spokesperson:** The press conference now draws to a close.



**222. Communique issued by the Leaders of the G-20 at the end of their Summit deliberations.**

**Pittsburg, September 25, 2009.**

**PREAMBLE**

1. We meet in the midst of a critical transition from crisis to recovery to turn the page on an era of irresponsibility and to adopt a set of policies, regulations and reforms to meet the needs of the 21st century global economy.
2. When we last gathered in April, we confronted the greatest challenge to the world economy in our generation.
3. Global output was contracting at pace not seen since the 1930s. Trade was plummeting. Jobs were disappearing rapidly. Our people worried that the world was on the edge of a depression.
4. At that time, our countries agreed to do everything necessary to ensure recovery, to repair our financial systems and to maintain the global flow of capital.
5. It worked.
6. Our forceful response helped stop the dangerous, sharp decline in global activity and stabilize financial markets. Industrial output is now rising in nearly all our economies. International trade is starting to recover. Our financial institutions are raising needed capital, financial markets are showing a willingness to invest and lend, and confidence has improved.
7. Today, we reviewed the progress we have made since the London Summit in April. Our national commitments to restore growth resulted in the largest and most coordinated fiscal and monetary stimulus ever undertaken. We acted together to increase dramatically the resources necessary to stop the crisis from spreading around the world. We took steps to fix the broken regulatory system and started to implement sweeping reforms to reduce the risk that financial excesses will again destabilize the global economy.
8. A sense of normalcy should not lead to complacency.
9. The process of recovery and repair remains incomplete. In many countries, unemployment remains unacceptably high. The conditions for a

recovery of private demand are not yet fully in place. We cannot rest until the global economy is restored to full health, and hard-working families the world over can find decent jobs.

10. We pledge today to sustain our strong policy response until a durable recovery is secured. We will act to ensure that when growth returns, jobs do too. We will avoid any premature withdrawal of stimulus. At the same time, we will prepare our exit strategies and, when the time is right, withdraw our extraordinary policy support in a cooperative and coordinated way, maintaining our commitment to fiscal responsibility.

11. Even as the work of recovery continues, we pledge to adopt the policies needed to lay the foundation for strong, sustained and balanced growth in the 21st century. We recognize that we have to act forcefully to overcome the legacy of the recent, severe global economic crisis and to help people cope with the consequences of this crisis. We want growth without cycles of boom and bust and markets that foster responsibility not recklessness.

12. Today we agreed:

13. To launch a framework that lays out the policies and the way we act together to generate strong, sustainable and balanced global growth. We need a durable recovery that creates the good jobs our people need.

14. We need to shift from public to private sources of demand, establish a pattern of growth across countries that is more sustainable and balanced, and reduce development imbalances. We pledge to avoid destabilizing booms and busts in asset and credit prices and adopt macroeconomic policies, consistent with price stability, that promote adequate and balanced global demand. We will also make decisive progress on structural reforms that foster private demand and strengthen long-run growth potential.

15. Our Framework for Strong, Sustainable and Balanced Growth is a compact that commits us to work together to assess how our policies fit together, to evaluate whether they are collectively consistent with more sustainable and balanced growth, and to act as necessary to meet our common objectives.

16. To make sure our regulatory system for banks and other financial firms reins in the excesses that led to the crisis. Where reckless behavior and a lack of responsibility led to crisis, we will not allow a return to banking as usual.

17. We committed to act together to raise capital standards, to implement strong international compensation standards aimed at ending practices that lead to excessive risk-taking, to improve the over-the-counter derivatives market and to create more powerful tools to hold large global firms to account for the risks they take. Standards for large global financial firms should be commensurate with the cost of their failure. For all these reforms, we have set for ourselves strict and precise timetables.

18. To reform the global architecture to meet the needs of the 21st century. After this crisis, critical players need to be at the table and fully vested in our institutions to allow us to cooperate to lay the foundation for strong, sustainable and balanced growth.

19. We designated the G-20 to be the premier forum for our international economic cooperation. We established the Financial Stability Board (FSB) to include major emerging economies and welcome its efforts to coordinate and monitor progress in strengthening financial regulation.

20. We are committed to a shift in International Monetary Fund (IMF) quota share to dynamic emerging markets and developing countries of at least 5% from over-represented countries to under-represented countries using the current quota formula as the basis to work from. Today we have delivered on our promise to contribute over \$500 billion to a renewed and expanded IMF New Arrangements to Borrow (NAB).

21. We stressed the importance of adopting a dynamic formula at the World Bank which primarily reflects countries' evolving economic weight and the World Bank's development mission, and that generates an increase of at least 3% of voting power for developing and transition countries, to the benefit of under-represented countries. While recognizing that over-represented countries will make a contribution, it will be important to protect the voting power of the smallest poor countries. We called on the World Bank to play a leading role in responding to problems whose nature requires globally coordinated action, such as climate change and food security, and agreed that the World Bank and the regional development banks should have sufficient resources to address these challenges and fulfill their mandates.

22. To take new steps to increase access to food, fuel and finance among the world's poorest while clamping down on illicit outflows. Steps to reduce the development gap can be a potent driver of global growth.

23. Over four billion people remain undereducated, ill-equipped with capital and technology, and insufficiently integrated into the global economy. We need to work together to make the policy and institutional changes needed to accelerate the convergence of living standards and productivity in developing and emerging economies to the levels of the advanced economies. To start, we call on the World Bank to develop a new trust fund to support the new Food Security Initiative for low-income countries announced last summer.

We will increase, on a voluntary basis, funding for programs to bring clean affordable energy to the poorest, such as the Scaling Up Renewable Energy Program.

24. To phase out and rationalize over the medium term inefficient fossil fuel subsidies while providing targeted support for the poorest. Inefficient fossil fuel subsidies encourage wasteful consumption, reduce our energy security, impede investment in clean energy sources and undermine efforts to deal with the threat of climate change.

25. We call on our Energy and Finance Ministers to report to us their implementation strategies and timeline for acting to meet this critical commitment at our next meeting.

26. We will promote energy market transparency and market stability as part of our broader effort to avoid excessive volatility.

27. To maintain our openness and move toward greener, more sustainable growth.

28. We will fight protectionism. We are committed to bringing the Doha Round to a successful conclusion in 2010.

29. We will spare no effort to reach agreement in Copenhagen through the United Nations Framework Convention on Climate Change (UNFCCC) negotiations.

30. We warmly welcome the report by the Chair of the London Summit commissioned at our last meeting and published today.

31. Finally, we agreed to meet in Canada in June 2010 and in Korea in November 2010. We expect to meet annually thereafter and will meet in France in 2011.

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1. We assessed the progress we have made together in addressing the global crisis and agreed to maintain our steps to support economic activity until recovery is assured. We further committed to additional steps to ensure strong, sustainable, and balanced growth, to build a stronger international financial system, to reduce development imbalances, and to modernize our architecture for international economic cooperation.

#### **A Framework for Strong, Sustainable, and Balanced Growth**

2. The growth of the global economy and the success of our coordinated effort to respond to the recent crisis have increased the case for more sustained and systematic international cooperation. In the short-run, we must continue to implement our stimulus programs to support economic activity until recovery clearly has taken hold. We also need to develop a transparent and credible process for withdrawing our extraordinary fiscal, monetary and financial sector support, to be implemented when recovery becomes fully secured. We task our Finance Ministers, working with input from the IMF and FSB, at their November meeting to continue developing cooperative and coordinated exit strategies recognizing that the scale, timing, and sequencing of this process will vary across countries or regions and across the type of policy measures. Credible exit strategies should be designed and communicated clearly to anchor expectations and reinforce confidence.

3. The IMF estimates that world growth will resume this year and rise by nearly 3% by the end of 2010. Subsequently, our objective is to return the world to high, sustainable, and balanced growth, while maintaining our commitment to fiscal responsibility and sustainability, with reforms to increase our growth potential and capacity to generate jobs and policies designed to avoid both the re-creation of asset bubbles and the re-emergence of unsustainable global financial flows. We commit to put in place the necessary policy measures to achieve these outcomes.

4. We will need to work together as we manage the transition to a more balanced pattern of global growth. The crisis and our initial policy responses have already produced significant shifts in the pattern and level of growth across countries. Many countries have already taken important steps to expand domestic demand, bolstering global activity and reducing imbalances. In some countries, the rise in private saving now underway will, in time, need to be augmented by a rise in public saving. Ensuring a strong recovery will necessitate adjustments across different parts of the global economy, while requiring macroeconomic

policies that promote adequate and balanced global demand as well as decisive progress on structural reforms that foster private domestic demand, narrow the global development gap, and strengthen long-run growth potential. The IMF estimates that only with such adjustments and realignments, will global growth reach a strong, sustainable, and balanced pattern. While governments have started moving in the right direction, a shared understanding and deepened dialogue will help build a more stable, lasting, and sustainable pattern of growth. Raising living standards in the emerging markets and developing countries is also a critical element in achieving sustainable growth in the global economy.

5. Today we are launching a Framework for Strong, Sustainable, and Balanced Growth. To put in place this framework, we commit to develop a process whereby we set out our objectives, put forward policies to achieve these objectives, and together assess our progress. We will ask the IMF to help us with its analysis of how our respective national or regional policy frameworks fit together. We will ask the World Bank to advise us on progress in promoting development and poverty reduction as part of the rebalancing of global growth. We will work together to ensure that our fiscal, monetary, trade, and structural policies are collectively consistent with more sustainable and balanced trajectories of growth. We will undertake macro prudential and regulatory policies to help prevent credit and asset price cycles from becoming forces of destabilization. As we commit to implement a new, sustainable growth model, we should encourage work on measurement methods so as to better take into account the social and environmental dimensions of economic development.

6. We call on our Finance Ministers and Central Bank Governors to launch the new Framework by November by initiating a cooperative process of mutual assessment of our policy frameworks and the implications of those frameworks for the pattern and sustainability of global growth. We believe that regular consultations, strengthened cooperation on macroeconomic policies, the exchange of experiences on structural policies, and ongoing assessment will promote the adoption of sound policies and secure a healthy global economy. Our compact is that:

- G-20 members will agree on shared policy objectives. These objectives should be updated as conditions evolve.
- G-20 members will set out our medium-term policy frameworks and will work together to assess the collective implications of our national

policy frameworks for the level and pattern of global growth and to identify potential risks to financial stability.

- G-20 Leaders will consider, based on the results of the mutual assessment, and agree any actions to meet our common objectives.

7. This process will only be successful if it is supported by candid, even-handed, and balanced analysis of our policies. We ask the IMF to assist our Finance Ministers and Central Bank Governors in this process of mutual assessment by developing a forward-looking analysis of whether policies pursued by individual G-20 countries are collectively consistent with more sustainable and balanced trajectories for the global economy, and to report regularly to both the G-20 and the International Monetary and Financial Committee (IMFC), building on the IMF's existing bilateral and multilateral surveillance analysis, on global economic developments, patterns of growth and suggested policy adjustments. Our Finance Ministers and Central Bank Governors will elaborate this process at their November meeting and we will review the results of the first mutual assessment at our next summit.

8. These policies will help us to meet our responsibility to the community of nations to build a more resilient international financial system and to reduce development imbalances.

9. Building on Chancellor Merkel's proposed Charter, on which we will continue to work, we adopted today Core Values for Sustainable Economic Activity, which will include those of propriety, integrity, and transparency, and which will underpin the Framework.

### **Strengthening the International Financial Regulatory System**

10. Major failures of regulation and supervision, plus reckless and irresponsible risk taking by banks and other financial institutions, created dangerous financial fragilities that contributed significantly to the current crisis. A return to the excessive risk taking prevalent in some countries before the crisis is not an option.

11. Since the onset of the global crisis, we have developed and begun implementing sweeping reforms to tackle the root causes of the crisis and transform the system for global financial regulation. Substantial progress has been made in strengthening prudential oversight, improving risk management, strengthening transparency, promoting market integrity, establishing supervisory colleges, and reinforcing international



cooperation. We have enhanced and expanded the scope of regulation and oversight, with tougher regulation of over-the-counter (OTC) derivatives, securitization markets, credit rating agencies, and hedge funds. We endorse the institutional strengthening of the FSB through its Charter, following its establishment in London, and welcome its reports to Leaders and Ministers. The FSB's ongoing efforts to monitor progress will be essential to the full and consistent implementation of needed reforms. We call on the FSB to report on progress to the G-20 Finance Ministers and Central Bank Governors in advance of the next Leaders summit.

12. Yet our work is not done. Far more needs to be done to protect consumers, depositors, and investors against abusive market practices, promote high quality standards, and help ensure the world does not face a crisis of the scope we have seen. We are committed to take action at the national and international level to raise standards together so that our national authorities implement global standards consistently in a way that ensures a level playing field and avoids fragmentation of markets, protectionism, and regulatory arbitrage. Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed. We commit to conduct robust, transparent stress tests as needed. We call on banks to retain a greater proportion of current profits to build capital, where needed, to support lending. Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. It is important to ensure an adequate balance between macro-prudential and micro-prudential regulation to control risks, and to develop the tools necessary to monitor and assess the buildup of macro-prudential risks in the financial system. In addition, we have agreed to improve the regulation, functioning, and transparency of financial and commodity markets to address excessive commodity price volatility.

13. As we encourage the resumption of lending to households and businesses, we must take care not to spur a return of the practices that led to the crisis. The steps we are taking here, when fully implemented, will result in a fundamentally stronger financial system than existed prior to the crisis. If we all act together, financial institutions will have stricter rules for risk-taking, governance that aligns compensation with long-term performance, and greater transparency in their operations. All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards.

Our reform is multi-faceted but at its core must be stronger capital standards, complemented by clear incentives to mitigate excessive risk-taking practices. Capital allows banks to withstand those losses that inevitably will come. It, together with more powerful tools for governments to wind down firms that fail, helps us hold firms accountable for the risks that they take. Building on their Declaration on Further Steps to Strengthen the International Financial System, we call on our Finance Ministers and Central Bank Governors to reach agreement on an international framework of reform in the following critical areas:

- o **Building high quality capital and mitigating pro-cyclicality:** We commit to developing by end-2010 internationally agreed rules to improve both the quantity and quality of bank capital and to discourage excessive leverage. These rules will be phased in as financial conditions improve and economic recovery is assured, with the aim of implementation by end-2012. The national implementation of higher level and better quality capital requirements, counter-cyclical capital buffers, higher capital requirements requirements for risky products and off-balance sheet activities, as elements of the Basel II Capital Framework, together with strengthened liquidity risk requirements and forward-looking provisioning, will reduce incentives for banks to take excessive risks and create a financial system better prepared to withstand adverse shocks. We welcome the key measures recently agreed by the oversight body of the Basel Committee to strengthen the supervision and regulation of the banking sector. We support the introduction of a leverage ratio as a supplementary measure to the Basel II risk-based framework with a view to migrating to a Pillar 1 treatment based on appropriate review and calibration. To ensure comparability, the details of the leverage ratio will be harmonized internationally, fully adjusting for differences in accounting. All major G-20 financial centers commit to have adopted the Basel II Capital Framework by 2011.
- o **Reforming compensation practices to support financial stability:** Excessive compensation in the financial sector has both reflected and encouraged excessive risk taking. Reforming compensation policies and practices is an essential part of our effort to increase financial stability. We fully endorse the implementation standards of the FSB aimed at aligning compensation with long-term value creation, not excessive risk-taking, including by

- (i) avoiding multi-year guaranteed bonuses;
- (ii) requiring a significant portion of variable compensation to be deferred, tied to performance and subject to appropriate clawback and to be vested in the form of stock or stock-like instruments, as long as these create incentives aligned with long-term value creation and the time horizon of risk;
- (iii) ensuring that compensation for senior executives and other employees having a material impact on the firm's risk exposure align with performance and risk;
- (iv) making firms' compensation policies and structures transparent through disclosure requirements;
- (v) limiting variable compensation as a percentage of total net revenues when it is inconsistent with the maintenance of a sound capital base; and
- (vi) ensuring that compensation committees overseeing compensation policies are able to act independently. Supervisors should have the responsibility to review firms' compensation policies and structures with institutional and systemic risk in mind and, if necessary to offset additional risks, apply corrective measures, such as higher capital requirements, to those firms that fail to implement sound compensation policies and practices. Supervisors should have the ability to modify compensation structures in the case of firms that fail or require extraordinary public intervention. We call on firms to implement these sound compensation practices immediately. We task the FSB to monitor the implementation of FSB standards and propose additional measures as required by March 2010.

- **Improving over-the-counter derivatives markets:**

All standardized OTC derivative contracts should be traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties by end-2012 at the latest. OTC derivative contracts should be reported to trade repositories. Non-centrally cleared contracts should be subject to higher capital requirements. We ask the FSB and its relevant members to assess regularly implementation and whether it is sufficient to improve transparency in the derivatives markets, mitigate systemic risk, and protect against market abuse.

- **Addressing cross-border resolutions and systemically important financial institutions by end-2010**

Systemically important financial firms should develop internationally-consistent firm-specific contingency and resolution plans. Our authorities should establish crisis management groups for the major cross-border firms and a legal framework for crisis intervention as well as improve information sharing in times of stress. We should develop resolution tools and frameworks for the effective resolution of financial groups to help mitigate the disruption of financial institution failures and reduce moral hazard in the future. Our prudential standards for systemically important institutions should be commensurate with the costs of their failure. The FSB should propose by the end of October 2010 possible measures including more intensive supervision and specific additional capital, liquidity, and other prudential requirements.

14. We call on our international accounting bodies to redouble their efforts to achieve a single set of high quality, global accounting standards within the context of their independent standard setting process, and complete their convergence project by June 2011. The International Accounting Standards Board's (IASB) institutional framework should further enhance the involvement of various stakeholders.

15. Our commitment to fight non-cooperative jurisdictions (NCJs) has produced impressive results. We are committed to maintain the momentum in dealing with tax havens, money laundering, proceeds of corruption, terrorist financing, and prudential standards. We welcome the expansion of the Global Forum on Transparency and Exchange of Information, including the participation of developing countries, and welcome the agreement to deliver an effective program of peer review. The main focus of the Forum's work will be to improve tax transparency and exchange of information so that countries can fully enforce their tax laws to protect their tax base. We stand ready to use countermeasures against tax havens from March 2010. We welcome the progress made by the Financial Action Task Force (FATF) in the fight against money laundering and terrorist financing and call upon the FATF to issue a public list of high risk jurisdictions by February 2010. We call on the FSB to report progress to address NCJs with regards to international cooperation and information exchange in November 2009 and to initiate a peer review process by February 2010.

16. We task the IMF to prepare a report for our next meeting with regard to the range of options countries have adopted or are considering as to how the financial sector could make a fair and substantial contribution toward paying for any burdens associated with government interventions to repair the banking system.

#### **Modernizing our Global Institutions to Reflect Today's Global Economy**

17. Modernizing the international financial institutions and global development architecture is essential to our efforts to promote global financial stability, foster sustainable development, and lift the lives of the poorest. We warmly welcome Prime Minister Brown's report on his review of the responsiveness and adaptability of the international financial institutions (IFIs) and ask our Finance Ministers to consider its conclusions.

#### **Reforming the Mandate, Mission and Governance of the IMF**

18. Our commitment to increase the funds available to the IMF allowed it to stem the spread of the crisis to emerging markets and developing countries. This commitment and the innovative steps the IMF has taken to create the facilities needed for its resources to be used efficiently and flexibly have reduced global risks. Capital again is flowing to emerging economies.

19. We have delivered on our promise to treble the resources available to the IMF. We are contributing over \$500 billion to a renewed and expanded IMF New Arrangements to Borrow (NAB). The IMF has made Special Drawing Rights (SDR) allocations of \$283 billion in total, more than \$100 billion of which will supplement emerging market and developing countries' existing reserve assets. Resources from the agreed sale of IMF gold, consistent with the IMF's new income model, and funds from internal and other sources will more than double the Fund's medium-term concessional lending capacity.

20. Our collective response to the crisis has highlighted both the benefits of international cooperation and the need for a more legitimate and effective IMF. The Fund must play a critical role in promoting global financial stability and rebalancing growth. We welcome the reform of IMF's lending facilities, including the creation of the innovative Flexible Credit Line. The IMF should continue to strengthen its capacity to help its members cope with financial volatility, reducing the economic disruption from sudden swings in capital flows and the perceived need for excessive reserve accumulation. As recovery takes hold, we will work together to strengthen the Fund's ability to provide even-handed, candid and independent surveillance of the risks

facing the global economy and the international financial system. We ask the IMF to support our effort under the Framework for Strong, Sustainable and Balanced Growth through its surveillance of our countries' policy frameworks and their collective implications for financial stability and the level and pattern of global growth.

21. Modernizing the IMF's governance is a core element of our effort to improve the IMF's credibility, legitimacy, and effectiveness. We recognize that the IMF should remain a quota-based organization and that the distribution of quotas should reflect the relative weights of its members in the world economy, which have changed substantially in view of the strong growth in dynamic emerging market and developing countries. To this end, we are committed to a shift in quota share to dynamic emerging market and developing countries of at least five percent from over-represented to under-represented countries using the current IMF quota formula as the basis to work from. We are also committed to protecting the voting share of the poorest in the IMF. On this basis and as part of the IMF's quota review, to be completed by January 2011, we urge an acceleration of work toward bringing the review to a successful conclusion. As part of that review, we agree that a number of other critical issues will need to be addressed, including: the size of any increase in IMF quotas, which will have a bearing on the ability to facilitate change in quota shares; the size and composition of the Executive Board; ways of enhancing the Board's effectiveness; and the Fund Governors' involvement in the strategic oversight of the IMF. Staff diversity should be enhanced. As part of a comprehensive reform package, we agree that the heads and senior leadership of all international institutions should be appointed through an open, transparent and merit-based process. We must urgently implement the package of IMF quota and voice reforms agreed in April 2008.

#### **Reforming the Mission, Mandate and Governance of Our Development banks**

22. The Multilateral Development Banks (MDBs) responded to our April call to accelerate and expand lending to mitigate the impact of the crisis on the world's poorest with streamlined facilities, new tools and facilities, and a rapid increase in their lending. They are on track to deliver the promised \$100 billion in additional lending. We welcome and encourage the MDBs to continue making full use of their balance sheets. We also welcome additional measures such as the temporary use of callable capital

contributions from a select group of donors as was done at the InterAmerican Development Bank (IaDB). Our Finance Ministers should consider how mechanisms such as temporary callable and contingent capital could be used in the future to increase MDB lending at times of crisis. We reaffirm our commitment to ensure that the Multilateral Development Banks and their concessional lending facilities, especially the International Development Agency (IDA) and the African Development Fund, are appropriately funded.

23. Even as we work to mitigate the impact of the crisis, we must strengthen and reform the global development architecture for responding to the world's long-term challenges.

24. We agree that development and reducing global poverty are central to the development banks' core mission. The World Bank and other multilateral development banks are also critical to our ability to act together to address challenges, such as climate change and food security, which are global in nature and require globally coordinated action. The World Bank, working with the regional development banks and other international organizations, should strengthen:

- its focus on food security through enhancements in agricultural productivity and access to technology, and improving access to food, in close cooperation with relevant specialized agencies;
- its focus on human development and security in the poorest and most challenging environments;
- support for private-sector led growth and infrastructure to enhance opportunities for the poorest, social and economic inclusion, and economic growth; and
- contributions to financing the transition to a green economy through investment in sustainable clean energy generation and use, energy efficiency and climate resilience; this includes responding to countries needs to integrate climate change concerns into their core development strategies, improved domestic policies, and to access new sources of climate finance.

25. To enhance their effectiveness, the World Bank and the regional development banks should strengthen their coordination, when appropriate, with other bilateral and multilateral institutions. They should also strengthen recipient country ownership of strategies and programs and allow adequate policy space.

26. We will help ensure the World Bank and the regional development banks have sufficient resources to fulfill these four challenges and their development mandate, including through a review of their general capital increase needs to be completed by the first half of 2010. Additional resources must be joined to key institutional reforms to ensure effectiveness: greater coordination and a clearer division of labor; an increased commitment to transparency, accountability, and good corporate governance; an increased capacity to innovate and achieve demonstrable results; and greater attention to the needs of the poorest populations.

27. We commit to pursue governance and operational effectiveness reform in conjunction with voting reform to ensure that the World Bank is relevant, effective, and legitimate. We stress the importance of moving towards equitable voting power in the World Bank over time through the adoption of a dynamic formula which primarily reflects countries' evolving economic weight and the World Bank's development mission, and that generates in the next shareholding review a significant increase of at least 3% of voting power for developing and transition countries, in addition to the 1.46% increase under the first phase of this important adjustment, to the benefit of under-represented countries. While recognizing that over-represented countries will make a contribution, it will be important to protect the voting power of the smallest poor countries. We recommit to reaching agreement by the 2010 Spring Meetings.

#### **Energy Security and Climate Change**

28. Access to diverse, reliable, affordable and clean energy is critical for sustainable growth. Inefficient markets and excessive volatility negatively affect both producers and consumers. Noting the St. Petersburg Principles on Global Energy Security, which recognize the shared interest of energy producing, consuming and transiting countries in promoting global energy security, we individually and collectively commit to:

- Increase energy market transparency and market stability by publishing complete, accurate, and timely data on oil production, consumption, refining and stock levels, as appropriate, on a regular basis, ideally monthly, beginning by January 2010. We note the Joint Oil Data Initiative as managed by the International Energy Forum (IEF) and welcome their efforts to examine the expansion of their data collection to natural gas.



We will improve our domestic capabilities to collect energy data and improve energy demand and supply forecasting and ask the International Energy Agency (IEA) and the Organization of Petroleum Exporting Countries (OPEC) to ramp up their efforts to assist interested countries in developing those capabilities. We will strengthen the producer-consumer dialogue to improve our understanding of market fundamentals, including supply and demand trends, and price volatility, and note the work of the IEF experts group.

- Improve regulatory oversight of energy markets by implementing the International Organization of Securities Commissions (IOSCO) recommendations on commodity futures markets and calling on relevant regulators to collect data on large concentrations of trader positions on oil in our national commodities futures markets. We ask our relevant regulators to report back at our next meeting on progress towards implementation. We will direct relevant regulators to also collect related data on over-the-counter oil markets and to take steps to combat market manipulation leading to excessive price volatility. We call for further refinement and improvement of commodity market information, including through the publication of more detailed and disaggregated data, coordinated as far as possible internationally. We ask IOSCO to help national governments design and implement these policies, conduct further analysis including with regard with to excessive volatility, make specific recommendations, and to report regularly on our progress.

29. Enhancing our energy efficiency can play an important, positive role in promoting energy security and fighting climate change. Inefficient fossil fuel subsidies encourage wasteful consumption, distort markets, impede investment in clean energy sources and undermine efforts to deal with climate change. The Organization for Economic Cooperation and Development (OECD) and the IEA have found that eliminating fossil fuel subsidies by 2020 would reduce global greenhouse gas emissions in 2050 by ten percent. Many countries are reducing fossil fuel subsidies while preventing adverse impact on the poorest. Building on these efforts and recognizing the challenges of populations suffering from energy poverty, we commit to:

- Rationalize and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption. As we do that, we recognize the importance of providing those in need with essential

energy services, including through the use of targeted cash transfers and other appropriate mechanisms. This reform will not apply to our support for clean energy, renewables, and technologies that dramatically reduce greenhouse gas emissions. We will have our Energy and Finance Ministers, based on their national circumstances, develop implementation strategies and timeframes, and report back to Leaders at the next Summit. We ask the international financial institutions to offer support to countries in this process. We call on all nations to adopt policies that will phase out such subsidies worldwide.

30. We request relevant institutions, such as the IEA, OPEC, OECD, and World Bank, provide an analysis of the scope of energy subsidies and suggestions for the implementation of this initiative and report back at the next summit.

31. Increasing clean and renewable energy supplies, improving energy efficiency, and promoting conservation are critical steps to protect our environment, promote sustainable growth and address the threat of climate change. Accelerated adoption of economically sound clean and renewable energy technology and energy efficiency measures diversifies our energy supplies and strengthens our energy security. We commit to:

- Stimulate investment in clean energy, renewables, and energy efficiency and provide financial and technical support for such projects in developing countries.
- Take steps to facilitate the diffusion or transfer of clean energy technology including by conducting joint research and building capacity. The reduction or elimination of barriers to trade and investment in this area are being discussed and should be pursued on a voluntary basis and in appropriate fora.

32. As leaders of the world's major economies, we are working for a resilient, sustainable, and green recovery. We underscore anew our resolve to take strong action to address the threat of dangerous climate change. We reaffirm the objective, provisions, and principles of the United Nations Framework Convention on Climate Change (UNFCCC), including common but differentiated responsibilities. We note the principles endorsed by Leaders at the Major Economies Forum in L'Aquila, Italy. We will intensify our efforts, in cooperation with other parties, to reach agreement in Copenhagen through the UNFCCC negotiation. An agreement must include mitigation, adaptation, technology, and financing.

33. We welcome the work of the Finance Ministers and direct them to report back at their next meeting with a range of possible options for climate change financing to be provided as a resource to be considered in the UNFCCC negotiations at Copenhagen.

#### **Strengthening Support for the Most Vulnerable**

34. Many emerging and developing economies have made great strides in raising living standards as their economies converge toward the productivity levels and living standards of advanced economies. This process was interrupted by the crisis and is still far from complete. The poorest countries have little economic cushion to protect vulnerable populations from calamity, particularly as the financial crisis followed close on the heels of a global spike in food prices. We note with concern the adverse impact of the global crisis on low income countries' (LICs) capacity to protect critical core spending in areas such as health, education, safety nets, and infrastructure. The UN's new Global Impact Vulnerability Alert System will help our efforts to monitor the impact of the crisis on the most vulnerable. We share a collective responsibility to mitigate the social impact of the crisis and to assure that all parts of the globe participate in the recovery.

35. The MDBs play a key role in the fight against poverty. We recognize the need for accelerated and additional concessional financial support to LICs to cushion the impact of the crisis on the poorest, welcome the increase in MDB lending during the crisis and support the MDBs having the resources needed to avoid a disruption of concessional financing to the most vulnerable countries. The IMF also has increased its concessional lending to LICs during the crisis. Resources from the sale of IMF gold, consistent with the new income model, and funds from internal and other sources will double the Fund's medium-term concessional lending capacity.

36. Several countries are considering creating, on a voluntary basis, mechanisms that could allow, consistent with their national circumstances, the mobilization of existing SDR resources to support the IMF's lending to the poorest countries. Even as we work to mitigate the impact of the crisis, we must strengthen and reform the global development architecture for responding to the world's long-term challenges. We ask our relevant ministers to explore the benefits of a new crisis support facility in IDA to protect LICs from future crises and the enhanced use of financial instruments in protecting the investment plans of middle income countries from interruption in times of crisis, including greater use of guarantees.

37. We reaffirm our historic commitment to meet the Millennium Development Goals and our respective Official Development Assistance (ODA) pledges, including commitments on Aid for Trade, debt relief, and those made at Gleneagles, especially to sub-Saharan Africa, to 2010 and beyond.

38. Even before the crisis, too many still suffered from hunger and poverty and even more people lack access to energy and finance. Recognizing that the crisis has exacerbated this situation, we pledge cooperation to improve access to food, fuel, and finance for the poor.

39. Sustained funding and targeted investments are urgently needed to improve long-term food security. We welcome and support the food security initiative announced in L'Aquila and efforts to further implement the Global Partnership for Agriculture and Food Security and to address excessive price volatility. We call on the World Bank to work with interested donors and organizations to develop a multilateral trust fund to scale-up agricultural assistance to low-income countries. This will help support innovative bilateral and multilateral efforts to improve global nutrition and build sustainable agricultural systems, including programs like those developed through the Comprehensive African Agricultural Development Program (CAADP). It should be designed to ensure country ownership and rapid disbursement of funds, fully respecting the aid effectiveness principles agreed in Accra, and facilitate the participation of private foundations, businesses, and non-governmental organizations (NGOs) in this historic effort. These efforts should complement the UN Comprehensive Framework for Agriculture. We ask the World Bank, the African Development Bank, UN, Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), World Food Programme (WFP) and other stakeholders to coordinate their efforts, including through country-led mechanisms, in order to complement and reinforce other existing multilateral and bilateral efforts to tackle food insecurity.

40. To increase access to energy, we will promote the deployment of clean, affordable energy resources to the developing world. We commit, on a voluntary basis, to funding programs that achieve this objective, such as the Scaling Up Renewable Energy Program and the Energy for the Poor Initiative, and to increasing and more closely harmonizing our bilateral efforts.

41. We commit to improving access to financial services for the poor. We have agreed to support the safe and sound spread of new modes of

financial service delivery capable of reaching the poor and, building on the example of micro finance, will scale up the successful models of small and medium-sized enterprise (SME) financing. Working with the Consultative Group to Assist the Poor (CGAP), the international Financial Corporation (IFC) and other international organizations, we will launch a G-20 Financial Inclusion Experts Group. This group will identify lessons learned on innovative approaches to providing financial services to these groups, promote successful regulatory and policy approaches and elaborate standards on financial access, financial literacy, and consumer protection. We commit to launch a G-20 SME Finance Challenge, a call to the private sector to put forward its best proposals for how public finance can maximize the deployment of private finance on a sustainable and scalable basis.

42. As we increase the flow of capital to developing countries, we also need to prevent its illicit outflow. We will work with the World Bank's Stolen Assets Recovery (StAR) program to secure the return of stolen assets to developing countries, and support other efforts to stem illicit outflows. We ask the FATF to help detect and deter the proceeds of corruption by prioritizing work to strengthen standards on customer due diligence, beneficial ownership and transparency. We note the principles of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action and will work to increase the transparency of international aid flows by 2010. We call for the adoption and enforcement of laws against transnational bribery, such as the OECD Anti-Bribery Convention, and the ratification by the G-20 of the UN Convention against Corruption (UNCAC) and the adoption during the third Conference of the Parties in Doha of an effective, transparent, and inclusive mechanism for the review of its implementation. We support voluntary participation in the Extractive Industries Transparency Initiative, which calls for regular public disclosure of payments by extractive industries to governments and reconciliation against recorded receipt of those funds by governments.

#### **Putting Quality Jobs at the Heart of the Recovery**

43. The prompt, vigorous and sustained response of our countries has saved or created millions of jobs. Based on International Labour Organization (ILO) estimates, our efforts will have created or saved at least 7 - 11 million jobs by the end of this year. Without sustained action, unemployment is likely to continue rising in many of our countries even after economies stabilize, with a disproportionate impact on the most vulnerable segments of our population. As growth returns, every country

must act to ensure that employment recovers quickly. We commit to implementing recovery plans that support decent work, help preserve employment, and prioritize job growth. In addition, we will continue to provide income, social protection, and training support for the unemployed and those most at risk of unemployment. We agree that the current challenges do not provide an excuse to disregard or weaken internationally recognized labor standards. To assure that global growth is broadly beneficial, we should implement policies consistent with ILO fundamental principles and rights at work.

44. Our new Framework for Strong, Sustainable, and Balanced Growth requires structural reforms to create more inclusive labor markets, active labor market policies, and quality education and training programs. Each of our countries will need, through its own national policies, to strengthen the ability of our workers to adapt to changing market demands and to benefit from innovation and investments in new technologies, clean energy, environment, health, and infrastructure. It is no longer sufficient to train workers to meet their specific current needs; we should ensure access to training programs that support lifelong skills development and focus on future market needs. Developed countries should support developing countries to build and strengthen their capacities in this area. These steps will help to assure that the gains from new inventions and lifting existing impediments to growth are broadly shared.

45. We pledge to support robust training efforts in our growth strategies and investments. We recognize successful employment and training programs are often designed together with employers and workers, and we call on the ILO, in partnership with other organizations, to convene its constituents and NGOs to develop a training strategy for our consideration.

46. We agree on the importance of building an employment-oriented framework for future economic growth. In this context, we reaffirm the importance of the London Jobs Conference and Rome Social Summit. We also welcome the recently-adopted ILO Resolution on Recovering from the Crisis: A Global Jobs Pact, and we commit our nations to adopt key elements of its general framework to advance the social dimension of globalization. The international institutions should consider ILO standards and the goals of the Jobs Pact in their crisis and post-crisis analysis and policy-making activities.

47. To ensure our continued focus on employment policies, the Chair of the Pittsburgh Summit has asked his Secretary of Labor to invite our Employment and Labor Ministers to meet as a group in early 2010 consulting with labor and business and building on the upcoming OECD Labour and Employment Ministerial meeting on the jobs crisis. We direct our Ministers to assess the evolving employment situation, review reports from the ILO and other organizations on the impact of policies we have adopted, report on whether further measures are desirable, and consider medium-term employment and skills development policies, social protection programs, and best practices to ensure workers are prepared to take advantage of advances in science and technology.

#### **An Open Global Economy**

48. Continuing the revival in world trade and investment is essential to restoring global growth. It is imperative we stand together to fight against protectionism. We welcome the swift implementation of the \$250 billion trade finance initiative. We will keep markets open and free and reaffirm the commitments made in Washington and London: to refrain from raising barriers or imposing new barriers to investment or to trade in goods and services, imposing new export restrictions or implementing World Trade Organization (WTO) inconsistent measures to stimulate exports and commit to rectify such measures as they arise. We will minimize any negative impact on trade and investment of our domestic policy actions, including fiscal policy and action to support the financial sector. We will not retreat into financial protectionism, particularly measures that constrain worldwide capital flows, especially to developing countries. We will notify promptly the WTO of any relevant trade measures. We welcome the latest joint report from the WTO, OECD, IMF, and United Nations Conference on Trade and Development (UNCTAD) and ask them to continue to monitor the situation within their respective mandates, reporting publicly on these commitments on a quarterly basis.

49. We remain committed to further trade liberalization. We are determined to seek an ambitious and balanced conclusion to the Doha Development Round in 2010, consistent with its mandate, based on the progress already made, including with regard to modalities. We understand the need for countries to directly engage with each other, within the WTO bearing in mind the centrality of the multilateral process, in order to evaluate and close the remaining gaps. We note that in order to conclude the negotiations in 2010, closing those gaps should proceed as quickly

as possible. We ask our ministers to take stock of the situation no later than early 2010, taking into account the results of the work program agreed to in Geneva following the Delhi Ministerial, and seek progress on Agriculture, Non-Agricultural Market Access, as well as Services, Rules, Trade Facilitation and all other remaining issues. We will remain engaged and review the progress of the negotiations at our next meeting.

### **The Path from Pittsburgh**

50. Today, we designated the G-20 as the premier forum for our international economic cooperation. We have asked our representatives to report back at the next meeting with recommendations on how to maximize the effectiveness of our cooperation. We agreed to have a G-20 Summit in Canada in June 2010, and in Korea in November 2010. We expect to meet annually thereafter, and will meet in France in 2011.

## **ANNEX:**

### **Core Values for Sustainable Economic Activity**

1. The economic crisis demonstrates the importance of ushering in a new era of sustainable global economic activity grounded in responsibility. The current crisis has once again confirmed the fundamental recognition that our growth and prosperity are interconnected, and that no region of the globe can wall itself off in a globalized world economy.
2. We, the Leaders of the countries gathered for the Pittsburgh Summit, recognize that concerted action is needed to help our economies get back to stable ground and prosper tomorrow. We commit to taking responsible actions to ensure that every stakeholder - consumers, workers, investors, entrepreneurs - can participate in a balanced, equitable, and inclusive global economy.
3. We share the overarching goal to promote a broader prosperity for our people through balanced growth within and across nations; through coherent economic, social, and environmental strategies; and through robust financial systems and effective international collaboration.
4. We recognize that there are different approaches to economic development and prosperity, and that strategies to achieve these goals may vary according to countries' circumstances.



5. We also agree that certain key principles are fundamental, and in this spirit we commit to respect the following core values:

- We have a responsibility to ensure sound macroeconomic policies that serve long-term economic objectives and help avoid unsustainable global imbalances.
- We have a responsibility to reject protectionism in all its forms, support open markets, foster fair and transparent competition, and promote entrepreneurship and innovation across countries.
- We have a responsibility to ensure, through appropriate rules and incentives, that financial and other markets function based on propriety, integrity and transparency and to encourage businesses to support the efficient allocation of resources for sustainable economic performance.
- We have a responsibility to provide for financial markets that serve the needs of households, businesses and productive investment by strengthening oversight, transparency, and accountability.
- We have a responsibility to secure our future through sustainable consumption, production and use of resources that conserve our environment and address the challenge of climate change.
- We have a responsibility to invest in people by providing education, job training, decent work conditions, health care and social safety net support, and to fight poverty, discrimination, and all forms of social exclusion.
- We have a responsibility to recognize that all economies, rich and poor, are partners in building a sustainable and balanced global economy in which the benefits of economic growth are broadly and equitably shared. We also have a responsibility to achieve the internationally agreed development goals.
- We have a responsibility to ensure an international economic and financial architecture that reflects changes in the world economy and the new challenges of globalization.

#### **G-20 Framework for Strong, Sustainable, and Balanced Growth**

1. Our countries have a shared responsibility to adopt policies to achieve strong, sustainable and balanced growth, to promote a resilient international

financial system, and to reap the benefits of an open global economy. To this end, we recognize that our strategies will vary across countries. In our Framework for Strong, Sustainable and Balanced Growth, we will:

- implement responsible fiscal policies, attentive to short-term flexibility considerations and longer-run sustainability requirements.
  - strengthen financial supervision to prevent the re-emergence in the financial system of excess credit growth and excess leverage and undertake macro prudential and regulatory policies to help prevent credit and asset price cycles from becoming forces of destabilization.
  - promote more balanced current accounts and support open trade and investment to advance global prosperity and growth sustainability, while actively rejecting protectionist measures.
  - undertake monetary policies consistent with price stability in the context of market oriented exchange rates that reflect underlying economic fundamentals.
  - undertake structural reforms to increase our potential growth rates and, where needed, improve social safety nets.
  - promote balanced and sustainable economic development in order to narrow development imbalances and reduce poverty.
2. We recognize that the process to ensure more balanced global growth must be undertaken in an orderly manner. All G-20 members agree to address the respective weaknesses of their economies.
- G-20 members with sustained, significant external deficits pledge to undertake policies to support private savings and undertake fiscal consolidation while maintaining open markets and strengthening export sectors.
  - G-20 members with sustained, significant external surpluses pledge to strengthen domestic sources of growth. According to national circumstances this could include increasing investment, reducing financial markets distortions, boosting productivity in service sectors, improving social safety nets, and lifting constraints on demand growth.
3. Each G-20 member bears primary responsibility for the sound management of its economy. The G-20 members also have a responsibility to the community of nations to assure the overall health of the global economy. Regular consultations, strengthened cooperation on

macroeconomic policies, the exchange of experiences on structural policies, and ongoing assessment can strengthen our cooperation and promote the adoption of sound policies. As part of our process of mutual assessment:

- G-20 members will agree on shared policy objectives. These objectives should be updated as conditions evolve.
- G-20 members will set out their medium-term policy frameworks and will work together to assess the collective implications of our national policy frameworks for the level and pattern of global growth, and to identify potential risks to financial stability.
- G-20 leaders will consider, based on the results of the mutual assessment, and agree any actions to meet our common objectives.

4. We call on our Finance Ministers to develop our process of mutual assessment to evaluate the collective implications of national policies for the world economy. To accomplish this, our Finance Ministers should, with the assistance of the IMF:

- Develop a forward looking assessment of G-20 economic developments to help analyze whether patterns of demand and supply, credit, debt and reserves growth are supportive of strong, sustainable and balanced growth.
- Assess the implications and consistency of fiscal and monetary policies, credit growth and asset markets, foreign exchange developments, commodity and energy prices, and current account imbalances.
- Report regularly to both the G-20 and the IMFC on global economic developments, key risks, and concerns with respect to patterns of growth and suggested G-20 policy adjustments, individually and collectively.



**223. Communiqué issued at the end of the Meeting of Finance Ministers and Central Bank Governors of the G-20 countries.**

**London, November 7, 2009.**

1. **We**, the G20 Finance Ministers and Central Bank Governors, met at a critical point in the recovery from the crisis to deliver the work remitted to us at Pittsburgh.
2. Economic and financial conditions have improved following our coordinated response to the crisis. However, the recovery is uneven and remains dependent on policy support, and high unemployment is a major concern. To restore the global economy and financial system to health, we agreed to maintain support for the recovery until it is assured.
3. To underscore our new approach to economic cooperation, we launched the G20 Framework for Strong, Sustainable and Balanced Growth, adopted a detailed timetable and initiated a new consultative mutual assessment process to evaluate whether our policies will collectively deliver our agreed objectives. We will be assisted in our assessment by IMF and World Bank analyses and the input of other international organisations as appropriate, including the FSB, OECD, MDBs, ILO, WTO and UNCTAD. We agreed a compact:
  - to set out our national and regional policy frameworks, programmes and projections by the end of January 2010;
  - to conduct the initial phase of our cooperative mutual assessment process, supported by IMF and World Bank analyses, of the collective consistency of our national and regional policies with our shared objectives, taking into account our institutional arrangements, in April 2010;
  - to develop a basket of policy options to deliver those objectives, for Leaders to consider at their next Summit in June 2010; and,
  - to refine our mutual assessment and develop more specific policy recommendations for Leaders at their Summit in November 2010.
4. Our first challenge in using the Framework will be the transition from crisis response to stronger, more sustainable and balanced growth, consistent with our goals of sustainable public finances; price stability;

stable, efficient and resilient financial systems; employment creation; and poverty reduction. While we will continue to provide support for the economy until the recovery is secured, we also commit to develop further our strategies for managing the withdrawal from our extraordinary macroeconomic and financial support measures. We agreed to cooperate and coordinate, taking into account any spillovers caused by our strategies, and consulting and sharing information where possible. To ensure credibility, our plans will be based on prudent assumptions and communicated promptly and transparently. We agreed to implement our plans flexibly, taking full account of variations in the pace of economic recovery and market conditions across countries and regions, and the complex interactions between different policy areas. The IMF and FSB will continue to assist us in reviewing strategies and implementation, identifying areas where coordination is particularly important and providing assessments of their collective impact on the global economy and the financial system. We welcome the work of the IMF and FSB to develop principles for exit.

5. The International Financial Institutions (IFIs) will play an important role in supporting our work to secure sustainable growth, stability, job creation, development and poverty reduction. It is therefore critical that we continue to increase their relevance, responsiveness, effectiveness and legitimacy. To this end, we reaffirmed our commitment to: deliver the representation and governance reforms agreed in Pittsburgh and reiterated the deadlines of the 2010 Spring Meetings for the World Bank and January 2011 for the IMF; complete the 2008 quota and voice reforms; complete the review of World Bank and RDB capital to ensure they have sufficient resources conditional on reforms to ensure effectiveness, by the first half of 2010; make progress on reviewing the mandate of the IMF; and, strengthen their capability to prevent and manage future crises. We look forward to the ambitious replenishment of IDA and the African Development Fund, and the work on exploring the benefits of an IDA crisis facility, and the work on the Stolen Assets Recovery Programme. We call on the IEA, OPEC, OECD and World Bank to produce a joint report for our next meeting on energy subsidies, and working with our Energy Ministers, we will prepare at that meeting implementation strategies and timeframes, based on our national circumstances, for rationalising and phasing out inefficient fossil fuel subsidies that encourage wasteful consumption, and for providing targeted assistance programmes. We call on the relevant institutions to finalise their work on ways to avoid excessive commodity price volatility and reaffirm our commitment to publish national data.

6. To continue strengthening the global financial system we agreed to work with the FSB to maintain the momentum of our programme of reforms, and ensure their full, timely and consistent implementation and a level playing field, in particular:

- to strengthen prudential regulation, we emphasised the need for the Basel Committee to develop stronger standards by end-2010 to be phased in as financial conditions improve and the economic recovery is assured, with the aim of implementation by end-2012. We call on supervisors to ensure that banks retain, as needed, a greater proportion of their profits to build capital to support lending;
- to ensure that compensation policies and practices support financial stability and align with long-term value creation, we commit to incorporate urgently within our national frameworks the FSB standards, and call on firms to implement these sound compensation practices immediately. The FSB will start assessing implementation without delay and report back with further proposals, as required, by March 2010;
- **we** welcome the new IMF/BIS/FSB report on assessing the systemic importance of financial institutions, markets and instruments, and the FSB's work to reduce the moral hazard posed by systemically important institutions. We call for the rapid development of internationally consistent, firm-specific recovery and resolution plans and tools by end-2010. We look forward to discussing at our next meeting the IMF's review of options on how the financial sector could contribute to paying for burdens associated with government interventions to repair the banking system; and,
- **we** welcome progress by the Global Forum on tax transparency and exchange of information, and the possible use of a multilateral instrument. To continue tackling non-cooperative jurisdictions (NCJs), we welcome progress made and call on the Global Forum, FSB and FATF to complete their peer review processes, and to assess adherence to international standards. We call on the relevant international institutions to further develop incentives and countermeasures as appropriate, in line with the timescales agreed in Pittsburgh, including through publishing lists of NCJs, and review capacity-building mechanisms to support the efforts of developing countries.

7. **We** committed to take action to tackle the threat of climate change and work towards an ambitious outcome in Copenhagen, within the objective, provisions and principles of the United Nations Framework Convention on Climate Change (UNFCCC). We discussed climate change financing options and recognised the need to increase significantly and urgently the scale and predictability of finance to implement an ambitious international agreement. Public finance can leverage significant private investment. Increasing the scope of carbon markets would depend on policy frameworks of developed and developing countries and on the depth of emission reductions on the part of developed countries. To deliver this financing, coordinated equitable, transparent and effective institutional arrangements will be needed. Coordination of support for country-led plans and reporting of this support should be ensured across all financing channels, multilateral, regional and bilateral. We discussed a range of options and, recognising that finance will play an important role in the delivery of the outcome at Copenhagen, we commit to take forward further work on climate change finance, to define financing options and institutional arrangements.

8. **We** thanked our UK hosts for their presidency of the G20 this year and welcomed the Republic of Korea as chair in 2010. We have agreed that France will chair in 2011.



**IBSA****224. Press Release of the Ministry of Commerce on the IBSA Ministerial meeting.****New Delhi, December 2, 2009.**

During the trilateral Ministerial meeting of IBSA (India-Brazil-South Africa) last evening, the three Ministers agreed to take forward the negotiations in the India-MERCOSUR-SACU framework. IBSA Ministers also agreed to meet annually on a rotational basis beginning early next year. The coming together of India, Brazil and South Africa for strengthening economic partnership can be seen as a major development in the area of South-South Cooperation. Total intra IBSA trade which was US\$ 10.34 billion in 2007 had reached a figure of US\$ 14.56 billion in 2008. There are significant synergies between the three countries that can be utilized for collective benefit and development of the three countries and the South, in general.

Speaking at the Working Session of the Seventh Ministerial Conference of the WTO on "Review of WTO Activities, including the Doha Work Programme", Shri Anand Sharma, Union Minister of Commerce and Industry, observed that if the Doha Round was to be concluded by 2010, efforts had to be made to tackle and resolve the major issues in the negotiations. Noting that progress in the last three months had been far below expectations, Shri Sharma shared India's assessment of the state of play of negotiations.

Regarding the agriculture negotiations, Shri Sharma observed that there were two challenges, i.e. (a) the necessity for a high ambition outcome in the elimination or reduction of subsidies and removal of market access barriers in developed countries, and (b) the fact that for developing countries, agriculture was not about commerce, but about survival and livelihoods. Flexibilities such as Special Products and Special Safeguard Mechanism were critical for safeguarding livelihoods, food and income security. The modalities have to take care of the large population dependent on agriculture in developing countries.

The success of the Doha Round, he said, would be judged on how these two challenges were addressed. He noted that important issues relating to domestic subsidies had barely been discussed. In the area of market access, issues such as sensitive products, tariff rate quotas, tariff simplification, tariff capping etc. - all defensive concerns of developed countries - clearly required further work. On tropical products and preference erosion, which were issues of great interest to India, a multilateral discussion was yet to take place. On the Special Safeguard Mechanism (SSM), which was the subject of



considerable debate during the July 2008 mini-Ministerial and in the months thereafter, there had been some limited exchanges but clearly the issue was far from convergence.

As regards the negotiations on industrial goods, that is, Non-agricultural Market Access (NAMA), Shri Sharma stated that India considered the issue of formula and flexibilities as broadly stabilised except for some country-specific flexibilities still to be negotiated. He noted the constructive engagement on Non Tariff Barriers (NTBs), an important determinant of market access. Speaking strongly on the subject of sectoral initiatives, Shri Sharma stated that the issue was hugely problematic; India was firmly of the view that sectorals would have to be voluntary in nature.

In the Services negotiations, Shri Sharma emphasised that an ambitious outcome on domestic regulations was as important as market access. He also called for serious engagement on subsidies. He expressed disappointment at the signals received during the Signalling Conference in July 2008.

On fisheries subsidies, Shri Sharma reiterated that India's core concern about the protection of the livelihoods of India's small and artisanal fishermen must be addressed and said that while saving we should not forget to protect the fishermen while seeking to protect the fish.

On Trade-related Intellectual Property Rights (TRIPS), he observed that progress was still elusive. More than a hundred Members had demanded a clear outcome on the TRIPS-CBD relationship and GI (Geographical Indications) extension as part of the outcome. While the Director General's consultations on these issues had led to greater technical clarity, the political element was still missing. He stressed the need to continue this process with a sense of urgency to achieve a good outcome.

On the sidelines of the Seventh Ministerial Conference of the WTO, Shri Anand Sharma, Union Minister of Commerce and Industry, met the US Trade Representative Ron Kirk, last evening, for a discussion on the Doha Round and a range of bilateral issues. Shri Sharma also had bilateral discussions with the Trade Ministers of Egypt, Tanzania, UAE, Thailand, Japan, Zambia, Norway, Iran and Kenya.

Shri Sharma is scheduled to participate at a Working Session of the WTO Ministerial Conference on "The WTO's Contribution to Recovery, Growth and Development" in Geneva today. He will also attend a Ministerial Session of the Negotiating Committee of the GSTP (Global System of Trade Preferences) among Developing Countries.



**IOR-ARC****225. Statement by Minister of State Dr Shashi Tharoor at the Plenary Meeting of the Ninth Council of Ministers of the Indian Ocean Rim- Association for Regional Cooperation (IOR-ARC).****Sana'a(Yemen), June 25, 2009.****Mr. Chairman****Honourable Ministers,****Distinguished Delegates, Excellencies and Friends:**

At the outset, I would like to thank our hosts, the Government and the People of the Republic of Yemen for the warm hospitality extended to me and the members of my delegation. I would also like to compliment them for the excellent arrangements made for the Conference. It is also my pleasant duty to accept the Vice-Chairmanship of this body on behalf of India. Allow me, Mr Chairman, to congratulate you Sir, for your contributions as Vice-Chairman till today, and on your assumption of the Chairmanship. I pledge that the Indian delegation and I personally will work under your strong leadership to bring momentum to our Association in the years ahead.

2. Mr. Chairman, allow me to congratulate and thank our colleagues for the tremendous efforts they have made over the last couple of days and the recommendations put forward for our consideration of the substantive agenda items. They have also done a comprehensive review of the status of our cooperation.

3. These meetings have always provided delegations with the opportunity to meet and learn more about each other, about differences as well as our commonalities and are thus important to focus on making faster progress and to give new directions to our cooperation. It helps us to keep track of the vision of the Association and allows us to introspect on whether we are taking steps, however small they may be, towards achieving the goals enshrined in the Charter.

4. I congratulate the Islamic Republic of Iran, the outgoing Chair, and in particular the dynamic Foreign Minister, for the considerable efforts made in making the Association more dynamic and taking it forward under Iran's Chairmanship. The Secretariat has been assiduous and energetic in supporting and implementing the Ministerial decisions. The coordination done by Working Group Meetings of our Heads of Mission in Pretoria has

been valuable as it has provided a useful forum for pursuing IOR-ARC matters.

5. I have closely gone through the agenda and I am pleased to see that some of the studies under taken are now acquiring shape as concrete projects. These will certainly serve as building blocks for a solid structure of cooperation in our littoral region. It makes me happy to see that the seeds are being sown for transforming the Association from a declaratory phase to an action oriented phase with Member Countries embarking on cooperative projects. At the same time, Excellencies, we are aware that a great deal more needs to be done to make the Association realize its true potential. The destinies of our countries are linked in more than one way. Being littoral states of the Indian Ocean is just one of the many threads that bind us. How we are able to weave the threads into a rich tapestry of cooperation is the challenge facing all of us here today. We have some ideas. Our senior officials have offered some suggestions. My own feeling is that the Association has now reached a level of maturity where we need to initiate and implement creative, indeed bold, initiatives. I look forward to discussing some of them today with my esteemed colleagues, and to hearing some of your own ideas. And I thank the distinguished delegation of Singapore for starting the ball rolling just now.

6. One serious proposal to intensify work of the Association is related to the strengthening of the IOR-ARC Secretariat and other associated mechanisms. I agree that the matter needs close examination as only a strong Secretariat can service the ever-increasing demands that we propose to put on it in the near future by our increasing cooperation. It is time for us to review the Charter to meet the needs of an enhanced agenda and growing cooperation. I understand that some views have already been exchanged in this regard by our senior officials. We will discuss this in detail in our deliberations.

7. I am aware that some priority issues related to the working of the Association have been discussed by the Senior Officials. Excellencies, India feels that the time is now ripe that priority areas emerging from the deliberations of the Academic Group, Business Forum and Working Group on Trade and Investment are identified and prioritized. It is our view that sectoral working groups, with members from nodal or line Ministries, should meet at regular intervals with their counterparts. They should draw up Action Plans in priority areas of cooperation and implement them in a time bound-manner.

8. This is particularly required now when the Association is heading towards a project-oriented phase. Such interaction would also generate

new ideas and provide the "headquarters" support that is so essential for projects to be meaningfully implemented.

9. There has been a proposal from the Secretariat to set up National Chapters under various forums, i.e. Academic, Business and Trade and Investment. India has already identified its nodal Ministry/ agencies dealing with these Working Groups and would like to continue this practice.

10. I shall, at this stage, not endeavour to go into the details of the issues that will come up for deliberation during the meeting. I am sure we shall have scope for substantive discussions later. Nevertheless, I take this opportunity to mention some initiatives that India proposes to take in the coming months.

11. India invites IOR-ARC Member Countries to participate substantively in the prestigious India International Trade Fair (IITF) held annually in New Delhi, from November 14-27. As you are aware, India has in the past provided free space to some fellow Member States and we are delighted to renew our offer to those Member States. We also propose to organize a sectoral seminar or a Buyer-Seller Meet on the sidelines of the Trade Fair.

12. An "Annapurna" World of Food India is being organized by the Federation of Indian Chambers of Commerce and Industry (FICCI) on 25-26 November 2009 at Mumbai. This is India's largest business-to-business meeting platform for food and beverage industry. We invite all IOR-ARC Members to participate.

13. I am glad to announce the allocation of 34 scholarships from the Indian Council for Cultural Relations (ICCR) for postgraduate studies in India. This will be towards implementation of our offer made last year under the General Agreement agreed to by the University Mobility in the Indian Ocean Region (UMIOR) group and the Academic Group.

14. In our efforts towards strengthening of training, in high-level professional development programmes towards capacity building, I would like to inform you that under the Indian Technical and Economic Cooperation (ITEC) Programme, we have around 200 courses in 43 institutions during 2009-2010. I would invite Member Countries to nominate participants for these courses. As regards the specialized courses offered by us last year, the course relating to "Disaster Risk Management including coastal and marine hazards" is proposed to be held at the Integrated Coastal and Marine Area Management Project Directorate (ICMAM PD), Chennai in late October/early November this year. The specific dates will be circulated shortly.

15. A Specialized Training Course for Foreign Diplomats of the IOR-ARC member countries is being organized by the Foreign Service Institute of the Ministry of External Affairs from 5-16 October 2009. I would urge interested Member Countries to participate in this specialized course as well.

16. Keeping in view the interest shown and the participation by Member Countries in making the First IOR-ARC Film Festival held in India in February 2008 a great success, I am delighted to announce that we propose to hold the Second Film Festival in India in August 2010.

17. At the 3rd Meeting of the IOR-ARC Council of Ministers in Muscat, it was decided to continue with the "Chair" of Indian Ocean Rim studies. India and Mauritius, had invited applications for the post. The Selection Committee had in December 2007 selected a suitable person, who however was not offered the position within a time frame that he found acceptable. In view of this, the vacancy has to be circulated again for the selection of another candidate. I propose the formation of a Selection Committee for this purpose. I further propose to Mauritius that to attract the best talent, we suitably revise the emoluments associated with the "Chair".

18. As regards the secondment of a new Director from India to the Secretariat, we regret that there have been some difficulties in the past, but we are now confident of seconding an officer in near future.

19. With regards to the proposal to establish an Open University of Mauritius, I am happy to inform you that the Indira Gandhi National Open University in Delhi would be able to provide suitable support in setting up the Open University in Mauritius.

20. There are three new proposals from India on (i) Agro-Meteorological Advisory Service System for Enhancing Agriculture Output, (ii) Potential Fishing Zone Advisories and (iii) Forecast Demonstration Project for Improving the Track, Intensity, Landfall Prediction and Impact Assessment of Tropical Cyclones affecting the North Indian Ocean Rim Countries, under the Academic Group. We seek the support and cooperation of Member Countries in converting these proposals into tangible projects.

21. I am happy to announce that India offers to lead in the new area for Promoting Cultural Cooperation among IOR-ARC Member Countries and our Indian Council of Cultural Relations (ICCR) would be the Coordinator. We look forward to the support and cooperation of Member Countries in this area.

22. Excellencies, I have listed a few of the initiatives that my country will be taking up in the coming months. At the same time I am acutely aware

that much more needs to be done by each Member Country so that the Association can acquire a presence in the collective consciousness of our peoples. After all that is what brings us here together. I will be candid here and say that I had to explain to a lot of people what this association is all about, when I announced that my first trip abroad after becoming a Minister would be to attend this Conference. I am confident that we will be able to give a concrete shape and direction to the grouping in such a way that in coming years this Association starts to touch the lives of people living on the shores of the mighty Indian Ocean. Let this meeting be a milestone in the organization's progress in which we make a solemn resolution to fast-track our cooperation.

23. I personally have a great deal of faith in the potential of this organization. I am delighted to see that this organization brings together so many diverse countries at different stages of development coming together tied by a single and unique bond - the neighbourhood of an Ocean. This diversity of interests and capabilities may have so far impeded substantive cooperation, but in this diversity I see the kernels of fruitful cooperation as it opens up immense possibilities of doing whatever suits a group of countries to undertake. Our senior officials have already touched upon two possible new areas of work- tourism and the combat against piracy. I hope we can take these issues back to our capitals to reflect on the substantive content we can give to them. This is undoubtedly a challenge and an opportunity. Let us rise to it so that this Association is seen as a model platform for transcontinental cooperation. We have taken due note of the idea mentioned at the working breakfast to consider making the UN General Assembly session as a deadline for advancing our thoughts on such matters, and we will take this on board as a possible way forward.

24. Mr. Chairman, we look forward to working under your leadership and the leadership of Yemen as Chair of the Association during the next couple of years. Having assumed the onerous responsibility of Vice Chair this year, I would like to convey my assurances to the Chair and all Member Countries that India will do its utmost in the coming years to help energize our organization and to ensure that this Association which unusually brings together countries of Asia, Africa and Oceania realizes in considerable measure its vision of meaningful cooperation transcending international boundaries.

Thank you.



**226. Communique issued at the 9th IOR-ARC Meeting of the Council of Ministers.**

**Sana'a(Yemen), June 25, 2009.**

The Ministers and Heads of Delegations participating in the 9th Council of Ministers Meeting of IOR-ARC in Sana'a during the period 20 - 25th of June 2009 expressed their appreciation for the warm hospitality extended by the Republic of Yemen and the excellent arrangements for the IOR-ARC meetings. Member States also expressed their support for the development and prosperity of Yemen and its people.

The Council of Ministers noted the active participation of Member States in all meetings of IOR-ARC, which reflects their commitment to the Association's role in enhancing greater cooperation between Member States in the field of trade, investment, academic exchanges and technical cooperation.

The Council of Ministers also stressed the importance of support to the Secretariat so as to enable it to execute its responsibilities in an efficient and dynamic manner.

The Council of Ministers approved the following activities:

1. The Re-examination of the Charter to better address the changing needs of the Association.
2. Encourage Member States to be represented by technical experts in the meetings of the technical fora.
3. Appoint a review panel to prioritize and review the projects submitted to the different fora of IOR-ARC
4. Abandon any projects which did not show any progress during the last two years after consultation with the lead coordinator Member State.

The Council of Ministers supported projects for the establishment of the Regional Center for Science and Technology Transfer, the Maritime Transport Council, the Fisheries Support Unit and the Preferential Trade Arrangement for the mutual benefit of participating Member States.

The Council of Ministers encouraged expanding the cooperation between IOR-ARC Member States in various areas including Investment, Tourism,

Construction, Trade, Education and Training, Protection of the Environment and New Renewable Energy, Agro-metrological advisory service system to increase agricultural output and forecasting the track, intensity, landfall prediction and impact assessment of tropical cyclones affecting the north Indian Ocean Rim Countries etc.

IOR-ARC Member States expressed their full support to the Yemen initiative and its efforts to combat piracy as well as the efforts of other countries. They welcome the idea of the concept paper to establish the Regional Maritime Centre for sharing of information for combating piracy in Yemen.

IOR-ARC Member States strongly welcomed the initiative of the United Arab Emirates to propose the hosting of the IRENA headquarters. This is in the context of ongoing global discussion on climate change where the crucial role of renewable energy resources was emphasized by all IOR-ARC Member countries.





**NAM****227. Briefing by Special Secretary (Political & International Organisations) Vivek Katju on the visit of Prime Minister Dr. Manmohan Singh to the XV NAM Summit in Egypt.****New Delhi, July 9, 2009.**

Shri Vivek Katju, Special Secretary (Pol & Intl. Orgns): Prime Minister Dr. Manmohan Singh will be participating in the XV NAM Summit which is being held at Sharm el Sheikh, Egypt, on July 15-16, 2009. He will address the Summit during the general debate. A number of leaders will call on Prime Minister on the margins of the Summit. External Affairs Minister Shri S.M. Krishna, National Security Advisor Shri M.K Narayanan, and senior officials will form part of Prime Minister's delegation to the Summit.

The themes of the XV Summit are: International Solidarity for Peace and Development, and the Current Economic & Financial Crisis. In accordance with NAM practice, the Summit would focus in comprehensive manner on global regional and sub-regional issues as well as issues relating to development and human rights and on social issues to.

The Summit will be preceded by a meeting on 13-14 July of NAM Foreign Ministers to prepare for the Summit. External Affairs Minister will participate in this meeting. A meeting of the NAM Committee on Palestine will be held on 13 July. EAM will make a statement at the meeting.

In parallel with NAM Summit, a NAM first Ladies' Summit will be held at the initiative of Egypt. Smt. Gurusharan Kaur will be participating in this meeting. The theme of the meeting is Women in Crisis Management - Perspectives and Challenges, Best Practices and Lessons Learned. The meeting will be anchored by the Suzane Mubarak Women's International Peace Movement and will focus on the role of women in the context of the global economic and food, health and humanitarian crises. Heads of UN Agencies: FAO, WFP, WHO, and ITU are expected to make brief statements during the two separate sessions of the first Ladies' Summit. Smt. Gurusharan Kaur will make a statement during this meeting.

The Non-Aligned Movement stands for principles which India has always espoused and pursued in international affairs: sovereign equality of states; respect for territorial integrity, a peaceful, equitable and just world order; and the progress of developing countries through socio-economic development.

India's commitment to NAM is firm and abiding. As in the past, India will continue to play active role in the Movement.

**Question:** When is Prime Minister leaving?

**Special Secretary (Pol & IO):** The Prime Minister will be leaving Delhi on the 13th (July). He will be going to France where he is the Chief Guest of Honour at the French National Day on 14th of July. From France on the same day, he will be going to Sharm-al-Sheikh.

**Question:** When will be the Foreign Secretaries of India and Pakistan meeting?

**Special Secretary (Pol & IO):** The Foreign Secretaries as was mentioned earlier will be meeting in Sharm-al-Sheikh. I do not have the date. The Prime Minister will be arriving on the 14th. It is expected that Foreign Secretary will be traveling with him. So it will be on or after the 14th.

**Question:** On the sidelines of the Summit, Prime Minister of Pakistan and Dr. Manmohan Singh are likely to meet. Can you give us details of when that meeting is and what is going to be discussed?

**Special Secretary (Pol & IO):** Yes, there will be a meeting as the Prime Minister indicated earlier. After the Foreign Secretaries meet they will be reporting to the Prime Ministers. I do not have details of when that meeting is but it will be at Sharm al-Sheikh on the margins of the Summit.

**Question:** Mr. Katju, Kashmir is on the boil after Shopian and Baramullah while it has spread to Srinagar. Against this backdrop, Pakistan is certain to take up this issue during the NAM Summit. How are we going to tackle it? Secondly, do you see Pakistan's involvement in increasing violence in Kashmir?

**Special Secretary (Pol & IO):** I have nothing to say on this, on our relations with Pakistan. This is a briefing on NAM.

**Question:** Are they going to raise the issue?

**Special Secretary (Pol & IO):** I wonder if you have seen the text of the statement.

**Question:** I just wanted to ask if there are any other bilateral meetings that have been fixed up with other NAM leaders.

**Special Secretary (Pol & IO):** There will be bilateral meetings, as I had mentioned in my opening remarks. These are being fixed up. Prime Minister will meet leaders on the margins of the Summit. They are in the process. If they are in the process, how do I give details?

**Question:** Is the meeting between the Prime Ministers of India and Pakistan fixed or is it conditional to how the talks between the Foreign Secretaries go?

**Special Secretary (Pol & IO):** It is. I mentioned to you, the Prime Minister had earlier mentioned that the two Foreign Secretaries will be reporting to the Prime Ministers. That implies that they will be meeting there.

**Question:...(Inaudible)...**

**Special Secretary (Pol & IO):** The precise logistics of the meeting are being worked out. But they will meet.

**Question:** Mr.Katju, about NAM itself, in the past couple of years in fact many NAM countries have talked about the relevance of a Non-Aligned Movement in what is essentially being seen as a non-polar or a uni-polar world. Is there going to be any discussion during this NAM summit on perhaps revamping NAM, taking in other members, doing different groupings? Some had talked about economic groupings on the basis of the South-South dialogue. Is there something like that?

**Special Secretary (Pol & IO):** I think you have raised a very important question. NAM has a continuing relevance. NAM is now 48 years old. The first Summit was held in 1961 in Yugoslavia. This is the 15th Summit. NAM has stood for certain principles. Those principles were applied at the time when NAM was established and they were applied successfully. NAM's role in decolonization, NAM's role against apartheid, are on the record. This role was successful and effective. NAM seeks to apply the same principles to the challenges that the international community faces today. The same principle will we believe lead the international community to successfully address these challenges.

**Question:** How important is this Summit for us?

**Special Secretary (Pol & IO):** I think this NAM meeting takes place at a very crucial juncture in international affairs. The challenges that we face are before us. The challenge flowing from the international economic and global crisis, the other challenges of socioeconomic nature. These challenges even though may not have originated in the developing world, are of direct bearing and have the greatest impact on developing countries. So, we do believe that this is an important meeting, and important Summit. The voice of NAM will make a contribution to the resolution of the issues that the international community faces at this juncture.

**Question:** Will the India-Pakistan Joint Mechanism against Terrorism come under review at this Summit?

**Special Secretary (PoI & IO):** I have nothing to say on Pakistan. NAM, I will be very happy to speak on.

**Question:** Why is terrorism not on the NAM agenda?

**Special Secretary (PoI & IO):** Terrorism is very much on the NAM agenda.

**Question:** When you mentioned the agenda, I think you did not mention terrorism.

**Special Secretary (PoI & IO):** I mentioned that NAM will address global issues. Terrorism is very much a global issue and it is in the front rank and the very first rank of global issues which confront the international community.

**Question:** NAM has yet to reach a consensus on the definition of terrorism...

**Special Secretary (PoI & IO):** We had, as you know, in 1996 introduced a Comprehensive Convention against International Terrorism. India has very strongly advocated that that Convention should be adopted in the UN. This was introduced in the UN. During this meeting too we will urge that the Convention should be adopted. We believe that if the Convention is adopted, it will make significant contribution to the international fight against global terrorism.

**Question:** Is India working towards a meeting with President of Iran?

**Special Secretary (PoI & IO):** I have mentioned to you that there will be meetings of the Prime Minister with the world leaders on the margins of the Summit. I will not go into individual meetings.

**Question:** Will India raise the issue of UNSC reforms during the NAM Summit also?

**Special Secretary (PoI & IO):** India will. India has always mentioned that the United Nations needs reform. I do believe that NAM too believes and holds that the United Nations needs reform to bring it in line with contemporary reality. This call or this demand for UN reform was in the NAM Ministerial outcome document too.

**Question:** Is there any effort on behalf of India to develop consensus on the shape of the UNSC reform?

**Special Secretary (Pol & IO):** India has been in close consultation with international partners on this issue.

**Question:** You mentioned that you would like NAM to adopt the Convention against Terrorism. But there have been some differences on the definition. How many of them have been ironed out?

**Special Secretary (Pol & IO):** Let me clarify. What I mentioned was that we had introduced this Comprehensive Convention and that was at the United Nations. The Convention has to be adopted at the United Nations. If it is adopted in the United Nations, it becomes a Convention of universal applicability. We would like NAM countries to support that Convention. But this is an ongoing process. The place for action on the Convention is not NAM but the United Nations. Very recently there was a meeting of the ad hoc Committee on the Convention at the UN. So, that is a clarification you must have that the NAM Summit is not the forum where the Convention would be discussed.

**Question:** Today you had a meeting with the German envoy on disarmament. Could you share with us what transpired in that meeting?

**Special Secretary (Pol & IO):** I had a very pleasant lunch with my German colleague.

Thank you.



**228. Intervention by External Affairs Minister S. M. Krishna at the Ministerial Meeting of the NAM Committee on Palestine.**

**Sharm El Sheikh, July 13, 2009.**

Please see Document No.511.



**229. Intervention by External Affairs Minister S. M. Krishna at the Ministerial Segment of the XV Summit of the Non-Aligned Movement on the theme of "International Solidarity for Peace and Development and Current Economic and Financial Crisis".**

**Sharm El-Sheikh, July 13, 2009.**

Mr. Chairman,

Excellencies,

Distinguished delegates,

I would at the outset like to offer my congratulations to the distinguished Foreign Minister of Egypt on his election as Chair of this meeting. I would also like to take the opportunity to thank our Egyptian hosts for their warm hospitality. It is a matter of particular satisfaction to see the Movement return to one of its co-founders, Egypt, a country with which we share particularly close and friendly historical ties.

I also place on record my sincere appreciation to the distinguished Foreign Minister of Cuba, his Government and people, for their excellent stewardship of the Movement for the past three years.

The themes of our debate are significant and timely. All of us are deeply afflicted by the global economic and financial crisis and other challenges and international solidarity is essential to address them.

We are 118 countries. Together, we represent nearly two-thirds of the United Nations membership and comprise about 55 percent of the world population.

Our solidarity is crucial for our development and progress. Our problems are common. They range from poverty alleviation, eradicating hunger and deprivation, tackling pandemics, and raising literacy levels. Our responses to them are naturally varied given our differing situations. Many of them need international cooperation and an enabling environment for countries to succeed in these tasks. Solidarity within our Movement and a balanced approach should be our guiding principles.

Nowhere is international solidarity for peace and development most relevant than in combating terrorism. Terrorism threatens democracy and democratic values. It aims to destroy lives and reverse development. It is also a threat to international peace and security. International solidarity and solidarity

within NAM are necessary in order to combat this scourge effectively. We call upon MAM members to unequivocally condemn terrorism; no cause or reasoning can be used to justify such acts. In this context, the early adoption of the Comprehensive Convention on Terrorism being discussed in the United Nations is an immediate imperative.

Mr. Chairman

India's solidarity with the Palestinian people is well known. We continue to provide humanitarian assistance to the Palestinian people.

Mr. Chairman

The current economic crisis has neither originated in the developing world nor are developing countries responsible for it. However, it threatens to reverse the developmental gains made by us over the past decades. Its adverse impact is aggravated because of the food and fuel crisis. As a consequence, the millennium developmental goals are now a far greater challenge.

A global crisis, by definition, requires global solutions. The first requirement is to revive the global economy, boosting demand, and revitalizing credit flows. Counter-cyclical stimulus measures are also essential. Most developing countries need help in implementing such measures.

The decline in capital flows to developing countries must be urgently reversed through increased multilateral and bilateral flows as well as stepping up official development assistance. Developed countries have both the capacity and obligation to assist. They must step forward to take urgent action and fulfil their commitment of 0.7 per cent of their GDP as ODA. While these short-term measures are critical for recovery, we must address the longer-term imperative of reforming the structures of global governance. Without this, the root cause for the current economic and financial crisis will remain unaddressed.

We must begin the process of completing reform of the Bretton Woods Institutions. The International Monetary Fund (IMF) needs to improve its surveillance function, lending role, as well as reform its governance. The World Bank needs to increase substantially its lending, improve its capital adequacy as well as enable developing countries to access required levels of finance to support recovery efforts.

We also need better surveillance and regulation of financial markets. An effective early warning system is needed to identify risk accumulation. However, such an early warning mechanism should be non-intrusive.

Mr. Chairman

The world is facing a crisis which affects the developing countries asymmetrically. We need to harness our collective energies to counter the crisis. South-South Cooperation is extremely important at this hour. We need a collective approach within the context of South-South Cooperation. India stands ready to contribute strengthening such cooperation.

India has put in place several measures to counter the current crisis, including, enhancing public spending significantly to over 3% of our GDP. Our monetary policies targets are to maintain adequate liquidity position while ensuring delivery of credit remains on track. Our banks are well regulated, capitalized, and profitable. All these measures have helped India to maintain an estimated 7 per cent rate of growth per annum despite the current crisis.

Mr. Chairman,

India's commitment and solidarity with NAM is firm and abiding. We look forward to the Summit outcome at Sharm el Sheikh.

Thank You





**230. Statement by Prime Minister Dr. Manmohan Singh prior to his departure for France and Egypt.**

**New Delhi, July13, 2009.**

At the invitation of President Nicolas Sarkozy, I am leaving today for Paris to participate in the National Day celebrations of the Republic of France on July 14.

The invitation extended to me to participate as the Chief Guest at the National Day celebrations of France is an honour for the people of India. India and France enjoy a close and wide ranging strategic partnership. Our relations with France encompass a large number of areas, and have served our national interests well. We would like to build upon our partnership in the areas of trade and investment, high technology, space, nuclear energy, defence, education, culture, tourism and scientific research and development.

I will thereafter be visiting Sharm El Sheikh, Egypt to participate in the Fifteenth Summit of the Non-aligned Movement which will be held under the chairmanship of President Hosny Mubarak.

Non-alignment has been the bedrock of India's foreign policy since it was enunciated by Pandit Jawaharlal Nehru. Non-alignment remains an article of faith for us. In the post-Cold War era, when the world is no longer divided into two military blocs, the Non-aligned Movement has a renewed role to play in the emerging world order.

The diversity and universality of the Non-aligned Movement offers NAM a unique opportunity to address the challenges of today. India will play its part in helping NAM to regain its moral high ground to address issues which are of direct concern and relevance to developing countries such as sustainable development, climate change, food security, energy security, terrorism and reform of the architecture of international governance.

During my stay in Sharm El Sheikh, I look forward to holding bilateral meetings with other leaders, including those of Bangladesh, Egypt, Nepal, Pakistan, Sri Lanka and Vietnam.



**231. Statement by Prime Minister Dr. Manmohan Singh at the XV Summit of the Non Aligned Movement.**

**Sharm El Sheikh, July 15, 2009.**

**Mr. Chairman,**

**Excellencies,**

**Ladies and Gentlemen,**

I wish to begin by conveying the sense of strong affinity and solidarity of the people of India for the people of Egypt and the Arab world. I congratulate His Excellency President Hosni Mubarak on his assuming the chairmanship of the Non-aligned Movement. Mr. Chairman, we know that your profound wisdom and able guidance will take our Movement forward. You will have India's fullest support.

I also wish to express our deep appreciation to His Excellency President Raul Castro of Cuba for his leadership of NAM over the last three years.

Meeting as we do on Arab soil, my thoughts turn to the people of Palestine, who have endured great suffering and hardship. Our Movement must do more to facilitate a comprehensive, just, lasting and peaceful settlement of the Palestinian issue.

The Nonaligned Movement owes a great deal to the visionary zeal of its founding fathers like President Tito, Pandit Nehru, President Nasser and also those who carried this vision forward like President Fidel Castro and Mrs. Indira Gandhi.

At the first NAM Conference in 1961, India's first Prime Minister and one of the founding fathers of the Movement, Pandit Jawaharlal Nehru said, and I quote "The power of nations assembled here is not military power or economic power, nevertheless it is power. Call it moral force". Unquote.

These words hold true even today. History has shown that non-alignment is an idea that evolves but does not fade. We must take it forward, harnessing it to meet the challenges of today.

The Non-aligned Movement gave voice to the colonial world, leading to their political emancipation. It heralded their hope that their new found political freedom would translate into economic progress and the removal of poverty, hunger and disease; that they would become active and equal

participants in shaping a world order that would facilitate the realisation of their development objectives. We are still far from achieving this objective.

No Non-aligned Summit has ever been held in an economic and financial crisis of the magnitude that now grips the world.

This crisis, the worst in living memory, emanated from the advanced industrial economies, but the developing economies, the members of our Movement, have been the hardest hit. The global recession has strengthened protectionism in developed country markets, drastically reduced developing country exports, and choked credit and capital flows to the third world.

With the benefits and burdens of globalization so unfairly distributed, it will be even harder for our economies to cope with the crisis. If the aftermath of the crisis is not carefully managed, and if the abundance of liquidity leads to a revival of speculative activities, we may well see a period of prolonged stagflation.

Crucially for the developing world, a continuing slowdown will force more and more of our people back into poverty, bringing down levels of nutrition, health and education. The progress we have made at great cost and sacrifice will be wiped out. The Millennium Development Goals will become a mirage.

The Non-aligned Movement has a great stake in ensuring that steps planned to revive the global economy take into account the concerns of the developing countries. These include the challenges of food security, energy security, the environment and the reform of institutions of global governance. They are embedded in the economic crisis and must be dealt with comprehensively and with a sense of urgency. We have a crucial stake in a rule based multilateral trading system and in an early conclusion of a balanced and fair agreement in the Doha round.

The systems of global governance have not kept pace either with the growing interdependence of nations or with contemporary realities. Though we have a global economy of sorts, the global polity does not represent the hopes, fears and aspirations of the majority of the world's people. The relevance of NAM has, hence, never been greater than today. Cooperation, trade and investment among our countries can contribute significantly to reviving the world economy.

Decision-making processes, whether in the United Nations or the international financial institutions continue to be based on charters written more than sixty

years ago, though the world has changed greatly since then.

Developing countries must be fully represented in the decision-making levels of international institutions if they are to remain effective and have the legitimacy they need to play their role in an increasingly integrated world.

Our planet is threatened by the accumulation of greenhouse gases resulting from over two centuries of industrial activity and unsustainable lifestyles in the developed world. Any equitable solution to the problem of climate change should acknowledge this historical responsibility.

Developing countries are the worst affected by climate change. They have the biggest stake in ensuring the success of global efforts to tackle climate change. We recognize more than anyone else our obligation to preserve and protect the environment. We are already making our own significant contributions in this regard, but climate change action must not perpetuate the poverty of the developing countries.

The weight of NAM should be used to achieve a comprehensive, balanced and above all, equitable outcome in the ongoing multilateral negotiations, leading up to the Copenhagen Conference in December this year.

Nowhere are the challenges humankind faces more pressing than in the continent of Africa. NAM should work to give Africa's problems, and equally its prospects, pre-eminence in the global development agenda. Making Africa an active participant in global economic processes is a moral imperative. It also makes good economic sense.

India is committed to develop a comprehensive partnership with Africa. As a first step, we held the first India-Africa Forum Summit in New Delhi in 2008. We are ready to work with other NAM countries to enhance our partnership in areas that are of priority to Africa.

The youth constitute an overwhelming proportion of many of our populations. If we can impart skills to our youth and create productive jobs for them, the developing world can become a major source of future global economic growth. The challenge before us is to make the poor of the world more skilled and more bankable. NAM itself can pioneer an initiative in this regard and India will be ready to participate in it.

The diversity of our membership is our greatest strength. We respect each other's paths to development, distinct cultural traditions and national priorities. Extremism, intolerance and terrorism are our antitheses; they seek to destroy us and our Movement.

In recent years, terrorist groups have become more sophisticated, more organized and more daring. Terrorists and those who aid and abet them must be brought to justice. The infrastructure of terrorism must be dismantled and there should be no safe havens for terrorists because they do not represent any cause, group or religion. It is time that we agree on a Comprehensive Convention on International Terrorism.

The Non-aligned Movement was formed to try to save the world from a political and military rivalry that threatened to destroy it. We fought against the injustice of colonialism, and the arrogance of the Cold War. Our Movement made a significant contribution to widening circles of cooperation, peace and stability in the world. Our voice was heard with respect.

The world has changed and the challenges have grown more complex. The moral force that Pandit Nehru spoke of was a force that came from the power of ideas and from an abiding faith in the principles of justice and reason. How we can exercise this force for the collective good of humanity is what the Movement must deliberate upon. We look forward, Mr. Chairman, to your leadership, as we seek to fashion a contemporary and compelling vision for the Non-aligned Movement.

Thank you, Mr. Chairman.



**232. Media briefing by Foreign Secretary on the conclusion of the NAM Summit.****Sharm El Sheikh, July 15, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and welcome to the Media Centre. Foreign Secretary is here to brief you about Prime Minister's engagements today. After his opening remarks, Foreign Secretary will be happy to take a few questions.

**Foreign Secretary (Shri Shivshankar Menon):** Good evening. Sorry to keep you waiting. Under-estimated business as usual. I thought I would brief you about what happened today, about Prime Minister's engagements, and also some of the meetings that the External Affairs Minister had in the last three days.

As you know, this morning was occupied primarily with the Inaugural Ceremony. I think you saw that. In the afternoon, Prime Minister was the third speaker in the general debate. You have got the text of what he said. I presume that has been distributed and you have probably filed your story. Thereafter, he had a series of bilateral meetings. He met with some in the Conference Centre, some separately as bilaterals.

He met with President of the Palestinian National Authority Mahmoud Abbas for quite sometime. They discussed the situation in Palestine, in the Middle-East; and also talked of India's longstanding ties with the Palestinian people, what we have done, what we hope to do with them in the years to come. It was a very warm and friendly conversation. They have known each other for sometime. One of the things that was mentioned was the need, which President Abbas had picked up from Prime Minister's speech, to impart skills to young people, giving them the ability to go out and get jobs, work in today's world. He was very keen that we build on that idea. So, we will be working with the PNA to try and do that. President Abbas was still hoping that there would be progress in terms of the peace process itself, but he was not underestimating the difficulties. The Prime Minister reiterated our traditional position of support and commitment to the Palestinian cause, to the two States living side by side in peace and in security.

Thereafter, Prime Minister met with the Prime Minister of Malaysia where again they reviewed the bilateral relationship. We have a very active bilateral relationship. As you know, we have finalized a Free Trade Agreement with ASEAN. It is now just a question of a formal signing to bring it into force.

There are several joint projects of Malaysian investments in India and Indian investments in Malaysia as well. There is a large Indian community in Malaysia. So, they discussed those issues of how we encourage that. He also spoke of Malaysian companies thinking of investing in power production in India to serve the Indian market. There were several other ideas like that which were discussed. Prime Minister was also invited to visit Malaysia, an invitation that he accepted. But we will have to set dates through diplomatic channels.

There was a brief pull-aside with the President of Bosnia Herzegovina. He mentioned an idea that all the successor States of Yugoslavia had of commemorating the anniversary of the first NAM Conference together. He said he was trying to collect opinions among themselves. Let us see where it leads. It will be interesting if they do that, 20/11.

Then, Prime Minister had a meeting with the President of Vietnam which, as you know, is a country very important in our look-east strategy. We have had a very successful visit by the President to Vietnam last year. We have also built an economic relationship as Vietnam has opened up and liberalized her economy. We do almost 2.8 billion dollars worth of trade every year which is growing quite rapidly. They were interested in cooperation in several fields - in education, S&T. We have already set up Skills Development Centers in Vietnam. We have an Indian Entrepreneurship Centre which we have set up which they now want to multiply and replicate in other parts of the country because they find that a useful experience. They are keen to send students for higher degrees in India.

In the last meeting of the day Prime Minister met with Prime Minister of Bangladesh Sheikh Hasina. It was the Prime Minister's first meeting with her after her victory in the election in Bangladesh; and her first meeting with him after his victory in elections over here. They congratulated each other on the elections. It is a very close and intimate relationship. As you know, in any such relationship there will always be issues but no issues that we think we cannot solve through bilateral discussions with goodwill on both sides. So, we looked at which parts of the relationship we need to build. Prime Minister said that he hoped to continue widening, deepening, broadening the relationship in every sphere at a pace and speed which Bangladesh is comfortable with. One of the issues that were mentioned was naturally the use of Bangladeshi territory by Indian insurgent groups who use it. She assured the Prime Minister that this

would not be allowed; and that action would be taken against such elements who try to use their territory.

There was also a discussion on various projects which are of interest to both sides. The Tipaimukh issue has been active in the last few weeks in the Bangladeshi media and I think some Bangladeshi political circles have been raising it. We have been talking to the Parliamentary Standing Committee on Water Resources in Bangladesh Parliament. We have invited them to send an all-party delegation to visit Tipaimukh and to actually see it, to see what is actually going on so that a lot of the exaggerated fears or claims about it would be set at rest; and that ultimately we might start looking at more creative solutions, at solutions where both sides develop an interest on how they run or operate these projects. That is because, as you know, Bangladesh for a considerable time has been speaking of upstream storage being the solution to their problems. They have been talking of upstream storage in Nepal in the past. But this also in effect would amount to upstream storage and power at a time when both Bangladesh and India need power desperately. So, we said we are ready to look at all kinds of creative solutions to see how we try and solve these problems.

Their Parliamentary Standing Committee on Water will be visiting on the 29th and 30th. We will go to the site and we will arrange to show them the site so that they see it themselves.

There was considerable discussion of the potential of railway projects, of other projects that both sides are interested in. So, we will be developing those over the next few months. But both sides are happy, I think, with the way the relationship is going. So, it was a very useful meeting. It has set out our agenda for our work in the next few months.

The External Affairs Minister who has been here for the last three days has also been having a series of meetings with his counterparts from Mauritius, Egypt, Singapore, Nepal, Philippines, Thailand and Iran. I cannot brief you in detail because frankly I was not here. But if anybody is interested, please contact Swaminathan, our Ambassador here. He will be in a position to tell you about that.

Tomorrow morning and afternoon, Prime Minister will be having bilateral meetings with the President of Egypt, our host, and with the Prime Minister of Pakistan, the President of Sri Lanka. He will probably be also meeting with President Karzai in the course of the day. We are working that out.



There will be a concluding session in the afternoon, a formal closing of the Conference. That is really all I have for you right now. If there are any questions, I will be very happy to answer them. And I think I can guess what they are.

**Official Spokesperson:** Please allow the mic to come to you. You indicate your interest and the mic will come to you.

**Question:** *Mr. Menon, Did you have a meeting with the Pakistani Foreign Secretary today? It is being said that a roadmap, an agenda will be prepared for the meeting between the prime ministers of the two countries. Secondly, did you meet MR. Gilani? Was there a proposal to issue a joint statement on behalf of the two countries or their prime ministers?(Free translation from Hindi)*

**Foreign Secretary:** *Yesterday evening after I reached here I had a meeting with the Pakistan Foreign Secretary. It was for an hour and a half last evening when we met. Even today during the meeting I met him two three times outside of the meeting; and I met MR. Gilani too. It was just like shaking hands while standing in the corridor. We talked for 10-20 minute while standing; what happened, what will happen, what results will come out, this you ask me tomorrow after the meeting between the prime ministers; I will tell you all tomorrow-we are still working, the dialogue is still on, and will go on. (free translation from Hindi)*

**Question:** Mr. Menon, if you are not going to give us details about your meeting, I want to ask you one question. A number of foreign dispatches from Correspondents talk about a level of arrogance in the Indian Delegation talking to Pakistan. If you cannot really talk with a democratically elected Government which is battling internal demons of its own, and you cannot talk with military dictators, then who can you really talk to in Pakistan? Bilawal?

**Foreign Secretary:** That is a 'when did you stop beating your wife?' kind of question. We have been talking to Pakistan to whoever is ruling in Pakistan steadily since 2003. So, quite frankly I do not understand the question. We have been talking to Pakistan even after the Mumbai attacks. After the Mumbai train blasts we talked to them. So, the basis on which that question is phrased I think is completely wrong. It is just false. We kept our High Commissioners in place after the Mumbai blasts. We are in communication with them. I do not think that is the issue. The question is what we discuss and what it results in. And we do have difficult issues to

address. We have had in the past; we still have difficult issues to address. And that is what we are talking to them about. As far as we are concerned, it has been consistently our approach, our policy, that there is no way but dialogue to deal with these issues, either to take the relationship forward or to address the issues that might divide us.

**Question:** Mr. Foreign Secretary, there have been some reports that the Prime Ministers will issue a joint statement. I think that is the best case scenario of these talks. But even there were to be a joint statement, from ...(Unclear)... for example, analysts, observers have said that there are so many unresolved issues and both sides do not seem to agree on how to resolve them. For example, the handling of the Mumbai attackers. I think there are perhaps different points of view on the strength of the evidence that India has provided and the dossier that is provided. What do you think can be done to and how are these issues going to be resolved?

**Foreign Secretary:** There must be a question in there somewhere! Frankly, whether there is a joint statement or not, we will know tomorrow. So, it is not going to take that long. You do not have to wait that long. We will let you know tomorrow morning. But I do not think that is the issue here. The question is not the form of how we come out and brief you on what happened in the meeting. I think the issue is really how do we deal with what has brought us to this condition of a stressed relationship; and how do we see the way forward. I think all that will be answered tomorrow.

**Question:** Sir, you met your counterpart for 90 minutes yesterday. Is India satisfied with the progress that Pakistan has made as far as investigations are concerned?

**Foreign Secretary:** We had a good, detailed discussion. He told us what they have done; what they feel they can do; where they think it is going. He described the situation as he saw it. I told him of our concerns. But it was not our job at that stage to either decide - yes, this is good; this is bad; this is satisfactory. Our job was to tell each other what we thought and then to go back and report to our leaders. And we are still in the process of talking to each other. So, I do not want to say conclusively, yes, this is it, and we start drawing conclusions from it yet. This is why I am saying, you will know tomorrow. Our job is really to talk to each other, do what we were told by our leaders to do in Yekaterinburg in Russia on the 16th of June which is for them to tell us what they have done about terrorist attacks on India

from Pakistan; for us to express our concerns and so on to them; and then to see the way forward and report to our leaders, which is what we are in the process of doing.

**Question:** Sir, how non-negotiable is the Indian decision to make the next round of dialogue, as and when it should evolve with Pakistan, limited and focused specifically on terrorism? I ask this because some sections of the Pakistan media are reporting a deadlock in Foreign Secretary talks over the issue of what the forthcoming framework of dialogue should be, Composite Dialogue on Terrorism?

**Foreign Secretary:** I think the less you speculate the less likely you are to go wrong. All these stories about what we are supposed to have done! We have seen a lot of stories which bear no relationship to reality. The point we have made is a more general point which is that it cannot be that the dialogue does not take into account what has happened. We have had a series of events which have happened. Now you cannot just keep doing exactly the same dialogue over and over again unless it deals with reality as we find it; and with the sources of trouble in our relationship. That is part of it. So, what we are saying here is that, let us see how we deal with this situation. We have a situation where India-Pakistan relations are stressed and they are stressed for certain reasons - because of terrorist attacks on India from Pakistan. So, we need to take that into account to see how we move forward, how we deal with that first. What I am trying to say is there is no such decision saying we will not do this, we will not do that. No. We are saying, we have a situation here; we have to see how we deal with it. All will be revealed tomorrow. You can try in various ways but you will know tomorrow anyway.

**Question:** Just to clarify, you said we are still in the process of talking. Are you going to meet your Pakistani counterpart?

**Foreign Secretary:** We have been meeting right through the day, outside, inside; and we will keep doing this. We know each other quite well. We have been in touch for a long time. So, it is not as though we need to set up a formal meeting. We can talk to each other in various ways or forms.

**Question:** *Since the Mumbai attack there had been series of statement from the MEA and other senior ministers that until the culprits were punished, further talks were not possible. Now you are talking "how to deal with it?" Are you prepared to go a step ahead from this situation? (free translation from Hindi)*

**Foreign Secretary:** Let me be absolutely precise. What we have always said is 'credible action to bring the perpetrators of the Mumbai attacks to justice'. That is what we have said from day two. Secondly, 'credible action to dismantle the infrastructure of terrorism in Pakistan from which attacks on India take place'. Just to be clear, because that is slightly different from what you are saying.

**Question:** You have said that you are going to meet today.

**Foreign Secretary:** No I did not say that. I said that we are in touch. We have been meeting through the day. We will stay in touch. We will keep talking.

**Question :** Is Pakistan willing to admit quite overtly and quite clearly that they have been sponsoring terrorism after ...

**Foreign Secretary:** Please ask Pakistan. I do not speak for Pakistan.

**Question:** Sir, does the dossier provided by Pakistan speak about ...(Unclear)... by Pakistan. Do you think it amounts to ...(Unclear)...

**Foreign Secretary:** As said, I am not in a position today to say yes or no or to draw conclusions to described it As credible or not. They have given us a dossier describing what they have done. My job as Foreign Secretary is, having listened to them and got their dossier, to report to my leadership. Then we will tell you.

**Question:** A supplementary to this question. Does the dossier contain the identity of eight suspects identified by Pakistan as a demonstration of their commitment to investigating the Mumbai terror attacks?

**Foreign Secretary:** I think what it contains is the identity of five people who are under arrest, nine people who are proclaimed offenders whom they are looking for, and the names and identities of some other people who they say they are looking for who might be connected to the Mumbai attacks.

**Question:** Mr Menon, you have been telling them that you want credible action to dismantle terror structure. What is it that the Pakistan has been telling you in the last two days?

**Foreign Secretary:** Pakistan has told me, and they were quite clear about this, that they listed the actions that they have taken. They also spoke of their determination to fight terrorism. For the rest, I am sure, if you ask them they will tell you.

**Question:** In the past two days there have been a lot of reports on Hafiz Sayeed and that the Punjab Government there is working for the ...(Unclear)... Did it come up in the conversation? And what did the leaders say?

**Foreign Secretary:** It did. We are still looking for clarity, quite frankly. I believe the Punjab Government has withdrawn their appeal, but were also told that there is some other action which may be likely. So, quite frankly, we are waiting for clarity.

**Question:** Beyond 'good and detailed discussions' how will you characterize your meetings with your counterpart over the last 24 hours?

**Foreign Secretary:** Good and detailed.

**Question:** Beyond that.

**Foreign Secretary:** What else is there beyond that? Quite frankly, there is no point. I am having a discussion with my counterpart. For me that is my primary job. I am not going to negotiate through the media. I have said this to you before; I will end up, I am sure, saying it to you again. But it does not make sense. When we spoke to each other last night just before we parted, we both agreed we would not negotiate through the media.

**Question:** *Sir, you have mentioned nine offenders in the dossier; India had always been talking of Dawood Ibrahim. Is there something about him in this dossier.(free translation from Hindi)*

**Foreign Secretary:** We raised the issue of Indian fugitives from Indian justice who are in Pakistan. We did raise the issue.

**Question:** *Is there a mention of this in the dossier.....(free translation from Hindi)*

**Foreign Secretary:** There is not mention of them in the dossier. The dossier relates to Mumbai directly.

**Question:** I want to know what in your reckoning is a credible action against terror. How would you understand the Pakistani attempts to clean up Swat or Waziristan? Do you think it is actually dismantling of terror infrastructure? Or do you differentiate between what you are asking and what Pakistan is doing?

**Foreign Secretary:** I think we have been through this before. We are not in the business of laying out markers saying, "This would be credible; up to this is not credible; beyond this would be credible". We have always avoided that. When we see credible action we will know it. It speaks for itself. We

would be very happy if they took the same kind of decisive action against terrorists and terrorist groups in Pakistan which operate against India as they are taking against some of the groups in Western Pakistan.

**Question:** Sir, once again on the dossier. Does the dossier also an ...(Unclear)... organization or any link towards to ISI?

**Foreign Secretary:** It does. It does include some terrorist organizations.

**Question:** Sir, you said that you had good and detailed discussions. What does this 'good' mean? Can you explain it a little bit? How do you describe this 'good'.

**Foreign Secretary:** You have to look up the dictionary I think. Quite frankly, there is no point going on asking the same question in twenty-five ways. I have made it quite clear why I will not negotiate through the media, and also why you cannot expect some great characterization of what is likely to happen tomorrow from us.

**Question:** Because it has not been decided yet?

**Foreign Secretary:** Because we are still in the middle of a conversation, and it is an ongoing conversation.

**Question:** Sir, beyond the Prime Minister's interaction tomorrow, have you had discussions on how the talks will go on beyond that? Do you have a way forward beyond tomorrow?

**Foreign Secretary:** We will let you know tomorrow.

**Question:** Sir, the Pakistani Foreign Secretary yesterday said that it is quite a pity that you and he had to meet in different countries - in Yekaterinburg and now here. And he said ...

**Foreign Secretary:** No, we did not meet there.

**Question:** No, you did not. That is true. He said that he would like to come to India and also said that he had extended an invitation to you. Is anything like that coming?

**Foreign Secretary:** We will tell you tomorrow. You know, we are just going around. You are just asking the same question in different forms. And this becomes a test of ingenuity on both sides.

**Question:** Just very briefly, why do you think Pakistan is not able to take credible action? Why has it not been able to take credible action for the

past period? What would you like to see changed really? I ...(Unclear)... markers but in terms of willingness and ability what do you think ...(Unclear)... can achieve? Is there inability or is there a lack of willingness? What is the problem?

**Foreign Secretary:** I am not in the mind-reading business. I do not want to go that route that - do they want to, could they, if they would, etc. I do not want to go down that route. For me what is important is that we both know we have a problem here that we have to deal with. For us the problem is quite clear - it is terrorist attacks out of Pakistan on India - and we need to deal with that. And the Indian public opinion needs to see a clear, credible action against that. So, that is what we are discussing.

**Official Spokesperson:** Thank you, very much.

**Foreign Secretary:** Thank you.



**233. Declaration on Palestine by the Heads of State and Government at the NAM Summit.**

**Sharm El-Sheikh, July 16, 2009.**

1. The Heads of State and Government of the Non-Aligned Movement considered the critical situation in the Occupied Palestinian Territory, including East Jerusalem, and the dramatic deterioration of the situation on all fronts. They stressed the importance of coordinated and principled approaches and strategies by the Movement to continue strongly supporting the Palestinian people and their leadership and underscored the need to provide both political and humanitarian support to assist the Palestinian people to overcome the current crisis and strengthen their ongoing efforts towards the realization of their inalienable human rights and freedom. In this regard, the Heads of State and Government stressed the imperative of urgent efforts to advance a peace process based on Security Council resolutions 242, 338, 425, 1397, 1515 and 1850, the Madrid terms of reference and the principle of land for peace for the achievement of a comprehensive, just and lasting peace settlement and the exercise by the Palestinian people of their right to self-determination in their independent and sovereign State of Palestine, with East Jerusalem as its capital.
2. The Heads of State and Government reaffirmed their adherence to the principled positions adopted in this regard, including in the Declarations on Palestine adopted by the Committee on Palestine in September 2006 at the XIV Summit Conference of Heads of State or Government in Havana, in July 2008 at the XV Ministerial Conference in Tehran and in April 2009 at the Ministerial Meeting in Havana, and the clear positions concerning Palestine adopted by all other previous Summits and Ministerial Conferences of the Movement. They called for serious, active efforts to uphold these positions and the intensification of the collective efforts by the Movement towards achievement of a just, peaceful resolution of the question of Palestine in all its aspects.
3. The Heads of State and Government expressed their deep regret that the question of Palestine remains unresolved after the passage of more than sixty years since the 1948 Al-Nakba that befell the Palestinian people, by which they became a stateless and dispossessed people, dispersed and displaced from their homeland of Palestine, and that more than half of the Palestinian people continue to live in exile in refugee camps throughout the region and in the Diaspora.



4. The Heads of State and Government also expressed their deep regret that since 1967, for more than forty-two years, the Palestinian people have continued to suffer under Israel's brutal military occupation of their land and continue to be denied their fundamental human rights, including the right to self-determination and the right of the Palestine refugees to return in accordance with international law, the United Nations Charter and relevant resolutions. They condemned Israel's continuing unlawful military occupation and expressed their grave concern about the severe oppression, hardships and affronts to human dignity being endured by the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, as a result of the illegal and aggressive policies and practices being carried out by the occupying Power, including grave human rights violations and grave breaches of international humanitarian law.

5. The Heads of State and Government expressed their deep concern about the deterioration of the situation in the Occupied Palestinian Territory at the political, economic, social, security, and humanitarian levels. They strongly condemned Israel's military aggressions against the Palestinian people, particularly in the Gaza Strip, by which the occupying Power has killed and injured thousands of Palestinian civilians by, inter alia, use of excessive, indiscriminate force and extrajudicial executions and has caused vast destruction of homes, properties, infrastructure and agricultural lands. They also condemned the continuing illegal detention and imprisonment of thousands of Palestinians, including hundreds of women and children and numerous elected officials, and called for their immediate release. They condemned all Israeli settlement activities by which the occupying Power has continued to colonize the Occupied Palestinian Territory, including East Jerusalem, in grave breach of international law. They further condemned Israel's imposition of collective punishment on the Palestinian people by numerous illegal means and measures, including military reprisals, destruction of homes and properties and severe restrictions on freedom of movement. The Heads of State and Government demanded once again that Israel, the occupying Power, immediately and completely cease all such violations of international law, including humanitarian and human rights law, which are tantamount to grave breaches for which the occupying Power must be held accountable.

6. The Heads of State and Government condemned in the strongest terms the recent Israeli military aggression against the Palestinian civilian population in the Gaza Strip, which resulted in the killing of more than 1,400 Palestinians, including hundreds of children and women, and the injury of more than 5,500

Palestinians, including by use of lethal and prohibited weaponry. They condemned Israel's wanton destruction of thousands of Palestinian homes; business properties; vital civilian infrastructure, including water, sanitation and electricity systems and roads; hospitals and ambulances; mosques; public institutions, including schools and national ministries; farms and agricultural land; and UN facilities in the Gaza Strip. They expressed their grave concern about the widespread devastation, trauma and despair caused by this military aggression among the civilian population. The Heads of State and Government demanded that Israel, the occupying Power, cease immediately its military aggression against the Palestinian people and called for respect of Security Council resolution 1860. They underscored the importance of reaching a permanent, durable ceasefire starting in the Gaza Strip and extending to the West Bank, expressing support for Egyptian efforts in this regard, as well as the necessity of allowing unimpeded humanitarian access and movement of persons and goods to meet the humanitarian, economic and recovery needs of the Palestinian people.

7. In this context, the Heads of State and Government stressed the necessity of upholding justice and international law and called upon the international community, including the Security Council, to ensure that thorough investigations are conducted of all the crimes and violations committed by Israel, the occupying Power, in the Gaza Strip. They called for serious follow-up of such investigations, aimed at holding accountable the perpetrators of such crimes and bringing an end to Israel's impunity and defiance of the law, including, inter alia, immediate action to follow-up the findings of the investigations by the UN Secretary-General's Board of Inquiry and the Human Right Council's fact-finding mission. The Heads of State and Government reaffirmed in this regard the obligations of the High Contracting Parties to the Geneva Conventions with regard to penal sanctions, grave breaches and responsibilities.

8. The Heads of State and Government also reiterated their condemnation of Israel's inhumane and unlawful blockade of the Gaza Strip, which has resulted in the virtual imprisonment of the entire Palestinian civilian population there by obstructing their freedom of movement, including movement of sick persons, students and humanitarian personnel; their access to aid and all essential goods, including food, medicines and fuel, construction materials and commercial flows. They expressed serious concern about the exacerbation of the humanitarian crisis due to the severe impact of the blockade, which has caused grave deterioration of socio-economic conditions, including widespread poverty, unemployment,

hardship, declining health conditions and decay of infrastructure and institutions in all sectors.

9. The Heads of State and Government stressed that, in addition to violating human rights law, such collective punishment measures are tantamount to grave breaches of international humanitarian law. They thus demanded that Israel cease such illegal practices against the Palestinian people and permanent end its illegal blockade of the Gaza Strip by allowing for the immediate and sustained opening of all of the Gaza Strip's border crossings, in accordance with international humanitarian law, UN resolutions and the November 2005 Agreement on Movement and Access, necessary for alleviating the humanitarian crisis and for the urgent reconstruction and economic recovery needs of the Palestinian people.

10. The Heads of State and Government reiterated their strong condemnation of Israel's continuing unlawful campaign of settler colonization in the Occupied Palestinian Territory, including East Jerusalem, and of escalating settler violence and terror against the Palestinian civilian population. They expressed their grave concern in this regard about intensifying illegal colonization activities, including vast land confiscations; construction and expansion of settlements, settlement "outposts" and infrastructure; transfer of more Israeli settlers; construction of the Wall; home demolitions; excavations and the imposition of arbitrary, racist residency and movement restrictions on the Palestinian civilian population via a permit regime and hundreds of checkpoints throughout the Occupied Palestinian Territory, especially in and around Occupied East Jerusalem.

11. The Heads of State and Government reiterated their deep concern about the extensive physical, economic and social devastation being caused by the Israeli settlements, Wall and checkpoints, which are severing the Palestinian Territory into separate areas, including several walled cantons; isolating East Jerusalem from the rest of the Territory; displacing thousands of Palestinians from their homes; causing severe damage to the economic, social and cultural fabric of the Palestinian society; and destroying some communities in their entirety. They cautioned that this illegal colonization campaign is gravely undermining the contiguity, integrity, viability and unity of the Occupied Palestinian Territory and jeopardizing the prospects for achieving the two-State solution for peace on the basis of the pre-1967 borders with the establishment of the sovereign, independent State of Palestine with East Jerusalem as its capital.

12. In this regard, the Heads of State and Government expressed their grave concern in particular about the situation in and around East Jerusalem, where Israel's colonization campaign is most intense and clearly aimed at illegally altering the city's demographic composition, physical character and legal status. They condemned Israel's settlement and Wall construction, transfer of more settlers, home demolitions and excavations in and around the city, including in the area of Al-Haram Al-Sharif (Noble Sanctuary) in the Old City, its continued closure of Palestinian institutions, and other measures aimed at de-populating the city of its Palestinian inhabitants and entrenching the occupying Power's unlawful control of the city. They called for urgent action to halt all Israeli colonization measures to illegally and unilaterally determine the fate of East Jerusalem, capital of the future Palestinian State.

13. The Heads of State and Government reiterated their complete rejection of and their demand that Israel completely cease forthwith all such colonization policies and measures in the Occupied Palestinian Territory, including East Jerusalem. They reiterated that such aggressive, destructive and provocative policies and measures by the occupying Power constitute grave breaches of international humanitarian law and flagrant defiance of UN resolutions and the 9 July 2004 Advisory Opinion of the International Court of Justice. They stressed the incompatibility of peace process negotiations with such colonization activities deliberately aimed at the illegal acquisition and de facto annexation of more Palestinian land and forcibly imposing a unilateral solution. In this regard, they further reaffirmed the many UN Security Council and General Assembly resolutions demanding the cessation of these illegal policies and practices, which deemed them to be null and void and with no legal validity whatsoever, and called for full respect and implementation of those resolutions to bring an end to Israel's illegal settlement campaign in the Occupied Palestinian Territory and to salvage the two-State solution for peace.

14. In the face of continued Israeli defiance, the Heads of State and Government called for urgent action by the international community to compel the occupying Power to abide by all of its obligations under international law, including the Fourth Geneva Convention, UN resolutions, the Advisory Opinion and the Road Map. They called on the High Contracting Parties to uphold their obligations in accordance with the Fourth Geneva Convention to respect and ensure respect of the Convention in all circumstances. Moreover, they reiterated their call upon Member States and the UN to uphold their obligations in accordance with the Advisory

Opinion and the demands made in resolution ES-10/15, including the obligation not to recognize the illegal situation resulting from the construction of the Wall and not to render aid or assistance in maintaining the situation created by such construction. They called upon the UN Security Council and General Assembly to consider further action to bring an end to the illegal situation resulting from the construction of the Wall in the Occupied Palestinian Territory, including East Jerusalem. In this regard, they called again for the expeditious operation of the "United Nations Register of Damage" and the speedy fulfillment of its mandate. The Heads of State and Government also reiterated their call for specific actions to be taken including by legislative measures, collectively, regionally and individually, to prevent any products of the illegal Israeli settlements from entering their markets, consistent with obligations under international treaties, to decline entry to Israeli settlers and to impose sanctions on companies and entities involved in construction of the Wall and other illegal colonization activities in the Occupied Palestinian Territory, including East Jerusalem.

15. Further, in this regard, the Heads of State and Government called for application of all appropriate and available legal remedies to end the human rights violations and grave breaches of international humanitarian law being committed by Israel in the Occupied Palestinian Territory, including East Jerusalem, and to hold it accountable. They reiterated their firm conviction that respect for and compliance with international law and UN resolutions and decisions will positively influence and are necessary to advance the efforts for achieving a just, peaceful, political settlement of the Israeli-Palestinian conflict.

16. The Heads of State and Government reaffirmed their support for the Palestine Liberation Organization, the sole and legitimate representative of the Palestinian people, and the Palestinian Authority under the leadership of President Mahmoud Abbas, and emphasized the importance of maintaining and protecting the national and democratic institutions of the Palestinian Authority, including the Palestinian Legislative Council, which shall constitute a vital foundation for the future independent Palestinian State. They called for urgent efforts to rehabilitate and develop Palestinian institutions and stressed the need for mobilization of Palestinian capabilities to preserve the territorial unity and integrity of the Palestinian Territory, including East Jerusalem, to end the occupation and to achieve the independence of the State of Palestine. They reiterated their call for restoration of the situation in the Gaza Strip to that which existed prior to the events of June 2007

and stressed the importance and urgency of Palestinian reconciliation and unity. They expressed their support for Egyptian and regional efforts in this regard and their hope for speedy achievement of Palestinian reconciliation and unity, essential for the realization of the just, legitimate national aspirations of the Palestinian people.

17. The Heads of State and Government called for intensified efforts by the international community, in particular the Security Council and the Quartet, to address the current political and humanitarian crisis, to ameliorate the situation on the ground and to help advance a peace process and a two-State settlement that guarantees an end of the Israeli occupation of the Palestinian Territory, including East Jerusalem, that began in 1967, and the establishment of the sovereign, independent, and viable state of Palestine within a specified timeframe as well as a just solution for the Palestine refugee problem on the basis of General Assembly resolution 194 (III). They stressed that such a settlement is essential for the promotion of comprehensive peace and security in the region. They called upon the Security Council, considering its Charter authority for maintenance of international peace and security, to actively engage the Quartet for advancement of such a peace settlement. They stressed in this regard the continuing relevance of the Arab Peace Initiative and the Road Map and called for its full and honest implementation. In this connection, they emphasized the importance of the timely convening of the proposed international conference in Moscow in follow-up of the Annapolis Conference.

18. The Heads of State and Government reaffirmed the permanent responsibility of the UN towards the question of Palestine until it is resolved in all aspects on the basis of international law. In this context, reaffirming the imperative of upholding international law and the UN Charter, the Heads of State and Government reiterated their call upon the Security Council to assume its responsibilities and to act on the basis of its own resolutions to compel Israel to respect international law and to bring an end to all of its illegal practices and its occupation. They expressed appreciation to the members of the NAM Caucus of the Security Council for their efforts concerning Palestine and called upon them to continue coordination on the issue and to remain actively involved, with a view to enhancing the role played by the Movement in the international drive to achieve a just solution to the question of Palestine and lasting peace in the region as a whole.

19. The Heads of State and Government thus reaffirmed their conviction that a vital role should continue to be played by the Movement vis-à-vis the

question of Palestine and entrusted the Chair, assisted by the Committee on Palestine, to lead the efforts of the Movement with regard to the pursuit of a comprehensive, just and lasting peace in the region. They stressed the importance of active contacts and dialogue by the Movement at the Ministerial level with the members of the Quartet, the members of the Security Council and other relevant parties in the peace process in order to convey the Movement's principled positions and advance efforts aimed at promoting the peace process and at ensuring respect for international law and UN resolutions, the keys to a peaceful settlement of the Israeli-Palestinian conflict and the Arab-Israeli conflict as a whole.

20. The Heads of State and Government underscored the importance of the work of non-governmental organizations, civil society and peace groups, particularly on the Palestinian and Israeli sides, and encouraged them to continue their positive work.

21. In conclusion, the Heads of State and Government reaffirmed their long-standing, principled political support and solidarity with the just cause of Palestine, reaffirming their strong commitment to continue supporting the Palestinian people and their leadership, including by provision of assistance during this time of crisis, in contribution to the overall efforts to bring an end to the Israeli occupation that began in 1967 and to hasten the realization of a just, peaceful and permanent solution of the Israeli-Palestinian conflict, the core of the Arab-Israeli conflict, and of the right of the Palestinian people to exercise self-determination and sovereignty in their independent State of Palestine, on the basis of the pre-1967 borders, with East Jerusalem as its capital.



**234. Special Declaration of the Heads of State and Government of the Non-Aligned Movement on the necessity of ending the Economic, Commercial and Financial Embargo imposed by the United States of America against Cuba.**

**Sharm El-Sheikh, July 16, 2009.**

*The Heads of State and Government* renew the Non Aligned Movement's commitment to defend, preserve and promote the UN Charter and International Law.

*They firmly reiterate* their rejection to the adoption and implementation of extra-territorial or unilateral coercive measures or laws, including unilateral economic sanctions or other illegal measures contrary to international law that seek to exert pressure on Non-Aligned Countries so as to prevent them from exercising their right to decide, by their own free will, their own political, economic and social systems. In this context, they call on all States to refrain from recognizing such measures or laws, which undermine the principles enshrined in the UN Charter and International Law, and severely threaten the freedom of trade, navigation and investment.

*The Heads of State and Government* stress that under no circumstances people should be deprived of their own means of subsistence and development.

The economic, commercial and financial embargo imposed by the United States of America against the Republic of Cuba has been in place for 50 years. Seventy per cent of Cubans have been born under the embargo.

*The Heads of State and Government* express their concern over the continuation of that long-standing unilateral policy with extraterritorial effects, even after it has been consistently rejected by the overwhelming majority of States.

In addition to the 17 resolutions already adopted by the United Nations General Assembly on the necessity of ending the embargo against Cuba, numerous other declarations and resolutions of different Governments, and intergovernmental forums and bodies, including for many years the Non Aligned Movement, have clearly expressed the rejection by the international community and public opinion to the continuation of that policy.



The extraterritorial nature of the embargo, institutionalized and systematized by the Torricelli and Helms-Burton Acts, has brought about serious additional damages to the Cuban economy in its economic relations with third countries and with subsidiaries of United States enterprises over the two last decades.

In this connection, ***the Heads of State and Government*** urge once again the Government of the United States of America to immediately put an end to the economic, commercial and financial embargo against Cuba which, in addition to being unilateral and contrary to the UN Charter and international law, and to the principle of neighbourliness, is causing huge human suffering and material losses and economic and financial damage that has negatively impacted on the welfare and well-being of the people of Cuba. They further urge the government of the United States of America to immediately fully comply with all the Resolutions of the UN General Assembly, related to the necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba.



**235. Declaration of the Heads of State and Government of the Non Aligned Countries Summit.**

**Sharm El-Sheikh, July 16, 2009.**

**We, the Heads of State and Government of the Movement of the Non-Aligned Countries**, gathered in Sharm El Sheikh, Egypt, on the 15<sup>th</sup> and 16<sup>th</sup> of July 2009 in the XV Summit of the Movement;

**Reiterating** our strong commitment to the purposes and the principles of the United Nations Charter and the principles of international law, international humanitarian law and human rights law,

**Determined** to revitalize and reinvigorate the role and influence of our movement as the principal political platform representing the developing world in multilateral fora, in particular the United Nations,

**Determined** also to preserve and act in keeping with the Bandung principles, and the Declaration on the Purposes and Principles and the Role of the Non-Aligned Movement in the Present International Juncture, adopted by the XIV NAM summit in Havana in 2006,

**Expressing** sincere appreciation to **H.E. Raul Castro Ruz**, the President of the Republic of Cuba, for the significant progress achieved in the process of strengthening and revitalizing the Non-Aligned Movement, since the XIV NAM summit held in Havana,

**Desirous** to enhance the strengthening and revitalization process of the Movement through concrete measures, at all levels, and in the different multilateral fora,

**Inspired by** the city of Sharm El Sheikh, that has overcome the challenges of war and became the CITY OF PEACE, providing a vivid example of the strong determination of the people of Egypt and its leadership to turn a conflict into a success story, and sincerely congratulating **H.E. Mohammed Hosny Mubarak**, President of the Arab Republic of Egypt, for this success and for assuming the chairmanship of the Movement,

**Having adopted** the Final Document of the XV summit of Heads of State and Government of the Non-Aligned Movement held in Sharm El Sheikh, Egypt 11<sup>th</sup> to 16<sup>th</sup> July, 2009,

**Welcoming** the Initiative by Egypt to convene the NAM First Ladies Summit on “the Role of Women in Crisis Management”, which laid the ground for a fruitful and valuable exchange of experiences and lessons learned, reflecting the importance attached by NAM to the active and equal participation of women in addressing the current global crises and challenges,

**Declare** that within the implementation of the Sharm El Sheikh Final Document, and the documents of the previous NAM Summits and Ministerial Meetings, due consideration should be given to maximizing the ability of NAM to deal with the current rapidly evolving global situations, crises and challenges, including but not limited to the following:

**Disarmament and International Security:** Continue to promote disarmament and international security and stability on the basis of equal and undiminished security for all, bearing in mind that total and complete Nuclear Disarmament remains the only route to establish a world free from Nuclear Weapons, taking into consideration related issue of Nuclear Non Proliferation in all its aspects and the inalienable right of all states to the peaceful uses of nuclear energy. We will thus engage constructively with concrete actions towards the implementation of the unequivocal undertaking by the Nuclear Weapon States, as well as the recent statements made by leaders of some Nuclear Weapons States to eliminate their nuclear arsenals and work towards realizing a World Free of Nuclear Weapons, including through the establishment of Nuclear Weapon Free-Zones, particularly in the Middle East region;

**Peacekeeping and Peace-building:** to ensure that the current comprehensive review of Peace Keeping Operations takes duly into account the position of the Movement, in particular the demands of Troop Contributing Countries, and to ensure that the review processes of the Peace Building Commission and the Peace Building Fund will achieve their objectives to support all countries emerging from conflict, based on the principle of national ownership and coordinated activities within the United Nations system;

**Human Rights and Democracy:** Reinforce and build new momentum in addressing human rights issues based on a cooperative and balanced approach focused on constructive dialogue and capacity building, while taking duly into account the diversity of societies, political, economic, social and legal systems, cultures and religions, and avoiding selectivity, double standards and any attempt to exploit or use human rights as an instrument for political purposes, with a view to reinforcing the commitment to the promotion and protection of all human rights and fundamental freedoms for all, in particular the right to development,

**Self Determination:** Continue to uphold the fundamental and inalienable right of all peoples, including all non-self governing territories, as well as those territories under foreign occupation and colonial or alien domination to self determination, the exercise of which, in the case of peoples under foreign occupation and colonial or alien domination,

remains valid and essential to ensure the eradication of all these situations and to guarantee universal respect for human rights and fundamental freedoms;

***The Situation in the Middle East, the Core of Which is the Palestine Question:*** Demand achieving a just and comprehensive peace in the Middle East based on relevant United Nations Security Council Resolutions, Madrid Terms of Reference, land for peace, and the Arab Peace Initiative in its entirety;

- Firmly support the inalienable rights of the Palestine people to self-determination and the establishment of their independent, contiguous and viable State in Palestine with East Jerusalem as its capital, and a just and agreed upon solution to the Palestine refugee question on the basis of resolution 194, through the termination of Israeli occupation that started in 1967 and a just and comprehensive approach encompassing all six core issues. In this regard, we will stand firm against all settlement activities illegally undertaken by Israel, the occupying power, in the Occupied Palestinian Territory, including East Jerusalem, and against Israeli measures and actions aimed at changing the legal status, character, and demographic composition of the City of Jerusalem.
- Continue to demand Israel to comply with relevant Security Council Resolutions and withdraw fully from the occupied Syrian Golan to the line of 4 June 1967, and to withdraw fully from the remaining Lebanese occupied land in the Shabaa Farms, the Kafrashuba hills and the northern part of the Al Ghajjar village.

***Reform of the United Nations:*** To restore the balance between the Principal Organs of the United Nations and reaffirm the role and authority of the General Assembly, while asserting its fundamental role in international peace and security and in promoting multilateralism. The expeditious reform of the Security Council through its expansion and improvement of its working methods should continue to be a priority for NAM taking duly into consideration the views of all NAM Member States;

***Sanctions:*** Reject the unilateral sanctions imposed on some NAM countries, which adversely affect the economies and peoples of those countries, in contradiction with international law and the purposes and principles of the United Nations Charter.

***The World financial and economic crises, its causes and implications:***

In view of the fact that the Non Aligned and other developing countries are and will increasingly be the most adversely affected by the crises, more than industrialized countries, where it originated as a result of the structural imbalances and deficiencies of the prevailing International economic and financial systems, we commit to stand together, in coordination with the Group of 77 and China through the Joint Coordinating Committee, to achieve the fundamental reform of the international economic and financial systems and architecture so as to address its flaws. We commit further to enhance the voice and participation of developing countries in international economic and decision making and norm setting, including in international financial institutions, with a central role of the United Nations and its member states through the General Assembly and the Economic and Social Council, including in mitigating the impact of the crises on developing countries and in materializing the right of developing countries to a legitimate policy space. To achieve these objectives, we will utilize fully the follow up actions decided in the outcome of the United Nations High Level Conference on the World Financial and Economic Crises and its impact on development, and ensuring that measures taken to respond to the effects of the crises are in no case taken at the expense of developing countries as well as rendering full support for initiatives taken at the regional level to respond to the crises;

***The Internationally Agreed Development Goals, including the MDG's:***

Ensure the full implementation of the outcomes of major United Nations conferences and summits in the economic and social fields, including the Monterrey Consensus, the Doha Declaration on Financing for Development and the Johannesburg Plan of Implementation as well as utilizing the high-level meeting organized by the United Nations Secretary General in 2010; and comprehensively evaluate the progress achieved in the implementation of the MDGs and to develop a strategy to help developing countries to achieve MDGs by 2015, taking fully into account, inter alia, the United Nations Political Declaration on Africa's Development Needs adopted during the 63rd session of the General Assembly, as well as the special needs and vulnerabilities of LDCs, LLDCs and SIDS in line with the related declarations of various United Nations conferences;

***Food Security:*** To ensure Food Security for all peoples of the States members of the Movement and other developing countries, we will enhance cooperation and coordination with the United Nations, FAO, IFAD, WFP and other multinational fora, in order to decisively deal with

the short, medium and long term actions needed, including the need to address trade and agricultural related aspects within the current negotiations in the Doha round;

***Special Needs of Africa:*** Continue to promote the full implementation of all commitments by the international community to address the special needs of Africa as contained in the United Nations political Declaration on Africa's Development Needs adopted during the 63<sup>rd</sup> session of the United Nations General Assembly, especially in the area of conflict resolution, peace and security, development and poverty eradication, achievement of the Millennium Development Goals, strengthening of cooperation with regional organizations and programs including NEPAD, enhancing homegrown democracy, stability and rule of law, ensuring strict and fair adherence to international law and non abuse of the principle of universal jurisdiction.

***Pandemics:*** To enhance solidarity with and support to the governments and peoples of countries affected by the outbreak of H1N1 and other pandemics, to maximize the support given by the World Health Organization, international financial institutions and other relevant entities to assist developing countries in building their response capacity to confront pandemics as well as to combat diseases at times of crises and to provide full logistical and financial support for those governments and peoples;

***Civil Society:*** Encourage and enhance the role of Civil Society, including NGOs and the Private Sector in supporting the implementation of national development and human rights priorities and programmes, while adhering to the norms and principles of corporate responsibility;

***Climate Change:*** Strengthen the political momentum in preparation for the Copenhagen conference in a manner that duly reflects the views of NAM countries with regard to mitigation, adaptation, finance, technology transfer, capacity building and shared vision in accordance with the principle of Common but Differentiated Responsibilities, and fully utilize the high level meeting to be convened by the Secretary General of the United Nations at the beginning of the 64<sup>th</sup> session of the General Assembly to highlight the concerns of the NAM countries;

***Energy:*** To shape a comprehensive United Nations energy agenda, including the creation of an effective mechanism to transfer advanced energy technologies to developing countries and countries with economies in transition, with the aim of achieving the Millennium Development Goals and dealing effectively with the challenge of climate change;

**Trafficking in Persons:** Participate actively in the process launched by the President of the General Assembly and accelerate the consideration of a global action plan to be adopted by the General Assembly on combating trafficking in persons, through enhancing international and regional cooperation and partnership to supplement and support the implementation of the United Nations Convention on Transnational Organized Crime and the protocols thereto. In this respect, express appreciation to the leading efforts of the "Suzan Mubarak Women's International Peace Movement" in gathering the support of the international civil society, NGOs and private sector through the "End Human Trafficking Now" initiative along with her efforts through the United Nations Global Initiative to Fight Human Trafficking (UNGIFT) and commit to support such efforts in the future;

**International Terrorism:** Strengthen NAM solidarity in combating terrorism in all its forms and manifestations, wherever and by whomsoever committed, in accordance with the principles of the United Nations Charter, international law and the relevant international conventions. In this context, stress that terrorism should not be associated with any religion, nationality, civilization or ethnic group. Further progress is required, taking into account the positions and views of NAM member States, including through the early finalization of the draft Comprehensive Convention on International Terrorism, in strengthening the application of the United Nations Global Counter Terrorism Strategy and in convening a high level conference under the auspices of the United Nations, to formulate a joint organized response of the international community to terrorism in all its forms and manifestations, as proposed by President Mohammed Hosny Mubarak at the Council of Europe Parliamentary Assembly, in 1986;

**Enhancing dialogue among Civilizations and Religions:** Utilize fully the efforts made at the international level towards reducing confrontation, enhancing dialogue, promoting respect for diversity based on justice, fraternity and equality, and oppose all attempts of uniculturalism or the imposition of particular models of political, economic, legal or cultural systems, and promote dialogue among civilizations, culture of peace and inter-faith dialogue, which would contribute towards peace, security, stability and development.



**236. Opening Remarks of Prime Minister Dr. Manmohan Singh at an interaction with Indian media.****Sharm El Sheikh, July 16, 2009.**

I will today be concluding my visits to France and Egypt, and returning to India.

As I said before, India's participation as the Guest of Honour at France's National Day was a honour for the people of India, and is a matter of pride for all of us. In my discussions with him, President Sarkozy went out of his way to reaffirm the high priority he attaches to France's relations with India. We discussed the full range of our bilateral cooperation, including counter-terrorism and defence cooperation. President Sarkozy was categorical in his assertion that France is ready for full civil nuclear cooperation with India in all areas, and there were no limits to this cooperation. I look forward to receiving him in India in the near future.

The NAM Summit in Egypt has reaffirmed the Movement's significance in today's context. NAM has evolved into a powerful voice of almost two-thirds of the world's nations. Our voice has been heard with great attention and I believe the views we have articulated have found widespread resonance within the Nonaligned Movement.

The Summit's call for bringing the decision-making processes in the international architecture, including the United Nations and the international financial institutions, in tune with contemporary realities reflects the priority which the world attaches to this issue. I am glad that the Summit has heeded our call to strongly condemn international terrorism and on the need for international cooperation to effectively combat it.

I have complimented President Mubarak on his most successful stewardship of the Summit. We are confident that under Egypt's wise and experienced leadership, the Movement will gain fresh impetus and strength.

On the sidelines of the Summit, I met the Prime Ministers of Bangladesh and Malaysia, the President of Vietnam, and the President of the Palestinian National Authority. Earlier today I called on President Mubarak of Egypt. I hope to meet the Prime Minister of Nepal and President of Sri Lanka later today.

All these countries belong to our immediate and extended neighbourhood. I found a uniform desire among all these countries to further enhance their relations with India. This is a matter of great satisfaction for us. We will reciprocate their friendship to the best of our ability.

I have good discussions with Prime Minister Gilani of Pakistan earlier today. During that meeting we discussed the present condition of India-Pakistan



relations, its future potential, and the steps that are necessary to enable us to realize the potential.

We have agreed on a Joint Statement which is available with you.

I return back to India satisfied with my visit and my various interactions with world leaders, which have substantially advanced our national interests.



**237. Statement of Prime Minister Dr. Manmohan Singh in Rajya Sabha on his visits to Italy (8-10 July) to attend the G-8+5 meeting , France (13-14 July) at attend the National Day of France as Chief Guest and Egypt (14-16 July) to attend the NAM Summit.**

**New Delhi, July 17, 2009.**

Please see Document No.39.



**238. Discussion in the Lok Sabha on the issues arising out of Prime Minister Dr. Manmohan Singh's visit abroad.**

**New Delhi, July 29 and 30, 2009.**

Please see Document No.43.



**PACIFIC ISLANDS FORUM****239. Statement by External Affairs Minister S. M. Krishna at Post-Forum Dialogue of Pacific Island Forum.****Carins,(Australia), August 7, 2009.****Mr. Chairman, Excellencies, distinguished guests, Ladies and Gentlemen,**

It is a pleasure and a privilege to be here amongst you today on the occasion of the Post-Forum Dialogue Partners' Meeting. I would like to commend and congratulate the Government of Australia for the excellent arrangements made for the Forum meetings. I would also like to thank our hosts for their warm and gracious hospitality.

2. May I now introduce the members of my delegation, Mr. N. Ravi, Secretary(East), Ministry of External Affairs, Mrs. Sujatha Singh, our High Commissioner to Australia, Mr. Raghavendra Shastry, Adviser and Additional Secretary in my office, Mr. A.K. Goel, Joint Secretary looking after the South East Asia & Pacific region in the Ministry of External Affairs.

3. Over the past decade, we have strengthened existing ties and established new links with the Pacific Small Island Developing States. We have invigorated our links with their regional organizations, with our status as a full Dialogue Partner with the Pacific Islands Forum and Observer Status with the Caribbean Community.

4. We evaluate our experience as a Post-Forum Dialogue Partner in extremely positive terms. It is a valuable forum for networking and exchange of perspectives between policy makers and business leaders from the PIF and its dialogue partners. I believe India and PIF countries have a mutual interest in working towards potentially beneficial arrangements. We need to look at conventional, as well as innovative mechanisms, to promote our relations.

5. India sees its engagement with the Pacific region as an extension of its Look East Policy, which was originally conceptualized in the early 1990s to boost our engagement with our South East Asian neighborhood, the ASEAN. We are confident that the "Look North" policy of the Pacific countries and the "Look East" policy of India will dovetail to create new synergies as Pacific Island countries are rich in natural resources and there is vast potential for cooperation in diverse spheres.

6. India's increased engagement with its extended neighborhood should not come as a surprise. The concept of neighborhood has also undergone an evolution. Today, it is not the immediate neighborhood alone but also the extended neighborhood. So, when in the context of India, we talk of our extended neighborhood, it includes all the countries in the Pacific region, East Asia, Central Asia, the Gulf and West Asia.

7. South East Asia and the Pacific have been significant components of India's foreign policy priorities. Cooperation between India and these countries is a necessary prerequisite for the 21st century to become the century of the Asia Pacific. Today, we are witnessing a rapid expansion of our engagement with Australia, New Zealand and the smaller Pacific Island States.

8. India has had a modest presence through some training programmes and small projects in some countries of PIF. These contacts had earlier been constrained by our limited interaction with the region. Our Dialogue Partnership status has added a new dimension to our relationship. We are confident that this partnership will adequately address the issues for strengthening our association with the region. With the Pacific Island States, in all our interactions, the emphasis will be on development of human resources, on science and technology, and on greater economic engagement in terms of investment as well as in terms of trade. The emphasis will be on providing whatever technical assistance India can extend to these countries based on your needs.

9. Almost 30 small island States are now covered under the Indian Technical and Economic Cooperation (ITEC) programme which covers which covers a wide variety of projects, including deputation of Indian experts, training of nationals of partner island States in premier Indian institutions and short-term study visits to India for their senior officials and decision-makers. Several infrastructural projects like construction of hospitals, provision of telecommunication facilities and construction of road-networks are undertaken in Small Island Developing States under the ITEC programme. A significant percentage of Indian experts deputed abroad is working in small island States in multifarious fields including marine engineering, agriculture, geology, fisheries and medicine.

10. India has accumulated considerable expertise in the area of harnessing new and renewable energy sources, for more than three decades. We have developed substantial manufacturing capacity for the design and production of equipment for the supply of non-conventional

energy. We have also developed low-cost desalination plants. We stand ready to share this knowledge and experience with our partners from the small island developing countries.

11. India's "Regional Assistance Initiative" for Pacific Island Forum countries unveiled at the Pacific Islands Forum meeting held in 2006, based on the priorities identified by the leaders of Pacific Island Forum countries in the Pacific Plan, over the coming years would implement a wide-ranging package for Pacific Island countries including supply of equipment and materials for social and economic programmes and for sustainable development initiatives; workshop on unsustainable development, Capacity building course on Small and Medium Enterprise promotion, continued training opportunity in diverse areas under India's ITEC programme, training course for diplomats and scholarships in higher studies.

12. The Pacific region has been making steady progress towards internal integration. We applaud the determination of the Pacific countries to take control in shaping their destiny and work together to broaden and deepen regional cooperation and linkages. From our own experience as a developing country, we have found that the development model for a country or region should be entirely decided from within, to best suit its own requirements. To the extent that outside support may be able supplement the internal effort, India will be happy to offer its assistance and goodwill.

13. Currently, India has trade links mainly with Australia, New Zealand and Fiji, but the bilateral interaction with the region has the potential to pick up. India is amongst Australia's top ten trading partners, while Australia is amongst the top ten investors in India.

14. We are committed to extending assistance and training opportunities to all Pacific Island Countries. At the last Pacific Island Forum meeting, India offered grants of US \$ 100,000/- each for the 14 eligible Pacific Island Countries for projects in sustainable development. Currently, we extend assistance in capacity building and undergraduate / postgraduate scholarships to all fourteen Pacific Island States. The Government of India sponsored an international workshop on '**Key vulnerabilities in Small Island Developing States, scope for technology cooperation with India**' in Delhi in August 2005 under ITEC Programme in which 25 nominees from 22 small island developing countries participated. The Small Island Developing States (SIDS) are experiencing major adverse effects of climate change and adaptation to adverse impacts of climate change and sea-level rise remains a major priority for them. The workshop

provided an opportunity for the SIDS and India to identify scope for enhancing technology cooperation in priority areas like sustainable energy, water conservation and disaster management. Again in 2007 the Government of India sponsored a 'Workshop on Sustainable Development' for officials of Pacific Island Countries, in Suva, Fiji in which 28 nominees from the 14 Pacific Island countries participated. All participating countries showed keen interest in having this Workshop continued on an annual basis. I am happy to convey that we are conducting another Workshop in Suva very soon.

15. India has always stood for the cause of the developing countries at multinational forums such as the UN and the WTO and has been at the forefront of South-South cooperation. India also shares the bonds of the Commonwealth with seven Pacific Island Countries.

16. We would like to share our strengths for the development of the region and for mutual benefit. I am happy to unveil the following initiatives for eligible Pacific Island countries for implementation over the coming year:

- [i] Grant-in-aid of US\$125,000/- each for the 14 eligible Pacific Island Countries for the supply of equipment and materials for social and economic programmes and for sustainable development projects.
- [ii] Organisation of a "Workshop on Capacity Building for Strengthening India-Pacific Island Countries Cooperation" for officials of Pacific Island Countries.
- [iii] Organisation of a course for diplomats of the Pacific Island Countries in the Foreign Service Institute in New Delhi.
- [iv] Offer of continued training opportunities to all Pacific Island Countries under India's ITEC programme.
- [v] Grant of one scholarship for undergraduate or post graduate studies to each Pacific Island country.

17. Besides, this year, India is offering additional assistance to PIF countries in the IT sector. Under this, Government of India will offer assistance for setting up **HiWEL** ('Hole-in-the-Wall' Education Ltd.) **Learning Stations** in all the PIF countries and **IT Centre of Excellence** in Fiji and Papua New Guinea (PNG)

- (a) **'Hole-in-the-Wall' Education Limited** is an initiative launched by M/s NIIT, an Indian company, to provide computer education to the children in rural areas and urban slums. We could offer HiWEL Learning Stations to PIF countries with the help of M/s. NIIT. Depending upon the size of the population, each PIF country will have either 2 or 3 learning stations.
- (b) **IT Centre of Excellence** could be set up in order to empower the youth of PIF countries in global skills and make them competitive for employment in the local and regional industries.

18. I would also like to mention that those countries which did not utilize the grant-in-aid of US\$1,00,000/- offered in previous years may avail of the same along with offer made this year.

19. I would like to conclude by thanking our hosts and participating Ministers in the Post Forum Dialogue for your hospitality and the excellent arrangements made for this meeting. I look forward to a meaningful interaction with you during this meeting.



## SAARC

### **240. Press Release issued by the Ministry of External Affairs on the Third Meeting of SAARC Secretaries on Poverty Alleviation.**

**New Delhi, March 19, 2009.**

India hosted the Third Meeting of SAARC Secretaries on Poverty Alleviation on March 19, 2009. The Meeting was Chaired by Dr. Subas Pani, Secretary, Planning Commission as per SAARC practice. All Member States participated in the Meeting. SAARC is home to more than 1.5 billion people of which 25 percent are living below the poverty line. All Member States have incorporated the Millennium Development Goals(MDGs) and SAARC Development Goals(SDGs) in their national plans. The Meeting reviewed the progress in the implementation of regional and national initiatives on poverty alleviation and observed that Member States have made significant progress in poverty alleviation despite the formidable challenges of development, connectivity and the global economic crisis. SAARC Member States shared their experiences on attainment of SDGs and agreed to

strengthen efforts to provide health, education and infrastructure to South Asians for poverty alleviation.

A bi-annual document on a Regional Poverty Profile(RPP) is prepared within SAARC. The RPP document of 2007 on rural infrastructure will be ready by July 2009. The theme for the RPP 2008-2009 is 'Food security challenges for the poor and social inclusion'. The document will be ready by the end of 2009.

As directed by the Thirty First Session of the SAARC Council of Ministers(Colombo; 27-28 February 2009) Member States constituted country teams to prepare their country reports on attainment of SDGs and made their nominations on the Inter-Governmental mechanism within SAARC to monitor the progress of attainment of SDGs. Documents will also be ready by end of 2009.

The Meeting reiterated the concern expressed at the Thirty-First Session of the SAARC Council of Ministers held in Colombo on 27-28 February 2009 on the adverse impact of the global economic crisis on the economies of the region and agreed to strengthen regional cooperation to meet this challenge.

The next Meeting of Secretaries on Poverty Alleviation will be held in Islamabad, Pakistan in November/December 2009 to finalize the two documents on Regional Poverty Profile 2008-2009 and attainment of SDGs for consideration at the SAARC Ministerial Meeting on Poverty Alleviation to be held in Nepal in 2010.



**241. Press Release issued by the Ministry of Commerce on the call by the Minister of Commerce and Industry Anand Sharma for initiating greater cooperation towards a free and liberalized trade regime in SAFTA States at the meeting of the SAFTA Ministerial Council.**

**New Delhi, October 28, 2009.**

Shri Anand Sharma, Union Minister of Commerce and Industry while lauding the rapid growth made in trade amongst the SAARC countries exhorted the member States to initiate greater cooperation in its movement towards a

free and liberalized trade regime. He however mentioned that the Intra regional trade share in the case of South Asia in 2008 was of the order of 4.31 % as against 27.06 % for ASEAN and that one had only to see the rapid integration within ASEAN and its emergence as an important economic bloc in Asia to understand the opportunities that beckoned SAARC and the unutilized potential in the region. The aim should be to create virtuous cycles of growth in the SAARC region, he added. The Indian Commerce and Industry Minister was speaking at the fourth Meeting of the SAFTA Ministerial Council that was held in Kathmandu today and was attended by the Commerce Ministers of all eight countries with the exception of Pakistan. The Ministerial Meeting was preceded by the Meeting of the Expert Group on SAARC Agreement on Trade in Services(24-25th Oct 2009), Meeting of SAFTA Committee of Experts (COE) and the Meeting of the Sub Group on Non Tariff Measures(26-27th Oct 2009).

Observing that the Ministerial was taking place in the backdrop of the world crisis wherein the leadership was being tested, Shri Sharma stated that this was different in a way as it had imploded from the heart of the capitalist World with different countries having been affected differently. "While some economies have shown clear signs of recovery, others are yet to recover. India's traditional destinations for export would have to show clear growth for the Indian exports to also show high levels of growth. With the demographics clearly shifting in favour of South Asia, SAARC Members would be failing in their duty to this region if they are unable to follow a more coordinated and cooperative approach", he added.

The Ministerial considered the matters related to trade in services under SAFTA and noted with appreciation India's unilateral removal of 264 tariff lines from its Sensitive Lists for the Least Developed Countries. The following major decisions were taken in the Ministerial and the other meetings on the sidelines:

- (i) A Tariff liberalization programme (TLP) was agreed to by the Member States under which the following was agreed
  - a) at the end of the ongoing TLP, **tariff on 30% of the tariff lines outside the Sensitive Lists** may be brought down to zero by all the Contracting States **within a period of two years. (to be confirmed by member States by December 2009)**
  - b) Member states agreed **to reduce their Sensitive Lists by [1]20%** of the tariff lines from existing Sensitive Lists. Reduction in Sensitive



Lists may be done keeping in mind that the goods have substantial trade coverage so that this initiative results in trade creation. The phase out period for the tariff lines taken out of the Sensitive Lists would be as under.

Base Rate: Tariff As on September 2010

Date of Implementation: 1.1.2011 (for Nepal 01.8.2011)

NLDC to NLDC	3 Years	Tariff Reduction: 0-5%
Sri Lanka	6 Years	-do-
LDC to all Contracting States	8 Years	-do-
NLDC to LDC	3 Year	-do-

[1] Bhutan would not be required to reduce its Sensitive Lists. However, it may appropriately accommodate some Requests from the Member States.

In light of the priority accorded to services by all Contracting States, the SAFTA Agreement is to progressively cover liberalization of trade in services with broad-based and deeper coverage of majority of services sectors/sub-sectors with a view to fulfilling the objectives of Article V of GATS. The Expert Group on SAARC Agreement on Trade in Services accordingly negotiated and cleaned the text of the Draft SAARC Agreement on Trade in Services. This Agreement shall provide real and effective market access to all Contracting States in an equitable manner. Negotiations for schedule of specific commitments shall take place in subsequent meetings keeping in view the national policy objectives, the level of development and the size of economies of Contracting States both overall and in individual sectors. The Meeting also recommended that work on schedules should start before the Sixteenth SAARC Summit to be held in Bhutan in April 2010.

The Meeting agreed to commission studies to guide LDCs to explore niche export markets for the products of LDCs. The Sixth Meeting of SAFTA Committee of Experts would be held in Maldives in May 2010.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - V**

**DIASPORA**

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**242. Address by the Prime Minister Dr.Manmohan Singh at the Pravasi Bharatiya Diwas.**

**Chennai, January 8, 2009.**

I am delighted to be here in the presence of such a distinguished gathering of overseas Indians. I wish you and your families a very happy, peaceful, prosperous and purposeful new year. While you are in our country, I wish you all a very pleasant stay in our country.

We have congregated in the southern most state of India and in a city where traditions and culture blend with modernity and technology with great ease. I am sure many of you will be visiting the great temples at Mahabalipuram. They stand testimony to our sea-faring history. The ancient Tamil people, the ancient Telugu people, the people of Bengal and Orissa, have all sailed through the sea to our East, not to conquer lands but to conquer the hearts and minds of the people they came in contact with.

This Pravasi Bharatiya Diwas is our contemporary tribute to that great spirit, to that great heritage and to the excellent work you all continue to do as people of Indian origin in your respective countries. It is a tribute to your spirit of adventure and enterprise which have transformed you and the Indian Overseas community into powerful agents of social and economic change and the world admiration in distinct lands.

You come to this Conference from distant lands from all around the world. Our Chief Guest today, His Excellency Mr. Ramdien Sardjoe, the Vice President of Suriname, comes from the other side of our planet. Yet, he has inside him the blood of his Indian ancestors. His leadership and contribution to public life are a testimony to the achievements of the sons and daughters of India who have travelled to distant lands, and excelled in their respective professions. We take great pride in their achievements.

I welcome you, Mr. Vice President, to this ancient land of Bharat. I am sure your heart beats faster on this soil. Let me assure you, our hearts too beat for you and for the millions of Pravasis, every moment of our lives.

We feel proud of the great achievements of the people of Indian origin around the world. More than any other people, the people of India and of Indian origin know the meaning of tolerance and the art of living together regardless of caste, creed, religion or language.

Pluralism and the willingness to live with each other despite our differences is a deeply embedded trait of Indian culture. That is why I have often said that those who pursue the politics of exclusion, of monotheism, who divide people between "us" and "them", betray the very idea of India. Our civilization was built on reason; on the willingness to engage in dialogue. As my friend Prof. Amartya Sen has reminded us, we Indian people have been over the centuries, an argumentative people. But I also say that we have been a consensual civilization.

The recent terrorist attacks in Mumbai were a grim reminder of the grave threat posed by extremism and terrorism to our pluralistic and liberal traditions. There are some who would not like to see India succeed. But we have shown, over and over again, that we will not allow the forces of terrorism and extremism to destabilize our polity, our economy and our society. We have taken several measures to strengthen national security, to promote national cohesion and we will continue to work with the international community to ensure that there are no safe havens and launching pads for terrorists.

Despite the global economic downturn, the fundamentals of Indian economy continue to remain strong. We expect to achieve a growth rate of about 7% this year, which will be among the highest in the world. Much of India's growth is internally driven and I expect we can maintain a strong pace of growth in the coming years. That certainly will be our ambition.

India is actively involved in the meetings of the global G-20 countries, which are deliberating on the creation of a new global financial structure. We need to ensure that any new architecture that emerges is suited to the new challenges and vulnerabilities facing the world economy and simultaneously it must be reflective of the changes that have taken place in the economic structure over the years. Countries like India have a right to be given their due place in the evolving scheme of things.

A few months ago the international community lifted restrictions to end our nuclear isolation of the last thirty four years. The overseas Indian community, specially in the United States, played a key role in ensuring this outcome and in mobilizing congressional support for it in the United States. For this we are truly grateful to all of you. But much more importantly, this is a sign of the growing role that Indian origin communities are now playing in public policy and opinion making across the world. We applaud you for that contribution.

I am sure that each one of you would have sensed the growing respect with which India is today regarded in the world. India's rise is increasingly being regarded as an important dimension of the emerging international world order. Our counsels on key global challenges are not just being heard, but are being actively sought and in this enterprise of changing the image of India, the overseas Indian community have played a magnificent role and I thank you for that.

The Overseas Indian Citizenship Scheme which we had announced in 2006 has elicited an overwhelming response. I am therefore happy to announce that henceforth OCI card holders who are qualified professionals - doctors, dentists, pharmacists, engineers, architects and chartered accountants - will have the benefit of practicing their professions here in our country. Further details to operationalize this benefit are being worked out.

I am happy to launch today a new initiative called 'The Global Indian Knowledge Network'. This Network will connect people of Indian origin from a variety of disciplines to users at the national, state and local levels in India. My hope is that the Network will facilitate transfer of knowledge and serve as a 'virtual think tank' to generate new ideas on issues such as development, education and health-care.

I would like to say a few words about the five million Indian workers working in the Gulf. I have seen their contributions first-hand when I recently visited Oman and Qatar. I was amazed to see their grit, their determination, and how they are contributing magnificently to processes of wealth creation in these countries.

We are therefore concerned at the rise in tensions in the region as a result of the attack in Gaza that has led to the needless loss of lives of many innocent men, women and children. India has strongly condemned these incidents and it is our hope that the international community would get together and help restore peace in the region as soon as possible. I wish to reiterate our unstinted and unwavering support for the just Palestinian cause.

We have put in place several measures for better protection and welfare of our workers overseas, including by entering into inter-governmental agreements.

I am happy to inform you that we have launched a comprehensive e-governance project on migration. Under this project, every worker will be issued a 'Smart Card' that will contain all details of the worker, his work contract, his employer, his insurance etc. This data will also be available to

the Government of India as well as our missions overseas. The objective of this project is to transform emigration process into a simple, transparent, orderly and humane process.

Till now, at these gatherings, we have celebrated the spirit of adventure and enterprise of the global Indians. This year, let me add, that we have made contact with a distant pravasi that you have all grown up hearing about - *Chanda-mama!*

When Chandrayaan-I soared into the skies last October, it was not just a display of India's technological achievements. It was the fulfillment of an ancient dream, to meet Chandamama! I assure you, ladies and gentlemen, that one day an Indian, desi or pravasi, will complete that journey and we will be able to land a man on the moon from India.

It is this sense of confidence in our future that defines the India of today. I urge you all to come and participate in this great adventure of human development within the framework of a free and open society and an open economy. I have often said no where else a billion people are trying to seek their economic and social salvation in the framework of a functioning democracy committed to respect for all fundamental human rights, commitment to the rule of law and if India succeeds it will have profound implication for the development of the rest of the country of the third world. India welcomes your participation in our social and economic development. Modern science and technology have created many new frontiers of knowledge to be harnessed for human development and well being. I hope your conference gives us more ideas on how we can work together for India's progress and your welfare. With these words, I once again welcome you all to this magnificent Conference.



**243. Speech by the External Affairs Minister Pranab Mukherjee at the Pravasi Bharatiya Divas on the theme of "India as an Emerging Power: The Diaspora Factor".**

**Chennai, January 8, 2009.**

His Excellency Dato' Seri S. Samy Vellu, Guest of Honour,

Mr. Shashi Tharoor, Chairperson of this Plenary Session,

Mr. Sam Pitroda, Keynote Speaker,

Distinguished Panellists

Ladies & Gentlemen,

It is a great pleasure for me to, once again, be in your midst. Meeting and interacting with you is like an interaction with members of my family. There is so much to talk about, to share joys, to discuss concerns and more importantly, to decide how we can move forward. I have, therefore, always looked forward to meeting with the Indian diaspora and I make it a point to do so whenever I travel abroad. This annual function gives us the opportunity to look at issues with a global perspective in mind because the diaspora the world over is here for the Pravasi Bharatiya Divas.

There is increasing recognition of India's growing importance in global affairs. We are mindful of the expectations this raises and of the pride that it has created among Indians, both resident and non-resident. The economic reforms that were initiated in 1991 and the various pro-active steps that have been undertaken in various other sectors have all coalesced to create the ambience for India to reach 'the take-off' stage. Today, we can see a new found exuberance among Indians but this pride needs to be matched by humility as there is a long way for us to travel before we can truly achieve the *swaraj* that the Father of our Nation spoke of. Genuine *swaraj*, according to Gandhiji, was not simply freedom from oppressive colonial rule but freedom from hunger, from poverty and from deprivation. Genuine *swaraj* comes from genuine democracy because it leads to empowerment of the marginalized. It is for this reason that Prime Minister Dr Manmohan Singh has repeatedly emphasized that growth is only one part of the story and that the picture will only be complete when development accompanies growth. The UPA government has, accordingly, been emphatic on the need for growth to be inclusive so that the benefits of growth reach the majority of our people. Our commitment to this policy is total and complete and we



have initiated a series of social and economic measures that would contribute towards greater inclusiveness.

In international meetings, as well, we have been emphatic on our insistence that the development agenda needs to be a global concern. This is the main reason why the multilateral trade negotiations under the Doha Development Round continue to remain unfinished. The position taken by India, which has the support of the developing and least developed countries, is that if development is not placed at the heart of the trade agenda, the promises of the Development Round would remain unfulfilled. India and all developing countries remain committed to the early and successful conclusion of a just and fair Development Round that takes into account the legitimate concerns of the majority of countries across the globe.

You are all persons of influence in your countries. For us, you are our ambassadors because it is through you that our voice is heard not only among civil society but also at high levels of political office in your country. I would, accordingly, urge you to take this message across to everyone: Tell them that all developing countries are fully committed to free trade but insist that it must also be fair. Tell them also that regrettably, with the global meltdown, we feel that there would be an increasing tendency among developed countries to adopt protectionist measures that would deny access to their markets for products from developing countries. In our view, protectionism is simply not the solution in tackling global recession. It is also important to bear in mind that the current global financial and economic crisis would severely and negatively impact on the vulnerable economies in developing countries. The message to the developed countries needs to be loud and clear: Unless we find a collective solution that keeps in mind the developmental concerns of the poor countries, the impact on the global economy will be devastating and long term. I am confident that if we dovetail and combine our efforts, our voice would be heard across the globe.

The fact that the diaspora can play an important role is demonstrated by the vigour and the success with which it campaigned for the India specific waiver that was granted earlier this year by the international community on the issue of civilian use of nuclear energy. I believe this was a historic achievement and one that all of us should rightly be proud of. It demonstrated the unique respect with which the international community holds India and how closely it listens to the voice of the non-resident Indian community. We are both appreciative and humbled by the gesture and would like to place on record the tremendous support that was extended to us by the Indian diaspora.

For many of you the question of identity: who are you, might bother you. You might be asking yourself the question: are you Indian or are you American or whatever might be your citizenship. Studies have shown that we can all have multiple identities:- be it as a father or as a professional or as a person of birth in another country. None of these multiple identities need to conflict with one another, especially in the case of India especially because of the universal values that India stands for.

Understandably, many ask: What is India? Quite frankly, I believe that each and everyone of us will have his or her own 'definition' of the idea that is India. For me, India is so much and yet, so much more! I have sought answers in her mountains and rivers, in her people, in her music and in her villages. Every time I have come out with a better understanding of India, because in each of these India thrives.

I believe firmly that India is what her people are! She is resilient, she is inspiring, she is eternal. Especially when she is mauled and savaged. Where she finds the inner strength from, I do not know. But, she does.

A little over a month ago, Mumbai was attacked. Terrorist strikes in India are not unique or new. Yet, this attack in Mumbai will stand out because of the unique nature of its operation. Unlike what happened in Kabul where the Indian embassy was targeted through a suicide bomb blast, this will remain in the annals of international terrorist attacks as unique, because of the fact that a number of terrorists not only carried out a series of murderous attacks in multiple locations but because they chose to end their lives in an extended manner and not through a suicide attack. I believe this to be the singularly unique terrorist strike since 9/11 and hence, I believe that it is important that anti-terrorist wings in all countries take cognizance of this operation and bring the perpetrators to justice. Let us not forget that terrorism knows no borders. All of us are vulnerable to terrorist attacks.

Our job has been vastly facilitated by virtue of the fact that we have one of the terrorists in physical custody. He has told us quite categorically where he comes from, where he has received military and arms training from and where his handlers are located. Unfortunately, despite this, we have seen a consistent flip-flop in the reaction of the government in Islamabad.

The recent attacks in Mumbai brought about a huge international reaction: both anger at what happened in terms of the 'external hand' and sorrow at the number of persons who had died. We are deeply grateful for the

sympathy that poured out of all quarters, including at the level of common people. At the same time, after over a month of the operation there continues to be recalcitrance in bringing the perpetrators to justice.

In the words of the famous 16th century metaphysical poet John Donne, "no man is an island..... every man's death diminishes me." When death is caused by terrorism, I say to you all, it diminishes mankind.

I speak to you today as you are members of my family. A time has come to send a message out to all our friends and well-wishers: we are grateful to you all for your words of sympathy and of encouragement, but we expect you to do much more, especially because terrorism is a global problem. As our ambassadors abroad, your words will be heard in multiple corners of the globe. I call upon all of you to join us in playing the important role of taking forward our concerns to the world stage because these are concerns that you also share. Today India stands on the threshold of historic changes through its commitment to an agenda of inclusive growth; the objective of these terrorist strikes is to shake our resolve, to turn India's attention to other things. Let me say to you: India is capable of handling multiple challenges. Yet, let us not forget that India can succeed in her journey only if this kind of sponsored terrorism is resoundingly defeated, financially, monetarily, militarily and politically.

Thank you.



**244. Speech of President Shrimati Pratibha Devisingh Patil  
at the 7th Pravasi Bharatiya Divas Convention.**

**Chennai, January 9, 2009.**

Ladies and Gentlemen,

I am happy to be here at the Seventh Pravasi Bharatiya Divas. Let me begin by saying 'welcome home' and wish all of you a happy New Year. I am sure that your deliberations over the past two days would have been useful in understanding and re-connecting with India, the country of your origin. The meeting would also have provided an opportunity to renew contacts with old friends and to build new friendships. All this should contribute, in practical terms, to carry forward our overall agenda of the Indian overseas community engaging with India and vice-versa.

On this day, we commemorate the home coming in 1915, of Mahatma Gandhi, the first great Pravasi, from South Africa to lead a nonviolent struggle for freedom not only for India but also for those who similarly fought for freedom against colonial rule. This beautiful city has over the years distinguished itself as a major economic hub in this region and grown in stature as a modern and educationally as well as culturally vibrant city. I am happy that the first Central Maritime University of the country, which will promote maritime studies and research has been established here.

The Overseas Indian Community from this region has a strong presence in countries of South East Asia as a result of maritime and trade links between South India and South East Asia since ancient times. The people of South India share millennia of history, culture and economic ties with people in several countries.

Today, the Indian Diaspora is estimated at about 25 million and spread across 110 countries. The story of the overseas Indian community is truly the story of ordinary people with extraordinary courage and enterprise. It is a story of trials and tribulations and the eventual triumph of the migrants who traveled to distant lands. Overseas Indians are a large and well educated community. We are proud of the role they play in contributing to the growth of the countries of their adoption.

India too has grown in stature. Besides being acclaimed as a stable and responsible democracy since its independence, India's growth story has, in recent years, captured global imagination. Our focus for the future is to expand economic opportunity for all our people and propel our economy towards higher growth rates. India is seeking to bridge the infrastructure deficit and to achieve energy security, food security and human welfare security. Our task will be undertaken, in a climate of a global slowdown but

I believe that we have the capacity to grow even in these difficult times. The monetary and fiscal stimulus packages of the Government should generate the confidence. We should bear in mind that India, with its large dynamic domestic market, has an edge over the others.

The global economic crises has opened the debate of financial management of credit and banking systems which triggered the meltdown in the first instance. It is now raising the fear of recession in several countries. This has had its echo in our region as well. We need to learn lessons from the ongoing crisis and take measures to secure the future growth prospects of the global economy. This is also an opportunity to review existing global financial systems, structures and coordination mechanisms, with a view to taking corrective measures. I would like to mention two aspects in particular.

One, the key lesson is that sustainable economic growth is far too important to be left entirely to the market. The absence of regulation can and does create hazards. We have to create better regulatory systems and "best practices" in the management of capital markets as well as in fiscal policy. Global financial markets need a coherent set of transparent rules for all of the participants in order to have a fair and orderly market. We must enforce them evenly.

The second issue is the need for a global financial architecture that is more inclusive. Restructuring of the International Monetary Fund and the World Bank on a broad basis is necessary as the global economy today is so integrated that what happens in one part of the world can affect different parts of the world. Therefore, we, need to have a more participative and inclusive financial architecture for the management of the global economy that can be more responsive in preventing the recurrence of such economic crises in the future. India can contribute to this process in a significant way.

In India, we have an effective capital market regulator and a strong central bank. Our banks and financial institutions are based on fiduciary responsibility, are adequately capitalized and well regulated. As I mentioned earlier, the growth impetus of the Indian economy stems essentially from its large and growing domestic market. We have in the last five years seen high rates of domestic savings and investment.

Our economy has both the capacity and the resilience to remain on course for economic growth. India offers the opportunity to invest in a stable, growing market. I would like to see overseas Indians benefit from the various economic opportunities that India offers, in particular the huge investment options in India's infrastructure.

Your decision to invest in India will also be a strong rebuff to the terrorists who attacked Mumbai. These attacks were perpetrated by groups inimical

to a progressive, prosperous and secular India. Common citizens, policemen, firemen and Special Forces laid down their lives both as innocent victims and valiant warriors to defend the city. Today, on the occasion of the Pravasi Bharatiya Divas, we pay tribute to those valiant men and women.

Ladies and Gentlemen,

I congratulate Mr. Ramdien Sarjoe Vice President of Suriname, Mr. Angidi Chettiar, Vice-President of Mauritius and other distinguished overseas Indians who have been honoured with the conferment of the Pravasi Bharatiya Samman. This award is recognition of your eminence and a salute to your contribution to your people and country. Let me congratulate all of you.

I must on this occasion also commend the role of the overseas Indian workers. There are over five million overseas Indian workers who remit to India equivalent to between US \$ 10 to 12 billion every year. They are at the lower end of the income scale; their remittances however, not only support household consumption back home but also provide resources for investment in the rural sector, particularly agriculture. The Ministry of Overseas Indian Affairs should consider whether it is possible to institute a separate set of awards from next year onwards to recognize the contribution of overseas Indian workers. This will serve as a morale booster to them who work tirelessly overseas in difficult conditions. The genuine grievances of the overseas Indian should be addressed expeditiously. The Government could also look at innovative approaches to channelise foreign remittances, especially of workers for productive investment.

Ladies and Gentlemen,

Diasporas are both the products and the drivers of globalization process. However, in this process, worldwide disparities of incomes are widening. Poverty and inequity are incompatible with sustainability. The challenge is to reduce disparities through capacity building and providing the poor, access to knowledge and resources needed for a meaningful life. We must seek to bridge the knowledge divide between the 'haves' and the 'have - nots'.

It is a great challenge. You all can play a decisive role with the knowledge and experience you have gained as academics or scholars, scientists and technologists, professionals or businessmen. I have no doubt, as responsible citizens you will use your knowledge to change things for the better, both for yourselves and society.

I wish all of you success in your endeavors, with best wishes!

Thank you.

Jai Hind.



**245. Address of Vice President M. Hamid Ansari at the Indian Community Meeting.**

**Kuwait, April 6, 2009.**

I am delighted to be here and to have this opportunity to meet with all of you - representatives of the over five hundred and seventy five thousand strong Indian community in Kuwait.

Earlier today, I was received with great warmth and affection by His Highness Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah, the Crown Prince of the State of Kuwait. I also had the privilege to call on His Highness Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah, Amir of the State of Kuwait.

I shared with my interlocutors the high importance that India attaches to close and friendly ties with the State of Kuwait. During the discussions, the keenness and seriousness on the part of the State of Kuwait to join in further strengthening our bilateral ties, was reiterated. I also took the opportunity to thank His Highness the Amir for the care bestowed on the Indian community in Kuwait and for the efforts undertaken for its welfare.

My visit to Kuwait provides an opportunity to reaffirm the traditionally close and historical bonds of friendship that unite our two countries.

Ladies and gentlemen,

India and Kuwait are virtual neighbours. Our ties have come a long way since the time our trade was conducted through the sea route in traditional dhows. Our bilateral relations now encompass significant strategic, political and diverse economic interests.

It is a matter of satisfaction that Indians are the largest expatriate community in Kuwait. The Indian community here reflects India in all its rich diversity - an India that is multiethnic, multicultural, multilingual, and multi-religious. You are the modern face of the historic ties that have bound India and Kuwait for centuries.

It is deeply satisfying that there is much admiration for India and Indians amongst the Kuwaiti people. Many of you have been here for years and participated in Kuwait's development. Some of you belong to the second or even third generation of enterprising Indians who landed here many decades ago and made Kuwait their home. It is heartening that you have earned an enviable reputation for being disciplined, hard working, efficient, and law-abiding. Your contribution to the development of Kuwait is widely respected

and your enterprise and success is a source of pride. Your talents are contributing to the prosperity of Kuwait and the well-earned remittances sent by many of you are a crucial contribution to your families back home.

Each of you has an important contribution to make to further cementing our friendship and ties with the State of Kuwait. You have a pivotal role in spreading a message of friendship and goodwill with Kuwait at the people-to-people level. In many ways you are the ambassadors for India.

Ladies and Gentlemen,

The Government has taken several initiatives in the last few years for the benefit of the Overseas Indian community, as part of our commitment to your welfare and safety. We have entered into a number of arrangements with Kuwait and put in place bilateral mechanisms to discuss and resolve issues that may arise.

I understand there is now an Indian Community Welfare Fund functioning through our Embassy in Kuwait. In addition, the Embassy has recently established an Overseas Workers Resource Centre for domestic workers from India. It provides welfare measures, including grievance redressal and legal services, as well as a shelter for female and male workers in distress. I understand that a 24/7 toll free helpline will be made operational in the next few days and that free counseling services for those in need will soon become available at the Embassy.

My wife joins me in conveying our very best wishes to you and your families, and through you to all Indians in Kuwait, for your good health, happiness, and continued success in all your endeavours. I also take this opportunity to wish the leadership and the friendly people of the State of Kuwait peace, prosperity and continued well being.

Thank you.





**246. Speech by President Smt. Pratibha Devisingh Patil at the reception for the Indian community and interaction with students.**

**Madrid, Spain, April 20, 2009.**

Dear Countrymen,

Members of the Indian Community, and

Friends of India,

I am very happy to be in Spain on my first visit to this country. I reached here only a couple of hours earlier and it is only befitting that my visit to this beautiful country should begin with a meeting with the Indian community and friends of India. I bring with me, greetings and good wishes for you from India.

Relations between India and Spain go back in history. In spite of the geographical distance we had contacts. After the Panchatantra fables started moving Westward from India in the 6th century, they found their way into Spanish literature in the 13th century, probably through the Arab world and Greece. In the last century the friendship that developed between the Spanish poet Juan Ramon Jimenez and Gurudev Rabindra Nath Tagore is well known. We all know Columbus, whose voyages across the Atlantic led to general European awareness of the American continents, had actually set out to discover a sea route to India. There have been other memorable journeys since then - Jawaharlal Nehru visited Spain in 1938 to express solidarity with the people of Spain at a very difficult time in Spain's history and spent some days in Barcelona.

Apart from the historical linkages there are many commonalities between the two countries. Both are vibrant democracies and follow the parliamentary system of government. Both countries have rich cultural heritage. Institutions have been set up in both countries for promotion of these cultures in each other's territory. There is regular exchange of cultural troupes and film delegations. This has resulted in growing interest among the people of both countries in each other, enhanced people-to-people contacts and larger number of visits.

The Government of Spain stood by us at the time of the Mumbai attacks in November last year. The expression of support received by us from the Government and the people of Spain was, indeed, heart-warming. There

is no cause that justifies violence against unarmed civilians. There is no religion that preaches hatred and intolerance. The Mumbai attack and terrorist attacks in other parts of the world, including in Madrid have highlighted the importance of effective international cooperation against terrorism. All States have agreed to international commitments and obligations for preventing and countering terrorism and it is important that they be adhered to, so that such incidents do not happen.

Like India, Spain has some of the most prestigious educational institutions in the world and the number of Indian students studying here has been growing. I am glad that we have among us today some Indian students studying at the famous Instituto de Empresas. There are also students here who have achieved high proficiency in their studies in the frontier areas of science. Your studies and research are a valuable part of India's status as a knowledge power.

I am proud that Indians have made significant contributions to the development of this country and earned the respect of the local population. The Indian Diaspora is emerging as a major economic, social and cultural force. In recognition of this, the Government of India every year celebrates the Pravasi Bharatiya Divas to honour the contribution made by overseas Indians. If Indian culture and Indians are known and loved in Spain, the credit for this goes to you - you have established societies and groups devoted to India. You have labored to add luster to India's profile and we thank you most warmly. I urge all of you to continue to contribute to the promotion of closer relations between the two countries.

I wish you all success in your endeavors.

Thank You,

Jai Hind!



**247. Response by the External Affairs Minister S. M. Krishna to questions on the attack in the Gurudwara in Vienna.**

**New Delhi, May 25 and June 1, 2009.**

**May 25, 2009**

Since it was first reported, my Ministry has been carefully monitoring developments following the attack in the Gurudwara yesterday afternoon (local time) in Vienna. Our *Cd'A ad interim* in Vienna has been in regular contact with the Ministry.

At the very outset, I would like to convey my deep condolences at the unfortunate passing away of Sant Rama Nand who had been seriously injured in the attack and succumbed to injuries around midnight local time. Our Mission in Vienna will make necessary arrangements to enable his body to be brought back home.

The attack in the Gurudwara in Vienna is a matter of deep concern and regret, especially since many people have been injured and Sant Rama Nand has lost his life. There is no place for violence in a secular society like India's and certainly no excuse whatsoever for the violation of the sacred premises of a Gurudwara for narrow sectarian or other purposes.

Our Embassy in Vienna is in close contact with the Austrian Foreign Office, the Viennese police and the Austrian authorities. We are receiving the cooperation of the Austrian authorities and are determined to ensure that the perpetrators of this completely mindless and wanton attack are brought to justice.

My Ministry is continuing to monitor developments and necessary follow up action will be taken.

**June 1, 2009**

**On June 1 a delegation of political leaders from Punjab including parliamentarians called on the External Affairs Minister when the Minister of State in the Ministry Mrs. Preneet Kaur was also present. The following statement was issued after this meeting:**

"A delegation of political leaders from Punjab, including Parliamentarians called on the External Affairs Minister today, at the Ministry of External Affairs, to apprise him of the feelings of anguish and concern of the people

of Punjab and Punjabis, at the attack in the Gurudwara in Vienna recently, that led to the demise of Sant Rama Nand and injuries to Sant Niranjn Das. They also presented a Memorandum to EAM. MOS Smt. Preet Kaur was present during the meeting and participated in the interaction.

EAM expressed deep concern and regret at the incident, noting that there was no place for violence in a secular society like India. He assured the delegation that MEA had been in regular contact with our Embassy in Vienna over the incident and that developments were being closely monitored. The condition of Sant Niranjn Dass was stable and improving.

EAM added that the Embassy was proactively maintaining close contact with the Austrian Foreign Office, the Viennese police and other concerned Austrian authorities. The matter was under investigation by the Austrian authorities and results of their investigations were awaited. EAM also said that the Austrian Foreign Minister, during their telephonic conversation on 25 May, had assured him of full cooperation and assistance to bring the guilty to justice."



**248. Press Release issued by the Ministry of External Affairs on 'Guidelines for Indian Students wishing to Study in Australia'.**

**New Delhi, June 12, 2009.**

Australia has become one of the popular destinations of Indian students for pursuing higher studies. However, there have been incidents of robbery and assault on Indian students in Australia, particularly in Melbourne. Students are advised to carefully apprise themselves of the ground realities and go through the guidelines below:

**BEFORE leaving for Australia**

- Please be fully informed of all the actual costs involved, as also of the relevant rules and regulations governing work, housing and other aspects of living in Australia. You are strongly advised to do adequate research. Cross check and verify what you are told by agents, especially when it comes to financial matters.
- Study the official website of the Government of Australia for international students - <http://studyinaustralia.gov.au/Sia/Splash2.aspx>
- Make sure that the institution offering the course has a good reputation, especially if it is a private one. Please see <http://cricos.deewr.gov.au>
- Go through the website of the educational institution carefully and cross check if needed, with the Education Officer at the Australian High Commission in New Delhi ([www.dfat.gov.au](http://www.dfat.gov.au)) or the Consulates in Mumbai and Chennai.
- Make sure that you have a written agreement from the institution before paying any fees. This would be especially helpful in settling disputes if any.
- Ensure that you have adequate insurance covering accidents and medical needs from a reputed insurance company. Don't forget to regularly renew your policy. For more information see: <http://www.health.gov.au/internet/main/Publishing.nsf/Content/Overseas+Student+Health+Cover+FAQ-1>.
- A quick overview of Education Services for Overseas Students (ESOS) Act 2000 is available at: <http://aei.gov.au/AEI/ESOS/QuickInfo/default.htm>.

- Make sure you have enough funds to cover living and education costs. You may need at least A\$ 1200 a month for food, accommodation, transport etc. No matter what any one or the agent tells you, it is difficult to earn enough to meet all your expenses including tuition fees.
- You have many legal rights as a student in Australia. Learn about them at [www.aei.dest.gov.au/esos](http://www.aei.dest.gov.au/esos)
- Consider insuring any valuables that you may possess.
- Customs procedures are stringent and wrong declaration can evoke penalties. For details visit [www.aqis.gov.au](http://www.aqis.gov.au).

**AFTER you arrive in Australia**

- Please register with Indian High Commission / Consulate (see contact details below) as soon as possible.
- Familiarize yourself with the student services offered by your educational institution, such as counselling services, help in finding suitable accommodation and jobs, assistance in improving your English etc.
- Whatever accommodation you choose, remember it is your responsibility to maintain it and keep it clean.
- Seek details about the security situation in and around your university and place of stay, as well as, local policing arrangements from the university authorities.
- You should also contact local Indian associations and keep in touch with them. See [www.hcindia-au.org](http://www.hcindia-au.org) for the list of Associations in Australia.
- Remember that you represent India in Australia. Your behavior and actions should do the country proud.

**Living SAFELY in Australia**

- Please keep important documents and money in a safe place.
- Keep photocopies of your passport and important documents at a separate place.
- Please make sure that someone knows where you are going and at what time you are expected to return. Try not to be out alone late in the nights.

- Don't carry more cash than required, especially when traveling alone or late at night. Avoid flaunting expensive items, such as mobile phones, ipods or laptops.
- Always carry with you some identification and emergency contacts numbers.
- If in danger, dial 000 to get police help.
- In case you have a complaint, please get in touch with the Indian High Commission or the Consulate nearest to you. (Contact details below)
- If you have a genuine problem, do not hesitate to approach the police or other authorities; making a complaint will not affect your visa status.

Contact details of the Indian High Commission & Consulates in Australia

High Commission of India  
3-5, Moonah Place, Yarralumla, ACT 2600  
Website : [www.hcindia-au.org](http://www.hcindia-au.org)  
Tel: 02- 6225 4929  
E-mail: [ssec@hcindia-au.org](mailto:ssec@hcindia-au.org)

Contact person: Second Secretary(E&C)

Consulate General of India, Melbourne  
15, Munro Street, Coburg, VIC 3058  
Tel: 03-9384 0141  
E-mail: [cgo@cgimelb.org](mailto:cgo@cgimelb.org)

Contact person: Consul (Consular)

Consulate General of India, Sydney  
25, Bligh Street, Level 27, Sydney, NSW 2000  
Tel: 02-9223 9239  
E-mail: [indianc@indianconsulatesydney.org](mailto:indianc@indianconsulatesydney.org)

Contact person: Consul (Consular)



**249. Remarks by External Affairs Minister S. M. Krishna at the Reception hosted by the Indian Ambassador with the Indian Community.**

**Tokyo, July 4, 2009.**

Ambassador and Mrs. H. K. Singh,

Distinguished Members of the Indian Community,

Ladies and Gentlemen:

I deem it a great honour to be in your midst this evening. This is my first visit to Japan as the Minister of External Affairs, and I am delighted that I have come here at a time when our relations with Japan are at their best and surging further ahead.

2. The Community of Indians that has made Japan its home for varying periods of time constitutes a special bond between India and Japan. I am aware that the oldest component of the Community came to Japan some 140 years ago. Other segments of the community have come since India's independence, the most recent being the young IT professionals and engineers whose numbers are rapidly growing.

3. This Community may not be very large, but I understand it has grown by 25% to some 21,000 in past three years. But it is not numbers alone that makes you so special. You have kept the culture, spirit and idea of India alive in your adopted home. Your contributions to sharing the dynamism of the new India which is emerging today are equally noteworthy. As you help to build new bridges between India and Japan, I am confident that you will do so with diligence, creativity and enterprise that have become the hallmark of the Indian Diaspora all over the world.

4. From its villages and small towns to its large urban centres, India is on the move. Our economy continues to be in robust health and we are confident of being able to return to the higher growth trajectory of 2005-2008 by next year. Policies of deregulation and economic reform initiated since the early 1990s have unleashed the enormous entrepreneurial talent of our people and increased our global competitiveness. The Government of India has launched massive programmes for rural and urban renewal, public health and education. New policies enabling public-private partnership are driving forward plans to upgrade infrastructure nationwide. I believe that the transformations that are underway in India will bring about growth and prosperity to our people on an unprecedented scale.



5. The purpose of my visit to Japan is to enhance the appreciation of these very changes which have given us the capability to better partner with Japan and to emphasize that Japan can also contribute to this process as a longstanding friend and leading provider of developmental assistance. It is my belief that the educational, scientific and technological empowerment of a demographically younger India provides the basis for a long-term and mutually reinforcing partnership between Asia's leading democracies and knowledge powers, India and Japan.

6. For me, this visit to Japan so shortly after assumption of office represents an important step in our journey towards the realization of the true potential of India-Japan relations. I have held far reaching talks with my counterpart Mr. Hirofumi Nakasone, the Foreign Minister of Japan and met Prime Minister Taro Aso. We are looking forward to welcoming the Japanese Prime Minister in India for the annual bilateral Summit later this year.

7. I have also this morning inaugurated our new Embassy, which I am happy to say enhances India's image as a modern and great nation and provides ample space for economic and cultural interaction. I am certain that the Embassy's ample premises will facilitate your activities as well. I understand that the Indian Merchants Association of Yokohama (IMAY), the oldest Indian body in Japan dating back to 1929, has decided to reinvigorate itself and establish an Indian Chamber in Tokyo as a professionally run, representative body. This is a welcome step at a time when our economic engagement with Japan is intensifying.

8. The Indian Community in Japan has played a stellar role in promoting friendship and amity between the peoples of India and Japan. You have cultivated deep bonds with the Japanese community and enjoy their confidence and trust. You are helping drive bilateral economic relations. At the same time, you have also maintained close links with your motherland. We are proud of you. I invite you to join in the exciting journey of shaping the new India which is emerging, an India that is always open to its diaspora and provides an ever growing range of opportunities to its citizens at home and abroad.

I thank you once again for your warm welcome.



**250. Response\* of Official Spokesperson to a question regarding legalisation of stay of some Indians in Spain.**

**New Delhi, August 20, 2009.**

The Government has been engaged for several months in trying to find a solution to a problem faced by some of our nationals in Spain who wish to regularise their status but have been unable to do so on account of legal and technical issues about the jurisdiction and competence of authorities.

We are glad that because of the cooperation extended by Spanish authorities and the flexible approach adopted by both sides, a solution in the matter has been found.

It is our hope that this will enable those Indian nationals who wish to continue to reside in Spain to pursue their normal activities in a law abiding and productive manner, will now have the opportunity to do so.



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\* The spokesperson was responding to media reports that because of the delay on the part of the Government of India to grant them some clearance their regularization of stay in Spain was being held up.

**251. Speech by President Smt. Pratibha Devisingh Patil at the reception to meet the Indian community.**

**Dushanbe, September 6, 2009.**

My dear fellow citizens and esteemed guests,

It gives me great pleasure to be with you in beautiful Tajikistan. Though I have spent only a few hours in this country, I am impressed with its natural beauty, its landscape, and its people. Above all, I am deeply touched by the traditional Tajik welcome that was accorded to me and my delegation. I am happy that my first engagement begins with members of the Indian community and friends of India.

India has much in common with Tajikistan. We share ethnic, cultural and linguistic linkages. Our ancient history as well as our geography binds us together. My Government and the Government of Tajikistan have worked closely over the years to build a strong relationship that is cordial, friendly, trusting and contemporary. We value the friendship of Tajikistan as an important member of our extended neighbourhood. India is deeply interested in Tajikistan reaching its full potential as a prosperous, peaceful and progressive nation. Similarly, in Tajikistan we find great love and admiration for India.

I am pleased to know that more than 300 Indian students are pursuing medical education at Tajik State Medical University in Dushanbe. There can be no better gift for a young woman or man than quality education that makes them globally competitive. They are the future of our nation, and we owe much gratitude to Tajikistan and its people for accepting them so willingly and with so much love. I wish educational and professional success for all the Indian students studying in Tajikistan.

I have brought along with me three sets of medical books for the Tajik State Medical University which will be sent to them by our Embassy. It is a small token of our appreciation for all that the Medical University, its Rector and Faculty are doing for students. I also congratulate all of them as their University celebrates 70 years of a glorious record, this year.

Every country I visit, I learn of the achievements and contributions of the Indian Diaspora. Tajikistan is no exception. Though the Diaspora is small, I am aware that they are engaged in a variety of activities in many areas. I am told that Indians have a good representation in the pharmaceutical sector, as also in the various international organizations. We are happy

that you are contributing to the socio - economic development of Tajikistan. We urge you to excel in what ever you do, as your motherland is judged here by your actions. At the same time, be assured that Government of India gives priority to the welfare of the Indian Diaspora around the world, and is focused on issues confronting Indians and Persons of Indian origin living beyond our borders.

To our Tajik friends present here, I wish to say that we are aware of your contribution to bringing our two nations together, and increasing mutual understanding and friendship between our people. Though you are drawn from diverse backgrounds - from the media, academics and research, linguistics and oriental studies, art and literature - you all share the love for India. You have studied our common and shared history, our languages and cultural legacy. You are aware that India's interactions with your region are spread over millennia. There is hardly any Tajik intellectual, poet and writer in history who did not travel to or write about our country. This interaction has enriched both of us simultaneously. I also recognize the contribution of each one of you present here to strengthening the bonds between our two nations.

I also wish to address the Tajik youth who have studied and trained in India. We hope you have come back with professional skills and knowledge that equips you to face the challenges of your professional life. More importantly, we hope you have also come back with an understanding of the Indian society and culture. Values such as democracy, harmony and peaceful co-existence and the ability to assimilate change are the very essence of our civilisation. These are values relevant for all times and ages.

I particularly wish to recognize the hundreds of Tajik children who are enrolled for Hindi, dance and music classes at the Indian Cultural Centre. Their devotion to Indian culture is a testimony to the underlying commonalities between us. It is these young citizens who are constantly refreshing and strengthening our age old bonds, of friendship.

I wish to thank all of you for being present here today. I also urge you all to continue to contribute to the promotion of closer ties between our two nations. I also wish all of you great success in your endeavours.

Dhanyavad, Jai Hind.



**252. Speech by President Smt. Pratibha Devisingh Patil at the Indian Community Reception.**

**London, October 26, 2009.**

**Fellow citizens and friends,**

I extend my warm greetings to all of you. I am delighted that my first official engagement during my State Visit to the United Kingdom is with members of the Indian community. This fact by itself denotes the importance my Government attaches to our relations with the Indian diaspora.

The UK is host to more than one and a half million citizens of Indian origin, representing 2 percent of the population and who, I am told, are contributing 4 to 5 percent to the GDP here. Clearly, your involvement in the economic, social and political life of this country has been positively significant. Your hard work and constructive attitude has won you appreciation both in the country of your adoption and the country of your origin.

Even before we achieved Independence, the voices of Indians in Britain were heard not only from the educational institutions or debating fora in which they played prominent roles, but also from the very heart of democracy in the UK, the House of Commons. We salute statesmen like Dadabhai Naoroji, who was the first Asian Member of Parliament, representing the Finsbury Central constituency in 1892. We are proud that more than a century later today, there are over two dozen members of Indian origin in the Houses of Lords and Commons, representing all the three major British political parties.

We are aware of the role played by the first wave of immigrants from India, many from the Punjab, to the UK. They formed the backbone of the industrial workforce of this country and played a stellar role in rebuilding Britain's war-ravaged economy. For that you are all rightly honoured here. There are others among you whose families have overcome tremendous hardships as you made your way from areas of India such as Gujarat and Maharashtra to East Africa, and then, to the UK. You have worked hard and, today, there are many among you who are leaders in the world of business and finance. We recognize your achievements.

We also applaud those here today who are from the social services sectors. The contribution made by doctors and teachers from India to the public services in the UK, especially the National Health Service, has been significant. When we hear the Prime Minister of Great Britain, His Excellency

Mr Gordon Brown, mention the excellent treatment he personally received from by an Indian-origin doctor in the NHS, we feel proud of all of you!

**Ladies and Gentlemen,**

Education linkages are an important pillar of our relationship, and the two countries have identified it as a priority area for co-operation. Our interaction in this field though it existed even during the pre-Independence period is important. Mahatma Gandhi, the Father of the Nation, studied law in this very city of London as did Pandit Jawaharlal Nehru, the first Prime Minister of India and Sardar Vallabhbhai Patel, the first Home Minister and Deputy Prime Minister of India. The architect of India's Constitution, Dr Babasaheb Ambedkar, was a student at the London School of Economics.

Significant contributions have been made over a period of time, by Indian-origin teachers and scientists to the development of educational institutions in the UK. Most recently, we were delighted at the news of the Nobel Prize for Chemistry being conferred on Dr. Venkataraman Ramakrishnan, an Indian-origin scientist currently working at the University of Cambridge. He is here today and we all congratulate him. In the world of knowledge, we are proud of scientific, intellectual and literary achievements of Indians, whether living in India or overseas.

India has one of the youngest populations in the world. This is our greatest advantage in this century. I am happy to see that among the younger generation of our diaspora in the UK, there are many who are active not only in the traditional areas of the economy, healthcare and education, but also in culture, media and politics. In a way, this marks the coming of age of our younger generation here. In the years to come, this generation will be a vital bridge between our two countries.

I have met many youth groups of Indian origin from different countries at Rashtrapati Bhavan. I always tell them that they should maintain linkages with the country of their forefathers and build bonds of friendship with the youth of India. I also tell them about India's remarkable economic growth in the last decades. Indeed, even during the global financial and economic crisis, we were able to grow at more than 6 percent. Today, we are one of the major economies of the world and our weightage is only likely to grow further. Our conduct as the world's largest democracy has also been impeccable. We have demonstrated an uninterrupted adherence to respecting the mandates of elections. We are a stable country with an attractive market. In the global arena, we have been responsible and have

constantly upheld human values as well as sought to create a more peaceful, prosperous and just world. All this has given to India a special stature in the world.

Our focus for the future is to expand economic opportunities for all our people and propel the economy towards higher growth rate. We are in the process of undertaking a massive expansion of our infrastructure and to achieve energy security, food security and enhance welfare activities. I am confident that Indians living overseas will join in the endeavour to contribute to India's growth. As members of the Indian diaspora, you know better than others the challenges and opportunities that a resurgent India represents.

Today, the Indian Diaspora is estimated at about 25 million. We seek to engage and interact directly and substantively with them. The Ministry of Overseas Indian Affairs has been created to provide support and services to persons of Indian origin. Every year the Pravasi Bharatiya Divas is held and I myself have had the pleasure of inaugurating this annual meeting.

**Dear Friends,**

The future beckons all of us. We must work in our individual ways to contribute to the objective of building a great and dynamic India, which will be one of the mainstays of the emerging global order. I wish all of you, greater success and progress in your lives.

Jai Hind.



**253. Speech by President Shrimati Pratibha Devisingh Patil at the reception hosted in her honour by the Indian High Commissioner in Cypress.**

**Nicosia, October 30, 2009.**

Smt. D. Purandeswari, Minister of State for Human Resource Development,  
High Commissioner Ashok Kumar,

Friends of India,

Dear Fellow Compatriots,

My greetings to all of you.

It is a great pleasure for me to visit Cyprus and to have an opportunity to meet fellow compatriots living here and also to meet the Friends of India, who have contributed to building the warm ties that characterize relations between India and Cyprus.

Earlier in the day, I had the occasion to travel to some parts of Cyprus and was impressed with its rapid development. It is the hard work of its people which has transformed the Cypriot economy in the past three decades. We rejoice in the achievements of the Cypriot people - our close and trusted friends.

I am told that decades ago there were only a handful of Indians living in Cyprus. However now, due to the progressive vision of the Government of Cyprus, a large number of Indian professionals, particularly in the IT sector are working in this beautiful country. The number of Indians in professional courses in educational institutions in Cyprus has also increased. I was also happy to learn that the Indian community here represents a microcosm of India. People from different regions of India have come here and are living together harmoniously. This is how it should be.

Indians abroad are well known for being responsible citizens of the countries of their domicile. I have no doubt that each one of you is contributing, in your own way, towards the progress of Cyprus. You are also very important bridges of friendship between our two countries and I hope that during your stay and work here, you will contribute to further cementing the long standing ties between India and Cyprus.

India, as the world's largest democracy, with an electorate of over 714 million has moved forward decisively on the economic front, emerging as



the 4th largest economy in terms of purchasing power parity. India has a large pool of trained and skilled manpower - our scientists, technologists and professionals are doing us proud. Scientific research and technological development have taken firm roots, and Indians are contributing significantly to the knowledge economy all over the world. India has established its place as a major player in the IT and IT enabled Services sector. Leading analysts, opinion makers and economists are regularly commenting on India's growing stature in the emerging global order. Our nation is on the march towards a brighter future and I am confident that in this journey, the Indian Diaspora will be active participants.

We are undertaking a large scale expansion of infrastructure in India, which opens numerous opportunities for investment in roads, airports, shipping, energy among many others. India is also a large market in which the middle class has been growing. This makes it an attractive market, which has considerable purchasing capacity. We are expanding our education and healthcare sectors as essential pillars for building a human resource that is educated and healthy. We look at inclusive growth as important goal and hence, the Government has taken up social welfare programmes in whose implementation, civil society and NGOs are important partners. This is another field in which Indians abroad can play a role. I hope that you will support these efforts.

The Government of India on its part, is keenly interested in the well-being of the people of Indian origin who choose to live abroad. An exclusive Ministry for the welfare of Overseas Indians was established some years ago. It functions not only to address issues relating to the welfare of Indians abroad, but also to actively engage them as partners in India's development. Many schemes such as PIO and Overseas Citizen of India Cards have been launched. At the annual function of the Pravasi Bhartiya Divas, recognition is accorded to Indian nationals and persons of Indian origin living abroad who through their work contribute to promoting linkages between India and their country of domicile. I myself have participated at two occasions of the Pravasi Bharatiya Diwas, and seen for myself the deep emotional and cultural bonds that overseas Indians have for the land of their forefathers. I would urge you to continue to nurture these contacts.

In the end, I wish you well in your chosen careers. My best wishes to you all.

Thank you.



**254. Address of Prime Minister Dr. Manmohan Singh at the Reception for the Indian Community.**

**Washington (D.C), November 25, 2009.**

**Ambassador,**

**Members of the Indian Community in United States,**

**Ladies and Gentlemen,**

I am truly pleased to be here with you this evening and appreciate your warm welcome. I thank you for coming here from across the continent as representatives of a dynamic and creative community of Indian Americans.

I have had a fruitful and most stimulating visit to Washington DC. In my meetings with President Obama we resolved to further strengthen our bilateral relations and to work together as partners in a changing world. My wife and I have been truly touched by the warmth and generosity of the First Lady and President. I have invited them to visit India and I am delighted that he has accepted the invitation.

Friends, There were times in the past when the perspectives and priorities of our two countries were different. This often obscured the commonality of values and interests. Today things have changed. I wish to record our deep appreciation for the enormous contribution your creativity, your hard work, and your good citizenship have played in bringing our two nations together. We also value the contribution you have been making to India's progress and modernization.

Friends, India is on the march. While the global slowdown has hurt us too, we have been able to catch our breath and move forward. With a gross savings ratio of over 35 per cent of national income, and a gross investment ratio that is almost close to 40 per cent, we now have the economic pre-conditions for sustained high growth. Growth brings with it new challenges and new opportunities. We need a better education system. We need a better health care system. We need investment in education and health care. We need modern infrastructure. It is through the application of modern science and technology that we hope to march forward. More than the resources, however, we will require imagination and innovation to succeed.

People of Indian origin worldwide can contribute mightily to this effort. In the past few years we have already experienced what has been called a "reverse brain-drain". I would prefer to call this "brain gain" or, indeed, a meeting of

minds. We have tried to encourage this flow by making it easier for Indian and American scholars, scientists, business leaders and other professionals to work together. Let me take this opportunity to extend an invitation to all Indian Americans and non-resident Indians who wish to return home to India in one capacity or another. You no longer have to make a choice between here and there. Modern technology and our flexible policies have opened possibilities of working in both places. I want to see a true intellectual and business partnership between Indians and Americans in years to come.

We are similar in so many ways. We are both free and open societies. We are both plural, multi-ethnic, multi-racial and multi-religious societies. Metaphors like salad bowl, melting pot and the rainbow have been used to describe both our societies. We are constantly dealing with issues like coalition building, dealing with civil society organizations, non-governmental activism and the free consumer - of goods and ideas. This is what makes it easy for Indians to adapt themselves to the US and, dare I say, for Americans to adapt themselves to India. I hope you will be the bridge that will continue to connect our two nations and societies.

Friends, Relations with the United States will remain one of the important pillars of our foreign policy. We see the United States as an important partner for meeting our national development goals and in creating a global environment marked by consensus, co-existence and cooperation. Our relationship is not born out of a crisis or any one concern; nor does it exist in the context of any other relationship. It is nurtured by our shared values; and the bonds and mutual respect that exist between the people of our two democratic and pluralistic societies. It derives its vitality from recognition of the enormous potential for mutually beneficial cooperation and a sense of shared responsibility to work towards addressing global challenges. For these reasons, our agenda of bilateral cooperation is extremely wide-ranging. We are encouraged by the fact that we have made progress across the board in our shared objectives of making our economies more prosperous, our people and our world safer and our planet greener.

Today, on the eve of the first anniversary of the Mumbai attack, I would especially like to thank the United States for the support we received in the investigations and for our enhanced cooperation in the area of counter-terrorism. This is just one example of how we are working together to make our people more secure. President Obama and I met at a time when our relationship has matured into a strong strategic partnership of global dimension. This is a time of economic uncertainty and security challenges, but it is also a time of opportunity.

There is a greater global awareness of the challenges and the need for stronger resolve to address them. We had extremely good discussions on a wide range of bilateral, regional and global issues. This was our first detailed discussion in a bilateral setting. I found in him a great deal of respect for India and its values, and a strong commitment to this relationship. We have, I believe, laid the foundation for consolidating the gains in our relationship. We are establishing new directions in the next phase of our relationship that will enable us to meet the challenges of the 21st century.

Our relationship will see a new emphasis on five Es - economy, energy, environment, education and empowerment - even as we further strengthen our ties in defence, security and counter-terrorism. We will also harness our natural synergies in science and technology, education and research to advance food security, improve healthcare, develop green technologies and create the human resources for the future.

Ladies and gentlemen, It is through the example of your family life, your good neighbourliness, your enterprise and your contribution to knowledge and commerce that you have given the land of your ancestors a new identity in the new world. We, at home in India, value that. I thank you once again for coming here today. I know that many of you have traveled from far in a holiday week. I extend to you and your families good wishes for the Thanksgiving. Thank you.



**255. Remarks of Prime Minister Dr. Manmohan Singh at the Reception for the Indian Community.**

**Port of Spain, November 26, 2009.**

**High Commissioner Shri Malay Mishra,**

**Distinguished Ladies and Gentlemen**

My wife and I are delighted to be here with you all. We bring with us good wishes and good tidings from the people of India.

I am happy to be here in this beautiful country to participate in the Commonwealth Heads of Government meeting. The Commonwealth encompasses countries around the world where people of Indian origin have made a mark. In different and diverse countries you have successfully blended Indian culture and values with the local cultural and social environment. In doing so, you have demonstrated the unique liberalism and pluralism of Indian civilization. This is what enables each one of us to adapt and adopt to new homes and new neighborhoods.

When I meet people of Indian origin around the world I celebrate our pluralism as much as I celebrate our great civilisational inheritance. Indianness is like a large and all-encompassing banyan tree. It offers shade to everyone who comes in search of it. It has deep roots at home and branches that in turn go to great distances and strike roots there.

Ladies and Gentlemen,

Today's India is on the move, just as the people of Indian origin are on the move. India is reaching out to the world with confidence and in a spirit of live and let live. In reaching out to People of Indian Origin, we are also reaching out to the world. You are, for millions of Indians, the most visible symbol of our own globalisation.

There is a fundamental difference between the globalisation of India and many other developing countries. For us, globalisation is a natural means of linking up with the international community of Indians. As I have often said, if there is one phenomenon in the world over which the sun truly never sets, it is the phenomenon of the global community of people of Indian origin.

It is often said that the 21st century will be the "knowledge century". We in India are proud of our inheritance in this regard. Overseas Indians have

played an extremely important role in global brand building in this respect. I was in the United States earlier this week and felt proud as an Indian to meet so many people of Indian origin doing so well in so many different walks of life. If India is today viewed as a "knowledge economy" it is because of the reputation that people of Indian origin worldwide have earned through their creativity and diligence.

India today seeks to tap the wellspring of Indian creativity and enterprise from around the world. Our ability to do so will depend on our ability to forge partnerships, on the one hand, and our ability to provide the proper environment for the flowering of such partnerships at home. Our Government is committed to cementing a new bond of mutually beneficial collaboration between India and people of Indian origin around the world.

Ladies and Gentlemen,

I have often said that long before Indians crossed the seas as workers, they traveled the world as traders and teachers. Time was when the Indian gurukul system and our universities at Takshila, Nalanda and Nagarjuna, were the envy of the world. Even after independence, Indian colleges and universities continued to attract students from all over the world.

In the last twenty to thirty years, we have lost ground both because we failed to incentivise our institutions to become global players and because foreign universities became more aggressive in marketing. I am conscious of the fact that an important demand of the overseas Indian community is to secure access to educational opportunities in India. That is why our Government has been widening educational opportunities for people of Indian origin in India.

I know many of your children wish to experience the new India, having heard about an old India from their parents and grand parents. I want all those people of Indian origin who have never been to India to make a pilgrimage and discover the new India that is in the making.

I invite you to make use of the investment and business opportunities that India now offers. I invite you to be active partners of a new India and walk with us in finding new pathways of development and progress. I invite you to feel the love and affection of Mother India and feel the warmth of her embrace.

I also hope we can promote more tourism from India to these beautiful islands. Indians are now traveling around the world. I do think the Indian

diaspora can emerge as a major global network for the tourism and travel trade. There are many people of Indian origin on the US mainland who would be happy to come to these islands for business and holiday. There are win-win possibilities in this kind of business activity.

Education and business are the two major arenas through which we are reconnecting with people of Indian origin worldwide. But the cornerstone of our interaction remains our shared culture - both ancient and modern. I would like to see that children of people of Indian origin get opportunities wherever they are living to learn classical Indian dance and music. At the same time we must expand modern means of satellite based communication so that Indian film, music and television can reach your homes.

Ladies and Gentlemen:

Let me once again thank you for your warm hospitality and for your generosity of spirit. I wish you all a bright future in this great land that you have now made your home. I extend to the people of Trinidad & Tobago our best wishes and the love and affection of the people of India.

Thank you.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - VI**

**ASIA**

**(i) SOUTH ASIA- COUNTRIES OF THE  
SAARC**

**(ii) SOUTHEAST, EAST ASIA AND  
PACIFIC**

**(iii) WEST AND CENTRAL ASIA**



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**(i) COUNTRIES OF THE SAARC**

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**256. Suo Motu Statement by External Affairs Minister in Parliament on "Significant developments in our neighbourhood".**

**New Delhi, July 9, 2009.**

I rise to inform the House of significant developments in our relations with three important neighbours - Pakistan, Sri Lanka and Nepal.

2. Hon'ble Members will recall the Prime Minister's remarks in this House on June 9, 2009. He had said then that it is in our vital interest to make peace with Pakistan. In our vision of a cooperative and harmonious sub-continent, the relationship between India and Pakistan can be a critical building block. The Prime Minister had also referred to our intention of meeting Pakistan more than half way, if its leaders have the courage, determination and statesmanship to take the high road to peace. These sentiments encapsulate our approach. We also recognize the importance and salience of a continued dialogue with Pakistan. However, dialogue addressing mutual concerns is premised on an atmosphere free of the threat of violence. It was with this explicit premise that the Composite Dialogue Process was restarted in 2004. Despite achievements, the dialogue and our very relationship with Pakistan have come under stress recurrently because of the license which terrorist groups have had in Pakistan to carry out attacks on India.

3. Hon'ble Members are aware of the Government of Pakistan's assurances to us at the very highest level that it would not let territories under its control to be used for attacks against India. Notwithstanding these assurances, we have been repeatedly and severely hit by a series of terrorist attacks emanating from Pakistan. It is the responsibility of the Government of Pakistan to take all such steps as are necessary to address this issue and expose and take action against the conspiracies and conspirators responsible for such attacks. Unfortunately, terrorists in Pakistan continue attacks against India.

4. When the Prime Minister met President Asif Ali Zardari of Pakistan at the margins of the SCO Summit in Russia last month, the President of Pakistan told us of Pakistan's efforts to deal with the menace of terrorism and the difficulties that they face. It was agreed that the Foreign Secretaries of India and Pakistan will discuss what Pakistan is doing and can do to prevent terrorism from Pakistan against India and to bring to justice those responsible for these attacks, including the horrendous crime of the attacks in Mumbai. After the Foreign Secretaries report, we will be able to take stock of the situation at Sharm-el-Sheikh where, at the margins of the Non-Aligned Summit, Prime Minister will be meeting the Pakistani leadership.

5. Permit me now to briefly apprise the House of recent developments in

Sri Lanka. As Hon'ble Members are aware, after more than two decades of conflict involving the Sri Lankan Government and the Liberation Tigers of Tamil Eelam (LTTE), a terrorist organisation proscribed in India, the Sri Lankan Government in mid-May 2009 proclaimed the end of military operations after wresting back all the territory held by the LTTE. The death of several LTTE leaders was also announced, including that of Velupillai Prabhakaran, who is a proclaimed offender in India. This is a significant conclusion to the military conflict in Northern Sri Lanka.

6. The end of military operations in northern and eastern Sri Lanka is an opportunity to rebuild the country after the ravages of conflict. In the immediate post-conflict situation, the most pressing concern is to ensure the early resettlement and rehabilitation of the nearly three lakh Tamil civilians displaced by the conflict in the last year. The early return of the Internally Displaced Persons (IDPs) to their homes is a crucial first step towards reclaiming their lives and restoring normalcy. We have been assured by the Sri Lankan Government and President of their intention to proceed quickly with the task of resettlement. Mr. Basil Rajapaksa, Senior Adviser to the President of Sri Lanka, led a high-level delegation to India on June 24, 2009 when we studied the resettlement and rehabilitation issue in great detail. The Sri Lankan Government have committed themselves to resettling most IDPs in 180 days.

7. India will provide every possible assistance in the task of rehabilitation, resettlement and reconstruction. Hon'ble Members will recall that Prime Minister himself announced in this august House, India's firm commitment to engage with the process of relief and rehabilitation in Sri Lanka in keeping with our abiding interest in the well being of the Tamil people in that country. The Government has earmarked Rs. 500 crores for this purpose and we are willing to do more.

8. The immediate focus of the projects that will be taken up as part of this effort include deployment of four demining teams, which is a pre-requisite for IDPs to return to their homes, reconstruction of houses and supply of shelter material, medical assistance, and provision and repair of civil infrastructure.

9. Since November 2008, India has shipped 1.7 lakh family relief packs from Tamil Nadu for IDPs and civilians affected by the conflict. The packs included essential items such as dry rations, personal hygiene items, clothes, utensils etc. and were distributed to the beneficiaries by the ICRC. Another consignment of family packs will be dispatched from Tamil Nadu shortly. India has also been operating a full-fledged 60-member field hospital in Sri Lanka since March 2009. Since moving to its new location near Vavuniya after the end of military operations, more than 14,000 patients have been treated by the facility which is equipped with modern equipment and amenities and they have done commendable work. Further, two

consignments of medicines have also been gifted to Sri Lanka in view of the urgent requirement for civilians and IDPs.

10. The cessation of hostilities gives Sri Lanka an opportunity to make a new beginning and to build a better future for all her peoples and, therefore, for the region as a whole. We are convinced that a closure to the cycle of violence and terrorism that has plagued Sri Lanka requires an inclusive political process of dialogue and devolution. Such a process must address the legitimate aspirations of the minorities, including the Tamil community, within the democratic framework of a united Sri Lanka.

11. We have been assured by the Sri Lankan Government of their intention to pursue a political process that envisages a broader dialogue with all parties including the Tamil parties, the full implementation of the 13th Amendment to the Sri Lankan Constitution and to go beyond, so as to achieve meaningful devolution of powers. We will remain engaged with them through this process.

12. I would also like to take this opportunity to mention that the Government continues to closely monitor incidents affecting the safety of our fishermen in the waters between India and Sri Lanka. We have reiterated to Sri Lanka the need to ensure strict compliance with the understanding on fishing arrangements reached between the two countries in October 2008.

13. As a close neighbour with whom our security and prosperity are inescapably intertwined, the Government attaches utmost importance to the future course of events in Sri Lanka and has an interest in ensuring that a lasting political settlement is reached.

14. Finally, I wish to inform the House of recent developments in Nepal. As Hon'ble Members are aware, the peace process in Nepal after the Constituent Assembly elections last year has gone through many ups and downs.

15. Due to the nature of our relations and the open border, developments in Nepal have a direct impact on us. We are therefore concerned at the lack of progress on peace process issues and fraying of the political consensus that was critical to the peace process. The task of constitution making has also not progressed as per agreed schedule, and it remains to be seen whether it can be completed by the stipulated timeframe of April 2010.

16. There are also significant differences between political parties as to the structure of governance, issues like federalism etc., which they need to resolve. The Army Integration Special Committee, with the mandate to supervise, integrate and rehabilitate the combatants of the Maoist Army, was constituted in January 2009 along with a Technical Committee. No tangible progress has been achieved by it on the issue, too. Over 19,600 combatants of the People's Liberation Army (PLA) of the Maoists and over

4000 cadres disqualified by the UN Mission in Nepal (UNMIN), which include minors, continue to stay in cantonments with their upkeep paid for by the Government of Nepal and international donors.

17. Prime Minister Prachanda resigned on May 4, 2009, after a political crisis brought about by his insistence on removal of the Chief of Army Staff of Nepal Army in spite of opposition from major political parties, including the main coalition partner CPN-UML, and advice of the President.

18. Following his resignation, a new coalition Government has been formed under the leadership of Prime Minister Madhav Kumar Nepal of CPN-UML. The coalition Government is supported by 22 political parties and enjoys a majority in the 601 member Constituent Assembly, which also acts as Legislature-Parliament.

19. On her part, India has provided full support to the ongoing peace process in Nepal, including material assistance to strengthen the civil security forces and law enforcement machinery, and support for elections to the Constituent Assembly. We hope that the new government would be able to move expeditiously on the tasks of constitution making and conclusion of peace process on the basis of widest possible consensus. We have conveyed our commitment to assist the Government and people of Nepal in their endeavour of transition to multi-party democracy and conclusion of peace process, in any manner and to the extent Nepal would like us to.

20. The open border between India and Nepal offers opportunities, as well as challenges. Recently, there were allegations in the Nepalese media of encroachments on the border by Sashastra Seema Bal (SSB), which were found to be false. Strip maps covering about ninety six percent of the India-Nepal boundary have been jointly finalized and initialed. We have also agreed to establish local level mechanisms across the border to address issues related to border management.

21. Closure of the breach in the embankment of the Kosi river that occurred in August 2008 in Nepal has been carried out. We are also carrying out additional anti-erosion and protection works.

22. Our relations with Nepal are unique, and will continue to be a matter of highest priority for India. We do not view our fraternal ties with Nepal through the prism of its relations with any other country. A peaceful democratic Nepal is in the interest of the people of Nepal, of India and of our region. India will continue to support Nepal in its democratic transition and economic development in any manner and to the extent it would like us to.

Thank you!



**257. Key Note Address by Minister of State Dr. Shashi Tharoor at South Asia Peace Forum.**

**New Delhi, August 7, 2009.**

**Dr Park Jai Chang, President, Asia and Pacific Alliance of YMCAs,**

**Mr K John Cherian, National President of YMCA of India**

**Prof O J Oommen, Vice President of Asia Pacific Alliance of YMCAs (APAY)**

**Mr Vijay Sewag, President, New Delhi YMCA**

**Delegates from abroad, Young Friends**

**Ladies and Gentlemen**

I am delighted to be here to deliver the keynote address for the YMCA South Asia Peace Forum, to this gathering of people who are working towards achieving something which we all desire but sadly lack in large measure in many parts of the world. However, it is heartening to note that efforts to build peace and to achieve reconciliation, justice and sustainable livelihoods which would put us at peace with ourselves and with nature are not lacking and this gives us reason for hope rather than despair.

2. At the risk of sounding more formal than necessary, I would here like to highlight the important role that the YMCA movement has played all over the world not only in bringing together young people across the globe but also in serving as a forum for the expression of those precious human qualities which unite people of diverse cultures, ethnicities, religions, genders, and linguistic backgrounds. Although by name it is Christian organisation, we in India, have never seen the YMCA as only the preserve of our Christian brothers and sisters but as a body that belongs to every one of us. In fact, I know from personal experience that people of all regions and creeds actively participate in the activities and programmes of the YMCA. YMCA has become an integral part of the Indian ethos and the Indian way of life. It is not an exaggeration if I say that many of us have somehow and other been touched by YMCA in our lives, whether we have stayed in the YMCA hostel or undergone a training programme or honed our language skills in a YMCA institute, or, as in my case, made our first foray into local politics through a speech at a YMCA centre. This humanitarian and social work of YMCA has built enormous goodwill for the YMCA not only in India but all over the world.



3. In this context, when the message of peace-building and reconciliation comes from YMCA, it carries further and deeper and has greater resonance and relevance. For me, therefore, it is not surprising to see this initiative coming from the YMCA. I am also heartened by the tremendous response the YMCA Peace Forum has obtained, as reflected in the participation of so many delegates from India and abroad.

4. The notion of peace-building rests on an acknowledgement, particularly in post-conflict situations, that peace is not merely the absence of war and does not automatically follow at the end of war. To build peace, one must move from conflict and destruction to relief and rehabilitation, then to sustainable development, and to building democratic political institutions which will collectively help ensure that peace endures and the region does not lapse back into war.

5. With reference to our part of the world which is the focus of this meeting, I would say that as we are host to diverse communities, religions, ethnicities and ways of life, the message of this initiative is very important and relevant. South Asia is perhaps one of the most culturally diverse parts of the world. We are also the most populous and densely populated regions of the world with scarce natural resources. It follows from that we have the greatest requirement to live in harmony with each other and with nature. The mandate of the Asia Pacific Alliance of YMCA of (i) global citizenship and social responsibility; (ii) peace with justice; and (iii) sustainability for life - the three pillars on which Asia Pacific Alliance proposes to work- will find tremendous room for application in our South Asian context.

6. For centuries, South Asia has been the home for the peaceful coexistence of various peoples in harmony with nature. People of many faiths have lived together for ages and our region has given birth to many religions, be it Hinduism, Buddhism, Sikhism or Jainism. There were practicing Christians on the Malabar coast before Christianity reached Europe. Our society has since times immemorial placed virtue on frugal ways and on extracting the very least from nature. It is not a coincidence that a large percentage of our people are vegetarian. It is because, over the years, people in our region have realised that vegetarianism is a lifestyle that demands less from our planet. For instance, vegetarians contribute far less to global warming than meat-eaters! This is one possible example of the ways and means that this initiative can pick from our region and take the message forward.

7. The approach to implementing peace initiatives in this sub-continent could be learned from ground realities while implementing best practices

from around the world. I know that I am addressing experts and therefore would not expand more on this subject. I would only like to reiterate my message that this initiative is most welcome and I am confident the deliberations of this Forum will throw up imaginative ideas on peace building and reconciliation in the South Asian context. I wish you all the best. I have great pleasure in inaugurating this Forum.

Thank you.



**258 Keynote Address by Foreign Secretary Mrs. Nirupama Rao at IDSA Conference on "SOUTH ASIA 2020: Moving towards Cooperation or Conflict?"**

**New Delhi, November 4, 2009.**

**Shri N.S.Sisodia, Director General, Institute of Defence and Strategic Analysis,**

**Distinguished Speakers,**

**Friends from South Asia,**

**Ladies and Gentlemen,**

Thank you for asking me to speak at this important Conference on South Asia organized by the Institute of Defence and Strategic Analyses.

That we strive for a peaceful and stable neighbourhood, and for building peaceful and mutually beneficial relations with our neighbours goes without saying. This is an issue of critical importance since in the absence of such a neighbourhood, our efforts to play any substantive regional or global role, in accordance with our size and economic strength, and also our unhindered economic development would stand to be affected. Therefore, having a peaceful and stable neighbourhood is one of our top most foreign policy goals.

The proposed theme of this Conference on the prognosis for the South Asian region in the coming decade is indeed of critical relevance to India and the region. The sub-text - moving towards cooperation or conflict - is in a sense also reflective of our collective efforts in the region to forge a more integrated South Asian region and the successes and shortcomings of the SAARC

process, which is a tangible expression of these efforts. A certain sense of disappointment is understandable. While, we have indeed come a long way since SAARC was established in 1985, there is also no denying the fact that SAARC has not moved as quickly and substantively as all of us would have desired. An example that readily comes to mind is ASEAN. The ASEAN experience is a clear signal to potential opportunities that can be realized if we were to accelerate the process of regional integration. Greater economic cooperation and connectivity should be the lodestars for this endeavour.

Given our shared history and common cultural, linguistic and ethnic ties, there has always existed an implicit assumption that greater regional integration should have been easy to achieve. But that has not been the case. How do we do achieve this goal? What are the challenges we face on the path to such achievement? What is our approach to the region?

We believe that the future of peace, security and development of South Asia has to be embedded in the paradigm of common economic prosperity. India is also already engaged in this process at the bilateral level and collectively as part of the SAARC process. The challenge today for us is to build inter-dependencies which not only integrate our region but also create a vested interest in each other's stability and prosperity. Critical to this endeavour is connectivity of goods, people and ideas. India has also actively provided development assistance and is engaged in capacity augmentation and institution-building exercises in our neighbouring countries. Within this overall approach, there is the challenge of evolving differentiated responses best suited to the requirements of our neighbours as they are in varying stages of transition both on the political and socio-economic fronts.

I would argue that it is the threat of terrorism that is the most important threat facing us and which if not addressed immediately and collectively has the potential to engulf the region and beyond. At the same time, there are other developments that signal cautious optimism. Most of our neighbours are going through major internal political transformations that express the voice and aspirations of their peoples. India has been actively engaged with its neighbours to promote peace and stability in the subcontinent. There is also the challenge of managing relations with our immediate neighbours on account of the geography of the region and also because our bilateral relations cannot be seen solely from the foreign policy perspective.

Let me elaborate. Geography has played an important role in shaping perceptions of our neighbours in South Asia towards India. That India is a large country is a given fact. This in itself causes apprehensions of so-

called domination among our neighbours. It is also a fact that most of our neighbours share borders not only with India but also in most cases with one more country in the region. However, in an almost gravitational sense, they have to necessarily depend on India for physical connectivity in the region. This dependence is more acute for land-locked countries. India has thus to play a central role in carrying forward the process of improving connectivity in the region. What is it that India can do to ensure that our neighbours feel more secure about us and that our approach is seen as more inclusive? Today, with sustained high economic growth rates over the past decade, India is in a better position to offer a significant stake to our neighbours in our own prosperity and growth. We have consistently conveyed to our neighbours that they need to see India as an opportunity and that India is ready to work with them for mutual benefit.

There is also a need to recognize that our relations with immediate neighbours in South Asia also have a clear domestic dimension. For example, our relations with Myanmar need to take into account the presence of tribal groups across our borders that can influence developments and impact on security in our bordering states of Arunachal Pradesh, Nagaland, Manipur and Mizoram. At the same time, these links could also be a powerful binder. Our dealings with Nepal need to take into consideration perspectives of bordering States such as U.P., Bihar, Sikkim. Similarly, our initiatives with Bangladesh need to take into account perspectives of West Bengal and our North-eastern States on issues such as migration, water sharing, trade or transportation.

There is also the challenge of globalisation that has brought problems of a transnational nature in its wake and that makes it mandatory for us to seek collaborative inter-state and regional responses. These problems include issues such as organised crime, money-laundering, pandemics, food security, energy security, etc.

Terrorism remains a central challenge to regional security. This was again underscored by the terrorist attack on our Mission in Kabul on 8 October 2009 as also previously by frequent terrorist incidents including the 26/11 Mumbai attacks. There is a real challenge posed by resurgence of the Taliban and Al Qaeda. There is a need for the international community to recommit itself in assisting Afghanistan. India is also playing its due part. Our assistance programme in Afghanistan worth US\$ 1.2 billion has been focussed on building indigenous Afghan capacities and institutions for an effective state system that is able to deliver goods and services to the Afghan people.

There is a growing consensus that the increase in terrorist activities in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. The international community should put effective pressure on Pakistan to implement its stated commitment to deal with terrorist groups within its territory or else the gains of the past eight years in Afghanistan would be wiped out. Failure to act effectively runs the risk of catapulting the region into a spiral of violence that would inevitably adversely affect the region including India. Recent incidents in our neighbourhood are also a stark reminder that those who strike Faustian bargains with such elements are often left to rue the consequences. We cannot afford to lose the battle against the ideologies of hatred, fanaticism and violence. We must act jointly and with determination to meet the challenge posed by terrorism and to defend the values of pluralism, peaceful coexistence and the rule of law.

We firmly believe that a stable Pakistan at peace with itself and region is a desirable objective. We have, on several occasions, conveyed to the Pakistani leadership our desire to engage in meaningful discussions and to develop our relations in a positive manner. This is only possible when Pakistan fulfils its commitment not to allow its territory to be used for terrorist activities against India.

Notwithstanding the threat that terrorism poses, other developments in the region, which if sustained and handled carefully, augur well for the region. India is also playing its due role to ensure that these developments become a source of greater stability in the region. Nepal today is undergoing a transition towards to a democratic polity. India has supported this process. We had also provided assistance to the peace process, including vehicles, communication equipment, electronic voting machines and other logistical support worth Rs 150 crores. We have been encouraging all political parties to cooperate with the new government in working towards early conclusion of the peace process on the basis of widest possible consensus.

The comprehensive defeat of the LTTE in Sri Lanka provides the country with a historic opportunity to ensure a future free from terrorism and conflict. We support a lasting political settlement in Sri Lanka that meets the political aspirations of all communities through the effective devolution of power. We have extended humanitarian assistance to Sri Lanka including for the rehabilitation of internally displaced persons. We are moving from purely relief efforts to a broader rehabilitation and reconstruction phase. The Government has already committed Rs. 500 crores for this purpose. Our

assistance so far covers humanitarian supplies such as food, medicines, shelter material, and other essential supplies. We set up an emergency field hospital that treated over 50,000 people in the past six months'. Four Indian de-mining teams are presently working in Northern Sri Lanka. We are also providing assistance to revive agriculture there. Both sides are also discussing our readiness to assist in reconstruction of critical civil infrastructure in Sri Lanka.

A welcome development was the return of Bangladesh to multi-party politics. We are working closely with the newly elected Government to build further on our historical bonds of friendship and to take our relations forward in a mutually beneficial way. The Bangladesh leadership has assured us that Bangladesh's territory will not be allowed to be used by elements inimical to the interests of India.

Our close relations with Bhutan had developed further during the last one year and since the introduction of democracy in Bhutan. The India-Bhutan Friendship Treaty updated in 2007 not only reflects the contemporary nature of our relationship but also lays the foundation for their future development in the 21st century.

With Myanmar, India has consistently maintained that the national reconciliation process should be expedited and be more broad-based. We hope that free and fair elections would be held in Myanmar in 2010 as scheduled. Our engagement with Myanmar has grown constructively in recent years.

India welcomed the first multi-party elections held in Maldives in October 2008. Both governments are committed to maintaining and developing our close and friendly relations.

The SAARC process offers an important vehicle for achievement of a peaceful, prosperous and stable South Asian region. As the largest country in the region and its strongest economy, India has expressed its willingness to assume greater responsibility to encourage the SAARC process. In recent years, SAARC is undergoing a transformation from a declaratory to an implementation phase. Its core institutional mechanisms have been activated, namely, the SAARC Food Bank, the SAARC Development Fund, the South Asian University, the SAARC Arbitration Council, and the SAARC Regional Standards Organization. We have also disbursed our voluntary and assessed contributions of US\$190 million. This is in line with India's asymmetric and non-reciprocal commitments to SAARC.

We are also pursuing several other regional economic cooperation mechanisms involving the region. These include the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation, BIMSTEC. India is also a Summit Partner of the Association of South East Asian countries. These ties are growing exponentially as was witnessed during last week's Summit meetings in Thailand.

With regard to bilateral economic and commercial relations in the South Asian region, India has taken the lead. India is largest trade partner and one of the most important foreign investors in our neighbouring countries. We have established a free trade arrangement with Sri Lanka. There is duty free access wef January 1, 2008 for products originating from Bangladesh, except for items in the sensitive list, which has also been substantially pruned down.

In terms of trade infrastructure and connectivity, there are 15 transit routes from Kolkata /Haldia to Nepal for its third country trade. We have now agreed to add Vishakhapatnam port for this purpose. The creation of an ICD in Birgunj and extension of the railway line from Raxaul to Birgunj has facilitated movement of goods in transit by rail. There is also a direct road transit route from Nepal to Bangladesh for bilateral and third country trade. A direct railway transit route is under discussion. With Bangladesh, we have more than 20 operational land customs stations, 4 points for movement of goods by train and 8 routes for movement through river systems. Dhaka is connected with Kolkata by road and train service and to Agartala by bus service. With Myanmar, we are undertaking the Kaladan Multi Modal Transit Project involving sea, river and road connectivity and several road projects across the border.

Better connectivity is necessary to fully utilize our geographical resources endowment. The Government has embarked on an ambitious programme for upgradation of border infrastructure along our borders with Nepal, Bhutan, Myanmar and Bangladesh. These projects involve upgradation of highways, extension of railway lines into neighbouring countries, restoration of rail links with Pakistan and Bangladesh and setting up of integrated check points. These projects would lead to improvement of infrastructure in our bordering areas and improvement of transport connectivity with them.

SAARC has also already identified a number of projects based on its regional multi-modal transport study. In addition to increasing connectivity between India and its neighbours, several road corridors have been identified linking Afghanistan-Pakistan; Afghanistan-Pakistan-India-Nepal; Bangladesh-India-Nepal, etc. There is also a proposal to restore the ferry service between India and Sri Lanka through Colombo-Cochin route.

Our aspirations of full regional connectivity would not be met merely through physical connectivity. We also need to put in place enabling mechanisms to make travel freer and easier. India has taken measures to liberalise visas for students, teachers, professors, journalists and patients from SAARC countries. South Asia University is an ambitious project reflecting our effort to enhance connectivity of the mind. The SAARC University Project, which is scheduled to open in less than a year, would cater to more than 5000 students, when fully operational in five years' time.

Development cooperation is a natural and well-recognized method to promote closer regional ties. Our own fast pace of economic growth exerts a ripple effect in the region as it attracts our neighbours to access the benefits that stem from the growth of our market, our infrastructure, and our level of development in various fields, be it education, healthcare, financial services, and communications. As mentioned earlier, India has been actively involved in providing development assistance to our neighbours.

We have also begun discussing issues such as food security and climate change that impact on our development strategies and need our focused attention. The South Asia region is highly vulnerable to the effects of climate change in particular due to potential melting of glaciers and inundation of low lying islands and coastal areas. Increased glacier melts would initially cause floods but would eventually lead to reduced water flows in our major rivers. All these developments would have severe implications for food and water security in South Asia.

India is constructively engaging in the multilateral negotiations taking place under the UN Framework Convention on Climate Change (UNFCCC). The main principle on which the Convention is based is the principle of "common but differentiated responsibilities and respective capabilities". We firmly believe that Climate Change should not be an excuse to add a greater burden or impose conditionalities onto the development challenges that developing countries face. We also have to move away from concentrating on 'mitigation' only and ensure that there is a focus on adaptation, which is critical for developing countries.

Cognizant of the threat that Climate Change poses, India has already taken several independent initiatives. India has launched National Action Plan on Climate Change and India stands ready to share its experience with our neighbours. There are number of areas that are relevant to them such as our mission on sustaining the Himalayan ecosystem, protection of coastal areas, disaster management strategies and collaborative research on climate change modeling.



My address would be incomplete without addressing the subject of our relations with China, our largest neighbor. China borders our region of South Asia, and with India alone, it shares a border of almost 3500 km. The relationship we have with China is complex but growingly variegated in texture and substance. The rapid growth of both India and China is a phenomenon that in many ways is a source of energy and dynamism in the regional and global context. I see our dialogue with China acquiring further substance and relevance in the years to come, with even more effort and political will being invested in seeking a fair, reasonable and mutually acceptable settlement of the outstanding boundary question between the two countries. The maintenance of peace and tranquility in the border areas will receive close and continuing attention in this scenario. We are however conscious of the fact that outstanding issues in our relationship with China will take time to be resolved.

China's relations with our South Asian neighbours are also growing in many areas with increased trade and economic activity, political level interaction, and cultural and educational exchanges, apart from transportation links and connectivity. But the compelling logic and rationale for closer ties between our South Asian neighbours and India must not be deterred or diluted by such developments. These are ties dictated by geography, the need for security and stability, mutual economic advantage, transit and connectivity, shared cultural traditions, the movement of people, common approaches to the management of natural disasters and climate change, and developmental priorities that can only be achieved by close cooperation and constant dialogue.

In conclusion, and on balance, I believe that we can look to the future with a sense of optimism and purpose. We stand committed to both bilateral and regional efforts in building a stable, peaceful, vibrant and economically prosperous South Asia. The year 2020 is an achievable target date and we must jointly work to this end.

I am also certain that deliberations at this important conference would come up with useful ideas and suggestions that governments in the region can draw upon in our endeavour to forging closer regional integration. I wish the conference all success.



**259. Inaugural Address by External Affairs Minister S. M. Krishna at Conference on 'South Asian Economic Integration' organized by the Federation of Indian Chamber of Commerce and Industry.**

**New Delhi, November 17, 2009.**

**Dr Amit Mitra, Secretary General, Federation of Indian Chamber of Commerce & Industry,**

**Mr. Rajat Nag, Managing Director General, ADB**

**Dr Tariq Sayeed, Secretary General, SAARC Chamber of Commerce & Industry,**

**Dr. Sheel Kant Sharma, Secretary General, SAARC,**

**Distinguished delegates from SAARC member states,**

**Ladies and Gentlemen,**

It gives me great pleasure to inaugurate this very important and very timely Conference on South Asian economic integration, and to share some thoughts on this subject.

SAARC countries represent one-fifth of humanity. It is only through closer economic cooperation that we can harness the region's full potential and bring the fruits of development to its people. It is heartening to see that this Conference intends to go beyond broad generalities, to discuss specific themes including trade, customs union, the South Asia Free Trade Area (SAFTA) and building a SAARC "brand".

It is encouraging that we are already considering a SAARC "brand", an indicator of how dynamically this young regional organisation has grown. In fact, SAARC is already being "branded" in some ways, through (a) its regional projects being implemented out of the SAARC Development Fund; (b) increased people-to-people level activities; and (c) establishment of regional entities such as the South Asian University in New Delhi, the SAARC Standards Regional Organisation in Dhaka and the SAARC Arbitration Council in Islamabad. The SAARC "brand" is set to grow stronger in coming decades.

Let me assure you that India is committed to fulfilling its responsibilities in SAARC in an asymmetric and non-reciprocal manner for the benefit of the countries in the region. Recent exchanges in the SAARC Summits have catalysed SAARC's transformation from declaratory to implementation phase. The recent Ministerial Meeting of SAFTA has taken forward the on-going negotiations for full implementation of SAFTA in letter and spirit.

India's has given zero duty access to Least Developed Countries (LDCs) from January 1, 2008, one year ahead of the target date and unilaterally reduced its Negative List with respect to LDCs from 744 to 480. A draft Agreement on Trade in Services is in the final stages of negotiation, to be ready for signature at the next SAARC Summit. Discussions are also ongoing in SAARC to strengthen financial integration with a view towards a regional Customs Union.

**Ladies and gentlemen,**

**Let me now enumerate some of the milestones of SAARC.**

The SAARC Food Bank is now operational with a total stock of 2,43,000 MT contributed by all SAARC member states. The establishment of the South Asian University is on schedule. We are in the process of acquiring 100 acres of land and are ready to disburse our financial commitment to the University to make it operational hopefully by July next year. The SAARC Development Fund's Social Window is already funding regional projects in SAARC member states. The SAARC Textiles Museum in New Delhi is on the threshold of establishment.

The signing of the SAARC Convention on Mutual Assistance in Criminal Matters in Colombo at the 15th SAARC Summit has generated momentum for concluding agreements in other security related areas. For instance, a SAARC Regional Task Force recently finalized the Standard Operating Protocol on Trafficking of Women & Children.

People-to-people level exchanges and activities have risen significantly through SAARC training programmes, workshops and cultural activities. We have already held a SAARC Trade Fair, SAARC Handlooms and Handicrafts Exhibitions, South Asian Bands Festivals, SAARC Festivals of Literature, a SAARC Folklore Festival, a SAARC Food Festival and a SAARC Fashion Show.

A word about physical connectivity. I am glad that physical connectivity will be strengthened based on the recommendations of the SAARC Transport Ministers Meeting, which include (i) identifying three road corridors from SAARC member states through Pakistan to Afghanistan via the Attari-Wagah border; (ii) early commencement of Colombo-Cochin sea link; (iii) running of a demonstration container train from Pakistan to Bangladesh through India and Nepal; (iv) early commencement of direct air linkage between New Delhi and Male; and (v) establishment of an Expert Group to finalise Motor Vehicles and Railway Agreements.

As a mark of our commitment to regional integration, we have initiated regional projects in Telemedicine, Tele-Education, Solar Rural Electrification, Seed Testing Laboratories and Rainwater Harvesting that are progressing well.

**Ladies and gentlemen,**

No discussion on SAARC can be complete without touching upon the underlying factors affecting the overall political situation in our region. Given the shared history and common cultural, linguistic and ethnic ties, we see cooperation in South Asia as essential to the region's overall stability and prosperity. However, our engagement in general and within SAARC in particular, falls far short when compared to the success achieved in other regions, such as ASEAN. Whereas prospects for cooperation are bright, a realistic assessment indicates that these prospects have, to an extent, become captive to the security situation. Issues such as cross border terrorism and incidents of anti-India activities from territories of our neighbouring countries have impacted on the process of regional economic engagement, connectivity and people-to-people contacts. While this is unfortunate, the fact remains that the state of overall political relations influences other processes, including economic and trade relations and the development of SAARC as an instrument of regional growth.

In conclusion, let me say that very often in history, nations and governments have followed the path first taken by entrepreneurs, businessmen and daring individuals, who have set out a course in difficult, and sometimes uncharted, waters. I do not wish to recount here the numerous such examples that exist in international affairs. While the government is committed to the process of building deeper regional integration, South Asia is also looking towards its entrepreneurs and businessmen, to play a leading role in promoting economic cooperation and help build a climate of mutual trust and confidence. The need of the hour for South Asia is to move beyond security issues that shackle it, into an era of mutual trust and mutually reinforcing growth and development. United, the South Asian countries can swim and smoothly tide over obstacles like the global financial crisis. Divided, we may well remain boxed in, holding our future hostage to hostile mindsets. On this occasion of the SAARC Economic Integration Conference, I urge you all to dedicate yourself to the pursuit of greater flow of trade, investment, knowledge and skills, that would lead to a qualitative enhancement in the well being of the South Asian peoples. Let me assure you that the Government of India stands ready to assist you in every way in this noble endeavour.

I keenly look forward to a substantive outcome from this Conference, for use of our leaders at the next SAARC Summit.

Thank you.



**AFGHANISTAN****260. Joint Statement issued on the occasion of the visit of the Afghan President Hamid Karzai.****New Delhi, January 12, 2009.**

At the invitation Dr. Manmohan Singh, Prime Minister of the Republic of India, His Excellency Mr. Hamid Karzai, President of the Islamic Republic of Afghanistan, is currently on a working visit to India.

2. President Karzai's visit to India is symbolic, to express Afghanistan's solidarity with the Government and people of India in the wake of the Mumbai terrorist attack. The deplorable incident shows that terrorism is a threat to the entire humanity.

3. The leaders called for the full compliance with bilateral, multilateral and international obligations of States to prevent terrorism in any manner originating from territories under their control since terrorism emanates from the sanctuaries and training camps and the sustenance and support received by the terrorist groups.

4. While reviewing their robust, strategic partnership, the two leaders expressed satisfaction at the progress in bilateral development and reconstruction projects in all parts of Afghanistan.

5. Prime Minister Dr. Singh conveyed to President Karzai that, following the completion of the road from Zaranj to Delaram in South-western Afghanistan, a second major infrastructure project, the Pul-e-Khumri to Kabul transmission line and the sub-station at Chimtala in Northern Afghanistan, will be handed over shortly to the Government of Afghanistan. The leaders expressed their satisfaction that the construction of the Afghan Parliament, a symbol of the common commitment of both countries to pluralism and democracy, has also begun.

6. Prime Minister Dr. Singh further conveyed that in order to help the fraternal people of Afghanistan in tiding over their current food crisis, India will gift Afghanistan 250,000 metric tonnes of wheat. The shipment will be effected immediately, as soon as the Government of Afghanistan has worked out its transportation arrangements.

7. President Karzai invited Prime Minister Dr. Singh for a State Visit to Afghanistan. The invitation was accepted with pleasure. The dates will be finalised through diplomatic channels.

8. The two leaders reaffirmed the special relationship between India and Afghanistan, to build a strong, united, and prosperous Afghanistan and to work towards peace, stability and development of the entire region.



**261. Joint Statement on the visit of External Affairs Minister Pranab Mukherjee to Afghanistan.****Kabul, January 22, 2009.**

1. At the invitation of the Foreign Minister of the Islamic Republic of Afghanistan Dr. Rangin Dadfar Spanta, Mr. Pranab Mukherjee, External Affairs Minister (EAM), Republic of India, visited Afghanistan on 21-22 Jan. 09.
2. During the visit, EAM called on H.E. Hamid Karzai, President of Afghanistan, and held discussions with Foreign Minister Dr. Spanta on a range of bilateral, regional and global issues of mutual interest.
3. The two Ministers underlined their strategic partnership, based on abiding historical and cultural ties, expressed their satisfaction on the progress of bilateral development and reconstruction projects, and reviewed the status of future programmes.
4. Today, President Karzai and EAM jointly inaugurated the 218 Km landmark Zaranj - Delaram road project\* in the south-western Afghanistan connecting the capital of Nimroz Province to the Herat-Kandahar highway. This road, together with 60 kilometres of inner-city roads in Zaranj and Gurguri, was recently completed by India at a cost of US \$150 million. The project symbolises India's strong commitment towards the development of Afghanistan.
5. India will also shortly be completing the Pul-e-Khumri to Kabul transmission line and sub-station at Chimtala. In this connection, on the request of the Government of Afghanistan, India will also construct an additional sub-station at Charikar for which the design and tendering work has been done and final award is awaited.
6. The two Foreign Ministers also jointly launched the restoration of Stor Palace within the precincts of the Afghan Ministry of Foreign Affairs in collaboration with the Aga Khan Trust for Culture.
7. Both sides reaffirmed their strong commitment to combat terrorism and reiterated that all countries should comply with their multilateral and international obligations and should fully control terrorist activities emanating from the sanctuaries and camps located within their territory.



\* Built at a cost of Rs.600 crore, the 215-km long highway, was handed over to the Afghan authorities by External Affairs Minister Pranab Mukherjee in the presence of Afghan President Hamid Karzai and Foreign Minister Rangin Dadfar Spanta. "The completion of the road reflects the determination of both India and Afghanistan that nothing can prevent or hinder collaboration between the two countries," Mr. Mukherjee said at a function to mark the handover of the highway. Mr. Karzai said the completion of the project, which opened a shorter alternative route connecting Kabul to Iran, was a message to those who want to stop cooperation between India and Afghanistan. "Our cooperation will not stop," he said. The highway provides India easy and alternate access for its goods to Afghanistan via Iran. This is significant because Pakistan has been denying transit facility to India for Afghanistan through its territory. The Taliban was opposed to this project and launched frequent attacks on the construction workers. A total of six Indians, including a Border Roads Organisation driver and four ITBP soldiers, and 129 Afghans were killed in the attacks. Paying homage to those who made the "supreme sacrifice" during the construction of the highway, Mr. Mukherjee said, "I do believe that their blood was not shed in vain. Their sacrifice will fortify the foundation of India-Afghanistan friendship and that spirit will motivate us to usher in our future cooperation." The project would further regional cooperation by encouraging new trade and transit through Iranian ports and a supplementary access of Afghanistan to the sea. Besides the highway, Mr. Mukherjee said, India constructed 58 km of inner city roads in Afghanistan. Compared to the cost of other roads built in Afghanistan, the total cost of the highway project was modest. The project was initially estimated to cost Rs. 740 crore but the Border Roads Organisation completed it in Rs 600 crore and six months ahead of schedule, general manager of the BRO project Brig. N R K Babu, said. The 339 engineers of the BRO completed the highway construction in three years. On attempts to disrupt construction of the road, Mr. Karzai said, "The attempts had failed due to the commitment to complete the project. This road means a great deal for Afghanistan." Due to construction of the black top road, the journey between Delaram and Zaranj will be reduced substantially from 12-14 hours to two hours.

**262. Statement by Permanent Representative at the UN Ambassador Nirupam Sen on the situation in Afghanistan and UNAMA at the Security Council.**

**New York, March 19, 2009.**

Please see Document No.733.



**263. Statement by Official Spokesperson on the new US strategy for Afghanistan and Pakistan.**

**New Delhi, March 30, 2009.**

We welcome the very clear expression of will to carry through the struggle against extremism in Afghanistan and its roots in Pakistan contained in the new comprehensive US strategy\* for Afghanistan and Pakistan. India has a direct interest in the success of this international effort. India is ready to play a constructive role as a responsible power in defeating extremism of all kinds.



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\* The Official Spokesperson was referring to the AF-Pak policy of US President Obama which was announced on March 27 after a comprehensive 60-day, interagency strategic review which involved consultations with the Afghan and Pakistani governments, NATO allies of the US and other donors, international organizations and members of Congress. It was announced that the strategy started with a clear, concise, attainable goal: disrupt, dismantle, and defeat al Qaeda and its safe havens. For the first time Afghanistan and Pakistan were clubbed together as two countries but one challenge.

**264. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri in the Security Council on the Situation in Afghanistan.**

**New York, June 30, 2009.**

Please see Document no.759.



**265. Opening remarks by External Affairs Minister S. M. Krishna at interaction with media on return from the G-8 Outreach Ministerial meeting on Afghanistan.**

**New Delhi, July 1, 2009.**

Please see Document No.193.





**266. Statement by External Affairs Minister S. M. Krishna in Parliament (Lok Sabha and Rajya Sabha) on the first anniversary of the attack on Indian Embassy in Kabul.**

**New Delhi, July 7, 2009.**

Today is a year since the terrorist attack on our Embassy in Kabul in Afghanistan. A number of our Embassy personnel and a large number of Afghan nationals lost their lives in the attack on a diplomatic premise. We recall their sacrifice with a sense of grief as also to reiterate our commitment against terrorism and all those who sponsor and sustain it. Our thoughts are also with all the families who lost their loved ones. No words of condemnation are too strong for the perpetrators and organisers of this attack. They must and will face a reckoning. Justice must be served.

**Remarks by Foreign Secretary Shivshankar Menon on the first anniversary of the attack on Indian Embassy in Kabul.**

**New Delhi, July 7, 2009.**

On the first anniversary of the terrorist attack on the Indian Embassy in Kabul, Foreign Secretary Shri Shivshankar Menon made the following remarks at a condolence meeting organized today by the officials of the Ministry of External Affairs at South Block:

"One year ago today our Embassy in Kabul was attacked.

We lost several colleagues and an even larger number of Afghan nationals who gave up their precious lives, making the supreme sacrifice in the line of duty.

Please join me in a moments silence to recall their sacrifice, to honour their memory, and to reiterate our commitment to fight terrorism and all those who sponsor and sustain it."



**267. Joint Statement issued on the occasion of the Visit of Foreign Minister of Afghanistan Dr. Rangin Dadfar Spanta. New Delhi, July 28, 2009.**

1. At the invitation of Mr. S.M. Krishna, Minister of External Affairs, Republic of India, His Excellency, Dr. Rangin Dadfar Spanta, Foreign Minister of the Islamic Republic of Afghanistan, is currently on a visit to India.
2. During the visit, the Afghan Foreign Minister called on Prime Minister Dr. Manmohan Singh and had meetings with the Minister of External Affairs and the National Security Advisor Mr. Narayanan on a range of bilateral, regional, and global issues of mutual interest.
3. Prime Minister conveyed his best wishes to President Hamid Karzai and other leaders of Afghanistan. He expressed India's support for the aspiration of the Afghan people to build a peaceful, prosperous, democratic, and pluralistic nation. The Afghan Foreign Minister conveyed Afghanistan's deep appreciation for India's friendship, generous contribution and vital role in the processes of stabilisation, reconstruction and national development of Afghanistan. They expressed confidence that the forthcoming Afghan presidential and provincial elections would strengthen the democratic process in Afghanistan.
4. The two Ministers reaffirmed the abiding determination of the two governments to work for making South Asia an abode of peace, prosperity, moderation and cooperation. They highlighted terrorism as the most important security threat facing the region and reiterated their full resolve to combat it.
5. The two Ministers underlined the strategic partnership between India and Afghanistan, based on enduring historical and cultural ties, and common interests and values. They expressed their satisfaction on the progress of bilateral development projects.
6. The Ministers decided to establish an India-Afghanistan Partnership Council composed of separate groups on political consultation, capacity development & education, power & water, culture, trade & industry, health, and agriculture. This will harness greater institutional support for the implementation of ongoing programmes and enlarge development cooperation between the two countries.
7. The Ministers reaffirmed the determination of their two governments to strengthen the forward-looking and long-term partnership between the two countries.



**268. Address by External Affairs Minister S. M. Krishna at the release of the publication India's Foreign Relations - 2008 Documents - edited by Avtar Singh Bhasin and dedicated to Venkateswara Rao, martyred in the bomb attack on the Indian Embassy in Kabul on July 7, 2008.**

**New Delhi, August 18, 2009.**

**Foreign Secretary Smt. Nirupama Rao,  
Director General of Military Intelligence,  
Smt. Malathi Rao,  
Shri A.S. Bhasin,  
Ladies and Gentlemen,**

...It was indeed very thoughtful of Shri A.S. Bhasin to have dedicated his annual compilation of the Ministry's documents for 2008 to the memory of Late Shri Venkat Rao. Words cannot convey the sense of bereavement felt, not just by friends and colleagues, but innumerable others who were deeply affected by the shameful terrorist attack on 7 July 2008, in which our brave colleagues made the ultimate sacrifice in the service of the nation. That act, like all such acts of mindless violence, reminded us, yet again, of how the menace of terrorism has become all pervasive and non-discriminating. This function today is dedicated to the memory of our colleagues Shri VV Rao, Brig. RD Mehta, our colleagues from the ITBP Shri Ajay Pathania and Shri Roop Singh, and the others killed in the cowardly attack on our Embassy in Kabul on the day.

Words cannot make good the loss felt by the family members, but the best that we in the Foreign Service establishment can do is to ensure that their sacrifice does not go in vain. We are committed to fulfilling our pledges towards the reconstruction of Afghanistan and to cementing our traditional friendship with the Afghan people. Acts of terrorism will not deter us, but will only strengthen our resolve to counter and bring to book those responsible.

Last Saturday, on the morning of our Independence Day, there was a terror attack at the headquarters of the International Security Assistance Force (ISAF), 70 meters from the Indian Ambassador's Residence in Kabul. The shockwaves of the blast damaged most doors and windows of the Ambassador's Residence. Notwithstanding the explosion, our Embassy in

Kabul went ahead with the Independence Day Flag Hoisting function and the reception. Independence Day was also duly observed by our Posts in Jalalabad and Kandahar despite the very difficult security environment. I would like to take this opportunity to compliment the personnel of the Indian Mission and Posts in Afghanistan for their courage and commitment.

India's struggle against the menace of terrorism has been going on for decades now, and records and archives of India's foreign policy documents will bear witness to our efforts to curb this menace. It is quite befitting that a publication which records India's foreign relations documents for posterity, be a medium for honouring the memory of those who laid their lives in the cause of furthering that foreign policy.

I would like to thank Shri A.S. Bhasin who has tirelessly been compiling and editing the Foreign Relations documents since 2002. The publication, as also his other works, are of much help to researchers and academics who wish to pursue research of India's foreign relations, and who frequently desire an authentic ready-reckoner for this vast field of study. I wish him success in his further endeavours.

I have great pleasure in releasing the book.

Thank you.



**269. Statement by External Affairs Minister S. M. Krishna on elections in Afghanistan.**

**New Delhi, August 22, 2009.**

The Afghan Presidential and Provincial Council elections held on August 20, 2009, were one of the largest democratic exercises in the history of Afghanistan\*. As a long-standing friend of the Afghan people, and a fellow member of SAARC, it is gratifying to see the democratic process taking strong root in Afghanistan. Despite the complex security environment and threats from terrorist groups, candidates have campaigned fearlessly and new voters registered themselves in large numbers. As a fellow developing country and a democracy, we remain strongly supportive of the election process and democratic institutions of Afghanistan. We admire the courage and determination of the Afghan voters and all the candidates in participating in this process despite the intimidation and violence which the opponents of democracy have subjected them to. We are confident that the current elections will strengthen democracy and pluralism in Afghanistan.



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\* The second presidential election in Afghanistan under the present constitution of Afghanistan was held on August 20, 2009. The previous election in 2004 was won by President Hamid Karzai, who is running for re-election. Elections for provincial council were held the same day. It was officially announced in May 2009 that 15.6 million voters had registered to vote, roughly half of the country's population; 35 to 38 percent of registered voters were estimated to be women. The Taliban had called for a boycott of the election, describing it as a "program of the crusaders" and "this American process".

**270. Press Release issued by the Ministry of External Affairs  
on the Elections in Afghanistan.**

**New Delhi, September 19, 2009.**

India welcomed the successful holding of the Presidential and Provincial Council elections in Afghanistan on 20 August, 2009. Given our historical relationship and as a fellow developing democratic country, India appreciates the determination of the Afghan people who participated in the election process despite threats and attacks meant to disrupt the elections. In this spirit and as a friend of the Afghan people, we congratulate all the democratic forces in Afghanistan. It is heartening to note that the campaigns were conducted in a democratic spirit, that there were no incidents of violence resulting from any clash between supporters of the candidates, and that participation in the elections was broad based all over Afghanistan.

We admire that the elections were conducted by national institutions, unlike the previous elections in Afghanistan. This Afghan-led process would go a long way in strengthening the democracy in Afghanistan.

We welcome the announcement of the preliminary results of all the votes counted by IEC in which President Hamid Karzai has emerged as the leading candidate having secured 54.62%, followed by Dr. Abdullah Abdullah at 27.75%. We are now looking to the early and successful conclusion of the electoral process and finalisation of the results after the completion of the legal procedures.

India reaffirms its commitment to strengthen the strategic partnership between the two countries and for the reconstruction and development of a pluralistic and democratic Afghanistan.



**271. Question Relevant to Afghanistan asked from Foreign Secretary Mrs. Nirupama Rao at the media briefing for the Prime Minister's visit to Pittsburg for the G-20 Summit.**

**New Delhi, September 19, 2009.**

**Question:** Madam, what is your reaction or rather Government of India's response on Afghanistan elections?

**Foreign Secretary:** Thank you for that question on Afghanistan. We have welcomed, as you know, the successful holding of the Presidential and Provincial Council elections in Afghanistan on the 20th of August. As you also know, we have a historical relationship with Afghanistan which is a fellow developing, democratic country. We appreciate the determination of the Afghan people who participated in the election process despite the threats and attacks meant to disrupt the elections. Therefore, we congratulate all democratic forces in Afghanistan. We admire the fact that the elections were conducted by national institutions, unlike the previous elections in Afghanistan. So, it has been an Afghan-led process which will go a long way in strengthening democracy in Afghanistan. We also welcome the announcement of the preliminary results of all the votes counted, in which President Hamid Karzai has emerged as the leading candidate having secured I believe 54.62 per cent followed by Dr. Abdullah Abdullah at 27.75 per cent. So, we hope for an early and successful conclusion of the electoral process and the finalisation of the results after the completion of legal procedures. I wanted to reaffirm on behalf of the Government of India our commitment to strengthening our strategic partnership with Afghanistan and to reconstruction and development of a pluralistic and democratic Afghanistan.



**272. Response of Official Spokesperson to a question on "EAM's interview to the Wall Street Journal and whether there is a change in India's policy towards Afghanistan and holding of a dialogue with Taliban".**

**New Delhi, September 24, 2009**

"There is no change in India's policy towards Afghanistan\*. EAM has been misquoted in his interview with the Wall Street Journal and he did not say that there should be a political settlement with the Taliban. Our policy is one of strengthening the Government of Afghanistan in achieving its social and developmental objectives by rebuilding of infrastructure, providing employment, health, education, etc. It is for the Government of Afghanistan to take the initiatives necessary so that all those who abjure violence and extremism and accept Afghanistan's Constitution and democratic set-up, join the political process. It is not our position that a political settlement be attempted with those who do not share these aims".



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\* The spokesperson was referring to the misperception caused by EAM's remarks as carried by the Wall Street Journal that "if there are internal differences within Afghanistan, the leaders of Afghanistan will sort it out by themselves."



**273. Concluding address by Foreign Secretary at the International Seminar on Peace and Stability in Afghanistan: The Way Ahead at the United Services Institution.**

**New Delhi, October 7, 2009.**

It is indeed a pleasure to be addressing this august gathering of eminent scholars and policy makers. I have followed with interest the discussions over the last two days on what must rank as one of the most critical issues facing the international community and particularly this region today. There is little doubt that success or failure in our endeavours to ensure peace, stability and development for Afghanistan has consequences that extend far beyond our own countries, or even our own generation; and there are few decisions as momentous as those the comity of nations needs to make as we recommit ourselves to assisting the people and Government of Afghanistan in realizing stability and development.

Our understanding of the way ahead in Afghanistan has benefited greatly from the perceptive insights of the many distinguished speakers. Discussions during this conference have been significant, for they have brought together in one forum not just reputed scholars and policy makers from the US, Europe and Russia, but also those from Iran and the Central Asian Republics. We have long believed that any discussion on how best to assist Afghanistan would be incomplete unless the voices of the friends of Afghanistan are heard, voices that have a vital stake in ensuring the stability and reconstruction of Afghanistan. The challenge from a resurgent Taliban and Al Qaeda is real, and it is one that threatens us all. When we speak of recommitting ourselves to helping Afghanistan defeat the forces that seek to destroy all that has been achieved since 2001, it is important to recognize that all of us have an abiding interest in the success of this endeavour. Even as interest, goals, strategies and world views may conceivably diverge on other issues, on Afghanistan there is today a convergence among those present here. We need to build on that commonality of interests and purpose, focusing on the larger picture so that we serve the cause of peace in the region.

India and Afghanistan share a strategic and development partnership based on historical, cultural and economic ties. We have an abiding interest in the stability of Afghanistan, in ensuring social and economic progress for its people, getting them on the track of self-sustained growth and thus enabling them to take their own decisions without outside interference. The binding factor in our relationship is that the interests of Afghanistan and India converge.

In our efforts towards stabilisation of Afghanistan, the focus has been on development. Our U.S. \$1.2 billion assistance programme, modest from the standpoint of Afghan needs, is large for a non-traditional donor like India. Our assistance programmes are being implemented in close coordination with the Afghan government, and are spread all over Afghanistan. They straddle all the socio-economic sectors of development: humanitarian; infrastructure; small and quick-gestation social projects; and skills and capacity development. India is the sixth largest bilateral donor in Afghanistan.

The principal objective of this effort is to build indigenous Afghan capacities and institutions for an effective governance system that is able to deliver goods and services required by the Afghan people, who have suffered years of unremitting violence.

India has five medical missions providing treatment and free medicines to over 1,000 patients every day, most of whom are poor women and children. We continue to support the Indira Gandhi Centre for Child Health in Kabul and have, only last month, connected it through a telemedicine link with two super-speciality medical centres in India. The one million tonnes of food assistance pledged in 2002 is used for providing 100 grams of high-protein biscuits to two million of the six million Afghan school-going children, a third of whom are girls.

In the infrastructure sector, the former Minister for External Affairs and President Karzai jointly inaugurated the 218 Kms Zaranj-Delaram road in January this year. The Pul-e-Khumri to Kabul transmission line and the sub-station at Chimtala was inaugurated by President Karzai in May. This has lit up Kabul, which has round-the-clock electricity supply for the first time since 1992. We are currently engaged in the construction of the Salma Dam on the Hari Rud River in Herat and the Afghan Parliament building, a visible and evocative symbol of democracy, the construction of which is in full swing. Both projects should be completed by the end of 2011. We have simultaneously commissioned around 100 Small Development Projects, which are typically quick gestation, smaller-scale social sector projects in outlying and frontier provinces, conceived and executed by local authorities.

For capacity development, we are providing 675 scholarships each, annually, for undergraduate and graduate students in India, and for Afghan public servants to train in Indian public training institutions for upto 180 days in areas of their choice. These are the largest such programmes that India has for any other country and the largest among the skills and capacity development programmes offered to Afghanistan by its development partners.

We have ensured that our projects are dictated by the needs and priorities of the local population. As a long standing friend of the Afghan people, and one with deep civilisational and historical ties, India is gratified at the progress that has been made in Afghanistan in recent years. It is important for the international community to maintain its commitment to the people of Afghanistan. India remains fully committed to assisting our Afghan partners in the process of reconstruction, and economic and human resource development, as they build a prosperous, democratic and pluralistic Afghanistan.

The second presidential and provincial councils elections conducted by the Afghan Election Commission on 20 August this year are a landmark event in Afghanistan's evolution as a democracy. As a fellow developing democratic country, India appreciates the resoluteness and determination of the Afghan people who participated in the election process, notwithstanding threats and intimidation by the Taliban. India has congratulated all the democratic forces in Afghanistan for their participation in the electoral process. It is heartening that the campaigns were conducted in a democratic spirit, that there were no incidents of violence resulting from any clashes between supporters of the candidates, that participation in the elections was broad-based, and that voting was across ethnic lines. While President Karzai got votes from the northern provinces, Dr Abdullah Abdullah also received support in the southern and eastern areas. The elections were conducted by national institutions, unlike the previous elections in Afghanistan.

The post-election period provides a fresh opportunity for a renewed commitment by the international community towards rebuilding Afghanistan. We should have the result of the first round of election around 12th October. Soon after the inauguration of the new Government, irrespective of whether the final result is settled in the first round or in a run-off, the international community and the Afghan Government would require to come together to configure the contours of their partnership for the next five years.

Given the turbulence of the past eight years and the recent dramatic decline in security, there is need for an intensified focus on security, governance and development by the Afghan Government and here the international community should do what it can to assist. Failure in Afghanistan's stabilisation will entail a heavy cost for both the Afghan people and the world at large.

The past compacts, such as those reached in London in January 2006 and Paris in June 2008 placed the responsibility for institution building and governance mainly on the shoulders of the Afghan people and government, without adequately resourcing that effort and eliminating the growing threat

from terrorist groups destabilising the country. This is the last opportunity for the country to extricate itself from its endemic entanglement with violence and under-development and settle on a track of stability and sustainable progress.

While the Afghan government should spell out its priorities, the international community should come forward to provide the resources for fulfilling them. The Afghan leadership has itself stressed the need for a strong and genuine effort to improve governance, remove corruption and focus on development, especially in agriculture, rural development and infrastructure, with a shift in focus from the central to the provincial and district levels. All stakeholders now agree on the need for greater Afghanisation of the development process. The Afghan National Security Forces (ANSF) should be enlarged and developed in a professional manner, at a much faster pace. ANSF should be provided appropriate resources, combat equipment, and training.

Given its geographic location, Afghanistan has an immense potential to develop as a hub of trade, energy and transport corridors, which would help the long-term sustainability of development efforts in Afghanistan. There is a need for greater regional cooperation and economic integration of the Afghan economy with South and Central Asia. The historical and cultural relationship of Afghanistan with the other South Asian countries makes it a natural member of SAARC, which it joined two years ago. As its westernmost country, Afghanistan is the key link for SAARC member States with Iran and Central Asia. This economic interdependence could catalyse peace and prosperity in the region at large and in Afghanistan in particular.

As for the process of reconciliation, the existing process under the National Commission for Peace for reintegrating individuals with the national mainstream must be both enlarged and accelerated. We support the Afghan Government's determination to integrate those willing to abjure violence and live and work within the parameters of the Afghan Constitution, which provides the framework for a pluralistic and democratic society. This should, of course, go hand-in-hand with the shutting down of support and sanctuaries provided to terrorist groups across the border.

There is a growing understanding that the increase in terrorist actions in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. That explains the particularly high-level of violence in the border areas of Afghanistan. That is perhaps the reason why the U.S. Administration unveiled its new Af-Pak strategy on 27th March 2009. The enunciation of objectives in the strategy is clear. The challenge is now about how to put this strategy into effect, for which there is no quick-fix solution.

The international community should put effective pressure on Pakistan to implement its stated commitment to deal with terrorist groups within its territory, including the members of Al Qaeda, Taliban's Quetta Shura, Hizb-e-Islami, Lashkar-e-Toiba and other like-minded terrorist groups. Without this, the gains made over the past eight years will be compromised and it will become difficult to forestall the restoration of status-quo-ante, to a situation similar to what prevailed prior to 11 September 2001. The world has come to realize, at considerable cost, that terrorism cannot be compartmentalized, and any facile attempts to strike Faustian bargains with terrorists often result in such forces turning on the very powers that sustained them in the past. A sense of defeatism pervades certain sections of international opinion. This needs to be guarded against, because it runs the risk of encouraging insurgent groups, besides weakening the authority of the Central Government and its institutions.

What we believe Afghanistan needs is a long-term commitment, even while remaining mindful of the challenges. The Afghan people have displayed resilience and a survival instinct even against the greatest odds. We must do our utmost to support them. An eminent panellist in the inaugural session yesterday succinctly put forward the two choices confronting the international community - invest and endure or improve in order to exit. India has already made up its mind - invest and endure because we believe in the cause of peace, democracy and development in Afghanistan. We know that the friends of Afghanistan will do likewise.

In conclusion, I would like to congratulate the USI, for organizing this international seminar, and as well as all the speakers, participants and the audience, who have contributed to the success of your deliberations.



**274. Press Release issued by the Ministry of External Affairs on the visit of Foreign Secretary Mrs. Nirupama Rao to Kabul following terrorist attack on Indian Embassy in Kabul. New Delhi, October 10, 2009.**

Following the heinous terrorist attack targeting the Indian Embassy in Kabul, Foreign Secretary visited Afghanistan on October 9-10, 2009\*. While inspecting the Chancery premises and its surrounding areas, she was able to make an on the spot assessment of the devastation caused by the blast. She met the officers and staff of the Embassy, including the members of the ITBP contingent, two of whom sustained shrapnel injuries, and complimented their bravery, resoluteness and dedication for working unflinchingly under such trying circumstances. She assured them that the Government will take all possible measures to ensure their safety, security and welfare.

Foreign Secretary also extended her heartfelt condolences to the families of those Afghan nationals who lost their lives in this cowardly attack, particularly to the families of the two Afghan security personnel who died during the attack and whose presence of mind and alertness prevented what could have been a far greater tragedy.

She expressed her deep concern and revulsion over the barbaric and cowardly attack that claimed so many innocent lives and was so clearly aimed against the people of India and the people of Afghanistan and their abiding friendship. "The attack was clearly the handiwork of those who are desperate to undermine Indo-Afghan friendship and do not believe in a strong, democratic and pluralistic Afghanistan", the Foreign Secretary said. She added that "The international community and indeed the people of Afghanistan face a clear and present danger from the perpetrators of such wanton acts of terrorism and their patrons residing across the border." While condemning the terrorist attack on the Indian embassy, it was emphasized by the Foreign Secretary, on behalf of the Government of India, that the scourge of terrorism must be resolutely opposed, resisted and overcome through undiluted commitment and effort by the international community.

During her visit, Foreign Secretary met President Hamid Karzai, Foreign Minister Dafdar Rangeen Spanta and National Security Advisor Zalmi Rassoul, who conveyed their deep sorrow over the attack on the Indian Embassy and assured her that the Government of Afghanistan would do all in its power to expeditiously investigate the dastardly attack and bring to justice the perpetrators and those behind this attack. They were unanimous in their view that the attack was carried out by elements from outside Afghanistan seeking to damage the excellent relations that exist between India and Afghanistan. Foreign Secretary reiterated India's unwavering commitment to pursuing our bilateral development partnership and assisting the people of Afghanistan in realizing a democratic, peaceful and prosperous Afghanistan.



\* The visit of Foreign Secretary took place following the targeting of the Indian Embassy in Kabul by a suicide squad of the Taliban, who according to the Al Jazeera TV even claimed responsibility for the attack and identified the bomber as Khalid. It may be recalled that on July 7, 2008 there was a similar attack on the Embassy, in which 40 people including two senior diplomats—a military attaché and a Counsellor besides members of the Indo-Tibetan Police providing security to the Embassy premises and Afghan nationals were killed. The present suicide attack killed 17 people and injured another 80 including three Indo-Tibetan Border Police personnel outside the mission. According to experts the present explosion was more powerful than the blast of July 7, 2008. Indian ambassador Jayant Prasad said the "embassy was the target" but the suicide bomber failed to breach the security perimeter. Characterizing the attack on the Indian mission in Kabul as the handiwork of those desperate to undermine Indo-Afghan friendship, New Delhi said it offered financial and medical assistance to Afghan nationals injured in the terror strike. Mrs. Rao however, refrained from pointing fingers at Pakistan. "I think the investigation should be completed," Ms. Rao told journalists when asked if Pakistan was behind the attack. The Afghan authorities however, had apparently no doubt of the direction the attack came and indicated that the attack was planned from "across the border," indirectly referring to Pakistan. "Whoever is responsible for this attack is against peace, is against democracy, is against people of Afghanistan and against the people of India," Ms. Rao simply said. Refusing to be intimidated by such clumsy attacks Ms. Rao reiterated New Delhi's "unwavering commitment to pursue our bilateral development partnership and assist the people of Afghanistan in realising a democratic, peaceful and prosperous Afghanistan." The External Affairs Minister asked to comment on the developments in Kabul, reiterated in Bengaluru on October 10, India's "determination to continue its work of developing infrastructure there".

**Prime Minister Manmohan Singh** spoke to **President Hamid Karzai** on Friday and expressed condolences over the loss of lives of Afghan nationals.

**Afghan Foreign Ministry spokesman Fakiri** said the "brutal attack" was carried out by "enemies" of Indo-Afghan ties and their "bases are outside Afghanistan." **Afghan President Hamid Karzai** strongly condemning the blast said in a statement: "This heinous act of terror was an obvious attack on civilians and the perpetrators of this attack and those who planned it are vicious terrorists who kill innocent people for their malicious goals."

**U.S. Ambassador to India Timothy J. Roemer** condemned the attack and described it as "deeply troubling." In a statement, he said that on behalf of President Barack Obama, he extended to the people of India, America's support and its concern over the bombing.

The irony is that only a day earlier on October 7, **Foreign Secretary Mrs. Rao** at a Seminar in New Delhi prophetically warned of the "recent dramatic decline in security", and the "need for an intensified focus on security, governance and development by the Afghan Government" an effort in which "the international community should do what it can to assist" because she warned "failure in Afghanistan's stabilisation will entail a heavy cost for both the Afghan people and the world at large". Mrs. Rao was quite forthright in analyzing the reasons for the decline in the security scenarios and the source of turbulence, when she said: "the increase in terrorist actions in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. That explains the particularly high-level of violence in the border areas of Afghanistan". She called upon the international community to put "effective pressure on Pakistan to implement its stated commitment to deal with terrorist groups within its territory, including the members of Al Qaeda, Taliban's Quetta Shura, Hizb-e-Islami, Lashkar-e-Toiba and other like-minded terrorist groups. Without this, the gains made over the past eight years will be compromised and it will become difficult to forestall the restoration of status-quo-ante, to a situation similar to what prevailed prior to 11 September 2001." Underlining Indian conviction that "terrorism cannot be compartmentalized" she warned that "any facile attempts to strike Faustian bargains with terrorists often result in such forces turning on the very powers that sustained them in the past." She had no qualms in pointing out the "sense of defeatism (that) pervades certain sections of international opinion" and the need to guard against this, "because it runs the risk of encouraging insurgent groups, besides weakening the authority of the Central Government and its institutions".

**275. Response of Official Spokesperson of the Ministry of External Affairs to a question on second round of Afghan Presidential Elections.**

**New Delhi, October 21, 2009.**

"We have noted the announcement by the Independent Election Commission of Afghanistan that there would be a second round in the Presidential Election involving a run off between President Karzai and Dr. Abdullah Abdullah on November 07, 2009\*. It is our hope that the election process will strengthen democracy in Afghanistan and will be conducted peacefully, in an atmosphere devoid of violence."



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\* The second round of runoff elections for the Presidential Office became necessary because of the findings of a U.N.-backed panel that there had been massive fraud on Mr. Karzai's behalf in the August 20 vote and that he failed to win the 50 per cent required to avoid a runoff. The former Foreign Minister, Abdullah Abdullah, who contested the election in opposition to Mr. Karzai too gave his consent to take part in the November 7 second round. He said he telephoned Mr. Karzai to thank him for agreeing to hold the second round.

**276. Media Report of the Defence Minister ruling out deployment of Indian troops in Afghanistan.**

**New Delhi, October 28, 2009.**

Responding to a media question on the Indian military involvement in Afghanistan, in the light of the recent Yudh Abhyas (war exercise) between Indian and the U.S armies at Babina using tanks and para-troopers, the Defence Minister A. K. Antony said: "I am categorically saying that there is no question of Indian military involvement in Afghanistan...not now, not in the future..." He said at a news conference after inaugurating a three-day Coast Guard Commanders Conference in New Delhi.

The speculation became all the more rife because of the response of the US Army Commander to a question 'whether the U. S. Army would like Indian troops helping it in Afghanistan', he had said the American troops would be comfortable to operate jointly with India anywhere, anytime.

(Mr. Antony however, added that the India was seriously concerned over the deteriorating situation in both Pakistan and Afghanistan and underscored that the defence forces were ever alert to meet any challenge to the security of the country.)





**277. Government of India's Statement on the announcement of the reelection of Hamid Karzai as President of Afghanistan.**

**New Delhi, November 3, 2009.**

We have noted the announcement by the Afghan Independent Election Commission on November 2, 2009 declaring President Hamid Karzai's reelection as President of Afghanistan\*. We congratulate President Karzai and look forward to partnering Afghanistan as it continues the process of its stabilization, reconstruction and development. The international community needs to reiterate its long-term commitment to ensuring security and development in Afghanistan, and to stand steadfast against the challenge posed by the Al Qaeda and the Taliban, which threatens the stability of Afghanistan and that of the world as a whole. India on its part stands fully committed to assisting the Government and people of Afghanistan as they build a pluralistic, democratic and prosperous Afghanistan.



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\* In the second round of the presidential elections, President's Karzai elections was announced after the only other candidate withdrew from the contest.

**278. Statement of the Member of Parliament and Member of the Indian Delegation to the UN Khagen Das on the situation in Afghanistan at the 64th Session of the UNGA.**

**New York, November 9, 2009.**

Please see Document No.808.



**279. Statement by India welcoming the arrival of Afghan apples in the Indian Market.****New Delhi, November 23, 2009.**

The first shipment of Afghan apples for sale in the Indian market - branded the 'the Silk Road Harvest' - left Kabul for New Delhi by an Air India Flight on November 11, 2009. This very special consignment was seen off at a function at the airport by the Afghan Minister for Agriculture, India's Ambassador in Afghanistan and farmers from the provinces of Kandahar, Ghazni, Paktia and Wardak.

In the Indian market, Afghan farmers will be able to receive four times the current low price that they are receiving for their apple exports. USAID experts in the Afghan Ministry of Agriculture have assisted with technical advice and marketing linkages with supermarkets and fruit markets in Delhi. The Government of India facilitated the mandatory Pest Risk Analysis for Afghan apples and will assist Afghanistan in training Afghan experts in meeting the phyto-sanitary standards required.

India provides a large and growing market for Afghan agricultural products, several of which - including Kandahari Anars and Kagazi Badams - have excellent brand value in the Indian market. Regional trade and transit arrangements for the transport of Afghan agricultural produce to the Indian market would facilitate both the growth of regional trade and prosperity, as well as the process of stabilization of Afghanistan and its reemergence at the cross-roads between Central and South Asia.

The growth of the Afghan agriculture sector is a key part of the efforts of the Government of Afghanistan to accelerate the process of reconstruction and development, provide an alternate source of livelihood for its predominantly rural population and counter the pernicious influence of terrorism, extremism and the narcotics trade.

Cooperation with Afghanistan in the agricultural sector is a key part of India's commitment to assisting the Afghan people in building a democratic, pluralistic and prosperous Afghanistan. Indian projects in the sector include the Salma Dam in Herat province, a cold storage facility in Kandahar, numerous Small Development Projects including establishment of demonstration nurseries, bore wells, culverts, canals, water supply projects and small water reservoirs, discussions on Indian assistance in establishment of an agricultural and technological university in Kabul, training

of Afghan experts and provision of scholarships for Afghan students to study in India, and provision of high-protein biscuits to Afghan schoolchildren under a WFP programme and are all examples of India's commitment to helping Afghanistan in this important area that is of immediate consequence for its people, and for the international efforts to bring back peace and stability to Afghanistan.

It is hoped that the Silk Road Harvest is merely the first step in a process of freer and easier movement of goods in the region, which would allow Afghanistan to overcome artificial constraints on the development of its agricultural sector, improve trade and transit facilities, and contribute to the peace and stability of our region and the prosperity of its people.



**280. Response of Official Spokesperson of the Ministry of External Affairs to a question on US President Obama's Speech on Af-Pak Policy.**

**New Delhi, December 3, 2009.**

We have noted US President Obama's speech\* at West Point on December 1, 2009 and the announcement that 30,000 additional US troops would be deployed in Afghanistan in the first part of 2010. We welcome the emphasis in the US strategy on the strengthening of the Government of Afghanistan and Afghan security forces. We also welcome President Obama's reiteration of the need to squarely tackle terrorism, and for Pakistan to ensure that terrorists do not enjoy safe havens on its territory. India believes that it is in the interest of the international community to impress upon Pakistan that it must use all its influence and resources to implement its commitments to dismantle the infrastructure of terrorism and to deny sanctuary to all terrorist groups who operate from its soil.

In our view, it is essential that the international community shows unwavering commitment in resolutely opposing, resisting and overcoming terrorism and those who nurture, sustain and give sanctuary to terrorists and extremist elements. It is also imperative that the international community shows sustained and long-term commitment to assisting the Government and people of Afghanistan.

India for its part has attempted to help Afghanistan in its reconstruction efforts as a means to bringing about stability in that country. Our assistance, now over US\$ 1.3 billion, is spread across Afghanistan and spans almost the entire gamut of economic and social developmental activities. Despite daunting logistical and security challenges, two major GOI-funded infrastructure projects have been completed - construction of the 218 km road from Zaranj to Delaram in Nimroz province and the construction of the 220 KV Transmission Line from Pul-e-Khumri to Kabul together with the sub-station at Chimtala. Construction of Afghanistan's new Parliament building, a symbol of the common commitment of both countries to pluralism and democracy, is also progressing. India reiterates its determination to fulfil its commitment to the Afghan people and Government as they build a peaceful, democratic and pluralistic Afghanistan.



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\* The Spokesperson was reacting to the United States President Barack Obama speech made on December 1 that the US would pour 30,000 more troops into Afghanistan, to "seize the initiative" and to end the war but at the same time he announced that he would start a pullout of US forces by 2011.

**280A. Press Release issued by the Ministry of External Affairs on the Telephonic conversation between External Affairs Minister S. M. Krishna and British Foreign Secretary David Miliband.**

**New Delhi, December 22, 2009.**

British Foreign Secretary David Miliband spoke with EAM on December 22, 2009 on telephone. The Ministers exchanged views on bilateral relations and regional and international issues of common concern. British Foreign Secretary reiterated an invitation for EAM to attend the Conference on Afghanistan scheduled to be held in London on January 28, 2010.

EAM underlined the importance of the international community reaffirming unambiguously its commitment to strengthening the Government of Afghanistan and continuing its support to the development and reconstruction of the country. He conveyed India's position that the international community must show unwavering commitment in resolutely opposing, resisting and overcoming terrorism and those who nurture, sustain and give sanctuary to terrorists and extremist elements. EAM reiterated India's determination to fulfill its commitments to the Afghan Government and people as they build a peaceful, democratic and pluralistic Afghanistan.



**BANGLADESH****281. Letter of Congratulations from Prime Minister Dr. Manmohan Singh to Prime Minister of Bangladesh Sheikh Hasina on her victory in the elections.****New Delhi, January 7, 2009.**

"Please accept my heartiest congratulations on your assumption of office as the Prime Minister of the Republic of Bangladesh.

India attaches the highest importance to its relations with Bangladesh. Our two countries share close bonds of friendship based on a rich cultural heritage, a common border and regular people-to-people exchanges, all of which make our relationship a multifaceted one. I look forward to working closely with Your Excellency to further strengthen and expand this relationship in a manner that responds to the aspirations of our people for a more prosperous and secure future.

I am confident that under your able leadership Bangladesh will achieve even greater success.

Please accept, Excellency, my best wishes for your good health and personal well being, and for the continued progress and prosperity of the friendly people of Bangladesh."



**282. Statement on arrival at the Zia International Airport by  
External Affairs Minister Pranab Mukherjee.**

**Dhaka, February 9, 2009.**

**Ladies and Gentlemen**

I am delighted to be back in Dhaka. Allow me at the outset to convey the warm greetings and congratulations to the people of Bangladesh for the successful conduct of free, fair and peaceful elections in Bangladesh. It is indeed a victory for democracy. India warmly welcomes this development.

2. I also take this opportunity on behalf of the Government and people of India to convey our good wishes to the newly formed Government in Bangladesh and wish them all success. As a friendly neighbour, India looks forward to working closely with the newly elected Government under the leadership of Her Excellency Prime Minister Sheikh Hasina to further strengthen the ties between both countries.

3. With Bangladesh, India shares not only an enduring feeling of fraternal, linguistic and cultural ties but also a common history of struggle and liberation. It is, therefore, natural that people of our countries have aspirations to enhance people to people contact and promote closer interaction in all spheres.

4. During my visit today, I look forward to the privilege of meeting HE Prime Minister Sheikh Hasina, my counterpart H.E. Foreign Minister Dr. Dipu Moni and other leaders of the government. I take this opportunity to reiterate that India remains steadfast in its commitment to supporting the friendly people of Bangladesh. I will also emphasise on the need for both countries to work closely to strengthen our multifaceted relationship for the mutual benefit for our people and prosperity in the region.

5. Today, I hope to cover in all my interactions on the entire gamut of our relations including security, connectivity, trade and investment, and other important areas. We will also be signing the Agreements relating to bilateral trade and investment promotion to further strengthen the framework for investors of both countries. My programme also includes unveiling of a model of the 2800 cyclone-resistant dwelling units that Government of India will be building in the cyclone affected villages and laying the Foundation Stone for construction of Kalabhaban in the University of Dhaka.

6. Ladies and Gentlemen, I have an old association with this historic city and its resilient people. I take this opportunity to wish the people of Bangladesh for the continued progress and prosperity.



**283. Statement by External Affairs Minister Pranab Mukherjee at the unveiling of Model of Core Shelters for Cyclone "Sidr" affected villages in Bangladesh.**

**Dhaka, February 9, 2009.**

**Hon'ble Minister,**

**Ladies and Gentlemen,**

My last visit to Dhaka was in the aftermath of the devastating cyclone 'Sidr' in Bangladesh on November 15, 2007. During my visit I had visited some of the cyclone elected areas and vividly recall the devastating impact of the cyclone which caused severe loss of several lives, property and untold sufferings to the people of Bangladesh. I admire the people of Bangladesh for their courage, endurance and resilience with which they have reconstructed and rebuilt their lives after the devastating calamity.

2. Ladies and Gentlemen, as a close and friendly neighbour, India stands committed to assist Bangladesh in its hour of need. After the natural calamities in Bangladesh in recent years, India has readily provided aid and assistance including cash assistance of USD 10 million and food aid consisting of essential items including rice and milk powder, etc., worth nearly USD 40 million. The 5,00,000 MT of rice for which we had granted a waiver on ban of export has also been supplied to Bangladesh.

3. India is committed to rehabilitating 11 cyclone affected villages. I have the pleasure to unveil today the model of the 2800 core shelters which we would be constructing soon in these 11 cyclone 'Sidr' affected villages. The modalities for implementation of the project have been worked out in consultation with the Government of Bangladesh and work would on the project would start soon. The unit has been designed to utilize locally available material to the maximum extent possible and this project will also contribute to the socio-economic development of the region as we would be engaging the local people for executing the project.

4. I wish to express my gratitude to Dr Abdur Razzak , Minister of Food and Disaster Management for his presence today and hope this project will contribute to further strengthening relations between our two countries.

Thank You.





**284. Address by External Affairs Minister Pranab Mukherjee at the ceremony of unveiling the Foundation Stone Plaque of 'Kalabhaban' for the Department of Theatre and Music, Dhaka University.**

**Dhaka, February 9, 2009.**

**His Excellency Mr. Nurul Islam Nahid, Hon'ble Minister for Higher Education**

**Vice-Chancellor Prof. Arefin Siddique**

**Distinguished Faculty members, students, guests**

**Ladies & Gentlemen**

I am very happy to be here today at this prestigious and a leading educational institution of our region. This great institution has the distinction of giving this nation, great leaders who led its struggle for liberation. Intellectuals like Dr Muhammad Shahidullah and Prof. Abul Kashem from this University have led the Language Movement that sowed the seeds of liberation of Bangladesh.

2. India and Bangladesh share a common history, heritage and culture. Our multifaceted relationship encompasses every aspect of human life - commercial, intellectual, social, culture. It is therefore natural for people of both countries to aspire for greater connectivity and people to people contact. Last year on Pehali Besakh on April 14 both countries took a historic step by starting the Maitree Express train service between Dhaka and Kolkatta. Our relations have witnessed an upward swing in the recent past we, on our part, have tried to sustain this engagement by taking several important steps, including unilateral gestures to Bangladesh. These are designed to build trust and mutual confidence.

3. My visit to this eminent institution today is to extend India's support to the construction of Kalabhaban for the Department of Theatre and Music of the University. This is reflective of our commitment to strengthen the existing bonds of friendship, especially between the youth of our two countries, and our shared cultural values. Greater interaction particularly among the youth and the student community will contribute significantly in enhancing these bonds.

4. I would like to mention that with the aim to promote exchanges between students and teachers, India has taken the initiative, under the SAARC

umbrella, to set up the South Asian University in New Delhi. It is our hope that this University will foster a sense of South Asian community by bringing together future generations of students in the common pursuit of quality education and to prepare them for the challenges of the new millennium that cut across borders such as terrorism, climate change and energy security.

5. I believe that economic development takes place in a given social and cultural environment. Therefore an appreciation of the cultural milieu is important in our development efforts. Our region enjoys rich cultural diversity. We have a responsibility to pass on our inherited culture in all its richness and variety to our future generations. Imagine a tomorrow where all these forms of vibrant dance and music are only remembered as past glory. We cannot allow such a situation to occur. Our efforts must create a favourable environment for the cultural traditions and practices to flourish. In our march towards progress and prosperity, our cultural heritage is a shared asset that should form another basis of connectivity between our two countries. Our support for Kalabhaban derives from the firm belief that we should encourage our youth to keep these skills and creativity alive and robust. We must ensure the survival of our traditional art, our dance forms and our music.

6. It gives me great pleasure to unveil the plaque of the foundation stone of Kalabhaban for the Department of Theatre and Music of the University of Dhaka. I am confident that construction of this Kalabhaban would provide opportunity to budding musicians, playwrights, dramatists, actors to realise their dream.

Thank You.



**285. Joint Press Conference of External Affairs Minister Pranab Mukherjee and Foreign Minister of Bangladesh Dr. Dipu Moni.**

**Dhaka, February 9, 2009.**

**Statement Foreign Minister of Bangladesh (FM):** My friends from the media in Bangladesh and our friends from the Indian regional and international media - a very Good Afternoon to all of you.

I have the honour and privilege to be with you this afternoon, with the Honourable External Affairs Minister of India, Mr. Pranab Mukherjee. Mr. Mukherjee is a very old friend of Bangladesh and an outstanding statesman, whose contribution to Indian national politics and to the promotion of robust Indo-Bangladesh relationship needs no reiteration.

He has visited Bangladesh on many occasions in the past, but his present visit is taking place at an important juncture in Bangladesh's history. We have just had a landmark general election in Bangladesh which has seen a restoration of democracy in Bangladesh and election of the grand alliance under Prime Minister Sheikh Hasina.

Mr. Mukherjee has come not only to congratulate the people of Bangladesh but also he is carrying a special message from Prime Minister Dr. Manmohan Singh for our Honourable Prime Minister.

This morning, Mr. Mukherjee, Dr. Hassan Mahmood and I had the opportunity to have comprehensive discussions on how India and Bangladesh - two close friendly countries, bound by common history, shared democratic values and a whole range of mutually reinforcing interests - can move forward to further enrich our relations. Our discussions covered entire range of our bilateral relations encompassing issues of common interest. We discussed practical ways in which we can add substantial contents to our already significant economic relations with specific focus on promoting two-way trade, reducing the trade gap between the two countries, trade-creating investments and a whole range of trade facilitation measures. Our discussions on connectivity-related issues were constructive where we shared our views on the matter with specific focus on our national interest.

We also had comprehensive discussions on the security-related matters including our common concern on the threat posed by anti-people activities of the fundamentalists and extremists. From the Bangladesh side, we shared our ideas of a South Asian Task Force that can be useful in promoting

cooperation to complement independent national action of all the willing countries joining the Task Force. We also categorically assured Mr. Pranab Mukherjee that Bangladesh will not countenance any anti-Indian activities by elements inimical to the interest of India using Bangladesh's territory. Similarly, we have also sought India's cooperation against elements who are trying to harm Bangladesh.

The question of peaceful management of the Indo-Bangladesh borders, finalization of the demarcation of the land boundaries between our two countries and our maritime boundaries also featured in our discussions. Bangladesh also specially requested Mr. Mukherjee to extend India's full cooperation to revive, for a positive forward movement on the stagnating discussions between the two countries on the water-related issues. We discussed how these discussions could be carried forward with positive results.

We agreed that all the existing instruments at our disposal will be fully utilized with due sense of purpose and urgency to elevate the level of cooperation between our two countries to a new height. We are hopeful that the present visit of Mr. Pranab Mukherjee will open a new phase of coordination and cooperation between our two countries on a whole range of bilateral, regional and international issues.

We also took the opportunity provided by our discussions to convey to the people and the Government of India, the best wishes of the people and Government of Bangladesh.

**Statement by External Affairs Minister of India (EAM):** Honourable Minister, Representatives of Media, Ladies and Gentlemen

I am extremely delighted to be here today and take this opportunity to convey warm greetings and congratulations to the friendly people of Bangladesh on the successful conduct of free, fair and peaceful elections in Bangladesh. As a close and friendly neighbour India warmly welcomes the return to multiparty democratic politics in Bangladesh and looks forward to closely working with the newly elected government under the leadership of H.E. Prime Minister Sheikh Hasina to further strengthen the ties between both countries.

I have had very fruitful discussions with the Foreign Minister H.E. Dr. Dipu Moni and Home Minister H.E. Advocate Sahara Khatun on the entire gamut of our bilateral relations including issues related to security, border management, strengthening connectivity, promoting trade and investment and strengthening people-to-people contact between both countries.

Our relations have witnessed an upward swing in the recent past. We, on our part, have tried to sustain this engagement by taking several important steps, including unilateral gestures to Bangladesh. These are designed to build trust and mutual confidence. They include allowing Bangladesh to export eight million pieces of readymade garments to India duty-free, lifting the ban on FDI from Bangladesh, providing duty-free access to several items and pruning the sensitive list for promoting exports from Bangladesh to India. Needless to add, India, as a friendly neighbour, always remains committed to supporting the people and strengthening its relations with Bangladesh.

Today we have also signed two Agreements - one on bilateral trade and the other on bilateral investment promotion and protection. These would further strengthen the framework for trade and investment between both countries.

Ladies and Gentlemen, in a globalized world, it is important for both countries to enhance connectivity, linkages and boost our trade which would bring prosperity to the region. Last year on Pehali Besakh on April 14 both countries took a historic step by starting the Maitree Express train service between Dhaka and Kolkatta. Initiatives like these generate synergy and result in a mutually beneficial relationship. It is important to recognize the mutuality of our interest. Both countries are also undertaking several initiatives to improve the trade infrastructure, including Land Customs Stations, Road, Rail and riverine routes to help facilitate greater economic engagement. I call on the private sector of both countries to seize these opportunities.

Ladies and Gentlemen, India remains committed to support Bangladesh in its hour of need. We have readily provided Bangladesh aid and assistance to help it overcome the damage caused by some of the worst natural disasters in recent years. These included cash assistance of USD 10 million, supply of food aid consisting of essential items including rice and milk powder of a total value of nearly 40 million USD. In the aftermath of the cyclone in November 2007, India sent an emergency relief package of essential commodities, we have already delivered the 5 lakh tonnes of rice waiving ban on export.

Today I have unveiled the model of the 2800 core shelters which we would be constructing soon in the 11 cyclone 'Sidr' affected villages. Later this afternoon, I will unveil the Foundation Stone for the construction of Kalabhaban at the Dhaka University.

Ladies and Gentlemen, an area of concern for both countries is to combat the growing menace of extremism and terrorism in the region. Closer

cooperation on security issues is the need of the hour. We should move to address such issues with the understanding that both our countries will benefit in the long run.

Thank you.

**Questions and Answers:**

**On the question of the proposal for a Regional Task Force against Terrorism. [ Masood Karim (*Jugantor*, Bangladesh)]**

**External Affairs Minister (Mr. Mukherjee):** So far as the concept of Regional Task Force to fight terrorism is concerned, certain regional and international mechanisms already exist. All of us are part of the United Nations Security Council Resolutions Committee of 1267 set up by the United Nations Security Council to ban the terrorist organizations when it is referred to and after the due investigations, there is a mechanism and this mechanism is used effectively from time to time. Of course, we discussed with my counterpart, Her Excellency the Foreign Minister of Bangladesh, about the concept of regional architecture. There is no conflict between the regional architecture and bilateral arrangements. What is more important is the sincerity to fight the menace of terrorism. It can be achieved if we have bilateral mechanism, if we have regional mechanism, if we have global mechanism. But, if there is inability, incapability or unwillingness to tackle with the problem of terrorism and to fight against terrorism as a global issue, then the problem comes. Architecture framework does not stand in the way of fighting against terrorism whether it is bilateral or multilateral.

**Foreign Minister (Mr. Dipu Moni):** Our Prime Minister Sheikh Hasina has proposed this Task Force to combat terrorism and we have discussed this with Hon'ble Foreign Minister of India, Mr. Pranab Mukherjee this morning and we will be discussing, we will have dialogues with our other regional neighbours, our neighbours and we will discuss the modalities of doing it and how best we cooperate in combating terrorism. All the countries have their national mechanisms. In addition to that since terrorism is a problem, which is not contained by any borders, so combating terrorism also needs cross-border regional cooperation to be effective. That is why this proposal has been made and we would be holding talks with our other neighbours to find out the best modalities on how to do it. Thank you.

**On the question of Bangladesh not allowing extremism in its land and the bilateral aspect of security. [Jayanto Ghoshal (*Ananda Bazar Patrika*, India)]:**

**Foreign Minister:** I would like to reiterate our Government's firm stand against anyone, whoever it is, from whichever country, having whatever links with anyone, to use our country or to harm anyone in the region or anywhere else. If we have concrete information, we will be vigilant about this and if we have information regarding this we will definitely act on this.

External Affairs Minister: We heard the statement of Her Excellency the Prime Minister when she made a firm commitment not to allow Bangladesh to be used by the countries or the forces inimical to India. During my discussion with Her Excellency the Foreign Minister and H.E. the Home Minister, we have been reassured of this commitment.

**On the question of scheduling a meeting with the Leader of the Opposition [*The News Today* (Bangladesh)]**

**External Affairs Minister:** There are two questions. First whether the visit to and interaction with the Leader of the Opposition is there or not. You know this schedule is fixed as per the mutual convenience of both sides. I wanted to have this meeting, but due to paucity of time because of short duration of my stay here, it could not materialize. I have to go back. Our Parliament session is going to start within couple of days. My Prime Minister is not fully recovered. My workload in the domestic sector is so heavy that except visit to Bangladesh, I had to cancel six foreign trips, which we had between 23 January - till date. All others are cancelled because of the domestic compulsions. But I kept Bangladesh and I reduced it from two days to one. That is the reason, there is no other reason.

**On the question of Trade deficit, India's readiness to revoke the trade and non-tariff barriers and access of Indian market? [Mr. Shamim Ahm (United News of Bangladesh)]**

**External Affairs Minister:** My answer regarding the trade imbalance. Of course, I am aware of the trade imbalance. And every time we discuss, we try explore the possibilities how this gap can be reduced, being former Foreign Trade Minister, I can tell you there is no mechanism through which bilateral trade between two countries in respect of each and every country, could be balanced. It is not possible. But it is possible to reduce the gap and to keep it within manageable limits. After my talk during my last visit, we have removed tariff barriers on number of issues. We have taken steps to reduce the non-tariff barriers on a number of items. This time, during my interaction with the Foreign Minister I have requested them to give me a list from which Bangladesh Government is interested so that we can further

prune the negative list. We have already pruned the negative list. In this connection you may recall, unilaterally, we declared at the 14th SAARC Summit - India will allow large number of items without any duty from the least developed countries, including Bangladesh.

**On the issue of border killing by BSF [Shamim Ahmed, UNB]**

**External Affairs Minister:** We have discussed about Border Management. In border management the problems of exchange of fire, of course, is an important ingredient but there are other aspects and what we have discussed. This include the plan of action which was considered between the two border security forces Chiefs, the BSF and DG, BDR in the meeting that took place last time, to take it further and to work out a mechanism through which we can avoid the unpleasant and unnecessary action.

**Foreign Minister:** We believe that the terrorists don't have any borders, they don't have any religion, they don't have any nationality. They are terrorists. Whoever tries to use our territory to harm anyone we will put a stop to it. We will be vigilant. We are reassuring not just the honourable Foreign Minister of India but like to reassure all of us that we will be vigilant and we will not let anyone use our territories for any kind of terrorist activities.

**On the issue of setting any trade targets for the two sides to achieve [Mr. Sagar Kulkarni (Press Trust of India)]**

**External Affairs Minister:** We have the regular mechanism of the Joint Commission, which is being chaired by two Foreign Ministers. I have requested the Foreign Minister to fix the date of the meeting of the next meeting of the Joint Commission. We could not have the meeting of the Joint Commission for quite some time. These trade figures, trade targets have been fixed at the meeting of the Joint Commission. I have requested when the Joint Commission will be meeting, I think this time we will meet in Delhi, and we are also exploring the possibility of mutually convenient dates, there we will discuss these issues.





**286. Response of Official Spokesperson of Ministry of External Affairs on the developments in Bangladesh.****New Delhi, February 26, 2009.**

In response to a question on the developments\* in Bangladesh, the Official Spokesman said that this was an internal matter for Bangladesh. We are confident that they will resolve the situation amicably. As regards our border (with Bangladesh), the area is safe and secure.



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\* The Spokesperson was referring to an armed rebellion by the Bangladesh Rifles (BDR) to seek better pay and break Army control. According to media reports the mutineers' representatives came out of the besieged headquarters for talks with Home Minister Sahara Khatun and other government leaders at a nearby hotel to end the impasse over their surrender. The mutinous BDR men earlier agreed to surrender their arms after a two-hour meeting with Prime Minister Sheikh Hasina at her official residence. The government also granted amnesty to the mutineers but asked them to surrender arms and get back to barracks. But the mutineers inside the sprawling headquarters compound began demanding through loudspeakers that the Army withdraw, otherwise, as they feared, the military could "finish them at any time." Despite Ms. Hasina's assurance to meet their demands, the men said they would not move from their position until the Army was withdrawn. They said they would not surrender their arms on the basis of a verbal assurance of the government. They demanded the Army cordon around the BDR headquarters be withdrawn immediately. The mutineers also demanded the matter be discussed in Parliament immediately. Media reports said the mutiny started at around 8 a.m. on February 25 when a meeting between officers and jawans to discuss the latter's demands was being held at Pilkhana, the headquarter of the BDR. At one stage, the jawans started indiscriminate firing, including mortar shells, taking full control of the headquarters.

**287. Briefing by the Official Spokesperson of the Ministry of External Affairs on the Letter from External Affairs Minister Pranab Mukherjee to Prime Minister of Bangladesh Sheikh Hasina.**

**New Delhi, March 2, 2009.**

EAM Mr. Pranab Mukherjee in his letter to H.E. Sheikh Hasina, Prime Minister of the People's Republic of Bangladesh, today, expressed great shock at the tragedy\* that had unfolded over the last few days in Bangladesh. He conveyed deepest condolences of the Government and the people of India and his own behalf to the Government, the Bangladesh Army, and the families of those who had lost their near and dear ones.

EAM noted that such barbaric acts had no place in a civilized society. He unequivocally condemned the same, as also all efforts aimed at destabilising a democratically elected Government. He expressed solidarity with the Prime Minister of Bangladesh and her Government in this hour of difficulty.

EAM added that as a close and friendly neighbour of Bangladesh, India wished to see a democratic, stable and prosperous Bangladesh. India stood ready to extend whatever support and assistance that Bangladesh may require at this juncture.



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\* Mr. Mukherjee's letter referred to the BDR two-day mutiny by the personnel of the Bangladesh Rifles (BDR), in which the rebels killed some army officers on deputation with the border force. The mutiny was apparently triggered by the demand for better pay and allowances and working conditions by the jawans of the BDR. The mutineers returned to the barracks after surrendering that arms when assured of pardon by the Prime Minister herself. The number of officers/soldiers killed remained unspecified.

**288. Press Release of the Ministry of Home Affairs on the Director -General level India - Bangladesh talks for Narcotics control.**

**New Delhi, March 26, 2009.**

The first Director General Level Talks between India and Bangladesh on Narcotics Control concluded today. The Indian Delegation was led by Mr. O. P. S. Malik, Director General, Narcotics Control Bureau, Government of India and the Bangladesh delegation was led by Mr. Md. Humayun Kabir, Director General, Department of Narcotics Control, Government of Bangladesh. The two day talks were conducted under the aegis of the Bilateral Agreement of 2006 between the Governments of India and Bangladesh for Mutual Cooperation for Preventing Illicit Trafficking in Narcotic Drugs and Psychotropic Substances and Related Matters and in pursuance of the decision taken at the 9th Bangladesh - India Home Secretary level talks held in Dhaka in August, 2008,

The talks were held in a very friendly and cordial atmosphere. The two sides recognized the efforts of both the countries in fighting drug trafficking and appreciated the need for furthering their efforts through enhanced mutual co-operation and regular interaction between the drug law enforcement agencies of the both countries. Matters relating to drug situation in the two countries were discussed and both sides shared their best practices in the field of supply and demand reduction of drugs. Demand reduction issues were also discussed. Both sides emphasized the need for enhancing cooperation between the two countries in the spirit of international and regional cooperation and conventions. India offered to train the drug law enforcement officers of Bangladesh. Both sides reaffirmed and reiterated their firm commitment for regular exchange of information on drug related issues and for coordinated and continuous efforts to fight the menace of trafficking of narcotic drugs and psychotropic substances.

The two sides agreed to continue to hold the DG level bilateral talks on an annual basis alternately in both the countries.



**289. Information on infiltration from neighbouring countries given by the Minister of State in the Ministry of Home Affairs Mullappally Ramachandran in a written reply to a question in the Lok Sabha.**

**New Delhi, July 14, 2009.**

The year-wise apprehensions of illegal Bangladeshi Nationals by the Border Guarding Forces on the Indo-Bangladesh Border (IBB) during the last three years and the current year are as under :

Year	No. of people apprehended
2006	5130
2007	4206
2008	2711
2008 upto June	984

As per available information, the infiltration has decreased.

Government has drawn action plan and has adopted a multi-pronged strategy for effective domination of international border including the following : Construction of border fencing, patrol roads and flood lighting along international borders, includes the Indo-Bangladesh border.

- (i) Round the clock surveillance of the borders by Border Guarding Forces (BSF in the case of IBB).
- (ii) For effective domination of international borders by the Border Guarding Forces, additional 509 Border Out Posts (BOPs) have been sanctioned along Indo-Bangladesh and Indo-Pak Borders.
- (iii) Introduction of modern surveillance equipments including night vision devices, etc. for effective border domination.
- (iv) Up-gradation of intelligence machinery.




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In this connection a report appearing in the daily *The Hindu* on January 16, 2009 on the interim order of the Indian Supreme Court is relevant and is reproduced below:

*"Alarmed at the infiltration the Supreme Court on January 15 directed the Union government to take immediate steps for issue of Multi-Purpose National Identity Cards*

(MPNIC) to Indian citizens in Assam and other north-eastern States. The court also asked it to prepare a National Identity Register (NIR) to check the infiltration of Bangladeshis. A Bench of Chief Justice K.G. Balakrishnan and Justices P. Sathasivam and J.M. Panchal said the cards should be the basis for citizens to avail themselves of benefits such as ration card, school admission and inclusion of name in electoral rolls. The Bench gave this interim direction on a public interest litigation petition filed by O.P. Saxena, president, All India Lawyers Forum for Civil Liberties. He sought a direction to the authorities to deport about two crore Bangladeshi migrants staying in the country. The petitioner had highlighted the problem of migrants who had infiltrated into the country, which shares a border of over 4,000 km. with Bangladesh running across various States. The petitioner alleged that such large-scale influx was causing social and law and order problems. The Bench noted that the Union government, in its affidavit filed in 2006, stated that it proposed to issue the MPNIC to citizens in the border States and create an NIR to provide a credible identification system through e-governance. "This would be a difficult task to be accomplished by the Government of India, which can initiate steps in this direction so that the problem could be solved to a reasonable extent," the Bench said. Earlier, during arguments, the CJI orally told Additional Solicitor-General Amarendra Saran: "You [government] issue the MPNIC and insist on this for the citizens to avail [themselves of] all the facilities. You can start this at the village level. You create a situation whereby a person not in possession of this card is not in a position to avail facility and then he won't stay here. Now they [Bangladeshi migrants] get better facilities than normal Indian citizens. No country will allow that. If infiltrators enjoy all facilities it will be difficult to separate them."

The interim order referred to the Centre's affidavit on fencing of the India-Bangladesh border in two phases, the first one started in 1989 was in an advanced stage but still the work could not be completed. It directed the Government of India to take urgent steps to complete the fencing to prevent infiltration; for this purpose land acquisition must be completed expeditiously. On the petitioner's contention that sufficient tribunals had not been set up for proper identification of Bangladeshis, the Bench directed the Centre to set up adequate tribunals, which should dispose of the pending cases expeditiously. It ordered the Centre to file a status report in eight weeks on the steps taken to identify the illegal Bangladeshis, number of tribunals set up and cases disposed of. Senior counsel Vijay Hansaria, appearing for the petitioner, alleged that infiltration was on the increase and the migrants were getting ration cards, enlisting their names in the voter list and exercising their electoral right. He wanted adequate and time-bound arrangements to be made to ensure the return of the Bangladeshi nationals. Referring to the submission of senior counsel K.K. Venugopal, appearing for West Bengal, that a number of Bengali-speaking people identified as Bangladeshis were kept in camps as Bangladesh was refusing to take them back, the Bench asked the Centre to hold talks with the authorities concerned."

**290. Extract relevant to Prime Minister Dr. Manmohan Singh's meeting with Bangladesh Prime Minister Sheikh Hasina from the Media Briefing by Foreign Secretary Shivshankar Menon on the conclusion of the NAM Summit.**

**Sharm el-Sheikh, July 15, 2009.**

In the last meeting of the day Prime Minister met with Prime Minister of Bangladesh Sheikh Hasina. It was the Prime Minister's first meeting with her after her victory in the election in Bangladesh; and her first meeting with him after his victory in elections over here. They congratulated each other on the elections. It is a very close and intimate relationship. As you know, in any such relationship there will always be issues but no issues that we think we cannot solve through bilateral discussions with goodwill on both sides. So, we looked at which parts of the relationship we need to build. Prime Minister said that he hoped to continue widening, deepening, broadening the relationship in every sphere at a pace and speed which Bangladesh is comfortable with. One of the issues that were mentioned was naturally the use of Bangladeshi territory by Indian insurgent groups who use it. She assured the Prime Minister that this would not be allowed; and that action would be taken against such elements who try to use their territory.

There was also a discussion on various projects which are of interest to both sides. The Tipaimukh issue has been active in the last few weeks in the Bangladeshi media and I think some Bangladeshi political circles have been raising it. We have been talking to the Parliamentary Standing Committee on Water Resources in Bangladesh Parliament. We have invited them to send an all-party delegation to visit Tipaimukh and to actually see it, to see what is actually going on so that a lot of the exaggerated fears or claims about it would be set at rest; and that ultimately we might start looking at more creative solutions, at solutions where both sides develop an interest on how they run or operate these projects. That is because, as you know, Bangladesh for a considerable time has been speaking of upstream storage being the solution to their problems. They have been talking of upstream storage in Nepal in the past. But this also in effect would amount to upstream storage and power at a time when both Bangladesh and India need power desperately. So, we said we are ready to look at all kinds of creative solutions to see how we try and solve these problems.

Their Parliamentary Standing Committee on Water will be visiting on the 29th and 30th. We will go to the site and we will arrange to show them the site so that they see it themselves.

There was considerable discussion of the potential of railway projects, of other projects that both sides are interested in. So, we will be developing those over the next few months. But both sides are happy, I think, with the way the relationship is going. So, it was a very useful meeting. It has set out our agenda for our work in the next few months.



**291. Joint Press Statement issued on the visit of Foreign Minister of Bangladesh Dr. Dipu Moni.**

**New Delhi, September 10, 2009.**

Dr. Dipu Moni, MP, Foreign Minister of the People's Republic of Bangladesh undertook an official visit to India from 7-10 September 2009. During the visit, she held bilateral talks with the External Affairs Minister of the Republic of India Shri S.M. Krishna on a range of issues pertaining to India-Bangladesh relations. Dr. Dipu Moni also called on the Prime Minister of India Dr. Manmohan Singh, Union Minister of Finance Shri Pranab Mukherjee and Union Minister for Water Resources and Parliamentary Affairs Shri Pawan Kumar Bansal. She was accompanied by her spouse Mr. Tawfique Nawaz, Foreign Secretary Ambassador Mijarul Quayes, Director General (South Asia) in the Ministry of Foreign Affairs Mr. Muhammad Imran and Private Secretary to the Foreign Minister, Mr. Jishnu Roy Choudhury.

The visit was marked by warmth and cordiality and a commitment to strengthen bilateral relations. Each side showed a keenness to respond positively to the concerns of the other.

During Dr. Dipu Moni's call on the Prime Minister of India, the Prime Minister mentioned that India attached the highest priority to its relations with Bangladesh. He reiterated his invitation to H.E. Prime Minister Sheikh Hasina to visit India at an early date. He expressed his hope that her visit would write a new chapter in India-Bangladesh relations.

During the official talks, the two Ministers noted the multifaceted nature of relations between the two countries and the historical and traditional bonds

of friendship. They also noted that recent elections have provided both countries with a historical opportunity to take India-Bangladesh relations to greater heights. It was in this spirit that both Ministers discussed the entire gamut of bilateral relations and agreed on the following:

Both sides recognised the need to expedite negotiations with a view to finalize an agreement for sharing of the waters of Teesta river. Towards this end, they agreed to mandate their respective Foreign Offices to meet and discuss the technical and other parameters of this issue. They agreed to immediately commence Joint Hydrological Observations on the river. They also agreed to undertake bank protection works, dredging of Ichhamati river and minor irrigation/drinking water schemes on Feni river.

- The Bangladesh side thanked the Indian side for the hospitality and cooperation extended to the Bangladesh Parliamentary delegation during their visit to the proposed Tipaimukh Dam site. In this context, the Bangladesh side welcomed India's reassurance that it would not take steps that would adversely impact Bangladesh.
- Both sides recognized the importance of bilateral and regional connectivity. In this context, both sides discussed designating Ashuganj as a new port of call under Article-23 of the Inland Water Transit and Trade Agreement as well as the use of Chittagong port by India. Bangladesh side agreed to provide access to Ashuganj Port to facilitate the transportation of the Over Dimensional Consignments for the Palatana Power Project in Tripura.
- Indian side agreed to facilitate Nepal-Bangladesh and Bhutan-Bangladesh connectivity.
- Both sides agreed to enhance cooperation in the power sector. India agreed to provide at least 100 MW to Bangladesh on a priority basis. Ahead of this, it will also undertake a feasibility study on power grid inter-connectivity for transmission lines, etc. from India to Bangladesh.
- Both sides agreed on the re-opening Sabroom-Ramgarh trade point as well as opening a land route at Demagiri-Thegamukh on the Mizoram border for bilateral trade.
- India agreed in principle to provide a Line of Credit for railway projects and supply of locomotives, coaches and buses. India offered to take up construction of Akhaura-Agartala railway link under Indian assistance.
- India also agreed to assist Bangladesh in the dredging sector.
- Both sides agreed to start Border Haats at the Bangladesh-Meghalaya border for mutual benefit of the people in these areas.



- Both sides agreed to movement of containerised cargo by rail and water for bilateral trade.
- Both sides welcomed the holding of the Joint Working Group on Trade last month and discussed broad economic issues with a view to fully activate all institutional mechanisms to promote two-way trade, initiate long pending trade facilitation measures and facilitate movement of businessmen and professionals. Bangladesh specifically raised the issue of duty free access to Bangladeshi commodities, removal of Non Tariff and Para Tariff Barriers and improvement of infrastructures on the Indian side. Indian side expressed its readiness to assist Bangladesh in strengthening the Bangladesh Standards and Testing Institute. It also requested for removal of barriers to Indian investments and port restrictions for specific commodities.
- Both sides agreed to comprehensively address all outstanding land boundary issues. Both sides expressed their intent to resolve outstanding issues relating to Dahagram and Angarpota enclaves and the Tin Bigha Corridor. Both sides also recognized the need for electrification of Dahagram and Angarpota enclaves as a humanitarian gesture.
- The two Ministers reiterated their resolve to strengthen bilateral co-operation to deter the recurrence of terrorist incidents. Both sides also reiterated their resolve not to allow the use of their territories for activities inimical to each other's security interests.
- Both sides agreed to conclude the following three agreements:
  - a. Agreement for mutual legal assistance on criminal matters,
  - b. Agreement of transfer of sentenced persons,
  - c. Agreement on combatting international terrorism, organized crime and illegal drug trafficking.

The two Ministers reiterated their conviction that opportunities for fruitful collaboration between the two countries in furthering mutual interests were enormous and resolved to remain engaged to expeditiously address all bilateral issues.



**292. Press Release issued by the Ministry of Home Affairs  
on the India - Bangladesh Home Secretary level talks.**

**New Delhi, December 2, 2009.**

The 10th Home Secretary Level Talks between India and Bangladesh concluded with the signing of a Joint Statement by the two sides here today. Shri Gopal K. Pillai, Home Secretary, Government of India led the Indian Delegation while the Bangladesh delegation was led by Shri Abdus Sobhan Sikder, Home Secretary, Government of Bangladesh.

The talks were held in a warm and cordial atmosphere. In the meeting, both sides highlighted the importance they attach to the relations between the two countries and reiterated their desire to further expand and strengthen mutual cooperation. Both sides agreed to strengthen the bilateral arrangements to address the menace of terrorism and extremism in all its manifestations.

Both sides condemned terrorism in all its forms and manifestations and reaffirmed their commitment not to allow the use of territory of either country for any activity inimical to each other's interests.

The two sides finalised drafts of Agreement on Mutual Legal Assistance in Criminal Matters, Agreement on Combating International Terrorism, Organized Crime and Illicit Drug Trafficking; and Agreement on Transfer of Sentenced Persons. Both sides agreed to take further steps for early signing of the Agreements. They also agreed to develop mechanisms to further hasten the process of verification of nationality status of prisoners lodged in jails of either country, particularly of those who have completed their sentence, to enable their early repatriation.

Both sides reaffirmed their resolve to take immediate action on the basis of real time and actionable information. It was also agreed to redouble efforts to locate subjects of Red Corner Notices (RCN) in either country.

The Indian side expressed its concern over smuggling of Fake Indian Currency Notes (FICN) into India and sought the cooperation of Bangladesh authorities for preventing such activities

Both the sides agreed that there was a need to expedite the settlement of land boundary related issues. It was agreed that these would be discussed in the next meeting of the Joint Border Working Group. Both sides recognized the need for electrification of Dahagram and Angarpota as a humanitarian gesture. They noted the menace of trafficking of women and children along

Indo-Bangladesh border and agreed to designate nodal points on both sides for coordinated action against individuals/touts/agents involved in human trafficking.

Both sides agreed to enhance cooperation in capacity building in Police and other law enforcement agencies. While expressing satisfaction at the existing level of cooperation, they agreed to expand it further.

The two sides welcomed the holding of the first DG level talks on between the Narcotic Control Bureau of India and Department of Narcotics Control in Bangladesh and reiterated the need for further enhancing cooperation including in capacity building of the two agencies. It was agreed that the next Home Secretary level Talks would be held in Dhaka, the date of which would be decided through diplomatic channels.



**BHUTAN****293. Remarks by External Affairs Minister S. M. Krishna on arrival at the Paro Airport.****Paro(Bhutan), June 18, 2009.**

I am very happy to be here on my first visit abroad as the External Affairs Minister of India. We wish to reaffirm our close relations. I bring greetings and good wishes from the government and people of India for Bhutan.

India and Bhutan share uniquely warm and cordial relations. These are founded on close consultations, maturity, complete trust, mutual understanding, shared interests and mutually beneficial cooperation. They are an example of good-neighbourly relations.

I look forward to audiences with His Majesty the King of Bhutan and His Majesty the Fourth King. I also look forward to my meetings with Hon'ble Prime Minister and Foreign Minister of Bhutan to further strengthen our bilateral relations and economic cooperation.

We are privileged to be a close development partner of Bhutan for about half a century based on the Royal Government's priorities. We, therefore, rejoice in Bhutan's progress and prosperity.

While our multi-faceted cooperation covers a broad canvas, cooperation in the hydropower sector is a key element. Building on the successful execution of the three hydro projects - Chukkha, Kurichu and Tala - the Governments of the two countries have decided to add another 10,000 MW of hydropower capacity by 2020. This would substantially benefit both the countries.

We congratulate the Royal Government of Bhutan for the successful completion of the first year of the historic transition to Constitutional Democratic Monarchy. India has been privileged to share its experience with Bhutan through interaction between Parliamentarians of the two countries.

I am happy to flag off the first Druk Air flight from Paro to Bagdogra that would facilitate greater connectivity to promote trade and tourism between our countries. I also look forward to signing the MoU on Nehru-Wangchuck Scholarship that would provide an opportunity to meritorious and talented Bhutanese students to study in prestigious Indian Universities and Institutions.

I hope that my visit would further strengthen the bilateral links between the two countries.

Thank You.



**294. Press interaction of Foreign Secretary Shivshankar Menon with media in Thimpu.****Thimpu, June 18, 2009.**

**Foreign Secretary (Shri Shivshankar Menon):** Welcome ladies and gentlemen, I thought I would brief you about the events today during EAM's first ever visit abroad which he chose to make to Bhutan.

As you know, he arrived early this morning in a special aircraft. The first thing he did at Paro airport itself was to flag off the new flight to Bagdogra of Druk Air. EAM and Lyonpo Ugyen Tshering signed the boarding cards themselves for some of the passengers and saw the flight off.

Soon after coming here, the Minister had an audience with His Majesty the King. His Majesty was gracious enough also to offer lunch at Dechhencholing Palace. Thereafter, he met the with the Fourth King, the previous Druk Gyalpo, at India House, which was an informal meeting, and then went to the Secretariat where he had a meeting with Lyonchhen Prime Minister Jigmi Thinley. Later in the evening there will be a banquet by the Prime Minister in the Royal Banquet Hall at 7.45 pm.

In all these conversations it was evident that the depth, the warmth and the meeting of minds that characterize India-Bhutan relations were stronger and deeper than ever. This was an occasion for the Minister to show his commitment to this relationship by coming here first, by making this the first of all of his foreign visits as Minister. It was also an occasion for him to learn about the relationship, to talk about the details. The Dechhencholing especially described the nature of the relationship to him in very warm terms, so did the King, so did the former King. In fact, the word they used was to say that we have excellent relations. In all cases, everybody - the Minister, everyone he met - said that they saw India and Bhutan's future as being interlinked. They naturally discussed the nature of that relationship, of how it has evolved, of how India looks forward to working with Bhutan to bring about development and prosperity.

Politically, as you know, the last year has been a very active year within Bhutan and in India-Bhutan relations, as Bhutan has made the transition to democracy, as they have had their elections, and then the Coronation that took place in November. Prime Minister Dr. Manmohan Singh visited Bhutan in May last year. He addressed the National Assembly. Thereafter, for the Coronation, our President herself was here, and so were Mrs. Sonia Gandhi and her family as well as EAM. There has been a series of high-level visits from Bhutan to India that took place last year. Prime Minister Thinley visited India last year. If you look at, it has been a very active period it in terms of visits, in terms of political exchanges.

In terms of work on the ground as well we have set ourselves a very ambitious target of at least 10,000 MW of electricity being generated in Bhutan through India-Bhutan cooperation by 2020. We are on track. We have a programme which actually plans for more than 10,000 MW. We have an Empowered Joint Group which is headed by very senior people on both sides to make sure that this is actually gets done. They have met once. We have signed an MoU. We have done all the agreements. We will meet again very soon within a month so that we can actually see the implementation on the ground.

The Minister was also briefed about the progress in Bhutan itself by the Prime Minister. He expressed gratification to hear how the various issues in, what he called at one stage, the 'Kingdom of Happiness' are being dealt with and how smoothly the democratic transition is taking place.

It is important to note that ours is not just any relationship, but one which probably does not have another similar relationship anywhere in the world. This is also a relationship which is absolutely trouble-free. It is a relationship in which we are joined by what we both want to do together, what we have achieved in the past - which is also quite a great deal - and by what we want to do together.

As we were coming back in the car the Minister was telling me that it has really been a wonderful visit, that it reinforces his conviction for the future of the relationship.

I will be happy to take questions, if any.

**Question:** Sir, what were the other issues that figured in the meeting between the PM and the EAM?

**Foreign Secretary:** There was a fair amount of detail from the PM about how development is going on. Then there was a discussion also on complementarity between the economies. For instance, NASSCOM has been here recently; NIIT is starting a big project here. They took a road show with their Communications Minister to India which was successful in signing contracts. So, there are Indian IT companies looking at setting up centers and so on here. Recently the Indian Chamber of Commerce from Kolkata was here. They also have some ideas. Many of them are useful ideas because they actually take development down to the grassroots. They were talking, for instance, of organic-farming, of producing organic fertilizers. This is a niche which is now increasingly important in the world. There was some discussion, for instance, with His Majesty the King about the environment, and all that Bhutan has done is quite remarkable. I myself can see the difference in Thimpu from when I first came here almost thirty years ago. You can see the greening that has been undertaken. There was discussion on new and

renewable energy, solar, wind, the effects of Aila, etc. But this is a discussion between friends who have the same interests, who want to do things together. It is an easy sort of discussion. I can go through a long list like this.

**Question:** Were any regional issues discussed in the meeting?

**Foreign Secretary:** Not really. SAARC Summit was discussed briefly because Bhutan will host the next SAARC Summit next spring. We were talking about how that would be done and what ideas Bhutan has. There are still about ten months. It will be in the next March actually.

**Question:** (inaudible)

**Foreign Secretary:** SAARC is the real issue of the discussion. Otherwise, there was this general review of what is happening in the region. But, as I said, it was between two ...

**Question:** Can you tell us a bit more about your discussions with King IV ...

**Foreign Secretary:** Today's relationship we owe in great part to what he has done and what he did right through to nurture the relationship, to bring it to this stage where we are so comfortable, so easy in working with. Some of it was for the future - what sort of things he thinks we might be doing or we should be doing. We discussed that. There again, I think he has a sort of vision, a long-term vision, for Bhutan and for India. Primarily, as he always says, I think he likes to say that whatever he does, he does for Bhutan's interest, for the country's interest. But he does not see a difference between the two. He feels also that our futures are interlinked. So, he has a long-term strategic sense of the relationship which is always useful and refreshing and for me educative to listen into.

**Question:** I will come back to the regional issues. Was there any particular country which was discussed when you were talking about a general review of the regional issues?

**Foreign Secretary:** ... Nepal, for instance. The situation in Nepal, -- (inaudible)

Thank you



**295. Speech by External Affairs Minister S. M. Krishna at the Banquet in his honour during his visit to Bhutan.**

**Thimpu, June 18, 2009.**

**Your Excellency Lyonchhen Jigmi Thinley**

**Honorable Prime Minister of Bhutan,**

**Excellencies,**

**Ladies and Gentlemen,**

I am deeply touched by your warm welcome and kind hospitality. I am delighted that my first visit abroad as External Affairs Minister is to Bhutan, our closest friend and neighbor. India-Bhutan relations are an example of good neighbourliness. The Bhutanese people enjoy a very special place in the minds and hearts of all Indians. My visit, therefore, is to reaffirm the deep emotional bonds of friendship between our two countries that have few parallels in the world.

Excellency, our relationship is 'special' because it is historic and time tested. It is 'special' because it is founded on extraordinary goodwill and absolute trust. And it is 'special' because it is based on a genuine concern for each other's interests and welfare.

Since the historic day of 21st September 1958, when Prime Minister Pandit Jawaharlal Nehru came to Bhutan, traveling across the Himalayas on foot and on horseback, both countries have worked assiduously to give our special relationship a boost to develop in a multifaceted way. The substance of our bilateral ties are manifested in the ever widening canvass of our interaction covering a broad spectrum, such as, power, transport, communications, infrastructure, education, IT, industry, medicine and agriculture.

Mr. Prime Minister, the principle of mutual benefit guides our relationship. The most outstanding example of this is our collaboration in the hydel-power sector. The beginning was modest. But success gave us confidence. We have now embarked on the exciting journey to fulfill Prime Minister, Dr. Manmohan Singh's visions of generating 10,000 MW of hydel power for export to India by 2020. This, when realized, will benefit both countries enormously.

As you are aware, Excellency, India has just had its general election. As the world's largest democracy, we consider it our sacred duty to work even more closely with Bhutan, the world's youngest democracy. I take this opportunity to assure you that India will stand with Bhutan in the fulfillment



of its democratic aspirations. Democracy has come to Bhutan in the most unique circumstances. I wish to put on record my sincerest tribute to the vision and foresight of Fourth Druk Gyalpo, His Majesty Jigme Singye Wangchuck, and the King, His Majesty Jigme Khesar Namgyel Wangchuck, whose personal examples of leadership, sagacity, and statesmanship will forever remain an inspiration not only for Bhutan but also to the world.

Mr. Prime Minister, Bhutan is going through a historic phase of transition. India celebrated with Bhutan the 100th anniversary of the Wangchuck dynasty, the Coronation of His Majesty the King, the first elections and the adoption of the new Constitution in 2008. We rejoice in the success of Bhutan. We celebrate its increasing prosperity. We admire its unique notion of Gross National Happiness. We respect its deep commitment to the preservation of its environment. We applaud its endeavours for the preservation of its glorious culture and heritage. We salute this beautiful kingdom which is the youngest democracy in the world and has the youngest King at its helm.

In the years ahead, both our countries will need to work together even more closely in deepening and widening the canvass of our bilateral engagement. India will fulfill its commitments under Bhutan's 10th Five Year Plan, and for the fruition of many other projects where we are working together, including new and emerging areas such as IT. In Bhutan's march to peace, progress and prosperity, India will be your reliable companion.

May I take this opportunity, Mr. Prime Minister, to once again thank you for the very warm and cordial hospitality extended to me and members of my delegation. We greatly value your commitment to the strengthening of Indo-Bhutan relations. We know the great experience and wisdom you bring to your new responsibilities. I am confident that, under your guidance, Indo-Bhutan relations will grow from strength to strength.

Excellencies, Ladies and Gentlemen, may I request you to join me in raising a toast to:

- The good health and well being of His Majesty Jigme Khesar Namgyel Wangchuck, the King of Bhutan;
- To the progress and prosperity of the friendly people of Bhutan; and
- To the everlasting friendship between India and Bhutan.

Namaste and Tashi Delek



**296. Remarks by External Affairs Minister S. M. Krishna on the occasion of the signing of Memorandum of Understanding on Nehru-Wangchuck Scholarships.**

**Thampu, June 19, 2009.**

**Foreign Minister Lyonpo Ugyen Tshering,**

**Excellencies,**

**Ladies and Gentlemen,**

India's first Prime Minister Jawaharlal Nehru made a historic visit to Bhutan in September 1958. He came to this beautiful country trekking and traveling on horseback across the Himalayas. In Bhutan he received a very warm and memorable welcome by His Majesty the late Third Druk Gyalpo, Jigme Dorji Wangchuck.

Following this historic meeting, India and Bhutan have forged a special relationship noted for its warmth, trust and understanding, and a genuine concern for each other's well-being. It is fitting, therefore, that on my first visit abroad as the External Affairs Minister of India, I have come to Bhutan, and during my visit we have signed a Memorandum of Understanding that recalls the indelible legacy of Jawaharlal Nehru and the legendary role of the Wangchuck dynasty.

The Nehru-Wangchuck scholarship will be available to talented and meritorious Bhutanese nationals for undertaking studies in prestigious universities and institutions for courses leading to graduate and postgraduate degrees or diplomas, with priorities accorded to postgraduate professional studies.

I am confident that the Nehru-Wangchuck scholarships will further cement the already exceptionally close ties between our two countries and will, in particular, provide new opportunities to the talented youth of Bhutan.

I have had the most rewarding and pleasant stay in Bhutan. I had audiences with His Majesty the King of Bhutan and His Majesty the Fourth King. I called on the Prime Minister of Bhutan and met my friend Foreign Minister Ugyen Tshering. All the discussions were most friendly and covered various aspects of our close relationship and how to take it forward.

Before I conclude, I must say that Bhutan's natural beauty is captivating, the affection and graciousness of its people touching. I carry back very cherished memories of the warm hospitality accorded to me and my delegation during my visit.

Thank you.



**297. Joint Press Release issued on the visit of Prime Minister of Bhutan Lyonchen Jigmi Y. Thinley.**

**New Delhi, July 2, 2009.**

On the invitation of the Prime Minister of the Republic of India H.E. Dr. Manmohan Singh, the Prime Minister of the Kingdom of Bhutan H.E. Lyonchen Jigmi Y. Thinley is on a goodwill visit to India from 28 June to 3 July 2009. The Prime Minister of Bhutan is accompanied by H.E. Mr. Daw Penjo, Foreign Secretary, Dasho Sonam Tshering, Secretary, Ministry of Economic Affairs, and other officials of the Royal Government.

2. Prime Minister of Bhutan's visit is significant as he is the first head of government to visit India during this term of the UPA government. The visit provides another opportunity to continue the tradition of high-level exchange of views between the two countries.

3. Prime Minister Thinley was in Kolkata on 28-29 June and is in New Delhi from 30 June to 3 July, 2009.

4. In Kolkata, the Prime Minister of Bhutan had discussions with Mr. Buddhadeb Bhattacharjee, Hon'ble Chief Minister of West Bengal, on measures to strengthen cooperation between Bhutan and West Bengal. He also met with the Indian Chamber of Commerce, Kolkata and exchanged views on promoting trade, commerce and investments.

5. While in New Delhi, Prime Minister Thinley called on the President of India and met with the Prime Minister on July 1. He also met with the Chairperson of the United Progressive Alliance, the Finance Minister, the External Affairs Minister, the Leader of the Opposition and the Foreign Secretary. All the meetings were very friendly, warm and cordial, reflecting the spirit of trust, cooperation and deep understanding that mark the bilateral relations between India and Bhutan. Discussions covered issues of mutual interest and bilateral cooperation, including cooperation in the hydropower sector, IT and small development projects.

6. Prime Minister Thinley held extensive talks with Prime Minister Dr. Manmohan Singh. They exchanged views on various facets of Indo-Bhutan relations and measures to further enhance the relationship. The Prime Minister of Bhutan conveyed deep appreciation to Prime Minister Dr. Manmohan Singh and other Indian leaders for their contribution to Indo-Bhutan relations. He also expressed gratitude of the Royal Government and people of Bhutan for the unwavering assistance and cooperation extended by India for Bhutan's

development.

7. Both sides exchanged views on regional and international issues. Prime Minister Thinley apprised Prime Minister Dr. Manmohan Singh of the preparations underway to host the 16th SAARC Summit in Thimpu in April 2010. Prime Minister Dr. Manmohan Singh assured full support to the Royal Government for hosting the Summit.

8. Prime Minister Dr. Manmohan Singh conveyed his sympathies for the loss of lives and property from the recent flash floods in Bhutan and, as a gesture of solidarity, extended assistance worth Rs. 10 crores to the victims in Bhutan of this tragedy.

9. Both sides expressed satisfaction at progress in the hydropower sector and reiterated their commitment to achieve the target of 10,000 MW of hydroelectric generation in Bhutan by 2020. The next meeting of the Empowered Joint Group to fast-track implementation of hydropower projects will be held in August 2009. The first meeting was held in New Delhi in March 2009 after signing of the Protocol to the 2006 Agreement on Cooperation in Hydropower.

10. IT is a new focus sector for Bhutan and Prime Minister of Bhutan visited NIIT, an Indian IT education and training company. Prime Minister Dr. Manmohan Singh lauded the Royal Government's efforts to develop a knowledge-based economy through IT and assured support to its IT and e-governance project.

11. The Prime Ministers of the two countries expressed deep satisfaction with the visit which led to further strengthening of the time-tested ties of friendship, understanding and cooperation between India and Bhutan.



**298. Media Briefing by Official Spokesperson on the visit of the King of Bhutan.**

**New Delhi, December 21, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good afternoon to all of you. First of all, thanks for your patience. We had to slightly adjust the timing of the briefing. I appreciate your understanding. Let me accord a very special welcome to our media friends from Bhutan. We are absolutely delighted that you could join us today. I am also joined by my good friend and colleague Mr. Satish Mehta who is our Joint Secretary (North).

You are aware that on the invitation of the President of India, the Fifth King of Bhutan His Majesty Jigme Khesar Namgyel Wangchuck is paying a state visit to India, from 21st to the 26th. His Majesty arrived today morning. This is his first visit to a foreign country since his formal coronation on the 6th of November 2008, as well as after Bhutan became a democratic Constitutional monarchy in July 2008. He had earlier visited India in February 2007 after becoming the Fifth King of Bhutan on 9th December 2006. Many of you would recall that our President had travelled to Bhutan from the 5th to the 8th of November 2008 to attend the formal coronation of His Majesty.

India and Bhutan have a unique, unparalleled and time-tested partnership for peace and friendship. The foundation of this relationship was laid during the visit of Prime Minister Jawaharlal Nehru to Bhutan in 1958. The basic framework of India-Bhutan relationship is the Treaty of Friendship and Cooperation of the 1949, which was updated and made contemporary during the visit of the King of Bhutan in February 2007.

Over the past fifty years our relations have deepened. Both countries have been responsive to each other's interests and sensitivities. Our bilateral relationship is characterised by regular high-level exchanges and close multifaceted ties. Prime Minister had visited Bhutan in May 2008 when he inter alia dedicated the Tala hydroelectric project to the nation. Our External Affairs Minister paid his first visit after assumption of office, to Bhutan in June 2008. Bhutanese Prime Minister His Excellency Jigmi Y. Thinley visited India in June-July 2009. These are just to highlight a few important visits. As I said, we have had a number of regular high-level visits from both sides.

I would particularly like to note that India continues to be the largest trade and development partner of Bhutan. Over 90 per cent of Bhutan's trade is with India. Significantly, since 2006 Bhutan's exports to India have been

more than Bhutan's imports from India primarily due to exports of energy from Bhutan to India. In 2008 India's exports to Bhutan were Rs. 1734 crore and imports were Rs. 2148 crore, which constituted over 99 per cent of Bhutan's total exports worldwide.

Our multifaceted cooperation covers sectors like hydro power, health, education, human resource development, media, information technology, telecom, etc. One of the key areas of cooperation has been water resources particularly in our assistance to Bhutan in harnessing their hydroelectric potential and generation of hydroelectric power.

Three major hydroelectric projects have already been commissioned with Government of India's assistance. These include the Chukha Project which is 336 MW; the Kurichhu Project which is 60 MW; the Tala Project which is 1020 MW. The fourth one Punatsangchhu, which is 1200 MW, is currently under construction.

As I mentioned, surplus power generated from Bhutan is made available to India. Significantly, during the visit of our Prime Minister to Bhutan in May 2008 we committed to develop 10,000 MW of hydro power in Bhutan by the year 2020. We are also assisting Bhutan in development of infrastructure and other sectors.

Sustained Indian assistance to Bhutan over the past fifty years has played an important role in the infrastructure and economic development of the country taking its per capita income to over 2000 dollars, which is amongst the highest in South Asia. Bhutan's planned developmental effort began in the early 1960s. I would just like to note that during the Tenth Five-Year Plan of Bhutan, which is from 2008 to 2013, India's direct assistance accounts for Rs. 3,400 crore. If you take all elements, it would be close to Rs. 10,000 crore.

The visit of His Majesty the King of Bhutan would provide another opportunity of high-level exchange of views between the two countries. The King is accompanied by a high-level delegation that includes the Minister for Foreign Affairs, the Minister for Economic Affairs, the Chairman of the Royal Privy Council and a number of other high-level dignitaries.

While in India, His Majesty would be meeting the President of India who would also be hosting a banquet in his honour. The Vice-President of India, the Prime Minister, Chairperson of UPA, the Finance Minister, the External Affairs Minister, the Home Minister, the Leader of Opposition, the National Security Advisor and Foreign Secretary would be calling on the King of

Bhutan. There will be delegation-level talks with the Prime Minister. The discussions are expected to cover a whole range of issues of mutual interest, bilateral cooperation including cooperation in sectors like hydro power, IT, health, civil aviation as well as regional and international matters of common interest.

I would particularly like to draw your attention to the fact that the King would be visiting a photo exhibition titled "Bhutan - An Eye to History", profiling India-Bhutan relations at the National Gallery of Modern Art at 1130 hours day after tomorrow, the 23rd of December. I can see that most of you have already received the invitations. If you have not, kindly collect one and also see the Press Release that we have issued, copies of which we have also made available to you. I would like to extend a special invitation to you all to the Exhibition tomorrow. If you for some reason cannot come, do pass on your invitation to a media colleague and let us know so that we know whom to expect.

Friends, it is a very special exhibition and it documents the early photographic records of the Himalayan Kingdom of Bhutan and the close ties of friendship that exist between our two countries. The collection has a premiere showing the remarkable photographic work of the Fifth King His Majesty Jigme Khesar Namgyel Wangchuck as well as his father the Fourth King of Bhutan. Some of the photographs are quite rare which have never been displayed. So, it is a very special exhibition. As I said, we will be very happy to see you all present at the inauguration by His Majesty, which is at 1130 hours on the 23rd. The King would also deliver the Madhavrao Scindia Memorial Lecture at Nehru Auditorium, Teen Murti, at 1730 hours on the same day, the 23rd of December.

Several agreements and MoUs are proposed to be signed during the visit covering sectors like hydro power, health, civil aviation, information and communication technology, etc. The visit of His Majesty the King of Bhutan would contribute further to strengthening and expanding our bilateral relations. This is what I wanted to say by way of introduction. My colleague Mr. Satish Mehta and I will be very happy to take any questions that you may have on the visit of His Majesty the King or the relationship.

**Question:** Could you update us about the level of diplomatic and otherwise engagement of China in Bhutan because it is important from Indian perspective? And could Mr. Mehta give us an update on the Chinese level of preparedness, militarily as well as infrastructure-wise, at the Bhutan-Sikkim-Nepal tri-junction?

**Official Spokesperson:** All that I would like to say is that I have given you a perspective on India-Bhutan relations and that is what we would like to give you. Bhutan's relations with other countries are the prerogative of Bhutan.

**Joint Secretary (North):** I have nothing more to add.

**Question:** Will there be any possible discussions that may take between the NSA and the Chief of Army Staff? If so, what would they focus on?

**Joint Secretary (North):** We really cannot presuppose what would be discussed.

**Official Spokesperson:** As I have already mentioned, we have a very important relationship, given its sweep, content and dimensions, which I have already enumerated. During the visit, I have also indicated to you the high-level delegation that is accompanying His Majesty. I did mention that the range of discussions will be very broad both covering matters of bilateral interest, our multifaceted cooperation in different fields as also issues of regional and international importance. But, as my colleague said, what will be discussed in particular or specifically, obviously we cannot prejudge the specifics. We would, as and when possible, certainly give you a sense of the discussions.

**Question:** What are the MoUs that are going to be signed during His Majesty's visit?

**Joint Secretary (North):** Vishnu gave you a sense of the sectors that we propose to sign agreements on and those are the sectors that would be covered in the MoUs. But let them get signed tomorrow and then you will have all the details.

**Official Spokesperson:** If you want I can repeat. We are expecting a number of agreements and MoUs which would cover sectors like hydro power, health, civil aviation, information technology and so on.

**Question:** Can you give more details in terms of the hydro power projects?

**Official Spokesperson:** We will certainly be more than happy to give you all the details. I know your interest in hydro power and, therefore, I dwelled on it at length. I have already given you a sense of the importance that both countries attach to this sector, and how the projects have developed, what is on the anvil. I specifically mentioned that during the visit of the Prime Minister, it has already been agreed that by the year 2020 we would assist Bhutan to develop or harness up to 10,000 MW of generation capacity. So, certainly the hydroelectric sector is a very important sector.



**Question:** What is their requirement in terms of energy at this point of time? How much of that is being fulfilled by India?

**Official Spokesperson:** Bhutan is a country of about 700,000 people. So, whatever is their requirement certainly that is met first. Whatever is the surplus, which is substantial, is made available to us.

**Question:** All of it?

**Official Spokesperson:** Yes. That is again quite significant from our point of view. I did mention in particular that since 2006 and especially after the Tala Project was dedicated to the nation, the exports from Bhutan have exceeded imports by Bhutan and it is precisely because of the power sector.

**Question:** Could you please elaborate on cooperation so far as civil aviation is concerned? ...(Inaudible)... Apart from that, we do also have some problem related to the use of currency in the border areas because Bhutanese currency is being used in ...(Inaudible)... There have been some cases of fake currency also. Will this also be discussed?

**Joint Secretary (North):** Indian currency is acceptable in Bhutan as legal tender. So, that is not a problem insofar as I know of it. I am not particularly aware of Bhutanese currency being used in India. But in bordering areas it possibly happens. I am not aware of it. And I am not aware of any large scale use of fake currency also. We have not heard of that on the India-Bhutan trade side.

On the civil aviation, right now we have some flights from Bhutan. Druk Air has some flights. The idea is to expand the cooperation in this sector and the agreement is directed towards that.

**Question:** Is there any proposal also to connect Bhutan and India by a rail line?

**Joint Secretary (North):** As you know, there was an announcement during the visit of Prime Minister of India to Bhutan in May 2008 to have this railway line called Golden Jubilee Railway Line which would link Bhutan to India. In terms of announcement it is already there. Now we have to work on it. It takes time to put everything in place.

**Question:** We understand that a number of projects and agreements, as you have said, are going to be signed. Can you give us any figures in terms of how much any of these projects is worth?

**Joint Secretary (North):** I can only talk in terms of hydroelectric projects. The only one which is right now under construction is Punatsanchhu-I. All projects in which you work, you work in very difficult geologies and what you anticipate does not always happen. So, it is difficult to put a figure at this stage. When you make a DPR there is an estimate. But once you start moving forward, the geology turns out to be the way it turns out to be. So, to be able to pin down a figure would be difficult. The hydroelectric projects by definition are very large.

**Question:** Sir, many insurgent groups of Northeast take shelter in Bhutan. Is there a possibility of some talks on this important issue during this visit? (free translation from Hindi text)

**Joint Secretary (North):** We already have an extradition treaty with Bhutan. In 2003, if you remember, His Majesty the Fourth King of Bhutan, who was then the King of Bhutan, personally led an expedition against the terrorists in the Bhutanese side. India and Bhutan cooperate very closely on all issues including security. And as JS(XP) mentioned, Home Minister would be calling on His Majesty. As I said, it is not for me to prejudge what will be discussed.

**Question:** What is the total electricity production of Bhutan and how much of it is given to India?

**Joint Secretary (North):** There are two things in the total electricity production - one is installed capacity and second is the actual generation. Actual generation depends upon, in the case of hydro power, rainfall and how much of it is caught. So, it changes every year including this year. But it is substantial. Again, it depends upon how much they generate and how much they use. But out of what is generated, a very substantial part is exported to India as a general rule.

**Official Spokesperson:** Thank you very much.



**299. Briefing by the Official Spokesperson on bilateral talks between Prime Minister Dr. Manmohan Singh and the King of Bhutan.**

**New Delhi, December 22, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good evening to you all. I would like to give you a perspective on the bilateral talks today between the Prime Minister and His Majesty.

As you know, His Majesty Jigme Khesar Namgyel Wangchuck, the Fifth King of Bhutan is on a State visit to India from 21st to 26th December at the invitation of the President of India. Today he held one-on-one talks as well as delegation level talks with the Prime Minister of India. From our side, Prime Minister was assisted by our External Affairs Minister, Finance Minister, Home Minister, Power Minister, NSA, Principal Secretary to PM, Foreign Secretary, Ambassador of India to Bhutan and others. His Majesty the King was assisted by the Bhutanese Minister for Foreign Affairs, Minister for Economic Affairs, the Chairman of Royal Privy Council, the Foreign Secretary, the Bhutanese Ambassador to Delhi and others.

The discussions covered a wide range of subjects of mutual interest, bilateral cooperation as well as matters of regional and international interest. Prime Minister has described the visit of HM as 'historic' hailing Bhutan as "India's closest friend and neighbour". You would recall that this is the King's first visit to any foreign country after his formal coronation on the 6th of November 2008. Prime Minister also observed that India wants the democratic experiment in Bhutan to succeed and that we will provide all possible support.

Prime Minister emphasised the importance of people-to-people contacts and particularly spoke of the desirability of greater interaction between Parliamentarians. Hon'ble Speaker has accepted an invitation to lead a Parliamentary delegation to Bhutan next year. Prime Minister also assured that no stone would be left unturned to help Bhutan in realising its potential of creating generation capacity of 10,000 MW by the year 2020.

Let me get into some specifics because yesterday I found a lot of interest in the energy sector. As I mentioned yesterday, the Punasangchhu-I project which has an installed capacity of 1200 MW is already under construction. Implementation agreements on two other projects will be concluded by early next year. These are Punasangchhu-II which is again 1200 MW; and Mangdechhu which is also 1200 MW.

Another mega project Sankosh, which is 4,000 MW, is under discussion. Prime Minister conveyed to HM that the DPRs for all these three projects would be ready by the year 2011. You have just been given the list of the Agreements and MoUs that have been signed. So, you would notice that in addition to what I have mentioned, at Serial Nos. 9 to 12 there are four other MoUs which have been concluded to undertake DPRs for four hydroelectric projects.

Moving on, the Prime Minister complimented His Majesty's vision of 'Gross National Happiness' which he described as "ecological sanity". And he assured that India would do everything possible in helping Bhutan realise its vision. The two sides also exchanged notes on the SAARC Summit which would be held in Bhutan next year. Prime Minister said that India will work closely with Bhutan to make it a memorable event.

His Majesty the King of Bhutan, expressing happiness at the quality of our ties, the depth of our ties and said that he will always be protective of India-Bhutan friendship and would be mindful of India's interests.

As you can see from the paper that is with you, in all, 12 MoUs covering a wide range of areas were concluded. We have also attempted to give you a gist in Column 2 highlighting the significance of the MoUs. Let me particularly draw your attention to a couple of MoUs. One is at Serial No.4 on the IT sector. This is a MoU that has been concluded on the 'Total Solutions Project'. The additional details I am sharing with you are not there in the paper. The project involves an assistance of Rs. 205 crore over a five-year period from India. It would significantly help making nearly half of Bhutan's population e-literate. 7,000 government officials, 5,000 teachers, 1600 enterprises, and very significantly 200,000 rural children will benefit from the project with which an NIIT and others will be associated. Also, 168 IT-enabled schools will be established.

As significant is the MoU at Serial No.1 on the health sector where India has agreed to set up a 50-seat undergraduate medical school and hospital patterned on All India Institute of Medical Sciences. Some details are with you. You are aware that we have been lending assistance to our neighbours on the Small Development Projects. It has also been decided that Rs.700 crore would be earmarked during the Tenth Five-Year Plan for undertaking Small Development Projects in Bhutan, particularly in rural Bhutan, covering areas like sanitation, education, health, water, culverts, bridges or anything as per the wishes of the Royal Government of Bhutan. India has also committed to an assistance of Rs.25 crore for earthquake relief effort in Bhutan.

Let me point out that we have no divergences or outstanding issues with our neighbour. In sum, the discussions were excellent which is reflective of our warm and close ties. We regard His Majesty's visit as a milestone in reinforcing and further expanding the wide canvas of relations between India and Bhutan.

I will be happy to take a few questions, if you have any.

**Question:** Can you give a ...(*Inaudible*)... figure ...(*Inaudible*)...

**Official Spokesperson:** Yes, happily. I had mentioned yesterday that Bhutan's planned developmental effort had begun in the 1960s, and during their Tenth Plan which is from 2008 to 2013, almost 23 per cent of the plan outlay would be covered by direct Indian assistance which accounts for Rs.3400 crore. If you add other elements including payment for hydro power, refund of taxes, etc., it all adds up to something like Rs.10,000 crore. That is the broad framework of assistance. There have been some additional elements today which I enumerated, for example the Rs.25 crore for the earthquake relief. This is for the Tenth Five-Year Plan. But the generation capacity of 10,000 MW that I mentioned is over a period till 2020. Here, as the DPRs are finalised we will have a better sense of the expenditure involved and then we will discuss with the Royal Government of Bhutan what will be the quantum of our assistance and so on.

**Question:** I just wanted to check if the ICT project is a part of the planned Rs.10,000 crore or separate.

**Official Spokesperson:** That is correct.

**Question:** What kind of help will India be rendering for the SAARC Summit next year in Bhutan?

**Official Spokesperson:** As I said, there was an exchange of views on the SAARC Summit. The Prime Minister had conveyed that we will support Bhutanese effort to make it a memorable event. This is what the Prime Minister mentioned. We will be in touch with Royal Government of Bhutan to see what kind of facilitation or assistance they may require for the SAARC Summit.

**Question:** My question is related to the MoU at Serial No.6 for Cooperation in Search and Rescue. Will the Indian Air Force be involved in this if there is a need for search and rescue operations in Bhutan?

**Official Spokesperson:** In Column 2 we have already described the nature of the MoU. I do not have anything more to add to it at this stage.

**Question:** Any discussion on the North-East insurgent groups which have been ...*(Inaudible)*...

**Official Spokesperson:** Security and Defence cooperation was also discussed during the bilateral talks. As was mentioned yesterday by me and my colleague, we receive excellent cooperation from Government of Bhutan in respect of the Indian Insurgent Groups in southern Bhutan.

**Question:** ...*(Inaudible)*...

**Official Spokesperson:** The question was as to how much of power comes to India? My understanding is that currently Bhutan's total requirement does not exceed 400 MW. The installed capacity in Bhutan is around 1500 MW. After their needs are taken care of, the entire surplus comes to India.

**Question:** Will that power be distributed to different States in the country or in the North-East?

**Official Spokesperson:** That is a question best addressed to the Ministry of Power as to how they distribute it.

**Question:** You said 10,000 MW of installed capacity by 2020. Is it total installed capacity or additional?

**Official Spokesperson:** Total by 2020. As I mentioned, it is about 1500 MW right now. Punasangchhu which is under construction is 1200 MW. Then Punasangchhu-II and Mangdechhu are 1200 MW each, so that is another 2400 MW. Then Sankosh is 4,000 MW. And you have seen the other MoUs that have been concluded.

**Question:** ...*(Inaudible)*...

**Official Spokesperson:** At the moment what we have and what we could share I have already given to you. By and by we will share more details.

Thank you.



**300. Speech by President Shrimati Pratibha Devisingh Patil at the banquet in honour of the King of Bhutan Jigme Khesar Namgyel Wangchuck.**

**New Delhi, December 22, 2009.**

**Your Majesty Jigme Khesar Namgyel Wangchuck, the King of Bhutan,  
Excellencies,**

**Ladies and Gentlemen,**

It gives me great pleasure to welcome Your Majesty and the distinguished members of your delegation to India. This visit, the first abroad after your Coronation in November 2008, is a milestone in the special relationship between our two countries.

Your Majesty, I have the fondest memories of my visit to your beautiful country last year on the historic occasion of your Coronation. The warm hospitality and welcome accorded to me shall forever remain etched in my memory.

We consider Bhutan as our closest friend and neighbour. Our relationship is special because it is based on mutual respect, deep understanding and goodwill. Ever since the historic visit of Prime Minister Pandit Jawaharlal Nehru to your beautiful country in 1958, this relationship has grown exponentially and to mutual benefit. Today, it encompasses hydropower, transport, communications, infrastructure, education, IT, medicine and agriculture, to name just a few sectors. The agreements that have been signed, between our two countries today, are a testimony to the ever-expanding ambit of our bilateral engagement. Our working together successfully in the hydropower sector is an important example of mutually beneficial cooperation between our two countries. It gives us inspiration and confidence to achieve the target of 10,000 MW of new hydropower capacity by 2020.

In recent times, Bhutan has seen historic developments. We were witness last year to Your Majesty's Coronation; that was also the year when the first elections were held and a new Constitution adopted. We are confident that under your guidance, and your personal emphasis on harmony and constructive engagement, democracy in Bhutan will grow and flourish. I want to assure Your Majesty that any assistance that India can provide to the friendly people of Bhutan on this remarkable journey will always be forthcoming.

We in India rejoice at the success of Bhutan and its increasing prosperity.

We admire its unique paradigm of Gross National Happiness which seeks to balance economic growth with deep respect for the environment and the preservation of culture and heritage. India, and indeed the world, has much to learn from it.

Your Majesty, the future of Bhutan is safe in your hands. I say this because you embody the passion and commitment of youth with the wisdom and statesmanship that are intrinsic in your personality, and which have been handed down to you as a legacy by your forefathers, and in particular, by His Majesty the Fourth King, who we deeply respect. I recall, in this context, what you said to the people of your country during your Coronation Address, "Throughout my reign I will never rule you as a King. I will protect you as a parent, care for you as a brother and serve you as a son. I shall give you everything and keep nothing." I can only say that love and a sense of duty towards the people is very evident in the sentiments expressed in these words.

May I take this opportunity to wish you great success in the decades ahead. May your reign bring Bhutan unprecedented happiness and prosperity. May these years be for you, personally, one of fulfillment and happiness. I am confident that under your leadership India-Bhutan relations will grow on the strong foundations of the past, and will accomplish, in the fullest manner possible, the potential of the future.

Excellencies, Ladies and Gentlemen, may I request you to join me in raising a toast to:-

- the good health and well being of His Majesty Jigme Khesar Namgyel Wangchuck, the King of Bhutan;
- the progress and prosperity of the friendly people of Bhutan; and
- the everlasting friendship between India and Bhutan.





### **301. Joint Press Statement on the visit of the Bhutanese King Jigme Khesar Namgyel Wangchuck.**

**New Delhi, December 26, 2009.**

At the invitation of the President of India, Smt. Pratibha Devisingh Patil, the King of Bhutan, His Majesty Jigme Khesar Namgyel Wangchuck, paid a State Visit to India from December 21-26, 2009. The King of Bhutan was accompanied by H.E. Lyonpo Ugyen Tshering, Minister for Foreign Affairs, H.E. Lyonpo Khandu Wangchuk, Minister for Economic Affairs, and other senior officials of the Royal Government of Bhutan.

2. The visit of the King of Bhutan was significant as this was his first State Visit to a foreign country since his coronation as the King of Bhutan in November 2008. The visit reinforced the tradition of regular high-level exchanges between the two countries.

3. While in India, the King of Bhutan met the President of India. The President of India warmly recalled her visit to Bhutan in November 2008 for the Coronation ceremony of the King of Bhutan. She wished the King of Bhutan a long reign in the service of his people and country. The King of Bhutan expressed his deep appreciation to the President of India for attending the Coronation and warmly recalled the lasting impression that she had left on the people of Bhutan. The President of India hosted a Banquet in honour of the King of Bhutan.

4. The Vice President of India, the Prime Minister, the Chairperson of the United Progressive Alliance, the Finance Minister, the External Affairs Minister, the Home Minister, the Leader of the Opposition, the National Security Adviser and the Foreign Secretary called on the King of Bhutan.

5. The King of Bhutan held delegation-level talks with the Prime Minister of India and also had a one-on-one meeting. The two sides exchanged views and held discussions on bilateral relations and economic cooperation as well as regional and international issues. They recalled the strong historical ties of friendship and understanding that exist between the two countries. The King of Bhutan and the Prime Minister of India expressed satisfaction at the excellent state of bilateral relations and expressed their commitment to further strengthen these exemplary relations. In this context, they paid tribute to the role of the Fourth King of Bhutan in promoting the exceptionally close relations between India and Bhutan. The King of Bhutan conveyed appreciation for the invaluable support that the Government of India provides

for Bhutan's socio-economic development. As a special gesture, the Prime Minister of India hosted a private dinner in honour of the King of Bhutan.

6. All the meetings were held in a friendly, warm and cordial atmosphere, reflecting the spirit of trust, cooperation and deep understanding that characterize bilateral relations between India and Bhutan.

7. The two sides expressed satisfaction at the progress of the Government of India assisted projects and programmes in the 10th Five Year Plan of Bhutan as well as other projects and activities outside the Plan. The Government of India reiterated its commitment to assist the Royal Government of Bhutan in its socio-economic development.

8. Bhutan will be hosting its first SAARC Summit in Thimpu in April 2010. Bhutan expressed its appreciation for the support provided by the Government of India for the Summit. Both sides agreed to work closely to ensure success of the historic Summit.

9. The Prime Minister of India conveyed sympathies for the loss of lives and property due to the earthquake in Bhutan in September 2009. As a gesture of solidarity with the Government and people of Bhutan, Prime Minister of India announced that India will provide assistance of Rs. 25 crores towards rehabilitation and reconstruction works in Bhutan.

10. Both sides expressed satisfaction at cooperation in the hydropower sector and reiterated their commitment to achieve the target of 10,000 MW of power generation in Bhutan by 2020. In this context, four MoUs for preparation/updation of Detailed Project Reports (DPRs) of the Amochhu Reservoir Hydroelectric Project, the Kuri Gongri Hydroelectric Project, the Chamkharchhu-I Hydroelectric Project, and the Kholongchhu Hydroelectric Project were signed during the visit. It was agreed that both sides would work closely to conclude the Implementation Agreements for Mangdechhu and Punatshangchhu-II hydroelectric projects as well as commence pre-construction activity for these two projects in the first quarter of 2010.

11. Recognising the importance of expanding medical education in Bhutan to meet the objective of providing effective health services, an MoU for the Establishment of the Bhutan Institute of Medical Sciences was signed by the Minister of External Affairs of India and the Foreign Minister of Bhutan.

12. Information Technology development and dissemination is a priority area of the Royal Government of Bhutan, to which the King of Bhutan attaches particular importance. The Prime Minister of India lauded the Royal

Government of Bhutan's efforts to develop a knowledge-based ICT economy and confirmed Government of India's support of Rs. 205 crores for the 'Total Solutions Project' of Bhutan. The project will provide access to information technology and IT solutions to a significant proportion of Bhutan's population, including government officials, teachers, entrepreneurs and rural children, by training and establishing ICT enabled schools, computer labs, and computer stations in rural Bhutan over the next five years. To strengthen and expand cooperation in this sector an MOU for the Development of ICT in Bhutan was signed by the Foreign Secretaries of India and Bhutan.

13. Other Agreements and MoUs signed during the visit were: MoU on Drug Demand Reduction and Prevention of Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and Precursor Chemicals and Related Matters, Air Services Agreement between India and Bhutan, MOU for Harmonisation of Seed Quality Testing and Standards for SAARC Countries, Arrangement for Search and Rescue Operation Services, MoU on Technical Assistance to the National Environment Commission of the Royal Government of Bhutan, and MoU for Consultancy Services for the Preparation of the National Transmission Grid Master Plan of Bhutan.

14. The two sides agreed to conclude the Memorandum of Understanding for the establishment of the Golden Jubilee Rail Line by completing the requisite technical survey as soon as possible.

15. During the visit, the King of Bhutan inaugurated a photo exhibition at the National Gallery of Modern Art entitled "Bhutan: An Eye to History" on December 23, which displays photographs of Bhutan from the 19th century onwards.

16. The King of Bhutan delivered the Madhavrao Scindia Memorial Lecture on the theme 'Changing Times and Timeless Values' at the Nehru Auditorium, Teen Murti on December 23, 2009.

17. The visit of the King of Bhutan to India marks an important milestone in the close and friendly relations between the two countries and has contributed significantly towards further strengthening the profound friendship, mutual understanding, trust and cooperation between India and Bhutan.

18. His Majesty the King of Bhutan thanked the Government and the people of India for the warm and gracious hospitality extended to him and the members of his delegation.



**302. List of Agreements/MoUs signed during visit of His Majesty, King of Bhutan to India****(21-26 December 2009)****MoU/ Agreement**

1. MoU on Bhutan Institute of Medical Sciences

**Synopsis of the MoU**

GOI and RGoB shall cooperate in the setting up of a 50 seat undergraduate medical college through establishment of the Bhutan Institute of Medical Sciences in Thimphu. GOI shall provide assistancenot exceeding Rs. 25 crores as grant-in-aid.

**Signed by**

India: Shri S.M. Krishna, Hon'ble External Affairs Minister

Bhutan: Lyonpo Ugyen Tshering, Hon'ble Foreign Minister

2. MoU on Drug Demand Reduction and Prevention of Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and Precursor Chemicals and Related Matters.

Cooperation to prevent illicit trafficking of narcotic drugs, psychotropic substances and precursor chemicals, prevent money laundering, seize properties derived from illicit drug trafficking, combat illicit cultivation of narcotic drugs and psychotropic substances and comply with the guidelines laid down by the International Narcotics Control Board.

India: Shri S.M. Krishna, Hon'ble External Affairs Minister

Bhutan: Lyonpo Ugyen Tshering, Hon'ble Foreign Minister

3. Air Services Agreement

To facilitate the expansion of international air services opportunities, promote an international aviation system based on competition among airlines; and ensure the highest degree of safety and security in international air services.

India: Shri S.M. Krishna, Hon'ble External Affairs Minister

Bhutan: Lyonpo Khandu Wangchuk, Hon'ble Minister of Economic Affairs

4. MoU for Development of ICT in Bhutan  
To establish a framework for cooperation for ICT program. Envisages that Gol would continue to provide financial support for implementing the ICT projects under Bhutan's 10th FYP and expedite the implementation of the 'Total Solutions Project' to be undertaken by RGoB through NIIT. RGoB will encourage the Indian ICT firms to invest in Bhutan.  
India: H.E. Smt. Nirupama Rao, Foreign Secretary  
Bhutan: H.E. Mr. Daw Penjo, Foreign Secretary.
5. Harmonization of Seed Quality Testing and Standards for SAARC countries  
Developing a project on "Harmonization of Seed Quality Testing and Standards for SAARC countries", with IARI, New Delhi, India, as the Lead Centre and suitable organizations in the Member States as cooperating centres.  
India: H.E. Smt. Nirupama Rao, Foreign Secretary  
Bhutan: H.E. Mr. Daw Penjo, Foreign Secretary.
6. MOU for Cooperation of Search & Rescue Operations  
Seeks to promptly exchange Search and Rescue (SAR) information concerning an actual distress or a potential distress situation and assist each other in the conduct of SAR missions in their respective regions and across their common SAR boundaries.  
India: Shri M. Madhavan Nambiar, Secretary, Ministry of Civil Aviation  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan.
7. MoU on Technical Assistance to the National Environment Commission Secretariat of Bhutan  
Provides technical assistance for developing strategy for monitoring and management of air and water quality in Bhutan and training of Bhutanese officials for air and water quality monitoring and assessment.  
India: Shri S.P. Gautam, Chairman, Central Pollution Control Board.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan.

8. MoU regarding Consultancy Services for Preparation of National Transmission Grid Master Plan for Bhutan  
  
Formulates the terms & conditions for provision of consultancy services by the Central Electricity Authority, GoI, to the Department of Energy, RGoB, for preparation of the National Transmission Grid Master Plan.  
  
India: Shri Gurdial Singh, Member, Central Electricity Authority.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan.
9. Agreement for Preparation of DPR of Amochu Reservoir  
  
Defines the modalities etc. of preparation of DPR of Amochu Reservoir project (620 MW)  
  
India: Shri R.S. Sharma, CMD, NTPC Ltd.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan
10. Agreement for Preparation/updation of DPR of Kuri Gongri HEP.  
  
Defines the modalities etc. of preparation of DPR of Kuri Gongri HEP (1800 MW).  
  
India: Shri S.K. Garg, CMD, NHPC Ltd.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan
11. Agreement for Preparation of DPR of Chamkharchhu-I HEP.  
  
Defines the modalities etc. of preparation of DPR of Chamkharchhu-I HEP (670 MW).  
  
India: Shri S.K. Garg, CMD, NHPC Ltd.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan
12. Agreement for Preparation/updation of DPR of Kholongchhu HEP.  
  
Defines the modalities etc. of preparation of DPR of Kholongchhu HEP (486 MW).  
  
India: Shri H.K. Sharma, CMD, SJVNL Ltd.  
Bhutan: H.E. Maj Gen V. Namgyel, Ambassador of Bhutan



**MALDIVES****303. Press Release issued by the Ministry of Defence on the visit of the Minister of Defence and National Security of Maldives Ameen Faisal.****New Delhi, February 4, 2009.**

India and Maldives will work together to meet the threat of sea-borne terrorism. This emerged during a meeting between the Defence Minister Shri AK Antony and the visiting Minister of Defence and National Security of Maldives, Mr. Ameen Faisal in New Delhi on Tuesday, February 03, 2009. Mr. Faisal is leading an 8-member Maldivian delegation on a visit to India from 1-5 February, 2009.

Shri Antony assured the Maldivian leader of India's continued support to the island nation in meeting all its security and development\* needs. He said that the strategic interests of India and Maldives are interlinked and that New Delhi was keen to strengthen and expand the defence relations between the two countries in the coming years. The two leaders agreed that we have a joint interest in the security of the sea lanes of communication. They also decided to enhance training and joint exercises.

The Indian Army conducts a joint exercise 'Ekueuvrin' with the Maldivian National Defence Forces on counter-terrorism. The Indian Coast Guard also conducts an exercise on maritime rescue operations and patrolling of seas around Maldives called 'Dosti'.



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\* It may be recalled that in January 2009 when the Maldivian Minister of State for Foreign Affairs Ahmed Naseem visited India he had said that the new democratic government in the Maldives would look towards India for support and advice on economic and social development of Maldives. Speaking to *Hindu* in Chennai on February 4, he said that following the recent change in government, the Maldives was committed to creating a transparent economy. Decentralisation and privatisation were key priorities, he said, to tackle the huge debt that stood at nearly 54 per cent of the GDP. "We are seeking assistance from the Indian government on the know-how and technicalities [of decentralisation]. There are also a lot of government enterprises that are white elephants. Selling off shares of these companies to the private sector and foreign players, including utility companies, transport companies, fisheries [and others] is a priority area," he said. In its foreign policy, the Maldives recognised the importance of a regional approach to achieve growth, and was hence focusing on India and its South Asian neighbours, Mr. Naseem said. In his current visit, he had visited hospitals in Bangalore and Chennai along with the Deputy Minister for Health to look at partnerships to treat the drug abuse victims and treat the malaise in society. An agreement would be firmed up when the Minister for Health visited India later this month.

**304. Press Release issued by the Ministry of Defence on the visit of Defence Minister A. K. Antony to Maldives.****Male, August 18, 2009.**

India and Maldives today agreed on a series of measures to step up defence cooperation between the two countries. The decisions were taken at the back-to-back meetings that the Defence Minister Mr AK Antony had with the top leadership of Maldives including the President Mohammed Nasheed and the Defence Minister Mr. Ameen Faisal.

Later addressing a joint press conference with Mr Faisal, Mr Antony said 'the defence and security of both our countries are intertwined'. He said his visit is a reiteration of the existing robust relations that already exist between the two countries. Mr Antony said Maldives and India are 'good friends and equal partners' in this relationship. He said India will extend all assistance to Maldives based on the latter's requests. He said both countries face myriad security challenges especially from the sea and it would be New Delhi's efforts to help its neighbor in whichever way it can.

Replying to a question if his visit was driven by consideration of any third country, Mr Antony said 'I didn't come here to discuss about other countries' and said 'don't go by rumours'. He said the purpose of his visit was not to enter into any agreements but to expand our cooperation within the existing framework which is a robust one.

Speaking on the occasion, Mr Faisal said relationship between India and Maldives is not based on any 'self interest or undue influence'. He said the people of Maldives are indeed grateful to India for its 'unconditional and selfless assistance in most trying times'.

Mr Antony is leading a high level delegation comprising the Defence Secretary Shri Pradeep Kumar, DG Armed Forces Medical Services Lt Gen NK Parmar, DG Coast Guard Vice Admiral Anil Chopra and Deputy Chief of Navy Staff Vice Admiral DK Joshi.

Shortly after his arrival in Male', Mr Antony called on President Mohammed Nasheed. This was followed by wide ranging discussions held with Vice President Mohammed Waheed Hassan Manik, the Special Envoy to the President Mr Ibrahim Hussain Zaki, the Minister of Foreign Affairs Dr. Mohammed Shaheed, the Defence Minister Mr Ameen Faisal and the Minister for Home Affairs Mohammed Shihab. Mr Antony also inspected a guard of honour at the Maldives National Defence Force Headquarters.



This visit of Mr Antony to the Maldives was long due and is aimed at consolidating the long standing robust defence and security ties between the two Defence forces. It would also serve to strengthen the ongoing bilateral relations between our two friendly countries, which go back to at least two-and-a-half millennia. India, has always considered its relations with Maldives as very special. Our bilateral defence relations are based on trust and confidence that we have been able to build through several decades of hard work. Recognising the common security interests and maritime challenges faced by our two Indian Ocean nations, India has always come forward to share its experience, expertise and resources with Maldives in the spirit of friendship and brotherhood.

At discussions held at the Integrated Headquarters of the MNDF, the emerging security challenges in the region and the need to strengthen joint and collective mechanisms to mutually counter them were highlighted. The MNDF also expressed its concerns over the crucial tasks of safeguarding and protecting the vast Exclusive Economic Zone (EEZ) of the Maldives, while expressing its need to develop and enhance maritime surveillance and aerial mobility capabilities.

In this context, the Indian Defence Minister reiterated Indian Government's continued support to assist the Maldives National Defence Force in their efforts to build capacity and enhance capability. He expressed confidence that the two defence forces would continue to work closely together to ensure a peaceful maritime environment in the seas around us as also to establish joint mechanisms to effectively challenge the common scourge of terrorism, drug trafficking and piracy. Recognizing the MNDF's need for a quick first response capability in events of calamities - both natural and man made as also medical evacuations and Search and Rescue (SAR) requirements, the GoI would be transferring to the Maldives a "DHRUV" helicopter, manufactured by Hindustan Aeronautics Limited, Bangalore, for use by the MNDF. The Govt of India would also be assisting the MNDF in setting up and equipping a 25 bed hospital at Male as also provide training to MNDF Doctors and paramedics.

The scope of the ongoing joint MNDF Marines/Army and the Coast Guard exercises would be enhanced and Hydrographic survey and other joint events including surveillance and co-ordinated patrolling by IN and MNDF CG ships would continue apace. MNDF CG ship Huravee which was transferred to MNDF in 2006, would be provided a three month long refit by the GoI at Naval Dockyard Vizag. Besides this, the vast training interaction existing is

also poised to grow further. Both sides also agreed to work together in preparing Maldives claim on extended continental shelf delineation to be submitted to the UN.

The discussions were held in the spirit of friendship and mutual respect and were very fruitful. The Indian Defence Minister would depart the Maldives on the 22nd August 2009 on conclusion of the two day official visit.



## NEPAL

### 305. Question in the Rajya Sabha: "Extradition Treaty with Nepal".

**New Delhi, February 26, 2009.**

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether India and Nepal have decided to modify the existing extradition treaty that would allow the two countries to handover criminals of third country.
- (b) if so, the details thereof;
- (c) whether the nexus between Trans-border criminals is increasing and in the absence of extradition treaty, criminals are freely enjoying; and
- (d) if, so, the reaction of the Government thereto?

#### **The Minister of External Affairs (Shri Pranab Mukherjee):**

(a) to (d) An extradition treaty, concluded on October 2, 1953, is currently in force between India and Nepal. The text of a new extradition treaty has been finalised between the two Governments. The new extradition treaty was initialled in January 2005 and awaits formal signatures. Under the provisions of the new treaty, it is possible to extradite third country nationals for extraditable offences as described in the treaty.



**306. Statement by External Affairs Minister Pranab Mukherjee on Nepal.****New Delhi, May 4, 2009.**

What is happening in Nepal is internal to Nepal. We wish Nepal well in its transition to a fully democratic polity and would hope that the present crisis is resolved in a manner which contributes to the early conclusion of the peace process.

We would hope that the broadest possible political consensus would make it possible for Nepal to concentrate on the agreed tasks of Constitution making and of democratic transition.



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\* The EAM was referring to the resignation of the Nepalese Government led by Pushpa Kamal Dahal 'Parchanda' after the refusal of the President to endorse the decision of the Cabinet to dismiss the Army Chief Gen. Katawal. This was the first government formed in Nepal after the general elections and abolition of monarchy. Meanwhile the Prime Minister Manmohan Singh on May 4 said the absence of peace and stability in India's neighbourhood could affect its security situation. "Today, there is lack of peace and stability in our neighbouring nations; be it Nepal, Pakistan and Sri Lanka. It [the developments] can also affect the security situation in our country," he said at an election rally. The Union Home Ministry directed border guarding force, Seema Suraksha Bal (SSB) which patrols 1750-km border, to remain on high alert on the India-Nepal border.

**307. Statement by External Affairs Minister S. M. Krishna on Nepal.****New Delhi, May 25, 2009.**

We congratulate Mr. Madhav Nepal on his election as the Prime Minister of Nepal. We hope that the peace process, including the important task of Constitution drafting, will now move forward expeditiously. We have a unique relationship with Nepal. We stand ready to support Nepal in any manner it would want us to.



### **308. Opening Remarks by Foreign Secretary Shivshankar Menon at his press conference.**

**Kathmandu, June 21, 2009.**

I have just completed a busy two day visit to Kathmandu.

2. During my stay in Kathmandu, I called on the President Dr. Ram Baran Yadav and Prime Minister Mr. Madhav Kumar Nepal. I also called on the Foreign Minister Ms. Sujata Koirala.

3. I had a bilateral meeting with Foreign Secretary of Nepal. We reviewed bilateral cooperation and discussed issues of mutual interest.

4. I was received by Nepalese leaders across the political spectrum including the former Prime Minister and President of Nepali Congress, former Prime Minister and Chairman of UCPN (Maoist) and Chairman of CPN (UML).

5. The purpose of the visit was to exchange views on the future course and prospects of our bilateral relations\*. There have been major developments in Nepal and India. We have undergone a general election where the government got a strong popular mandate for its foreign and domestic policies and plans. A new government has also been formed in Nepal. It is therefore natural that the two close and friendly neighbours, who are linked in so many ways which are unique to us, should, at this moment, exchange views on the future course of our relations.

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\* Answering questions he said that most of the reports of India-Nepal border problems were "blown out of proportion." He, however convinced Kathmandu to revitalise mechanisms for effective border management. "We need to develop low-level mechanisms, at the local level where we can deal with the practical problems before they become either exaggerated or before they are made political, which I am afraid has happened in some cases," he said at a press meet.

"We don't want small incidents to be exaggerated and blown out of proportion and to affect people's perceptions of this (Nepal-India) relationship." He said having a border management would help deal with those incidents. Most of the reported atrocities of Shastra Seema Bal (SSB) on Nepali people "were not true but played up for political purposes." There were reports of displacement of thousands of Nepali people in Dang district by the SSB and also of its indecent behaviour with Nepali women. Mr. Menon made it clear that India never interfered in Nepal's politics. Asked about the Unified Communist Party of Nepal (Maoists) blaming the CPN-UML-led government to be a puppet of India, he said, "We did not interfere." India had over and over again tried to make that clear but admitted that there were a lot of "noises" in democracy.

He denied that the Maoists' accusation affected India's relations with Nepal's Maoists. India would work with all those who shared the goals of writing the Constitution and completing the peace process.

6. India has an interest in the success of Nepal's transition to multi party democracy and peace process. These are issues which are to be decided and settled by the Nepali people and their representatives. For our part, India will continue to support Nepal in its transition in the hope that the fraternal Nepali people achieve their aspirations for a peaceful and prosperous future. India will do all it can to help these processes of positive change in Nepal.

7. I return to India convinced of the significance and great potential of India-Nepal relations, which is heightened in these times of rapid change. Relations with Nepal are and will continue to be a matter of the highest priority for India. A peaceful democratic Nepal is in the interest of the Nepali people, of India and of our region.

Thank You.



**309. Press Release of the Ministry of External Affairs on the visit of Foreign Secretary Shivshankar Menon to Nepal.**

**New Delhi, June 21, 2009.**

Foreign Secretary Mr. Shivshankar Menon paid an official visit to Kathmandu from 20-21 June, 2009.

During the visit, the Foreign Secretary called on the President Dr. Ram Baran Yadav and the Prime Minister Mr. Madhav Kumar Nepal.

The Foreign Secretary also called on the Foreign Minister Ms. Sujata Koirala, Defense Minister Ms. Bidya Devi Bhandari and Home Minister Mr. Bhim Rawal. The Foreign Secretary had a bilateral meeting with Mr. Gyan Chandra Acharya, Foreign Secretary, Nepal.

Besides, the Foreign Secretary met the former Prime Minister and President of Nepali Congress Mr. G P Koirala, former Prime Minister and Chairman of UCPN( Maoists) Mr. Puspha Kamal Dahal 'Prachanda', Chairman of CPN (UML) Mr. Jhala Nath Khanal and Deputy Prime Minister Bijay Gachchdar and had discussions with leaders from a wide cross section of political parties.

The purpose of the visit was to exchange views with the leaders of Nepal on the future development and strengthening of relations between the two countries.

During the meetings, the Foreign Secretary reiterated India's commitment to further strengthen and enhance ties with Nepal. He also reiterated India's commitment to assist the Government and people of Nepal in their transition to multi-party democracy and in their peace process to achieve their aspirations for a peaceful and prosperous future.

The meetings were held in a friendly and cordial atmosphere reflecting the close, friendly and unique relations that exist between India and Nepal.



**310. Extract relevant to Nepal from the Statement of External Affairs Minister S. M. Krishna in the Parliament.**

**New Delhi, July 9, 2009.**

**Nepal**

14. Finally, I wish to inform the House of recent developments in Nepal. As Hon'ble Members are aware, the peace process in Nepal after the Constituent Assembly elections last year has gone through many ups and downs.

15. Due to the nature of our relations and the open border, developments in Nepal have a direct impact on us. We are therefore concerned at the lack of progress on peace process issues and fraying of the political consensus that was critical to the peace process. The task of constitution making has also not progressed as per agreed schedule, and it remains to be seen whether it can be completed by the stipulated timeframe of April 2010.

16. There are also significant differences between political parties as to the structure of governance, issues like federalism etc., which they need to resolve. The Army Integration Special Committee, with the mandate to supervise, integrate and rehabilitate the combatants of the Maoist Army, was constituted in January 2009 along with a Technical Committee. No tangible progress has been achieved by it on the issue, too. Over 19,600 combatants of the People's Liberation Army (PLA) of the Maoists and over 4000 cadres disqualified by the UN Mission in Nepal (UNMIN), which include minors, continue to stay in cantonments with their upkeep paid for by the Government of Nepal and international donors.

17. Prime Minister Prachanda resigned on May 4, 2009, after a political crisis brought about by his insistence on removal of the Chief of Army Staff of Nepal Army in spite of opposition from major political parties, including the main coalition partner CPN-UML, and advice of the President.

18. Following his resignation, a new coalition Government has been formed under the leadership of Prime Minister Madhav Kumar Nepal of CPN-UML. The coalition Government is supported by 22 political parties and enjoys a majority in the 601 member Constituent Assembly, which also acts as Legislature-Parliament.

19. On her part, India has provided full support to the ongoing peace process in Nepal, including material assistance to strengthen the civil security forces and law enforcement machinery, and support for elections to the

Constituent Assembly. We hope that the new government would be able to move expeditiously on the tasks of constitution making and conclusion of peace process on the basis of widest possible consensus. We have conveyed our commitment to assist the Government and people of Nepal in their endeavour of transition to multi-party democracy and conclusion of peace process, in any manner and to the extent Nepal would like us to.

20. The open border between India and Nepal offers opportunities, as well as challenges. Recently, there were allegations in the Nepalese media of encroachments on the border by Sashastra Seema Bal (SSB), which were found to be false. Strip maps covering about ninety six percent of the India-Nepal boundary have been jointly finalized and initialed. We have also agreed to establish local level mechanisms across the border to address issues related to border management.

21. Closure of the breach in the embankment of the Kosi river that occurred in August 2008 in Nepal has been carried out. We are also carrying out additional anti-erosion and protection works.

22. Our relations with Nepal are unique, and will continue to be a matter of highest priority for India. We do not view our fraternal ties with Nepal through the prism of its relations with any other country. A peaceful democratic Nepal is in the interest of the people of Nepal, of India and of our region. India will continue to support Nepal in its democratic transition and economic development in any manner and to the extent it would like us to.

23. Thank you!

(For full text please see Document No.256.)





### **311. Media Report of the Visit of the Nepalese Foreign Minister Ms. Sujata Koirala.**

**New Delhi, August 12, 2009.**

In talks with several Union Cabinet Ministers, visiting Nepalese Foreign Minister Sujata Koirala was informed of India's intentions to start work on the coastal road which will connect 22 districts of the underdeveloped Terai region and the construction of a power transmission line to Muzzaffarpur.

The two sides also exchanged notes on the proposed trade treaty as well as the peace process in Nepal with India pointing out that any unrest impacted the security situation in both countries.

The Nepalese assurance on not allowing its territory to be used against anti-India forces came following concerns raised over the large scale influx of fake currency in the country. Nepal sought Indian assistance to modernise its border forces with communication and surveillance equipment to nab drug runners and counterfeit currency traffickers. It also suggested that India could take more active interest in training its police personnel.

Apart from the coastal road and the transmission line, the two sides also exchanged notes on the construction of the Tanakpur-Mahendernagar Road which would be an off-shoot of the multi-purpose Pancheshwar project. Nepal also raised the issue of hiking the scholarship for its students and wanted its students in select colleges in India to be allowed to pay for their fees in Indian rupees instead of dollars.

In her meeting with the Union Home Minister P. Chidambaram Ms. Koirala discussed various issues, including the circulation of fake currency. Intelligence inputs suggest that the porous India-Nepal border is one of the main routes for bringing counterfeit currency into India. "Nepal and India share a lot of common interests. We are friendly countries. We have an open border and we have spoken about security and how we can mutually work for proper security on the border," Ms. Koirala told journalists. Asked about the fake currency problem, she said, "Of course it is a concern for everybody. Nepal wants to control it on its side of the border, while India wants to do the same this side. We will have a meeting to chalk out a strategy to deal with the menace."



**312. Joint Press Statement issued on the Official Visit of the Prime Minister of Nepal Madhav Kumar Nepal.****New Delhi, August 22, 2009.**

The Rt. Hon. Madhav Kumar Nepal, Prime Minister of Nepal, paid an official visit to India from August 18-22, 2009 at the invitation of H.E. Dr. Manmohan Singh, Prime Minister of India. The Prime Minister of Nepal was accompanied by Hon. Mr. Sharat Singh Bhandari, Minister for Tourism and Civil Aviation; Hon. Mr. Rajendra Mahto, Minister for Commerce and Supplies; Hon. Mr. Surendra Pande, Minister for Finance; Hon. Dr. Prakash Sharan Mahat, Minister for Energy; and Hon. Mr. Mahendra Prasad Yadav, Minister for Industry. The delegation included Members of the Constituent Assembly, senior officials of the Government of Nepal, a business delegation and a delegation of media representatives.

2. On August 19, the Prime Minister of Nepal called on H. E. Smt. Pratibha Devisingh Patil, the President of India, and on H.E. Shri Mohammad Hamid Ansari, the Vice-President of India.

3. The Prime Minister of Nepal had a meeting on August 19 with the Prime Minister of India, which was followed by delegation level talks led by the two Prime Ministers, on issues of mutual interest and concern. The Prime Minister of India hosted a banquet in honour of the Prime Minister of Nepal and Mrs. Gayatri Nepal. Hon. Shri S.M. Krishna, External Affairs Minister; Hon. Shri Pranab Mukherjee, Finance Minister; Hon. Shri P. Chidambaram, Home Minister, called on the Prime Minister of Nepal. The Prime Minister of Nepal had a meeting with Smt. Sonia Gandhi, Chairperson of the United Progressive Alliance (UPA) and the President of Indian National Congress.

4. An interaction with the Indian business community was jointly hosted by ASSOCHAM, CII and FICCI in honour of the Prime Minister of Nepal and his delegation on August 19, 2009. During his stay in India, the Prime Minister visited Mumbai from August 21-22, 2009.

5. The Prime Minister of India extended a warm welcome to the Prime Minister of Nepal. The two Prime Ministers warmly recalled their meeting in Sharm El Sheikh, Egypt, on July 16, 2009 on the sidelines of the 15th NAM Summit. They expressed their satisfaction regarding the age-old, close, cordial and multi-faceted relations existing between Nepal and India and

agreed to expand these further. The talks were held in an atmosphere of utmost cordiality and warmth.

6. The two Prime Ministers expressed their satisfaction at the state of bilateral relations between the two countries and resolved to work together to further strengthen and enhance cooperation consistent with the wishes and aspirations of the people of both the countries. Reiterating the importance of the cordial and multi-faceted relationship between Nepal and India, the two Prime Ministers reaffirmed their determination to consolidate and expand the areas of cooperation with a view to taking the relationship to a new height on the basis of mutual respect, understanding and mutual benefit.

7. The Prime Minister of Nepal stressed that bringing the peace process in Nepal to a positive and meaningful conclusion in coordination and cooperation with all concerned parties, writing a new Constitution within the stipulated time frame and accelerating the pace of economic development are the main priorities of the Government of Nepal. The Prime Minister of India expressed full support for the ongoing peace process and efforts to bring about economic transformation in Nepal.

8. The two Prime Ministers agreed on the need to reinvigorate bilateral relations in all areas and directed that all the established institutional bilateral mechanisms should function effectively, in time bound manner and lead to concrete outcomes for the benefit of both countries.

9. The two sides agreed that enhancing trade between Nepal and India was a priority for both countries. Both sides agreed that the Inter Governmental Committee (IGC) at the level of Commerce Secretaries should look into the relevant issues with a view to promoting trade, investments and industrialization in Nepal, expanding complementarities of bilateral trade on a sustainable basis and further removing barriers to trade and investment. The two Prime Ministers directed that the IGC should meet within the next two months. The two sides completed negotiations and initialed the revised Treaty of Trade and Agreement of Cooperation to Control Unauthorized Trade, which would contribute to further enhancing bilateral trade.

10. To facilitate Nepal's foreign trade, India agreed to the utilization of its port at Vishakhapatnam for movement of transit traffic to and from Nepal. It also expressed willingness to favourably consider request for usage for trade purposes of an additional sea port on its western coast.

11. The Nepalese side expressed satisfaction for the Indian assistance to control Goitre and other forms of Iodine Deficiency Disorders. The Foreign

Secretaries of India and Nepal signed an MoU regarding continuation of Indian grant assistance for the Goitre control programme in Nepal.

12. The Nepalese side informed that the Government of Nepal will take further necessary measures for the promotion of an investor friendly and enabling business environment to encourage Indian public and private sector investments in Nepal, and a Bilateral Investment Promotion and Protection Agreement would be concluded and signed at an early date. The Indian side would encourage its business and industrial community to increase investment in Nepal. The two sides expressed satisfaction at the growing commercial relationship between the two countries but agreed that there was much untapped potential. In order to further deepen the economic engagement and utilize the full potential for such cooperation that exists between the two countries, it was agreed that a new Agreement on Avoidance of Double Taxation would be concluded and signed at an early date.

13. The two sides discussed security concerns relating to the open border between the two countries. The Nepalese side assured that it would not allow its territory to be used for any activity against India and the Indian side also gave the same assurance to the Nepalese side. It was agreed that the Bilateral Consultative Group on Security Issues and the Home Secretaries of the two countries will meet within two months to enhance bilateral cooperation to effectively address all issues concerning security, including cross-border crime, and establishing effective communication links between and along the bordering districts to further facilitate the exchange of information. The two sides agreed to consider steps to further facilitate cross-border arrangements in order to resolve border related issues and to assist local populations in the border areas on both sides. The two sides also stressed on the need for strengthening the legal framework, in order to counter their common cross border security challenges.

14. To enable the Nepal Police to meet the emerging challenges and help it build its capacity to train police personnel, the Government of India agreed to the request of the Government of Nepal for the development of infrastructure and construction of buildings of the proposed National Police Academy at Panauti, Kavre in Nepal at an estimated cost of Indian Rs.320 crores.

15. The two sides expressed satisfaction at the progress made by Nepal-India Joint Technical Committee (JTC) in preparing and finalizing the boundary strip maps. The Government of Nepal agreed to take further necessary steps to facilitate the early signing of the strip maps.

16. The two Prime Ministers directed the Foreign Secretaries to discuss and review the 1950 Treaty of Peace and Friendship and other bilateral agreements with a view to further strengthening the bilateral relationship.

17. The Government of India will continue to assist the Government and the people of Nepal in their economic development and reconstruction. The areas of assistance would include infrastructure, human resource development, health and education.

18. The Nepalese side expressed appreciation of India's contribution for the development of BP Koirala Institute of Health Sciences at Dharan and its support in providing Indian faculty with Indian Rs 5 crores for a further period of two years.

19. The Nepalese side highlighted the need for human resource development, particularly vocational training in the Central region. The Indian side conveyed that they would commence the construction of a polytechnic at Hetauda at a cost of approximately Indian Rs.22 crores.

20. For implementing an effective and integrated border management system, development of border infrastructure along the India-Nepal border will be undertaken immediately. Indian side conveyed that construction of two Integrated Check Posts (ICPs) at Birgunj-Raxaul and Biratnagar-Jogbani at an estimated cost of Indian Rs.200 crores will commence soon. The early completion of these modern facilities would contribute considerably to facilitate people-to-people contact and trade.

21. To enhance connectivity of feeder and lateral roads in the Terai (hulaki roads), twenty roads of a total length of about 660 kms would be undertaken with Indian assistance in the first phase at an estimated cost of Indian Rs.805 crores. Both sides will strive to complete the work expeditiously. Both sides also agreed to expeditiously implement the Tanakpur-Mahendranagar Link Road as per bilateral discussions.

22. To improve rail connectivity between the two countries, two cross-border rail links would be constructed with Indian assistance at the following two points along the India-Nepal border at an estimated cost of Indian Rs.680 crores:

- (i) Jogbani-Biratnagar ( 18 Kms)
- (ii) Gauge conversion of Jayanagar to Bijalpura (51 kms) and extension of the same to Bardibas (17 kms).

**Both sides will strive to complete the work expeditiously.**

23. For accelerated development of financial markets in Nepal the Government of India would provide technical assistance for establishment of

a Central Depository System (CDS) in Nepal at an estimated cost of Indian Rs.9.2 crores towards consultancy, development of application software and training. Relevant stakeholders in Nepal such as the Nepal Stock Exchange Limited (NEPSE) are to provide the necessary infrastructure for the System. Completion of the project is envisaged within a year.

24. In response to a request from the Nepalese side for enhancing scholarships in order to further assist with human resource development in Nepal, the Government of India agreed to double the number of scholarships. The Government of India also agreed to increase the number of slots for training and exchange programmes for Government of Nepal officials, including police personnel, to further strengthen capacity building and expand interaction between the civil servants of the two countries.

25. The Nepalese side expressed satisfaction that India has responded promptly to Nepal's request to send an expert to advise on the development of National Museums in Nepal.

26. In response to a proposal from the Nepalese side to keep the Bagmati River and its tributaries clean and safe, the Indian side agreed to send a technical team to Nepal to study the Bagmati Civilisation Project.

27. Both sides expressed satisfaction over the timely completion of the technically challenging task of the closure of the breach of Kosi embankment last year. They stressed the need for constant vigil and continuous maintenance, as well as other necessary measures so as to avoid the recurrence of such incidents in the future. They decided to take up preventive measures for the Gandak and other barrages under the existing bilateral arrangements. The two sides also discussed the problem of inundation in the border areas between Nepal and India and agreed that the Joint Ministerial Commission on Water Resources should address these issues regularly, and the agreed work would be implemented expeditiously.

28. In order to accelerate the implementation of Pancheshwar Multi-purpose Project, the two Prime Ministers directed the Joint Ministerial Commission on Water Resources and Joint Committee on Water Resources to expedite the finalization of Terms of Reference for Pancheshwar Development Authority and the Detailed Project Report of the Pancheshwar Project.

29. The Prime Minister of Nepal conveyed that the Government of Nepal planned to generate 25,000 MW of hydro-electricity in the next twenty years, and sought India's active participation in the development of this potential. The two sides agreed to facilitate increased Indian public and private sector involvement to harness Nepal's hydropower potential. Both sides also agreed to expedite progress on the Sapta Koshi High Dam and Sunkoshi Diversion

Project and the Naumure Project as per bilateral discussions. Both sides also agreed to expedite the construction of Dhalkebar-Muzaffarpur 400 KV cross border transmission line for which the modalities are to be developed. In order to facilitate power trade in the short run, Indian side agreed to examine the Nepalese request for improving the transmission lines in three border areas.

30. The two sides agreed to further extend bilateral cooperation on culture, science and technology, tourism and sports. The Nepalese side said that they would welcome more Indian tourists to visit their country and explore its immensely rich cultural heritage and natural beauty. Experts of both sides would meet to study and explore the potential areas of cooperation in this important sector.

31. Parliamentarians of both sides can make valuable contribution in sharing experiences, exchange views on strengthening democratic norms and for generating fresh ideas to promote bilateral relations and understanding. The two Prime Ministers agreed that there should be regular exchange of Parliamentary delegations. They also agreed to establish Young Parliamentarians Forum.

32. In response to a request from the Nepalese side for the removal of ban on the export of essential commodities from India to Nepal, the Indian side conveyed that the issue would be considered on receipt of specific proposals.

33. Climate change is an issue that directly affects the ecological resources of India and Nepal. Glacial meltdown in upper reaches of Himalayas and the gradual ecological degradation of the Chure-Bhawar range are leading to natural disasters in the form of floods which are a common threat to both our countries. Both sides agreed to undertake joint scientific collaboration between India and Nepal in hydrological and glaciological study of the impact of climate change for mutually beneficial cooperation.

34. The Prime Minister of Nepal renewed the invitation to the Prime Minister of India to pay an official visit to Nepal at an early date. The Prime Minister of India accepted it with pleasure. The dates of the visit will be decided through diplomatic channels.



**313. Press Release issued by the Ministry of External Affairs regarding the attack on Indian priests at Pashupatinath Temple in Kathmandu.**

**New Delhi, September 5, 2009.**

The attack on the two newly appointed Indian priests, Girish Bhatt and Raghavendra Bhatt, at the revered and sacred Pashupatinath temple in Kathmandu on September 4, 2009, has caused deep anguish and serious concern in India. The matter was immediately taken up through our Embassy in Kathmandu at the highest levels in the Government of Nepal and our concerns conveyed.

2. As per age old tradition and custom, Pashupatinath temple appoints priests from India. In this instance, after receipt of appointment orders from the Prime Minister of Nepal on September 2, 2009, the two priests were doing *shuddikaran anushthan* behind closed doors for joining *puja* duties from 5th September as required by temple customs. At about 1330 hours on 4th September, 10-12 Maoist cadres, led by Punya Prasad Pandey (ex-member of Pashupati Area Development Trust/PADT) and Ramesh Dongel (ex-member of PADT), barged into the room where the two Indian priests were doing the *anushthan*, and assaulted and man-handled them.

3. The Ambassador of India in Kathmandu took up the matter immediately at the political level and the Police authorities were also contacted. Senior Nepali Police officers visited the site and have deployed a new security contingent. A team from the Embassy of India, Kathmandu, visited the Pashupatinath Temple to reassure the Indian priests. We understand that the Nepalese authorities have apprehended over 25 persons in connection with this incident, including the ringleader.

4. The Nepalese authorities at the highest level have assured us that they are taking additional steps to ensure the safety and security of Indian priests in Nepal to resolve the problem.

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\* On the same day External Affairs Minister S.M. Krishna also said that India had taken up with Nepal the attack on two Indian priests by Maoists at the Pashupatinath temple on September 4 in Kathmandu. In the incident two newly appointed priests at the temple hailing from Karnataka were beaten up by a group of Maoists who were reportedly angry over continuing the practice of appointing only Indian priests in the temple. The Minister speaking in Bangalore said: "We are aware of the attack and are in touch with the Nepal government. We are also in touch with the Pashupati Area Development Trust. They have enhanced security around the temple and also provided enough security



5. We strongly believe that this unprovoked and criminal act of violence goes against the grain of the civilisational ties of friendship that have existed since time immemorial between the peoples of Nepal and India. The safety and security of Indian citizen's abroad is an abiding and core concern of the Government of India and we continue to closely monitor the situation surrounding yesterday's unfortunate incident in Kathmandu.



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to priests in the area where they stay." He noted that it was a tradition in that temple to allow Indian priests to perform *pujas*. Similar tradition existed in Kashi where priests from Nepal perform *pujas*. The two priests, Girish Bhatta and Raghavendra Bhatta, were performing religious rituals when they were attacked by the Maoists armed with rods and sticks.

Treasurer of the Pashupati Area Development Trust (PADT) Narottam Vaidya said the priests, Raghavendra and Girish, were manhandled in the temple premises. The police have arrested a man in connection with the incident. Minister for Federal Affairs, Constituent Assembly, Parliamentary and Cultural Affairs, Minendra Rijal condemned the attack and said the government would take strong action against those who tried to disrupt the *nitya puja* (daily worship) at the temple. "I express the government's commitment to provide any level of security to allow these *pujas* to take place," he said, requesting the protesters not to "politicise the appointment". [Prime Minister Madhav Kumar Nepal recently approved the recruitment of the priests from Karnataka. They were set to start *puja* (worship) on September 5. But some people had been protesting against the government's decision to recruit Indian priests. Meanwhile, the government on September 4 evening declared the Pashupati area a prohibited zone and stepped up security].

**314. Remarks by Foreign Secretary Mrs. Nirupama Rao at the media interaction at the end of her visit to Nepal.****Kathmandu, September 15, 2009.**

It is an honour and a privilege to be in this beautiful city, the capital of Nepal. It brought back fond memories of my previous visits. It has been a very busy but most useful visit to Kathmandu. This is also my first visit to Kathmandu after assuming the charge of the Foreign Secretary.

2. During my stay, I called on the President Rt Hon'ble Dr. Ram Baran Yadav and Prime Minister Rt Hon'ble Mr. Madhav Kumar Nepal. I also called on Deputy Prime Minister H.E. Mr. Bijay Kumar Gachhadar, Foreign Minister H.E. Ms. Sujata Koirala\*, Home Minister H.E. Mr. Bhim Bahadur Rawal and Defence Minister H.E. Ms. Bidya Devi Bhandari.

3. I conveyed to the Prime Minister of Nepal the Greetings and the best wishes of Prime Minister of India Dr. Manmohan Singh and our commitment to the fulfilment of the various understanding reached during his visit to India last month.

4. In my meeting with Mr. Gyan Chandra Acharya, Foreign Secretary of

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\* The Nepalese Foreign Minister Ms. Sujata Koirala who had visited New Delhi a week earlier welcoming the F.S's visit said: "We should be more open and hold frank discussions about our bilateral issues," and added that Ms. Rao also held similar views. "If our distance increases, others would try to take advantage of it," she pointed out. An agreement was reached to execute the projects mutually-agreed upon during Prime Minister Madhav Kumar Nepal's recent visit to India. "This would help establish even better relations between the two countries," Ms. Koirala said. Earlier on her arrival, Ms. Rao said she would try to "strengthen the long-standing relationship between the two countries." In recent days, issues such as border disputes and fake Indian currency have been a cause of concern for both nations. Media said a whole range of issues such as an extradition treaty, fake currency, border problems, operation of direct flights from Kathmandu to six Indian cities, and others were discussed in depth. Further discussion would take place when a Home-Secretary-level meeting takes place in November first week in Kathmandu. Mrs. Rao said on September 15 that she raised India's security concerns with the Nepal government. "I reiterated India's security concerns and the use of Nepalese territory for anti-India activities," she said. "The Nepalese side unequivocally reiterated its commitment that such activities will not be allowed." Ms. Rao, after meeting the Home Minister Bhim Rawal, said she was assured by the Nepal government that cases of counterfeit currency would be investigated. Mrs. Rao who visited the sacred Pashupatinath Temple (ten days after the attack on Indian priests there) said "I prayed that His blessings and His benedictions will be showered on the people of Nepal, with whom we share very close ties of friendship, solidarity, and partnership." Later she said the "Government of Nepal has reassured me that they have taken all necessary measures to ensure the security and well-being of the Indian priests and continuation of regular prayers at the temple."

Nepal, we reviewed bilateral cooperation and had a very useful discussion on issues of mutual interest.

5. The purpose of the visit was to exchange views on the further improvement of our bilateral relations and to focus on implementation of the rich and vast agenda agreed upon during the visit of the Prime Minister of Nepal to India as contained in the Joint Press Statement. As you know, the Civil Aviation Secretary level talks have already taken place in New Delhi during which both sides have agreed to increase the number of seats from 6000 to 30000 between Kathmandu and the Indian metros. This will promote tourism, people-to-people contact and economic cooperation between the two countries. The Home Secretary level talks will take place on November 6-7 in Kathmandu during which the entire gamut of bilateral security issues will be addressed. I reiterated India's security concerns and the use of Nepalese territory for anti-India activities. The Nepalese side unequivocally reiterated their commitment that such activities will not be allowed.

6. I was received by Nepalese leaders across the political spectrum including the former Prime Minister and President of the Nepali Congress, Mr. Girija Prasad Koirala and the Chairman of CPN (UML), Mr. Jhala Nath Khanal. I assured these leaders of India's strong commitment of support to Nepal in its transition to a democratic, prosperous, peaceful and stable future.

7. I visited the sacred and revered Pashupatinath Temple today. The political leaders, with whom I interacted, have conveyed their regret at the recent unfortunate incident involving the unprovoked attack on Indian priests that took place at Pashupatinath. The Government of Nepal has reassured me that they have taken all necessary measures to ensure the security and well being of the Indian priests and continuation of regular prayers at the temple.

8. India has an abiding interest in the success of Nepal's transition to multi-party democracy and the completion of the peace process. A peaceful, democratic and prosperous Nepal is in the interest of the Nepali people, of India and of our region. India is committed to assist the Government and people of Nepal in these processes of historic change in Nepal.

9. I am convinced of the significance and the great potential of India-Nepal relations, which is heightened in these times of rapid change. Relations with Nepal are and will continue to be a matter of the highest priority for India.

Thank you.



**315. Press Release issued by the Ministry of Commerce on the signing of the Treaty of Trade and Agreement of Cooperation to Control Unauthorized Trade.**

**New Delhi, October 27, 2009.**

Shri Anand Sharma, Union Minister of Commerce and Industry and Mr. Rajendra Mahto, Nepalese Minister of Commerce and Supplies today signed the 2009 India-Nepal Treaty of Trade and Agreement of Cooperation to Control Unauthorized Trade. The 2009 Trade Treaty revises the 1996 Trade Treaty between the two countries. The 1996 Treaty has been a turning point in the trade relations between the two countries and resulted in phenomenal growth of bilateral trade from Rs. 28.1 billion in 1995-96 to Rs. 204.8 billion in 2008-09. While the Nepalese exports to India increased from Rs. 3.7 billion to Rs. 40.9 billion, the Indian exports to Nepal increased from Rs. 24.4 billion to Rs. 163.9 billion during the period -1995- 2009.

After signing the agreement, Shri Sharma said, "There is need to shift the Indo-Nepal trade to the higher level and attain better qualitative dimensions. The opening of new lines of products and duty free access in India will provide further boost to the growing Indo-Nepal Trade", he added and hoped that the revised treaty would help facilitate Trade by opening new land routes for trade between the two countries. The current treaty is expected to provide further access to Nepalese products into India and to enhance and expand bilateral trade between the two countries, the Minister further added. The changes introduced in the Treaty are:

"The validity of the Treaty has been increased from five to seven years, along with the provision of automatic extension for further periods of seven years at a time. This will provide more stable framework for bilateral trade and promote investments in Nepal based on preferential access provided by the Treaty to Nepalese products.

"No discrimination will be made in respect of tax, including central excise, rebate and other benefits to exports merely on the basis of payment modality and currency of payment of trade. This will bring the bilateral trade conducted in Indian Rupees at par with trade in convertible currency and will end the existing mechanism of Duty Refund Procedure (DRP) which was procedurally cumbersome. It will provide Nepal a direct control on the customs duty revenues on import of manufactured goods from India. It will also allow Indian exports to avail benefit of export promotion schemes prevailing in India, making these products more competitive for further sale or value addition in Nepal. (This change would be made effective from the date to be mutually agreed to. Modalities will be developed for smooth transition from the existing to the new system.)

- The time limit for temporary import of machinery and equipment for repair and maintenance has been raised from 3 to 10 years.
- Several new items of export interest to Nepal have been added to the list of primary products giving these items duty free access to India without any quantitative restrictions. These include floriculture products, atta, bran, husk, bristles, herbs, stone aggregates, boulders, sand and gravel.
- Criterion for calculating value addition for gaining preferential access to India has been changed from ex-factory basis to FOB basis.
- India has agreed to consider waiver, on request from GON, of any additional duty that may be levied over and above CVD.
- Both sides have agreed to exempt exports of goods, which are already covered under forward contract, from imposition of restrictions on exports.
- Both sides will grant recognition to the sanitary and phyto-sanitary certificates issued by the competent authority of the exporting country based on assessment of their capabilities.
- Articles manufactured in Nepal, which do not fulfill the criteria for preferential access will be provided MFN access to the Indian market. The certificate of origin in case of such exports has been prescribed.
- The provisions regarding safeguard measures in case of serious injury to the domestic industry have been streamlined.
- A joint mechanism, comprising local authorities has been established to resolve problems arising in clearance of perishable goods.
- An Inter-Governmental Sub-Committee (IGSC) at the joint secretary-level has been established. Existing Inter-Governmental Committee (IGC) at the Secretary-level will meet once in six months and the IGSC will meet at the interval of the two IGC meetings.
- Four additional Land Customs Stations (LCSs) will be established to facilitate bilateral trade: Maheshpur/Thutibari (Nawalparasi); Sikta-Bhiswabazar; Laukha-Thadi; and Guleria/Murtia, bringing the total number of Stations to 26.
- Bilateral trade will be allowed by air through international airports connected by direct flights between Nepal and India (Kathmandu/Delhi, Mumbai, Kolkata and Chennai).

- The Indian side has agreed to review and simplify the existing administrative arrangements for operationalisation of fixed quota for acrylic yarn, copper products and zinc oxide.
- India has agreed to consider several additional products as wholly produced or manufactured in Nepal for the purpose of gaining preferential access to the Indian market. It includes articles collected in Nepal fit only for recovery of raw materials and waste and scrap resulting from manufacturing operations in Nepal.
- India has agreed to assist Nepal to increase its capacity to trade through improvement in technical standards, quarantine and testing facilities and related human resource capacities.

**The main features of the 1996 Trade Treaty were:**

- Duty free access to each other's primary products as per agreed list.
- Nepalese manufactured products are allowed non-reciprocal access to the Indian market, free of basic customs duty, provided the goods are manufactured with Nepalese and/or Indian inputs. If third country inputs are used, at least 30% value addition is required to attract duty free access.
- Annual quotas for duty free access in respect of four items - vegetable fats (100,000 tons) acrylic yarn (10,000 tons), copper products (10,000 tons) and zinc oxide (2,500 tons);
- MFN access for three items - cigarettes, alcohol (excluding beer) and cosmetics with non-Nepalese and non-Indian brands;
- Goods manufactured by small scale units in Nepal enjoy the same benefits as SSIs in India with regard to tax exemption;
- Designates twenty two points on India-Nepal border for bilateral trade.

The 2009 Agreement of Cooperation to Control Unauthorized Trade will allow export of goods imported by Nepal from India to the third countries without necessity of carrying out any manufacturing activity in Nepal. This will enhance exports from Nepal to third countries where it has a better market access as compared to India. Similarly it will allow export of the goods imported by India from Nepal to third countries. This will help Nepalese exporters to take advantage of the third country market access developed by the Indian export houses.



**316. Revised Agreement of Cooperation between the Government of India and the Government of Nepal to Control Unauthorized Trade.**

**Kathmandu, October 27, 2009.**

**The Government of India and the Government of Nepal** (hereinafter also referred to as the Contracting Parties).

**KEEN** to sustain the good neighbourliness through mutually beneficial measures at their common border which is free for movement of persons and goods.

**Have** agreed as follows:

**Article I**

The Contracting Parties, while recognizing that there is a long and open border between the two countries and there is free movement of persons and goods across the border and noting that they have the right to pursue independent foreign trade policies, agree that either of them would take all such measures as are necessary to ensure that the economic interests of the other party are not adversely affected through unauthorized trade between the two countries.

**Article II**

The Contracting Parties agree to co-operate effectively with each other, to prevent infringement and circumvention of the laws, rules and regulations of either country in regard to matters relating to Customs, Narcotics and Psychotropic Substances, Foreign Exchange and Foreign Trade and shall for this purpose assist each other in such matters as consultation, enquiries and exchange of information with regard to matters concerning such infringement or circumvention.

**Article III**

Subject to such exception as may be mutually agreed upon, each Contracting Party shall prohibit re-exports to the territory of the other Contracting Party of goods imported from third countries without manufacturing activity.

However, the above shall not be applicable in case of the export of Nepalese goods into India under the procedure set out in Protocol V to the Treaty of Trade between Government of Nepal and the Government of India.

There will be no restriction on re-export from the territory of a Contracting Party to third countries of the goods imported from the other Contracting Party without manufacturing activity in the Contracting Party.

#### **Article IV**

Each Contracting Party will;

(a) prohibit and take appropriate measures to prevent import from the territory of the other Contracting Party of goods liable to be re-exported to third countries from its territory and the export of which from the territory of the other Contracting Party to its territory is prohibited;

(b) in order to avoid inducement towards diversion of imported goods to the other Contracting Party, take appropriate steps through necessary provisions relating to Baggage Rules, gifts and foreign exchange authorization for the import of goods from third countries.

#### **Article V**

The Contracting Parties shall compile and exchange with each other statistical and other information relating to unauthorized trade across the common border. They also agree to exchange with each other regularly the lists of goods the import and export of which are prohibited, or restricted or subject to control according to their respective laws and regulations.

#### **Article VI**

The respective heads of the Border Customs Offices of each country shall meet regularly with his counterpart of appropriate status at least once in two months alternately across the common border:

- (a) to co-operate with each other in the prevention of unauthorized trade;
- (b) to maintain the smooth and uninterrupted movement of goods across; their territories;
- (c) to render assistance in resolving administrative difficulties as may arise at the field level.

#### **Article VII**

In order to facilitate effective and harmonious implementation of this Agreement, the Contracting Parties shall consult each other regularly.

#### **Article VIII**



- (a) This Agreement shall come into force on the date of its signature. It shall supersede the Agreement of Cooperation to Control Unauthorised Trade concluded between the Government of India and the Government of Nepal on 6th December, 1991, as amended or modified from time to time.
- (b) This Agreement shall remain in force for a period of seven years. It may be renewed for further periods of seven years, at a time, by mutual consent subject to such modifications as may be agreed upon.
- (c) In witness whereof the undersigned being duly authorised by their respective governments have signed this Agreement.

**Done** in duplicate in Hindi, Nepali and English languages, all the texts being equally authentic, at Kathmandu on 27th October, 2009. In case of doubt, the English text will prevail.

(Anand Sharma)  
Commerce and Industry  
Minister for Government of India

(Rajendra Mahto)  
Minister of Commerce and Supplies  
for Government of Nepal



## PAKISTAN

### 317. Press Release of the Ministry of External Affairs on the exchange of list of Nuclear Installations in India and Pakistan.

**New Delhi, January 1, 2009.**

India and Pakistan today (1 January 2009), through diplomatic channels simultaneously at New Delhi and Islamabad, exchanged lists of nuclear installations and facilities covered under the Agreement on the Prohibition of Attack against Nuclear Installations and Facilities between India and Pakistan. This agreement was signed on 31 December 1988 and entered into force on 27 January 1991.

Under the Agreement, the two countries, on first January of every calendar year, are to inform each other of Nuclear Installations and Facilities to be covered by the Agreement. The first such exchange of lists took place on 1 January 1992. This is the eighteenth consecutive time that both countries have exchanged such a list.



**318. Statement by External Affairs Minister Pranab Mukherjee on evidence on Mumbai attacks being handed over to Pakistan.**

**New Delhi, January 5, 2009.**

We have today handed over to Pakistan evidence of the links with elements in Pakistan of the terrorists who attacked Mumbai on 26th November, 2008.

We are also briefing all our friendly countries. I have written to my counterparts around the world giving them details of the events in Mumbai and describing in some detail the progress that we have made in our investigations and the evidence that we have collected.

The Ministry will also be briefing all resident Heads of Missions here in the next 24 hours. Our Ambassadors will be doing the same in their respective countries of accreditation.

What happened in Mumbai was an unpardonable crime. As far as the Government of Pakistan is concerned, we ask only that it implement the bilateral commitments that it has made at the highest levels to India, and practices her international obligations. These are clear. It is my hope that the world will unite to achieve the goal of eliminating the threat of such terrorism.



**319. Media Briefing by Foreign Secretary Shivshankar Menon after India had handed over the dossiers on Mumbai terror attacks to Pakistan.**

**New Delhi, January 5, 2009.**

**Foreign Secretary:** Thank you for coming.

As you know, earlier today we handed over to the Pakistani High Commissioner here in New Delhi, and in Islamabad to the Pakistani Foreign Secretary, material that has emerged from the investigation into the terrorist attacks in Mumbai. This material includes material from the interrogation of Mohammed Ajmal Kasab, the Pakistani national who is in our police custody; details of the terrorists' communication links with elements in Pakistan during the Mumbai attack; details of the recovered weapons and equipment and of other articles that we have recovered from the boat, from the sites where the attack took place; and details of data that we have recovered from the GPS instrument and the satellite telephones that we have recovered. This material, as you know, is linked to elements in Pakistan.

We have told the Pakistani authorities that it is our expectation that as Pakistan is obliged to, under the various bilateral commitments which she has undertaken and the international commitments that she has, that Pakistan will investigate this material, follow the evidence wherever it may lead, and share the results with us and extend to us legal assistance so that we can bring the perpetrators to Indian justice. We have also said that we would hope that Pakistan would implement her various commitments not to permit terrorism in any manner from any territory under its control against India.

We have also today begun the process of briefing friendly governments. The External Affairs Minister has written a letter to his counterparts around the world along with a detailed brief on the events in Mumbai. We started the process of briefing friendly governments today in Delhi by briefing the representatives of countries who had lost their nationals in the Mumbai attacks, this afternoon at 3:30 in MEA. We will continue this process with other friendly governments tomorrow.

We have also the Chinese Vice Foreign Minister Mr. He Yafei in Delhi at this moment for discussions on bilateral relations, on the preparations for the meeting of G20 leaders in London in April on the financial crisis. And naturally he briefed us on his discussions in Pakistan where he was the end of last

month. And we also briefed him on the material that is with us that has emerged from our investigation.

I must make it clear that this is still an ongoing investigation and it is not as though this investigation is over. But we feel that we are at the point where it is clear that the crime might have been committed in India but the conspiracy behind the crime was in Pakistan, and hence our request to Pakistan to fulfill her commitments to us. It is also our feeling that terrorism of this sort is a threat to the entire international community. And this is why we are briefing our friends because it is really time that the world acted to eliminate this threat.

I will be very happy to answer any questions which you might have.

**Question (Ms. Sara Sidner, CNN):** How long has this evidence been in the hands of Indian authorities? And is this the first time that Pakistan is getting hard evidence from India?

**Foreign Secretary:** As far as the Mumbai attack is concerned, this is evidence that we have developed since the attack began on the 26th of November. Bits and pieces of it have been developed over time. At that time itself we had mentioned to Pakistan that all the indications that we had were that the attack had come from Pakistan. The External Affairs Minister had spoken to his counterpart on the 28th (November), we had then made a demarche on the 1st (December). We had high level contacts as well. The Pakistani side had informed us that they were undertaking their own investigation, and that they would see what they found on their side. We have now shared with them some of the results of what we have discovered as a result of, as I said, an ongoing investigation. And we would hope that they would now follow these leads in Pakistan and see where they lead, and help us to bring the perpetrators to justice.

**Question (Ms. Sara Sidner, CNN):** Is this the first time they have had evidence?

**Foreign Secretary:** We have given evidence in previous cases. For instance, after the attack on our Embassy in Kabul we held a special session of the Joint Anti Terror mechanism where we had given some evidence to Pakistan which suggested that there were elements in Pakistan who were involved in that attack. In several cases in the past we have shared evidence. But we are hoping that the previous pattern is not repeated in this case.

**Question (Ms. Sara Sidner, CNN):** So, this is the first time since 26th November.

**Foreign Secretary:** I think you have to give somebody else a chance.

**Question (Mr. Javed Khan, Pakistan Broadcasting Corporation):** Mr. Menon, the evidence which you just mentioned, like Thuraya telephone calls and the GPS data, was there right with the Indian authorities in the beginning. Why India did not share it with Pakistan then?

Secondly, why has India not responded to Pakistan's offer of a joint investigation into the Mumbai incident?

**Foreign Secretary:** I think we needed to be sure of what we had collected. We needed to go through the process of investigation. This is normal. I mean the Pakistan side was doing what they could on their side; we had to do what we did on our side. We have now shared what we have found with Pakistan. We would expect that Pakistan would do the same in return, and would share what they have.

You asked why we have not chosen to respond to the idea of a joint investigation. I think the law is quite clear. Jurisdiction rests with the country whose territory the crime is committed on. In this case it is a crime in India with a conspiracy in Pakistan. So, we will investigate in India; we expect Pakistan to investigate in Pakistan, and to render legal assistance to us, as she is obliged to under the various Conventions that exist. We have existing mechanisms. But so far as the history of attacks shows they have not been successful in preventing such attacks. So, I think it is naturally incumbent on us now to try and make sure that they work. And we hope to do so.

**Question (Mr. Simon Daniel, Reuters):** Do you have solid evidence of the complicity of current or recently former members of the ISI in these attacks? And have you presented such evidence to Pakistan?

**Foreign Secretary:** We will follow the evidence wherever it leads. It is hard to believe that something of this scale that took so long in the preparation, and of this nature which amounts really to a commando attack, could occur without anybody anywhere in the establishment knowing that this was happening. And that actually beggars the imagination. Wherever the evidence leads we will follow it. But we are at this stage, as I said, in an ongoing investigation. We are not going to say yes or no, this is where the line ends. We cannot, because we still have to continue with this investigation, and most of it now has to be done in Pakistan.

**Question (Mr. Sanjay Majumder, BBC News):** Mr. Menon, will you accept the results of any investigation conducted by Pakistan, or you are also asking for your own investigation teams? And since you are sharing this information

with other governments, are you hoping that organizations such as the FBI will be given access based on the information you have provided and can, therefore, carry out some investigations on your behalf in Pakistan?

**Foreign Secretary:** You are asking me for several blank cheques, all at the same time. I cannot say whether I will accept something that I have not even seen, that has not even been offered, that I have not heard of! This is purely hypothetical. Every part of your question is hypothetical. So, please do not ask me to say, "Yes, I will accept; I will not accept", what somebody may at some stage in the future offer or give me.

**Question (Mr. Sanjay Majumder, BBC News):** But you said you asked for legal assistance. Can you amplify what kind of legal assistance? Would that mean access to your investigation teams?

**Foreign Secretary:** I think there is an accepted international legal obligation to render legal assistance. Under the SAARC convention it is quite clear what kind of legal assistance that is. It extends up to and it includes extradition.

**Question (Mr. Mathew Rosenberg, Associated Press):** Pakistan has arrested several senior Lashkar leaders and cracked down on the charities that are linked to Lashkar. What other concrete steps does Pakistan need to take to satisfy India? And you mentioned bringing the perpetrators to Indian justice. Does that mean that India wants Pakistan to hand them over to be tried here in India?

**Foreign Secretary:** As of now I have your word that some people have been arrested. Nobody has told us this officially yet from Pakistan. Secondly, we have seen a similar thing when Lashkar was declared a terrorist organization after the attack on the Indian Parliament in December 2001. And within three months they were back in business. Jamaat-ud-Dawa, which was declared a terrorist organization early in December, is still functioning as far as we can see. It is updating its website. Several of its organizations are still working. So, frankly, what we have seen so far does not impress us. Our goals are quite clear. What we want, as I said over and over again, is to bring the perpetrators to Indian justice, and to guarantee that there are no terrorist attacks from Pakistan on India. I think that is our goal.

**Question (Mr. Mathew Rosenberg, Associated Press):** Does Indian justice mean being tried in India?

**Foreign Secretary:** Where else is there Indian justice?

**Question (Ms. Caren, ABC News):** I just want a follow up. You said on 11/28 and the 1st of December that there was contact. Is that regarding evidence

where you were able to say we have this evidence, and now this is the official evidence you are giving? So, there has been communication back and forth regarding what you found and what you burnt?

**Foreign Secretary:** Let us be careful in the words we use. We have given them material that has come out from our investigation.

**Question (Ms. Caren, ABC News):** Along the way.

**Foreign Secretary:** Evidence is what a court accepts under the law. There is an Evidence Act and so on. So that is not a word I will use right now. What I would use right now is we have given them the material that has come out of the investigation that leads to Pakistan. All of the material we have given them is linked to Pakistan, elements in Pakistan. We expect them to investigate, look into it, share the results with us. And we will take it from there.

**Question (Ms. Parrull Malhotra, CNN-IBN):** Do you see any value in Indian investigators questioning Pakistani suspects in Pakistan? Secondly, your thoughts on the FBI not getting access to suspects and places?

**Foreign Secretary:** Same question, same answer. Hypothetical. As of now, all we have seen is denial or confusing, contradictory statements. So, whether or not Indians go there, who else gives us what information, frankly, all that is hypothetical.

**Question (Mr. Rajiv Sharma, Free Press Journal):** Though there is no extradition treaty between India and Pakistan, would you say that it is really not so much mundane because Pakistan is signatory to so many international conventions including some UN Resolutions which demand that any terrorist crime committed on the soil of a country, that obligates that country to extradite the suspects behind?

Secondly, does the evidence you have shared with Pakistan include the DNA samples of Kasab?

**Foreign Secretary:** Our understanding of the law is quite clear that under several international instruments, with or without a bilateral extradition treaty, in terrorist offences of this nature Pakistan is obliged to extradite the criminals. Otherwise, if we were told - as we have heard some people say - that Pakistan will never extradite anybody, then in effect we are saying that a Pakistani national who commits a crime in India and manages to get back to Pakistan

has immunity. That is what it would amount to. Our understanding, for instance, is that under the SAARC Convention against Terrorism there is an obligation to extradite. In fact, that convention was written the way it is in order to avoid the fact of a bilateral demand, and it actually makes some multilateral obligation of it. And that is why that Convention was written the way it was. There are other international instruments as well, and we can mention a long list of them. But that is our understanding of the legal situation.

**Question (Mr. Rajiv Sharma, *Free Press Journal*):** Have DNA samples of Kasab been given?

**Foreign Secretary:** No, we have not. But it is available; we have made it known to them that it is available.

**Question (Mr. Manish Chand, *INS*):** Sir, you just spoke about several mechanisms not working in the past. Now what about this Anti Terror Mechanism? In the light of what has happened, denials and the rest coming from Pakistan after Mumbai attacks, are we planning to continue with this Anti Terror Mechanism or is there a move to scrap it?

Also, when you talk about some people in the Pakistani establishment being in the know about the Mumbai attacks who are you referring to? Are we talking about the ISI here?

**Foreign Secretary:** As far as mechanisms are concerned, frankly, we are no longer interested in words, in mechanisms. We want actual action against the perpetrators. I think if we are to believe in sincerity and to see a way forward. I think what we expect now is action. We have gone through this process, for a long period, of showing evidence, of going through the various mechanisms. So, as far as we can see, the answer is not whether we scrap a mechanism, or add a new mechanism, or tinker with all this. This is form rather than substance. The substance of it is we would like action on the material that we have shared with Pakistan so that we can bring the perpetrators to justice. That is it.

**Question (Mr. Amit Barua, *The Hindustan Times*):** Mr. Menon, since the 26/11 attacks, how would you assess the response of key players in the international community? There has been a lot of public support, but do you think that enough is being done by them to actually tell Pakistan that they need to be serious this time? We had a similar situation after the attack on our Embassy in Kabul when there was a lot of support and a lot of statements were made, some meetings took place. But do you believe that the international community is doing a sufficient amount to press Pakistan on



this occasion?

**Foreign Secretary:** I think we have seen an unprecedented level of international support and the international response has been very heartening from our point of view. The international community responded immediately by declaring Jamaat-ud-Dawa a terrorist organization. The kind of support and detailed assistance that we have received from several friendly countries is actually very heartening. Whether this is sufficient to induce Pakistan to do what she should, I do not know. That frankly is between them and Pakistan. That is not for me to say. I think we have made it clear what we expect. But the primary responsibility here - because the links lead back into Pakistan, they do not lead into other countries - is for Pakistan to act. We will continue to work with our friends in the international community to see that that happens to the extent it can.

**Question (Mr. Siddharth Varadarajan, *The Hindu*):** Mr. Menon, does the material that you have handed over to Pakistan include the names of handlers or people at the other end of the telephone line who either are in or have recently been part of the ISI?

Secondly, are you not interested in access to people arrested either now or in the future? For example, you are saying it is a hypothetical question but, there is an announcement by the Pakistani Government that bank accounts have been frozen. Would you like to see for example details of some of these accounts, what have the recent transactions been? Have you made a request of this kind to the Pakistani authorities?

**Foreign Secretary:** It is quite clear that what we would like from the Pakistani authorities is all the information related to this crime. So, it is not a question of our making a specific request for one bit of information or another. We want to know how this conspiracy was formed; how it was carried out; how the training, the planning, the organization and the actual handling which went on right through the crime was done. That is what we would like to know. We would like to know it all. So, it is not just one part or the other. And that general request is available. That is why the general request for legal assistance. I think that is quite clear because it includes everything, including the results of investigation, but also goes beyond that all the way up to extradition, as I said. From what we have given them, frankly I cannot answer where those leads end or how far they go.

**Question (Mr. Siddharth Varadarajan, *The Hindu*):** Have you named the people?

**Foreign Secretary:** We have named those people whom we identified on the basis of the interrogation or on other bases that we knew of.

**Question (Mr. Siddharth Varadarajan, *The Hindu*):** Have you named the ISI or Lashkar?

**Foreign Secretary:** Frankly, the relationship that Lashkar-e-Toiba has enjoyed with the ISI in the past is a matter of history. It is a very fine line to draw between who is ISI, who is not ISI, and so on. So, I do not want to get into saying so and so is, so and so is not, so and so did, so and so worked for them, so and so did not work for them, so and so was supported, I do not want to get into that at all. As I said, we will follow the investigation wherever it leads. And whoever is responsible for this, I think, has to pay.

**Question (Mr. Chris Morris, BBC News):** Just a follow up on that previous question there. The fact you say that it is hard to believe that there were no elements in the state involved suggests to me that you have strong suspicions but no concrete proof. Is that correct?

**Foreign Secretary:** I am not getting into the quality of the proof. I am not getting into a judgment on which bits of the proof are strong, weak. I am not getting into that at all. We have our own procedures for making evidence under the law in India available. So, that we will have to continue to follow. And that frankly is not a judgment that we in the External Affairs Ministry take. That is something that is a part of the internal legal process in India. So, I am not going to go into saying this is clinching, this is not clinching, something else leads somewhere. As I said, it is an ongoing investigation; it will go on; we will follow it where it leads. But I am not going to go into that.

**Question (Mr. Chris Morris, BBC News):** But do you think the distinction between, rather an ugly phrase, non-state actors and state actors is an important one?

**Foreign Secretary:** We do not think there is such a thing as non-state actors. Even the so-called non-state actors function within a state, are citizens of a state. And certainly we find that distinction almost impossible to believe.

**Question (Inaudible):** Again, just to clarify what you are asking for. In the material that you have presented today, are you asking for Pakistan to extradite individual suspects? If so, how many, and are they current or retired members of the ISI? And, if not, what exactly are you asking Pakistan to do?

**Foreign Secretary:** Ditto. Same answer. It is hypothetical. I have told you what we asked. I told you we asked for legal assistance; we asked for assistance in bringing the perpetrators to Indian justice; we have also asked for credible action to guarantee that no terrorist attacks from Pakistan take place against India. The rest, all your other questions, are contained within that.

**Question (Inaudible):** But are you asking for extradition of the individual suspects?

**Foreign Secretary:** I told you I am not going to get into that. We will see where we go with this, with the answers that we get. So far we have not got any answers at all.

**Question:** Pakistan has also proposed to send a high-level delegation to Pakistan to discuss all these issues. India has rejected that?

**Foreign Secretary:** We are not quite sure what purpose that serves. First I think we need to see credible proof of sincerity. This is not an issue of words, of discussions, of a delegation, of another mechanism. As I said before, these are form, but they beg the substance of real action.

**Question (Ms. Sheela Bhatt, Rediff.Com):** Sir, there was a general perception after the Mumbai attack almost for a month that Pakistan is in a denial mode. Do you think that kind of an attitude generally is still persisting?

Secondly, you have already briefed us about how from all over the world support is coming to India about this issue. Particularly I would like to know what kind of a role Iran and China are ready to play to pursue Pakistan to understand India's expectations on this issue. Lastly, I would like to ...

**Foreign Secretary:** How many questions? Hang on.

**Question (Ms. Sheela Bhatt, Rediff.Com):** Sri Lanka issue is important. I just wanted to request you to please address that. Thank you.

**Foreign Secretary:** You have asked two questions. One is about international reactions. I do not want to go into how individual countries have reacted. Today when we discussed this, I think we have, with the Chinese Vice Foreign Minister for instance, we also discussed our cooperation, our counter terrorism cooperation; and both of us stressed how important it was. We have been, as I said, heartened by the response that we have got across the board from all the countries. The Iranian Vice Foreign Minister was here a week and a half ago where again we discussed this issue. What we heard

from him was a clear condemnation of what happened in Mumbai or of the terrorism that was involved. I think the world is quite clear on where it stands on this kind of terrorist attack. And I think the world was horrified by the scale and the nature of this attack because it really was of a level of barbarity which I think was pretty well unprecedented. But I do not want to go into what each country will do. We would hope that certainly this kind of opinion in the world will also translate into encouragement to Pakistan to do the right thing. And that would be our expectation. That is really why we are briefing our friends around the world.

To respond to the other question of yours, I think I have made it clear to you, and we have made it clear to Pakistan also what we expect and what we would hope would happen in the future. There might have been denial in the past. We have been told by Pakistan that they are ready to cooperate with us. But the proof of the pudding is in the eating. We would like to see some real cooperation.

**Question (Mr. Ranjeet Kumar, *Navbharat Times*):** There were nine other terrorists who came from Pakistan who were killed. Do you have information about them? Have you shared information about them with Pakistan and other countries?

**Foreign Secretary:** We have shared information.

**Question (Mr. Ranjeet Kumar, *Navbharat Times*):** Can you share it with us?

**Foreign Secretary:** As I told you, the release of information in India into the public domain is something that follows the normal legal process. That is not something we do.

**Question (Mr. Srinjoy Chowdhury, *Times Now*):** You have given this information to the Pakistani Government. Now you cannot wait forever for a reply. What kind of timeframe are you looking at? What is your expectation? When do you expect a reaction?

Secondly, you said that you expect an investigation on the other side. Has there been an investigation? Have you been told anything about it? If there is an investigation, what is the result? It has been five weeks.

**Foreign Secretary:** We were told by the Pakistan Government in December that they were carrying out their own investigation. As for a timeframe, we would like to have the results as quickly as possible. We would like to see

real action as soon as possible.

**Question (Mr. Yuri Solonin, Parlamentskaya Gazeta, Russia):** Is the Indian Government or the Indian Ministry of External Affairs going to strengthen cooperation in the frame of Joint Anti Terrorism Groups with the major players of international affairs? If so, in what way are you going maybe to strengthen the sharing of intelligence information, or maybe to provide some joint exercises against terrorism and so on?

**Foreign Secretary:** As of now we do cooperate with several countries in counter terrorism measures in various ways. Some of them you have mentioned yourself. One of the ways in which we have strengthened this actually since Mumbai is in a much quicker, much more detailed exchange of information, which has been going on. We will talk to our partners and see what they are comfortable with, what we are comfortable with, and we will certainly look forward working with the international community because we think this is a threat to the entire international community. It is not just a threat to India. The way this has been done, the manner in which it has been prepared, and the ideology that goes behind it, I think suggests that this is a threat to the entire international community. So, certainly we will strengthen the ways in which we work with our friends and partners.

**Question (Mr. Manish Chand, INS):** Sir, what is the Indian stand now about Prabhakaran? Have you heard anything latest?

**Foreign Secretary:** Our position is quite clear that there are several aspects to the Sri Lankan problem, and that no one of them is sufficient to solve the problem. There is no military solution to this problem, for instance, no matter how the military situation might fluctuate. One side might be up, down, today, tomorrow, whatever. But that is neither here nor there. There is a political aspect which needs work because until there is a political understanding within the framework of a united Sri Lanka, within which all the communities in Sri Lanka are comfortable, you cannot speak of a political solution of the situation in Sri Lanka. There is a third aspect, which is a direct result of the military conflict and the absence of a political solution, which is the humanitarian problem for which, as you know, we have been working in the last several months as the fighting is intensified, to try and get relief to supplies and to try and get help to the civilian population who is caught up in this conflict. That we will continue to do. And we will continue to work with all those who are willing to do so, to try and help those poor civilians who are trapped in this zone of conflict. Quite frankly, the military situation might

change, might vary. But there is more to the situation in Sri Lanka than just the military situation. I think that is very important.

On Prabhakaran our views are well known. I think we have consistently sought his extradition to face charges here, to face trial here actually. And that continues. That is a request we have renewed repeatedly.

**Question (Mr. Manish Chand, INS):** Mr. Menon, the Chinese Government and the state-controlled media there have been silent on the complicity of Pakistan based elements in the Mumbai attacks. This time around in your conversation with the Chinese Vice Foreign Minister, did you see a change in the attitude? What are the Chinese telling us?

**Foreign Secretary:** I think we have shared some material with the Chinese authorities as well. EAM has written to his Chinese counterpart as well. I do not think there is any denial of the fact that there is terrorism and that it is coming out of Pakistan. I do not see that. What I do see is an understanding that this is a problem which affects, from their point of view, their relationships with two countries. Today the Vice Foreign Minister described India as a strategic partner. And he described Pakistan is a very close and important friend of China. So, I heard from him a natural concern that how this would affect both.

He also made it quite clear that on the terrorism issue China stands very firmly with us; looks forward to cooperating with us against terrorism; and that we will make sure that our joint institutions - we have a Joint Working Group for instance on counter terrorism with China - work effectively.

Thank you.



**320. Press Release issued by the Ministry of External Affairs on the handing over of evidence to Pakistan.****New Delhi, January 5, 2009.**

The Foreign Secretary has handed over this morning to the Pakistan High Commissioner in New Delhi material linking the Mumbai attack of 26 - 29 November, 2008 to elements in Pakistan. Our High Commissioner in Islamabad is doing the same with the Pakistan Foreign Office\*. This material includes:

- Material from the interrogation of Mohammed Ajmal Kasab, the Pakistani national who is in police custody.
- Details of the terrorists' communication links with elements in Pakistan during the Mumbai attack.
- Recovered weapons and equipment and other articles.
- Data retrieved from recovered GPS and satellite phones.

This material is linked to elements in Pakistan. It is our expectation that the Government of Pakistan will promptly undertake further investigations in Pakistan and share the results with us so as to bring the perpetrators to justice. We would also hope that Pakistan will implement her bilateral, multilateral and international obligations to prevent terrorism in any manner from territory under her control.



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\* When the Indian High Commissioner Satyabrata Pal handed over the same material to Pakistan Foreign Secretary Salman Bashir in Karachi, the latter conveyed to the High Commissioner that Pakistan was carrying out its own investigations and was determined to uncover the full facts pertaining to the Mumbai terrorist attacks ... The government of Pakistan will evaluate the information provided by India so far," said a statement from the Pakistan Foreign Ministry. It was also Pakistan's desire, according to the statement, to deal "effectively" with the issue of terrorism, which was a regional phenomenon requiring "close co-operation" between the countries.

On the same day the evidence was handed over to Pakistan the Chinese Vice Foreign Minister He Yafei was in Delhi and when he called on the Indian Foreign Secretary Mr. Shivshankar Menon, the latter, beside discussing the bilateral relations, also presented Mr. Yafei a copy of the dossier containing information on phone intercepts between the terrorists and their handlers, material recovered from the abandoned boat and the bodies of terrorists besides other details. "China described India as a strategic partner and Pakistan as close and very important for China. But it is clear that on terrorism China stands very firmly with us," Mr. Menon said. The two sides also noted the interaction on cooperation -- related issues and resolved to make sure that the Joint Working Group on Counter-Terrorism worked more effectively. Mr. He Yafei wanted India and Pakistan to resolve the issue through dialogue and assured New Delhi that Beijing would sift through the material provided by it.

"We had very good talks with the Foreign Secretary ... We got a full briefing from our [Indian] colleagues. We would study them [the evidence] of course ... We would see. My visit here is to encourage both sides to find a way out through dialogue and consultation ... it is the best way," the Chinese Vice Foreign Minister told journalists. (Mr. He, who visited Pakistan 10 days ago, noted that his interaction with both nations showed they had the will to find a way out through talks.)

### **321. Inaugural speech of Prime Minister Dr. Manmohan Singh at the Conference of Chief Ministers of Indian States on Internal Security.**

**New Delhi, January 6, 2009.**

We last met to discuss internal security issues in December 2007, a little over a year ago. The twelve months that have passed since then have been a difficult period for us. The security situation has, if anything, become even more complex. Many predictions made a year ago have unfortunately turned out to be true. In some cases the scale and magnitude of terrorist attacks appear to have been stepped up exponentially. In the prevailing circumstances we cannot afford to take a partial or segmented view. A holistic approach to our security concerns is definitely called for.

During the past year, we faced a severe challenge from terrorist groups operating from outside our country. Many of them act in association with hostile Intelligence Agencies in these countries. The attempt has been to exploit our vulnerabilities, and at times they do succeed as is evident from the terrorist attack in Mumbai. Our problems are compounded by the fact that we have a highly unpredictable and uncertain security environment in our immediate neighbourhood. The Governments in some of our neighbouring countries are very fragile in nature. The more fragile a Government, the more it tends to act in an irresponsible fashion. Pakistan's responses to our various demarches on terrorist attacks is an obvious example\*.

We face multi-dimensional challenges of different kinds, but the most serious threats are those posed by Terrorism, Left Wing Extremism and insurgency in the North East. Left Wing Extremism is primarily indigenous and home-grown. Terrorism, on the other hand, is largely sponsored from outside our country, mainly Pakistan, which has utilized terrorism as an instrument of

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\* Reacting to the evidence provided to Pakistan on the Mumbai attack, Pakistan responded by saying that the information given to it by India did not constitute "proof" and, responding to Prime Minister Manmohan Singh's speech, warned that allegations against the Pakistani state could end "all prospects of serious and objective investigations" into the incident.

In the National Assembly, Minister of State for Foreign Affairs Malik Adam Khan and Foreign Secretary Salman Bashir told the Committee on Foreign Relations that the material handed over by India was "not sufficient" and could not be regarded as "evidence." "India did not give any proof; it has given information, some documents containing their investigations [into the attacks]. Pakistan wants credible, and according to the law, evidence from the Indian government," Mr. Bashir told the House. On New Delhi's demand for extradition of fugitives, Mr. Bashir said Pakistan did not have an extradition treaty with India. He told the committee that India had escalated the military tensions in the entire region.



State policy. Insurgency in the North-East exploits disparities in income and wealth but it is also sustained by the sanctuaries provided to the leaders of insurgency movements in the neighbouring countries. There are, hence, fundamental differences in the way we need to view the internal security challenge and deal with the three threats that I had mentioned.

In the previous meeting it had been mentioned that terrorists were enlarging the canvas of threats. Increasingly, their concentration was on attacking economic, infrastructure, and iconic targets, apart from political, military and security ones. Mention had also been made of the fact that the sea route was now being exploited and explored as an alternative to land routes. It had, therefore, been suggested that there should be greater vigilance along our coast line and better monitoring of maritime activity in our territorial waters. The terrorists who carried out the attack on Mumbai on November 26, 2008 used the sea route, and managed to evade our coastal surveillance.

Calculating and responding to security challenges of this nature is in itself a complex exercise at the best of times. It becomes even more challenging in the circumstances I have just now mentioned. Our security calculus is a matrix of many imponderable factors, but there are two fundamental and underlying aspects, i.e., protecting the territorial integrity of the country and ensuring our internal security.

A strong sense of nationhood is important to withstand both these types of threats. Our nation is clearly united in our determination to defeat both external as well as internal security challenges. Our determination and sense of nationhood derives from our inheritance of a great historical experience of a multi-ethnic, multi-religious, multi-caste and multi-lingual society. Today, even as Pakistan engages in whipping up war hysteria, our nation remains steadfastly united and, if anything, the process of national consolidation is becoming stronger.

Dealing with internal security problems does not alter this dynamic. The situation may appear challenging and it is challenging but it is by no means beyond control. Concerns may exist that our defence mechanisms to thwart the numerous threats are inadequate. There may be criticism that the range of the instruments that we possess to deal with internal security threats, are not sufficiently sophisticated. Clearly, there is need to review the effectiveness of our set up for the collection of technical signalling and human intelligence. The training and equipment provided to our security forces also requires a careful review. I will admit that a great deal more can, and needs to, be done. Both the Centre and the State Governments must attend to this national task with speed, efficiency and utmost commitment.

Our external policies have been dictated by a desire to have a supportive neighbourhood. Unfortunately, we cannot choose our neighbours, and some countries like Pakistan have in the past encouraged and given sanctuary to terrorists and other forces who are antagonistic to India. We have tried to minimize the impact of such hostility by erecting certain defences. We have fenced our border along the Line of Control in Jammu and Kashmir, from where the vast majority of the infiltrations into India tended to take place. We are currently fencing our border with Bangladesh, from where also a number of infiltrations have been reported.

Consequent upon this, those in charge of the terrorist infrastructure in Pakistan have resorted to other stratagems to infiltrate terrorists into India. Infiltration is occurring via Nepal and from Bangladesh, though it has not totally ceased via the Line of Control in J&K. We are aware that the sea route is another option that is now being exercised. A few interceptions have taken place, though we failed to intercept the 10 Pakistani terrorists who came by sea from Karachi on November 26.

The terrorist attack in Mumbai in November last year was clearly carried out by a Pakistan-based outfit, the Lashkar-e-Taiba. On the basis of the investigations carried out, including the Agencies of some foreign countries whose nationals were killed in the attack, there is enough evidence to show that, given the sophistication and military precision of the attack it must have had the support of some official agencies in Pakistan.

We are aware of the existence of different concentric circles of terrorism which impact on our security. The Mumbai terrorist attack fell into the category of one carried out exclusively by a foreign based outfit. There are other concentric circles of terrorism that often involve a combination of external forces backed by internal elements. There are still others which are essentially indigenous in character.

Recent patterns of terrorist incidents also suggest that increasingly the attacks have a pan-Indian and trans-national aspect. The terrorists are able to fashion new techniques and employ new skills. There is growing emphasis on 'mass casualty attacks'. Terrorist communications have become state-of-the-art. Use of the Internet and Voice Over Internet Protocol connectivity, gives the terrorists greater anonymity and makes detection difficult for the authorities.

Attacks today are again less random than previously. In the case of Mumbai, a definite link can be discerned between our economic and security interests.

Targetting of foreigners, specially from the West, was obviously intended to convey an impression that India was unsafe as a destination for the West and Western investments. We need to effectively counter this impression. We need to ensure that another major terrorist attack does not take place on our soil. We must implement the policy of 'Zero Tolerance of Terrorism' with total commitment.

Few countries have suffered so frequently or faced so much violence at the hands of terrorists as our country. During the past year, there have been terrorist attacks in Delhi, Hyderabad, Bangalore, Jaipur, Ahmedabad, Surat, Assam, Mumbai and some places in U.P. and these show higher levels of sophistication with each attack.

What makes terrorism particularly threatening at this moment is the impression of vulnerability combined with the display of greater sophistication in techniques and methodologies of terrorist outfits. The challenges before us are to demonstrate that we have both the capability as well as the sophisticated instrumentalities to anticipate and overcome the shifts and changes in terrorist methods. We cannot, therefore, afford to conceptualize narrowly. We must not react merely to immediate events.

This is the underlying message contained in the Home Minister's letter inviting you to this Meeting. It is important at this juncture to demonstrate our combined will, and that we are effectively galvanizing the internal security system to deal with future terrorist attacks. Technology is empowering non-state actors across the globe and it is necessary for us to come up with a comprehensive strategy that combines the best of technological and human capabilities within the country to defeat terrorism in all its manifestations.

The Home Minister has already outlined a number of steps that have been taken in recent weeks to erect additional mechanisms to counter future terrorist attacks. The main message is that we need to break down barriers to information-sharing between the various agencies.

What I would add is that we need better intelligence and perhaps, more importantly, sophisticated assessment and analysis of the intelligence that is available. Complaints are often heard that the intelligence provided by the Agencies is not actionable. All intelligence produced is actionable, though it may not always be specific. It depends on the capability and ingenuity of those who assess the information to further develop and convert the fragmentary pieces of intelligence into a complete whole and for those who have to act on it to possibly pursue each and every lead.

Getting information early in time is vitally important and we need to encourage the setting up of an elaborate information system at the village, block and district level to report on any and all untoward events and incidents. Mobile telephones today provide opportunities for easy communication. Even our fishermen out at sea can use mobile telephones to report any untoward incident in our territorial waters. We must understand that no counter-terrorist action can hope to succeed unless it is based on the cooperation of the community and hence the importance of an expanded community policing system in our country. I would request the Chief Ministers to personally attend to this vital task.

The information available from diverse sources, thereafter needs to be properly channelized to reach a common point such as the recently revitalized Multi-Agency Centre in Delhi for collation and analysis. It will, hence, be necessary to establish Centers locally, at the State and lower levels across the country, to collate all the available information which might have a bearing on a potential terrorist situation. Other countries which have a federal structure similar to ours, like the United States, do have such centers spread across the country to coordinate local level responses to terrorism.

A large empirical data base will not yield results without using techniques such as structured analytic methodologies to convert the mass of information into actionable intelligence. Applications such as Threat Assessment Modeling and Artificial Neural Networks will have to be added to the existing analytic techniques. Three Dimensional Modeling of Critical Infrastructure is a new aspect that needs to be introduced. In several situations, we could even think of a Virtual Operations Centre.

I recently had occasion to mention in Parliament that the time had come for us to establish a permanent Crisis Management Group to handle the fallout of major terrorist attacks anywhere in our country. This is now being established. We have also begun the process of strengthening maritime security against asymmetric threats from the sea. We have coordinated measures to plug loopholes in regard to our air space. The process of augmenting and strengthening our counter-terrorist forces has also begun.

What we hope to achieve is closer scrutiny and attention as well as a more rapid response to new and emerging threats. Our aim is to achieve the concept of total security.

Additionally, I would here also like to refer to the danger from Left Wing Extremism. Naxalite groups do pose a challenge, though of a different nature. Left Wing Extremism has been in vogue for four decades now, but the danger

is that over time the nature of the movement has substantially altered. From an ideologically driven movement it has been transformed into one in which the military ethos has become predominant. The CPI-Maoist is perhaps the only militant organization in the country which has its own Guerrilla Army, though, as yet, this is of modest proportions. It is perhaps the only militant body to-day which has a rigid organizational structure. They also have some rudimentary capabilities to manufacture arms. They show increasing sophistication in the way they carry out attacks. They also do not seem to have any dearth of new recruits to the movement.

Quite a few States in the country are affected by Left Wing Extremism, notably Chhattisgarh, Jharkhand, Orissa, Bihar and Andhra Pradesh. As the movement spreads, and becomes more energized and active, we must ponder deeply on how best to effectively deal with it. This is so, as the movement still retains a modicum of ideological appeal. It is still able to garner support from among members of Civil Society and Civil Liberties organizations. It still attracts sections of the youth. Choosing the right methods and adopting a proper strategy are therefore important so that the action we take does not give a greater fillip to the growth of the movement.

Finally, I would like to say that Terrorism should not be conceptualized solely in military terms. While taking all the measures necessary to prevent terrorist attacks, we must simultaneously ensure that the concept of terrorism is delegitimized through better investigation and superior intelligence. We must convince the world community that States that use terrorism as an instrument of foreign policy, must be isolated and compelled to abandon such tactics. We must engage vigorously in debates to press the point that 'soft' support for terrorism cannot any longer be endorsed. We must demonstrate that an alert pluralistic and secular society such as ours is the best defence against terrorist onslaughts. Terrorism, Naxalism and Insurgency in the North-East, Hon'ble Chief Ministers, constitute major challenges for our national security establishment. We need to mobilize all our wisdom, knowledge and experience to meet these challenges head on. I am confident that our nation has the resilience and will power to emerge victorious in this fight. I wish you all success in your deliberations.



### **322. Response of Official Spokesperson of the Ministry of External Affairs to Pakistan's rejection of evidence.**

**New Delhi, January 7, 2009.**

We have seen the Pakistan Foreign Office Press Release of January 6\*.

Since the terrorist attack on Mumbai on November 26, the Government of Pakistan has asked India for evidence. On January 5, we gave them the evidence. Less than 24 hours later, the Pakistan Foreign Office has chosen to reject this evidence. How can this rejection be credible or be based on a real examination and investigation of the evidence? This is a political rejection without any basis.

It is unfortunate that the Pakistan Foreign Office has chosen to regress into its previous patterns of denial of facts, evidence and reality.

The Pakistan Foreign Office statement also reiterates so-called "constructive" proposals for a new mechanism and a high level visit. There are existing bilateral mechanisms set up at the highest level, such as the Joint Anti Terror Mechanism, which Pakistan's evasion and denial have made infructuous. It is, therefore, unclear what purpose would be served by yet another mechanism, or by a high level visit, especially if Pakistan continues to maintain the attitude revealed by the Foreign Office Press Release.

The issue is not words or statements or the situation in South Asia. The issue is what Pakistan does about terrorist attacks on India from Pakistan.



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\* On January 6 the Pakistan Foreign Ministry issued a press release under the caption: "India Whips up Tension" which read: "The Government of Pakistan emphatically rejects the unfortunate allegations leveled against Pakistan by the Prime Minister of India in New Delhi today. Instead of responding positively to Pakistan's offer of cooperation and constructive proposals, India has chosen to embark on a propaganda offensive. It will not only ratchet up tensions but also cloud facts and destroy all prospects of serious and objective investigations into the Mumbai attacks. This approach is fraught with grave risks and will further vitiate the situation in South Asia. Only yesterday the Government of India was advised not to embark on political point scoring. Regrettably this advice has not been heeded. Pakistan is a victim of terrorism. This pernicious phenomenon is regionally pervasive. Pakistan has suffered more terror attacks than India. But we have not lost our equanimity. Pakistan is not a state sponsor of terrorism. Our civilian and armed forces casualties over the past year in terror attacks and in countering terrorism have been far more than that of India. The history and genesis of terrorism is well-known and need no repetition. Many South Asian states have been victims of all kinds and manifestations of terrorism. The Government of Pakistan expects the Government of India to demonstrate restraint and responsibility. The policy of casting

accusations without uncovering full facts and even while the investigations are still continuing is irresponsible. Villifying Pakistan or for that matter any of its state institutions on this score is unwarranted and unacceptable. This is a sure way to close avenues of cooperation in combating this menace. Pakistan strongly rejects efforts at political and military coercion, which are counter-productive. India must refrain from hostile propaganda, and must not whip up tensions. It must also take steps to de-escalate its offensive military posture against Pakistan. We once again call upon the Government of India to engage cooperatively with us to uncover the full facts behind the Mumbai terrorist attacks. In this regard, Pakistan awaits response to its constructive proposals, including joint investigation, a joint commission under the NSAs of the two countries and high level visit from Pakistan. It is recalled that Pakistan was one of the first to condemn the Mumbai terrorist attacks and had offered full cooperation to the Government of India. Pakistan is also carrying out investigations on its own. We reiterate our call for a pragmatic and cooperative engagement between the two countries to fight terrorism, which is a region-wide phenomenon and the common enemy of our people.

"We condemn terrorist activities whether perpetrated by individuals, groups or states resulting in violence or threat of violence. Pakistan would not allow its soil to be used for acts of terrorism at home and abroad. Pakistan as a responsible state is taking all requisite steps to counter terrorism. International community undoubtedly recognizes and appreciates the sacrifices made by Pakistan to combat terrorism. Pakistan's government and state institutions remain fully committed to the fight against terrorism. We need no exhortations from India. Indian government is well advised to take careful stock of its own policies and conduct that are contributory to the problems facing South Asia."

Mr. Gilani also made the surprising revelation to journalists after speaking at a seminar in Islamabad that New Delhi had sent a 52-page dossier "through the CIA," and the ISI had already given its feedback on this to the American intelligence agency, and "this has been passed on to India." Indian High Commission in Islamabad denied any knowledge of any dossier handed to Pakistan through the CIA. They said they had received no response yet on the material given by New Delhi directly to Pakistan. At the seminar, entitled "Strengthening Democracy in Pakistan" and attended by a delegation of British parliamentarians, Mr. Gilani described as "fragile" the situation on the border with India. "In the interest of peace and progress in South Asia our democratic government has done a lot in terms of normalisation of relations between Pakistan and India," he said.

**323. Interview of External Affairs Minister Pranab Mukherjee with the daily *Statesman*.**

**New Delhi, January 10, 2009.**

*'Diplomacy requires patience'*

**Ms. Simran Sodhi (SS):** The government has been saying that the Mumbai attacks were carried out by "elements in Pakistan" but the PM in his speech on Tuesday talked of "official agencies" in Pakistan having links to these attacks. Do we have evidence to corroborate this claim and, if so, has it been shared with Pakistan?

**External Affairs Minister (Shri Pranab Mukherjee):** We have adequate information and circumstantial evidence. The magnitude, ferocity and depth of the action clearly demonstrate that if it was not well planned, it could not have been executed in that fashion. And sometimes it becomes difficult to believe that such a preparation is going on in a piece of land where there is a government, a civilian government, and it is fully unaware of it.

It is difficult to believe this. And particularly the many contradictions that have been issued by the Pakistan authorities, a mode of denial on everything. First they said non-state actors were involved, and it was pointed out that non-state actors do not come from heaven, then they said they do not belong to Pakistan and there were a series of contradictions starting from Masood Azhar and Kasab's identity. The different versions clearly demonstrate that they are shifting their position.

**SS :** New Delhi has undertaken a massive diplomatic offensive now more than a month after the Mumbai attacks. Many consider it to be a case of too little, too late. Do you think it will finally work?

**EAM:** Pakistan is in a mode of denial every time, whenever some attacks take place or something happens. At least in this case, they have accepted that Kasab is a Pakistani citizen. But I am not quite confident that after another 24 hours, they might not go into denial again. It is so difficult to deal with a country that is constantly denying. It is not a question of a diplomatic offensive; it is a question of projecting the proper thing in the proper perspective. An attack has taken place in Mumbai, it is a part of global terrorism. It is not linked to the Indo-Pak relationship. It is not about creating some kind of war hysteria that has been stated in that country, nor is it related, as in their language, to the so-called unresolved issue of Kashmir. This is a part of global terror acts and we are expecting Pakistan to fight



against terrorism for which as a state they are party to various international conventions, and also as they are party to the SAARC convention and protocol to strengthen the anti-terrorism mechanism. This is simple. If they don't do it, I don't know what will follow.

**SS:** How long will we wait for Pakistan to act?

**EAM:** It is not a question of a time frame. It is a question of to what extent they respond to it. It is not merely a bilateral matter. Yes, we are the victims and the perpetrators of this attack have come from the land under Pakistan's jurisdiction. The commitment from the highest in Pakistan is that the land of Pakistan will not be allowed to be used by terrorists.

**SS:** Who do you deal with in Pakistan? Is it the President, Prime Minister or General Kayani?

**EAM:** We can deal only with the government of the day. Whether they have the real authority or not is for the people of Pakistan to decide. And this question, at one point of time, I raised but I can't decide this. I will have to deal with the Foreign Minister (of Pakistan) and I will deal with him, I will have to deal with the President, the Prime Minister. Whether they enjoy real power or not, I don't know.

**SS:** Do you think the US should put more pressure on Pakistan than it has?

**EAM:** I am not concerned whether they put pressure on a particular country or not. They are committed to fighting terrorism and if terrorists are coming from a particular land they have a legitimate right to ask them to take action. Their own citizens have been killed as a result of this terror act.

**SS:** Do you think the Joint Anti-Terrorism Mechanism has been a failure. Even the statement issued by your ministry on Wednesday says that "Pakistan's evasion and denial have made the Joint Anti Terror Mechanism infructuous". Looking back, don't you think that it was a strategic mistake to enter into this kind of arrangement with Pakistan, accepting that it was also a "victim of terror" and thereby blurring in one stroke the distinction between the victim and perpetrator?

**EAM:** No. We acted in good faith. We have to keep in mind the circumstances under which it was done. It was done after the terror acts in Delhi and then later when the Prime Minister met President Musharraf on the sidelines of the NAM summit in Havana. Then this proposal came forward and we agreed. But from our experience we have found that the JATM did not yield the desired result. That is why I am not enthusiastic about the joint investigation mechanism or receiving any delegation from Pakistan.

**SS:** Is the option of war still on the table? Even though on numerous occasions, you and the PM and other leaders have ruled out the military option, one does get conflicting statements from different leaders?

**EAM:** As the foreign minister my responsibility is to convince all concerned in the international community about the gravity of the situation. The issue is not one of war but of effective action against terrorism to prevent further outrages and to neutralise and eliminate the infrastructure of terrorism.

**SS:** Do you still believe that the attacks were carried out by "elements from Pakistan" or now since we have carried out further investigations, can we say that there is an involvement of official agencies of Pakistan, the ISI, for instance?

**EAM:** Our investigations are by no means complete and therefore I cannot foreclose leads which may come up. The attack was initiated, planned and launched in and from Pakistan. It can only be fully exposed by investigations there and these will have to be sincere and detailed no matter where they lead to. The elaborate and prolonged planning, the resources used, and the precision of the attack, all these provide leads which cannot be ignored. It is this larger picture of the scale of the entire operation which has to be kept in mind during investigations. My doubts, however, arise from the mind-set of denial about all this and when so much is made in acknowledging the self evident.

**SS:** If outright war is not an option, are controlled surgical strikes an option? We are viewed as a nation that is soft on terror, unlike the US that retaliated after 9/11 and hit out at states that were viewed as sponsoring terrorism in their territories?

**EAM:** There is a difference between the two situations. We did not approve of all the actions that the US took. We did not approve of the action on Iraq. We supported the establishment of a democratic government in Afghanistan and extended our cooperation for reconstruction in Afghanistan.

We are not soft on terror but we don't want to copy any other country's example in our foreign policy, in our defence policy or our approach to solve these issues. We have our own perception on how to deal with this.

**SS:** But what if our approach at the end of the day does not yield the results we desire?

**EAM:** I would not come to the conclusion that it would not yield results. In diplomacy we will have to give time and it requires patience. How long, how far, it depends on the situation.

**SS:** Pakistan has said that the evidence provided by India is not credible enough. Where do we go from here?

**EAM:** When we hand over evidence, there are specialised agencies to examine that. Whenever a crime takes place, the first thing the police require is a first information report. The persons concerned, their relatives, family members go to the police station and lodge an FIR. And thereafter investigating agencies start proceeding on that information. So, even if they do not consider these pieces of information to be credible, it is the responsibility of the investigating agencies to work on this information and collect evidence. You can't just simply say this is not evidence. Evidence even they will have to find out. Because there was a conspiracy planned in the land of Pakistan, and as a result an attack took place on Mumbai.



**324. Joint Press Interaction of External Affairs Minister Pranab Mukherjee and the Foreign Secretary of U. K. David Milliband.**

**New Delhi, January 13, 2009.**

Please see Document No.686.



**325. Reaction of External Affairs Minister Pranab Mukherjee to the statement of Pakistan Prime Minister.****New Delhi, January 14, 2009.**

When queried on the statement by Pakistani Prime Minister of 13.01.2009\*, External Affairs Minister Shri Pranab Mukherjee said:

"There is a continuing pattern of evasiveness and denial in Pakistan's response to the terrorist attack on Mumbai. We have asked their government to undertake investigations in Pakistan and to share the results with us so as to bring the perpetrators to justice. We await a response from the Government of Pakistan. Instead, we hear of statements by Pakistani leaders at high levels to the media. These reinforce the already strong doubts which exist on Pakistan's stance on terrorism from Pakistan, and on its capacity and willingness to cooperate with other countries against terrorism. Pakistan must fully implement its international obligations under various legal instruments on terrorism."



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\* The External Affairs Minister was referring to the Statement of Pakistani Prime Minister Yusuf Raza Gilani in the National Assembly on January 13 saying the "All that has been received formally from India is some information. I say information because these are not evidence. This needs to be carefully examined." In the course of making what was described as a "policy statement" on the Mumbai incident, Mr. Gilani, however, omitted any mention of Ajmal Amir Kasab, the surviving Mumbai attacker, who was acknowledged by the Pakistan Government as a Pakistani national. Mr. Gilani said the dossier had been forwarded to the Interior Ministry for "necessary inquiry in accordance with the law," promising that the results would be shared with India in "due course of time." He repeated Pakistan's offer of joint investigation in the incident, which India had already rejected. Pakistan's repeated emphasis on more "evidence," as opposed to "information," was intended to convey the impression in the Pakistan media that the material India has provided was of little value.

**326. Response of External Affairs Minister Pranab Mukherjee to questions on statements by Pakistan Interior Adviser Rehman Malik.**

**New Delhi, January 15, 2009.**

We have seen statements\* in the media by the Interior Adviser of Pakistan assuring India of unconditional support in the Mumbai probe, urging India to use direct diplomatic channels with Pakistan, and saying that Islamabad needs more information from India in order to proceed with its own investigation. The material linking the terrorist attacks to Pakistan was handed over formally to the Pakistan High Commissioner in New Delhi on January 5, 2009. Instead of being informed through the media, I would be happy to receive a direct response from Pakistan through existing diplomatic channels, and to see Pakistan implementing her words.

\* The EAM was referring to the media statement of Interior Minister of Pakistan made on January 15 that Pakistan had shut down five training camps and detained or kept under surveillance over a hundred people linked to the Lashkar-e-Taiba/Jamat-ud-Dawah in connection with the Mumbai attacks. It was also setting up a team of its Federal Investigation Agency to probe the incident. He, however said it needed more information from India to proceed with investigations, including access to the site of the terror attacks, and reiterated the offer of a joint probe.

In his statement Rehman Malik, listed 20 offices of the JuD shut down, as well as 87 schools linked to it, two libraries, seven seminaries and seven websites. Also shut down were eight disaster relief camps run by the JuD, and five "training camps," the first time Pakistan has officially acknowledged the existence of such camps. But Mr. Malik added there was no sign of any training activity at these camps. He did not specify if the JuD's Muridke headquarters had been sealed. He also left the number of individuals detained unclear. Pakistan was "fully committed" to helping India with the investigations into the Mumbai attacks, he said. He however said that in order to convert the "information" given by India into legally acceptable "evidence," the FIA team be given access to the Mumbai sites where the attacks took place.

A Pakistan Foreign Ministry spokesman separately told the media that "as for the LeT or any other group, the subject is presently under probe/inquiry by our concerned authorities." He dubbed as "most unfortunate" recent remarks by Home Minister P. Chidambaram that India could sever trade and transport links. "Pakistan continues to make every effort to defuse tensions in South Asia and has repeatedly stated that it is prepared to extend its cooperation to the Indian government concerning the Mumbai incident," he said.

Heeding the advice of EAM the Pakistan Foreign Secretary the next day January 16 called in the Indian High Commissioner and officially conveyed to him the steps taken by Pakistan against those linked to the Mumbai attacks, urging that the two countries should go back to the peace process that New Delhi says it has put on "pause" mode. Pakistan said it had conveyed to Indian High Commissioner Satyabrata Pal the "sequence and series of actions initiated by the government in pursuance of its international obligations as well as relating to the Mumbai attacks." The High Commissioner was also given a letter from Prime Minister Yusuf Raza Gilani responding to Prime Minister Manmohan Singh's New Year greetings to him. The information handed over by Pakistan to the High Commissioner was essentially the "recapitulation" of what the Interior Minister Rehman Malik, had told journalists the previous day.



### 327. Response of Official Spokesperson to a question on British Foreign Secretary Mr. Miliband's views.

**New Delhi, January 15, 2009.**

Mr. Miliband is entitled to his views, which are clearly his own and are evolving. India is a free country and, even if we do not share his views, he is free to express them. However, we do not need unsolicited advice on internal issues in India like J&K.




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\* Mr. Miliband had observed that he did not agree with the view that some Pakistani agencies appeared to be involved in the Mumbai attacks. In an article *The Guardian* on January 15, Mr. Miliband said that during his visit to South Asia this week, he was arguing that "the best antidote to the terrorist threat in the long term is cooperation." He further wrote: "Although I understand the current difficulties, resolution of the dispute over Kashmir would help deny extremists in the region one of their main calls to arms, and allow Pakistani authorities to focus more effectively on tackling the threat on their western borders." Indian diplomatic sources said the British Foreign Secretary's understanding of the situation was one-dimensional. The Mumbai attacks, during which members of the Jewish community and other foreigners were especially targeted, were part of the mentality of global jihad being pursued by organisations like the LeT. He also had his reservations about the evidence provided by New Delhi and the position taken by the Prime Minister regarding Pakistan handing over the culprits to India for being tried and on the question of extradition. His interview with Karan Thapar on the CNN-IBN too caused a good deal of offence to the people at large. Some of the question-answers were:

*Q: You said "we believe the evidence is there." So do you see the dossier as containing evidence?*

We have our own evidence, which we have shown to the Pakistani authorities and we believe that that's the right evidence on which to proceed - the Indian dossier that has been handed over is something that obviously we're looking at. But what is critical is that the words of the Pakistani government, which are commitments to follow through on the perpetrators of these terrible crimes, should be followed through into action.

*Q: The Indian Prime Minister has gone on record to say that there's enough evidence to show that the attack must have had the support of some official agencies in Pakistan. Does Britain agree with that?*

We don't have evidence to show that the attacks were directed by the Pakistani government. What we do know, and this is public knowledge, is that the Pakistani government has had a policy towards Lashkar-e-Taiba (LeT), under the previous regime of President Musharraf.

I think that it's very important that the so-called corral-and-engage approach is one that is changed, because it obviously doesn't work.

*Q: The Indian Prime Minister also has said that Pakistan has utilised terrorism as an instrument to state policy. Would you accept that?*

I have no evidence of the Pakistani state directing terrorist activities. And I would never make that claim without that evidence. What I know is that Pakistan has a very serious terrorist problem.

*Q: When you spoke about the policy of corral-and-engage, the relationship with the LeT that existed during General Musharraf's time, what exactly was that relationship?*

It was an approach which recognised that the LeT did pose a threat but also recognised that they had to engage with the LeT. I think the important message that comes out, especially since the Mumbai bombings, is that you have to tackle the roots of these terrorist organisations. If they want to play in politics, that's one thing. But if they're going to use terrorist tactics, that's beyond the pale and they need to be rooted out.

*Q: When you say 'approach,' is that a euphemism for saying that there were links between the government of Pakistan in General Musharraf's time and the LeT?*

No, an approach is a policy. It's a very clear way of describing it.

*Q: A policy whereby the LeT was utilised by the state for the purposes of the state?*

I have been very, very clear in every answer I have given you. We don't have evidence that the Pakistani state directs operations or directed operations by the LeT. What's important is that we recognise that terrorism is a threat to Pakistan as well as to its neighbours and to countries like Britain. Secondly, that terrorism needs to be addressed at the roots, which are economic, social, and political as well as security. Thirdly and importantly, Pakistan needs to address the fundamental and political questions if it is to turn itself around.

It's worth saying it needs the support not just of its neighbours but it needs the support of its international community. I'm proud to be in India as a friend of Pakistan as well as a friend of India. We've got to support Pakistan and those who want to see change in that country...

We're clear about the origins. We're clear that there is an immediate issue for the Pakistani authorities in terms of the prosecution and that needs to go ahead. But there's also the medium-term goal.

In the end, India cannot afford a cold war or a hot war with Pakistan and Pakistan cannot afford a cold war or a hot war with India.

*Q: There are two issues that Pakistan has repeatedly raised. The first is a joint investigative mechanism. Does Britain believe a joint investigative mechanism makes sense or would it be impractical?*

I think the two countries should cooperate, but I don't specify the particular way in which they should cooperate. Ministers or officials staying in contact, intensifying contact, that would be a good thing but I'm not going to sign on to one particular version of the sort of relationships between two independent [players].

*Q: The second thing repeatedly said by the Pakistan Prime Minister is that he will not extradite any of the accused. Given that we are talking about people accused of the heinous crime of terrorism, will Britain support India's request or demand for extradition?*

We will support their prosecution under Pakistani law.

*Q: But not extradition?*

Well, no, because they have broken the law in Pakistan. It is Pakistani law that they've broken as well as international decency and common sense.

*Q: But if people like Khalid Sheikh Mohammed can be extradited to America - and he's only one of many such extradited without even due process of law - why can't those who have actually killed in Mumbai be extradited to India?*

I'm not going to go into the ins and outs of the Pakistani government's constitutional position. What's important is that those accused of heinous crimes feel the full force of the law, whether in India or in Pakistan. Now the Pakistani authorities have detained these people. They have said that if there is evidence, they should be prosecuted. I say there is evidence. Let them be prosecuted and if they're found guilty, let them be punished.

*Q: If these people are not effectively prosecuted, or if there's such a delay that people begin to feel Pakistan is simply dragging its feet, at that point of time will Britain be prepared to support either economic or military sanctions against Islamabad to force the issue?*

I don't think punishing the Pakistani people with economic sanctions is going to induce the change that is necessary. In fact, it undermines precisely the kind of support that is necessary.

I think one of the things that needs to happen in Pakistan is its own people [being] engaged in a far deeper conversation about the nature of the threat that is posed to Pakistanis. The international community should make this absolutely clear to Pakistan. It should continue to do that without fear or favour. And that's what we're going to do.

*Q: But what happens if Pakistan ignores the international community? Beyond trying to make it clear verbally, is there any sanction to force Pakistan to act?*

We will continue to use all the appropriate mechanisms, the appropriate ways of making a difference...There's a whole range of British engagement with Pakistan that I think can help demonstrate to the Pakistani government that there is not just pressure, there is support for change in the way Pakistan operates.

*Q: But at the end of the day, there is no stick you can use?*

If you're saying is there a 'military stick' that I'm going to use, then there is no 'military stick' that I'm going to wield.

I think that there is a fundamental debate to be had in Pakistan - and you can see it because you are right. There are different statements that come out. What does that reveal? It reveals actually that there is a debate going on. And there's a debate between those who recognise that there is a serious need for reform in Pakistan and those who are, to use your words, 'in denial.' It's very important that the reformers win.

*Q: And if they're not winning, then what?*

We carry on exercising the pressure, providing the incentives in engaging...

*Q: You are asking India to be patient?*

No, I'm asking Indians to do the right thing for themselves and for Pakistan. Because a cold war or a hot war is not in Pakistan's interest and is not in India's interest.

I'm deliberately talking about Afghanistan and Pakistan. I think what is important is that President Obama and his new administration will be a new force on the global stage. They're going to see Pakistan as absolutely central to their investment in a decent government in Afghanistan, which is profoundly important not just for America but [also] for the rest of the western world. They're going to see Pakistan as a country that critically needs support.

They also know that the Kashmir conflict has been a source of flare-up for many years, and I think you have just held very successful elections in Jammu and Kashmir. I think the turnout of 61-62 per cent was a very significant development. I think many of us outside the region have felt that the composite dialogue and deliberations that have taken place over Kashmir are welcome. But that's not to say that they're part of the Afghan-Pakistan theatre.



**328. Response of External Affairs Minister Pranab Mukherjee to a question on bringing terrorists to justice.**

**New Delhi, January 16, 2009.**

We have never given up the demand that perpetrators of terror acts should be extradited to India. There is no question of that or climb down.

Major terrorist acts have been committed in India. These were planned and launched from Pakistan. Only full investigations which are transparent and verifiable in Pakistan can unveil the full conspiracy. We have been requesting Pakistan to take sincere and effective steps in that direction. Pakistan is obliged to investigate and prosecute the criminals. It is Pakistan's responsibility that individuals based in Pakistan do not commit criminal acts in other countries and then have effective immunity simply because they are Pakistani nationals.

However the fact remains that dastardly terror crimes have been committed in India. Therefore the perpetrators must face Indian justice. This is not an either or situation as these things are not mutually exclusive.

Pakistan's Extradition Act of 1972, in fact, specifically provides for extradition even when there is no bilateral Extradition Treaty between the countries. The SAARC Convention on Terrorism also has the same intent and such provisions are there in other international instruments.

So I think the position is quite clear and there is no question of dilution in position.



**329. Address of Prime Minister Dr. Manmohan Singh at the Award Ceremony of the Economic Times.**

**Mumbai, January 17, 2009.**

Please see Document No.3.



**330. Interview of External Affairs Minister Pranab Mukherjee with Diwakar & Indrani Bagchi of the *Times of India*.**

**New Delhi, January 17, 2009.**

[External Affairs Minister Pranab Mukherjee has been a key figure in fashioning India's response to the Mumbai 26/11 attacks. He spoke to Diwakar and Indrani Bagchi on how India's post-Mumbai diplomacy was progressing in his characteristic forthright and unambiguous manner. Excerpts from the conversation.]

**Q: Pakistan has announced a set of measures against Jamaat-ud-Dawa. Is India satisfied?**

**A:** If an organization is banned or its activities considered undesirable, can it be possible to have part of its activities legal and part illegal? I read their charities will not be affected. If an organization is banned, all practices have to be banned. The problem is these organizations are changing their names...Lashkar-e-Taiba becomes Jamaat-ud Dawa, but the persons are the same, ideology same.

**Q: But do these actions by Pakistan mark a step forward?**

**A:** Let us get details. Sometimes we get these through the media. Pakistan is also not communicating with us either through our mission there or their mission here or even directly. Officially, we have had no communication from them.

**Q: Pakistan continues to waffle on the evidence provided...**

**A:** When we get some material it is handed over at the political level. It is to be examined, scrutinized by the competent authority. But as soon as they received it, they came to the conclusion this has to be 'information' and Pakistan prime minister said this in their legislature. That's why I say they are in denial.

**Q: Are you disappointed that some countries are not convinced by India's argument of there being state support for the attacks?**

**A:** Diplomacy takes time and individual countries have their own perceptions. Other countries have clearly said Pakistan has to do much more than they have done. They recognize Pakistan is the epicenter of terrorism.

**Q: What about the US response?**

**A:** US' response is positive, but we don't know what steps were taken to influence Pakistan to fight against terrorism. Pakistan must dismantle the

terrorist infrastructure and abide by its international commitments, where at the highest levels two presidents have promised to us that Pakistan territory would not be used by terrorists. All the terror attacks in India coming from outside, are originating in Pakistan. What is the value of that commitment?

**Q: Home minister P Chidambaram said India would cut off all contacts with Pakistan, is that true?**

**A:** He said it in response to a question. There are various options and he illustrated one option. That is not the decision of the government.

**Q: In her Senate confirmation, Hillary Clinton says the situation in Pakistan is complicated for many reasons, one of them being India.**

**A:** Terrorism is a global phenomenon. So far as Mumbai is concerned, it's part of the battle against global terrorism. The origin of this attack is from Pakistan. There are reasons to believe, and there is evidence clearly to indicate, that this level of operation cannot happen without a well-planned conspiracy.

**Q: How do you see India's post Mumbai 26/11 diplomatic effort progressing?**

**A:** We have reached out to the entire international community. There is no doubt that the attack was planned and launched from Pakistan. It is incumbent on the government of Pakistan to firstly uncover the entire conspiracy, and secondly, to act against the perpetrators. I believe our interlocutors in the international community fully appreciate the need for transparent and effective action.

**Q: Pakistan has accused India of war mongering. How do you react to this?**

**A:** I believe the central point every government representative, and that includes myself, has made is that this is an issue of a terrorist attack launched from Pakistan and we will take all the steps that are necessary to defend our people. I do not see how this is war-mongering...those who level this charge are doing no more than resorting to diversion which we have seen from the very beginning after the Mumbai terrorist attack.

**Q: What are India's options given Pakistan's non-cooperation and India's disinclination to use military strikes?**

**A:** The way I see the issue is that there is a certain obligation on Pakistan to act against terrorist elements on its territory. The issue is how Pakistan

situates itself in the global community and in particular on the issue of terrorism. I believe it is Pakistan whose options are limited since the issue is clearly of acting against terrorist groups based on its territory.

**Q: There is a persistent view that resolution to terrorism in South Asia is somehow tied in with the "Kashmir problem".**

A: Frankly I do not see any such relationship. I believe terrorism, as a phenomenon, needs a clear understanding rather than simply relating it to any available issue. I believe this point is well understood.

**Q: India-Pakistan peace efforts have not worked. Looking back, was the joint anti-terrorism mechanism an act of misplaced faith?**

A: I believe Pakistan's position since Mumbai attack has put a very large question mark over the achievements of the composite dialogue process over the past 4-1/2 years. The absence of a sincere and transparent position on terrorism has eroded the value of the dialogue process. If one takes a broader view, this is not a good development because it places a long-term question mark on the utility of dialogue as a mean to resolve bilateral issues with Pakistan. The popular support, which the dialogue process with Pakistan had, is now very significantly eroded. The joint Anti Terror Mechanism or the Home Secretaries' meetings on Terrorism both have certainly not delivered the results we anticipated because of a persistent reluctance to face up to the fundamental issue of terrorism.

**Q: Do you see Pakistan resorting to nuclear blackmail?**

A: Whether it is accusation of military build up, allegations of air space violation or nuclear saber rattling, the point simply is that none of this is related to issue at hand. It's simply that groups in Pakistan are carrying out terrorist attacks with impunity. This is the issue of terrorism and I do not see any scope for seeing it through any other prism.

**Q: The India-US nuclear deal was seen as part of a much larger strategic partnership. After the Mumbai attacks, are you convinced US is keeping Indian interests in mind?**

A: The India-US relationship has been transformed in recent years into a strategic partnership. The culmination of the civil nuclear cooperation initiative in the signing of the historic agreement by our governments on October 10, 2008 was symbolic of the transformation that we have achieved in our bilateral relationship...Terrorism is another issue we have been discussing - both our governments are committed to eliminating this scourge. Our

agencies have been working together in investigation as well as on steps that can be taken to prevent the occurrence of similar attacks. We look forward to continuing current dialogues with the new US Administration - and adding new dimensions in areas of common interest.

**Q: Do the US's current problems in Iraq and Afghanistan pose issues for India as well?**

**A:** We have no reason to believe America will need encouragement to address and focus on security issues relating to our neighbourhood which, if not addressed urgently, are bound to affect the entire civilized world. As far as we have observed, the incoming US Administration has, throughout their election campaign, maintained that US attention should revert to the 'forgotten war' in Afghanistan. President-elect Obama has also been quoted to have recently stated US and India "must work together to advance our common interests and to combat the common threats of the 21st century."

**Q: India has shared a deep-rooted relationship with Russia. After Mumbai, Russia has tended to equate India and Pakistan. Has India neglected our ties with Russia in pursuit of the nuclear deal and a special relationship with US?**

**A:** Russia has unequivocally supported India in the wake of terrorist attacks in Mumbai. Foreign Minister Lavrov has expressed solidarity with India's demand that Pakistan must fulfill its commitments on elimination of terrorist bases.

Our relations are based on solid foundations and stand on their own merits. They are not subject to our relations with any other country. Russia was one of our strongest supporters at the IAEA and played a proactive role in getting the NSG waiver for India. Ongoing collaboration in nuclear energy is an important element of our strategic partnership with Russia.

**Q: In the case of China, there are clear areas of differences. Has India not been successful in ensuring Beijing is sensitive to our major concerns like terrorism?**

**A:** I have always said that India-China relations are a priority for us. We have our differences, but we have also expressed our firm commitment to resolve these through peaceful negotiations...After the Mumbai attack, I received a telephone call from my Chinese counterpart...They specifically conveyed their readiness to work with India and other countries to stamp out the scourge of terrorism. We have shared the (26/11) evidence with

them when their Vice Foreign Minister visited New Delhi on 5 January 2009...As two major countries in Asia we consider that our bilateral relations must be looked at in the long term, strategic perspective.

**Q: There is a new government in Bangladesh. In view of a number of militant or terrorist leaders operating out of there, is there any hope of some of these being arrested and handed over to India?**

**A:** India welcomes the return of multi-party democratic politics in Bangladesh. Cooperation in security-related issues is extremely important for India as this directly affects the security of our country. We hope that the new government in Bangladesh would appreciate our deep concerns and take action against terrorist and insurgent groups operating in Bangladeshi territory.



**331. Statement by the External Affairs Minister Pranab Mukherjee on Pakistan High Commissioner's call on Home Minister.**

**New Delhi, January 31, 2009.**

The Pakistani High Commissioner paid a courtesy call on the Home Minister on January 29, 2009. He did not provide any details on the results of the investigation in Pakistan into the Mumbai attacks\*.

We have also seen media reports about certain statements by various Pakistani officials on their ongoing investigations, including a certain reported clarification by the Pakistani Prime Minister.

I would like to underline that we have so far not received any official Pakistani response to the Indian dossier or official information on the outcome of their investigations. These are awaited.



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\* The EAM sought to correct the false impression created by the remarks of Pakistan's Foreign Minister Shah Mahmood Qureshi who on January 30th had said "Pakistan's High Commissioner, Shahid Malik, had a good meeting yesterday [29th August] with Mr. Chidambaram, who is the Indian Interior Minister and he had updated him on the progress made so far in the investigations," the Minister said in response to questions by reporters at a university where he had a speaking engagement. Mr. Qureshi said the preliminary investigations were "almost complete." The findings would be shared with India and the international community after their approval by the Law Ministry, Mr. Qureshi said.

**332. Interview of National Security Advisor M. K. Narayanan by Karan Thapar on the programme Devil's Advocate telecast on CNN-IBN.**

**New Delhi, February 2, 2009.**

**Karan Thapar:** Hello and welcome to an interview with India's National Security Advisor, MK Narayanan. I will ask him about how India assesses the response of the Pakistani government in the Mumbai terror attacks. Mr. Narayanan, let us start with the dossier that the Indian Government gave Pakistan. It's now been revealed by the Pakistan Foreign Minister that their High Commissioner in Delhi has given an update to the Indian Home Minister about how their investigations are proceeding. What have they informed the government?

**MK Narayanan:** I haven't spoken to the Home Minister after the Pakistan Foreign Minister met him, but I am assuming it was courtesy call. It was not expected to be a call where he would submit a piece of paper because in that case, if it was a response call, then the call would have been made to the foreign office. My understanding is that the Home Minister was polite after he received a call from Pakistan Foreign Minister.

**Karan Thapar:** So nothing substantive said or done?

**MK Narayanan:** I said I have not had an opportunity to speak to the Home Minister. But I know that he saw it as a courtesy call. He had nobody with him so I don't know if anything substantial was discussed with him.

**Karan Thapar:** Now separately on Friday, Pakistan's High Commissioner in London has gone to say that the plot of conspiracy was not hatched in Pakistan and he has even gone to say that the evidence or material provided by India was fabricated. How do you respond to that?

**MK Narayanan:** I don't want to comment on the way the personalities in Pakistan are responding to the issue. What I am aware of is that after the receipt of the dossier by Pakistan, the Pakistan government have reverted to us and asked a number of questions to which answers have been provided. So as far as we are concerned, we believe that Pakistan is making an attempt to arrive at the truth. I assume that they are yet to receive reply to the second set of queries they have made. So I don't know what the Pakistan High Commissioner in London is talking about. I can only say that it is part of the dysfunctional manner in which several things are taking place in that country.



**Karan Thapar:** You are saying that Pakistan has asked queries. It has asked two set of queries and you have responded to them. Does this indicate that they are taking the dossier seriously and are you satisfied by the way they have responding to it?

**MK Narayanan:** I don't know what is the word 'satisfied' but certainly they appear to be taking things seriously and at least they are proceeding in a manner that one would expect an investigative agency to proceed. Asking queries and not taking everything that is given at the face value that has been given. Whether after all this, they would still accept the truth that will kind of hit them in the face, that I don't know.

**Karan Thapar:** There are reports that India has not given to Pakistan all the evidence or material it has. We've only given them a truncated dossier. It seems that the log book of Kuber or even the names of the handlers in Pakistan or even the GPS location points were not shared. Are those reports accurate?

**MK Narayanan:** We've given one set of dossier to the international community and there were some aspects that we were mulling over as to when and where they should be given. So if they ask, answers will be given to them.

**Karan Thapar:** So if Pakistan asks about things that are not in the dossier you will give it to them?

**MK Narayanan:** We have already asked them questions which flow from the dossier and to the extent whatever possible, we will answer the questions that are necessary for this investigation.

**Karan Thapar:** Given the manner in which Pakistan has responded so far, are you expecting a positive response when they come back with their full and formal response?

**MK Narayanan:** I think you are asking me a very difficult question. We don't know. We are giving Pakistan every opportunity to prove it is bonafide in this matter. Pakistan has been making the claim that it is the non-state actors who are involved. That means the Pakistani state is not involved. If the Pakistani state is not involved, then there is no reason why they should not be honest about it. They should be as honest as they can be about it. But we will wait and see.

**Karan Thapar:** But from the sound of what you are saying, it doesn't seem that you share the distrust or the skepticism of the Indian press either?

**MK Narayanan:** I am being careful. I am on camera, so I don't want to say anything that I may have to withdraw later on. You know my past record in this matter. I am suspicious of what Pakistan's intent is. But I am giving them an opportunity. We have provided them with the dossier, they have reverted with certain queries, we have replied to their queries and I presume that they will have more questions and we will assist them. We have taken what I call a very conscious policy of saying whether they want us to assist them in their investigation, and then we will do the utmost. What their response is going to be - from the kind of flip-flops we have seen from time to time - I cannot say.

**Karan Thapar:** Let's go a little back into the story and look at some of the steps they have already taken. Now that Muridke, the headquarters of the Jamaat have been taken over by the Pakistan government, five of their training camps are supposed to be shut down and their website dismantled, is that an affective implementation of United Nation's Security Council to ban the Jammata or are you not impressed?

**MK Narayanan:** I am not impressed with this very much. I mean training camps can be closed down and reopened at a very short notice at any time they like and taking over of the Muridke's sprawling campus of a few acres, it's only a matter of time and I am sure it will come back somewhere else. I mean these are cosmetic exercises. What we really want is that the perpetrators or the masterminds, who have perpetrated this act should be brought to justice. If Pakistan is honest about its intentions, if Pakistan believes that terrorism needs to be stamped out from their country and those elements that have been spreading terrorism elsewhere, then it's a very simple matter - handing over those who have named in the FIR. That is how every country that believes in helping each other acts. We believe that that it is the easiest manner and we have as far as possible tried to avoid naming elements in the Pakistani government so that is the way we expect them to respond.

**Karan Thapar:** Secondly, people like Lakhvi and Zarar Shah have been detained. In fact Pakistan's effective Interior Minister has claimed that as many as 71 members in different militant groups have been detained and a further 124 have been put under surveillance. Is that a meaningful step or is that a shard?

**MK Narayanan:** They are house guests. At least Lakhvi and Zarar Shah are house guests. And I don't know if it amounts to detention.

**Karan Thapar:** And what about Hafeez Mohammed Sayeed. His detention has been extended for a further period of two years, so is he a house guest? There are reports that he can visit the mosque locally whenever he wants?

**MK Narayanan:** I would say that he is an honoured guest.

**Karan Thapar:** So in both these instances, the treatment is not anywhere India would have expected or wanted?

**MK Narayanan:** It is not about India. It is a question of are they accused persons, are they people whom we wish to keep out of communication with the rest of the world or the sort that should be treated as common criminals. That's a simple matter.

**Karan Thapar:** What about the position Pakistan has taken over Masood Azhar. They claim that they not only don't know where he is, that he may not be even there in Pakistan. Does that government in India buy that line?

**MK Narayanan:** I mean, they once claimed that they had arrested Masood Azhar and then they said it was not correct. I mean I don't think anyone in Pakistan could make a mistake about the identity of Masood Azhar. I think that speaks volumes. Now as to where Masood Azhar could be, he could always be stashed away in a safe place. He may be in southern Afghanistan or he could be in Pakistan. I mean we don't know at the moment.

**Karan Thapar:** Stashed away by the authorities in Pakistan to protect him?

**MK Narayanan:** I would think that Pakistan would be in the best position to know where Masood Azhar is more than any one else.

**Karan Thapar:** So given that in Indian eyes how Pakistan responds is a critical test. It seems that despite the fact that they have asked a few intelligent questions about the dossier or they have asked for further information, in every other respect they are not living up to the test. Are they doing a lot less than they should, or a lot less than they are needed to do?

**MK Narayanan:** We are trying to look as far as in the matter as terrorism is a crime and it is internationally recognised as a crime and there are United Nations directives and sanctions. All that we are asking is, those who fall into this category should be treated as common criminals and that is not happening.

**Karan Thapar:** Now in January, the Indian Prime Minister publicly said that there is enough evidence to show that the attack must have had the support of some official agency in Pakistan. As you know, the British, the French or the Americans - to one degree or the other - have not supported that position. Does the Prime Minister stand by what he said?

**MK Narayanan:** Of course the PM will stand by what he says. The PM doesn't say words that he doesn't mean. He says things after a lot of deliberation and when he makes a statement, he makes it based on the reports that he has received from people like me and from our security structure. We have gone into this carefully. Governments find it very difficult for the other governments to make a public pronouncement that state of Pakistan is involved or some other state is involved. We are going by the methodology by which all kind of terrorist incidents are analysed, assessed and estimated. Not only that, I think in this case we also have the benefit of a great deal of exchanges with counter-terror agencies or investigative agencies across five or six countries of the world. I mean it is not a big secret to say that most of them will agree with it, but none of them will make a public announcement that 'yes' that this is so. This is not made lightly; this is made after a careful deliberation. We only wish that Pakistan will also recognise the truth that there is something wrong and they have to deal with the problem before it becomes even more grave than it is.

**Karan Thapar:** You are saying that this has not been said lightly, that this has been said after careful deliberation. Do you have the material that directly links what happened in Mumbai with agencies in Pakistan?

**MK Narayanan:** You know this question has been asked several times, directly or indirectly. But I have to say that when any statement is made, then it is made with conscious deliberation. I do not wish to go beyond that. We have no interest in blaming Pakistan. Why should we blame Pakistan? We do not wish to blame any country, unless we have reasons to believe there is something. What is the evidence, how is the evidence etc is not the point. This is based on very a careful calibration of information or intelligence that is not with regard to merely this incident but the totality of terrorist incidents that have taken place. You look at the total incident. You don't look at the single incident. And in this case we have members of Pakistani elements in the whole case.

**Karan Thapar:** You are talking of Kasab?

**MK Narayanan:** Yes.

**Karan Thapar:** Are you therefore dismayed with the responses of people like David Miliband or the American ambassador or even senior officials from France, all of whom didn't support the Indian Prime Minister to one extent or the other?

**MK Narayanan:** No, I don't want to tread into the area of what others have said. What I am saying is, it is not for others to substantiate our cases. We

have substantiated the case and as I said, I personally and the members of counter-terrorism and other establishments of the country have been in touch with the status. I think if their views are taken re-consideration than it would be obvious to many of these countries who exactly were party, to the over all guilty party or the guilty group.

**Karan Thapar:** And that party, guilty group would include official agencies?

**MK Narayanan:** Of course it would.

**Karan Thapar:** Let's turn to the position that Pakistan has repeatedly taken over India's request for extradition of the accused. At various levels they have said that the extradition will not happen, and to one extent or the other this has been supported by the British Foreign Minister or the American ambassador. So let me ask you, is an extradition a non-negotiable demand? Is it something that you insist on?

**MK Narayanan:** I think we have made this point time and time again. As I said, terrorism is a crime and a crime has been committed in India, it's been committed in Mumbai. I think those who did it, one of them is alive and those who are responsible or planned it, who have been named in the FIR and other documents, they have to be tried in the country. That is why we have been asking for their extradition. That is the way any crime is and this incident should be treated.

**Karan Thapar:** So just to clarify, it is not just the extradition of Indian citizens who are fugitives in Pakistan. You also want the extradition of Pakistani citizens who are accused of committing crimes in India?

**MK Narayanan:** Yes. Indian citizens who are in Pakistan, who are accused in various cases, we think there is no reason as to why should they not be extradited and sent to India. If they have been accused in a crime of this magnitude and this gravity, and in the interest of Indo-Pak relations, quite clearly we would not like Pakistan not to give us an opportunity for trial. We are only asking for a trial, we are not saying that they would be put in front of a firing squad or something of that kind. This is reasonable. There may be legal processes that are required before this happens and we concede that. But to not allow extradition before the pros and cons are considered is something that does Pakistan a little credit.

**Karan Thapar:** What do you make of the fact that on one hand Pakistan repeatedly rules out extradition and on the other hand it emerges that

Pakistan's own laws don't regard as a crime, offences committed outside their country. So doesn't that suggest that if there is no extradition, the accused just cannot be brought to justice in Pakistan?

**MK Narayanan:** This is part of my point. My point is that it is very difficult to try somebody for a crime committed in another country. If you want to follow the legal process, then what about the witnesses? Who are to testify to what happened? For all that has happened in Mumbai, what is any court in Lahore or any court in Faridkot going to say about this?

**Karan Thapar:** But even more than that, Prime Minister Gilani has admitted and accepted in the Financial Times - to whom he gave an interview - that the crime committed outside Pakistan are not in Pakistan's laws, which only consider crime inside Pakistan. So people can't be tried for them in Pakistan?

**MK Narayanan:** Possibly. I mean I am not familiar with that part of the thing, so I would find it difficult for a crime that has been committed in Pakistan for an Indian court to try them just of here.

**Karan Thapar:** David Miliband in an interview to Devil's Advocate - and also publicly - said that he doesn't support India's request for extradition and supported his argument by saying that the time had come for India to give the Pakistani judicial system a chance to prove itself. And then it emerged that Pakistan's own law doesn't permit the country to try Pakistani citizens for crimes committed outside their territory. What do you say to David Miliband after this?

**MK Narayanan:** I don't know. You should ask David Miliband yourself. I don't know what he meant or what he wanted to say.

**Karan Thapar:** Were you disappointed with the position he took?

**MK Narayanan:** David Miliband is the Foreign Secretary of the United Kingdom with which we have close relations. I think relationship between the UK and India is excellent, as is between Prime Minister Gordon Brown and our Prime Minister. So if we take the totality, I would only like to say that we did not expect this from the British Foreign Secretary. We thought he would be more understanding and sympathetic.

**Karan Thapar:** Were you upset with his manner and his general abrasiveness?

**MK Narayanan:** I don't wish to comment on it. I would rather discuss it in private with you.

**Karan Thapar:** Alright let's end this interview.



**333. Interview of External Affairs Minister Pranab Mukherjee with the Chief Editor of the *Indian Express* Shekhar Gupta in the NDTV-TV programme Walk-the-Talk.**

**[The interview was telecast in two parts and excerpts from it were published in the Indian Express on February 2 and February 9, 2009.]**

Please see Document No.7.



**334. Response by Official Spokesperson of the Ministry of External Affairs to Pakistan-related queries from journalists.**

**New Delhi, February 5, 2009.**

**To a question on a reported public meeting of banned organizations in POK, the Official Spokesperson said:**

"We have seen reports that representatives of terrorist groups Jaish-e-Muhammad, Harkat-ul-Mujahideen, Jamat-ud-Dawa participated in a public meeting yesterday at Muzaffarabad in Pakistan occupied Kashmir. No effort was made by the authorities to curb the activities of these groups. We strongly condemn the license that banned terrorist organizations continue to enjoy in territory under Pakistan's control."

**To a question whether it is at all safe for Indians to travel to Pakistan, the Official Spokesperson said:**

"The concerns which led to the travel advisory of 26th December, 2008 still very much exist. Indian Nationals are advised that it would be unsafe for them to travel or be in Pakistan."

**To a question about Indian journalists being roughed up in Pakistan and reaction of the Government, the Official Spokesperson said:**

"It is unfortunate that such an incident has taken place with two journalists from News X channel and that journalists are being treated in this manner. We are awaiting full details from our High Commission in Islamabad which has brought this to the attention of the concerned Pakistani authorities."



**335. Media Report of the Reaction of the Ministry of External Affairs to the reports of Pakistan deciding to file a case against perpetrators of Mumbai terror attack.**

**New Delhi, February 9, 2009.**

The Hindu Daily quoting sources in the Ministry of External Affairs reported that India on February 9 said it would wait for a formal response from Pakistan before reacting to the steps taken by Islamabad to book the perpetrators of the Mumbai terror attacks. "We await a formal response. The picture is not clear," said sources in the Ministry of External Affairs on reports that the Pakistan Cabinet's Defence Committee chaired by Prime Minister Yousuf Raza Gilani considered the material provided by India on the involvement of its nationals in the attacks and the course of its own investigations so far\*.



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\* Media reported that the Pakistan Cabinet's Defence Committee after four-hour marathon meeting chaired by Prime Minister Gilani took stock of a report prepared by the Federal Investigation Agency on the material provided by India on the Mumbai attack and decided to register a case to bring the perpetrators to justice under its own laws but suggested that it needed more information from India to complete the investigations or else "will find it exceedingly difficult" to proceed with the case.

"The meeting decided that on the basis of the inquiry conducted by FIA, the case should be registered and further investigation be carried out so that the perpetrators, wherever they may be, of the heinous crime are brought to justice in accordance with the law of the land," a statement from the Prime Minister's Office said. Pakistan had last month announced it had detained 71 people in connection with the attacks most of whom were linked to the Lashkar-e-Taiba front Jamat-ud-Dawah. Pakistani authorities are also said to have detained two top LeT operatives, Zakiur Rehman Lakhvi and Zarar Shah, and perhaps a third named Muzzamil. (The FIA report has not been made officially public.) According to the statement, however, the meeting observed that "without substantial evidence from India it will be exceedingly difficult to complete the investigation and proceed with the case." (The meeting was attended by the Ministers of Defence, Information, Foreign Affairs, and Law. The Prime Minister's Advisers on Interior and Finance ministries were also present, as were the three services chiefs, the ISI head, chairman of the joint chiefs of staff committee, the Intelligence Bureau chief and the secretaries to the Ministries of Interior and Foreign Affairs.) Reacting to reports that the evidence provided by New Delhi was insufficient the Home Minister P. Chidambaram rubbished the report. "We have given them the dossier. Let them respond to it," he said.



**336. Statement of the Ministry of External Affairs on Pakistan's response to the Indian dossier on Mumbai attack.**

**New Delhi, February 12, 2009.**

Our High Commissioner in Pakistan was informed officially by the Pakistan Foreign Secretary this afternoon of Pakistan's response to the dossier of material that we had made available to Pakistan on January 5 linking the terrorist attacks on Mumbai to perpetrators in Pakistan. In their official response, the Pakistan authorities have admitted that elements in Pakistan were involved in the terrorist attacks on Mumbai. They are still in the process of investigating the attacks, and have taken certain actions including the arrest of some of those who were involved and filing a first information report. This is a positive development\*.

Pakistan has also sought further information and material relating to the investigation. The Government of India will now examine the issues raised in the response by Pakistan. After that examination we will share whatever we can with Pakistan.

It remains India's goal to bring the perpetrators of the terrorist attacks on Mumbai to book, and to follow this process through to the end. We would also expect that the Government of Pakistan take credible steps to dismantle the infrastructure of terrorism in Pakistan.



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\* In Islamabad on February 12 Pakistan's Interior Minister in order to deliver a big part of its promise of cooperation with India on the Mumbai attacks registered a case of terrorism against eight Pakistani suspects, and formally acknowledged that part of the planning for the attacks was done in that country. Rehman Malik, Adviser to the Prime Minister on Interior, who also heads the Interior Ministry, told journalists that the case was registered under sections of the 1997 Anti-Terrorism Act that enable prosecution of Pakistanis for directing, abetting, conspiring or facilitating a terrorist act in another country. "The incidents have happened in India, and some part of the conspiracy has taken place in Pakistan," he said. The Prevention of Electronic Crimes Ordinance 2008 and sections of the Pakistan Penal Code have also been invoked in the case, registered by the Federal Investigation Agency on the basis of its investigations into the material provided by India on the Mumbai attacks, he added. Six of the eight suspects were reported to be in custody, and "some of them," Mr. Malik said, belong to the banned militant group Lashkar-e-Taiba.

Among the six were the LeT's Zaki-ur-Rehman Lakhvi, who masterminded the entire operation and LeT communication expert Zarar Shah, who was a main "handler" of the 10 men who carried out the attacks. Another person in custody was identified as Hamad Amin Sadiq, who Mr. Malik also described as a "mastermind." A fourth was Javed Iqbal, who was said to have made the payments for the SIM cards purchased from Callphonex,

an Internet phone company through which the Mumbai attackers and their handlers communicated. Mr. Malik, however refused to divulge the identities of two of the eight men as they were not in custody yet and revealing their names could jeopardise the investigation. Nevertheless Mr. Malik repeatedly made the point that Pakistan needed "more information" from India to build a water-tight case in court. "When I say this, it does not mean that we are passing on the responsibility. India and Pakistan have a joint responsibility, and we are just asking for help," he said, stressing that it was important that "we should not allow the weakening of the FIR." He said he wanted "to assure the people of India, the Indian leadership that we are with you, and we have proved that we are with you." Mr. Malik briefed Indian High Commissioner Satyabrata Pal on the FIA findings, before the Foreign Ministry handed over the investigation report to him. Media said included in the report was a list of 30 questions on which Pakistan wanted additional information.

**337. Suo Motu statement by External Affairs Minister Pranab Mukherjee in Parliament on 'Follow Up to Mumbai Terrorist Attack'.**

**New Delhi, February 13, 2009.**

I rise to inform the House of developments since this House last considered the aftermath of the dastardly terrorist attack on Mumbai. On December 12, 2008 this House resolved, in a solemn Resolution that: "India shall not cease in her efforts until the terrorists and those who have trained, funded and abetted them are exposed and brought to justice".

2. Through the months of December, January and February, we have continued to use all means available and heightened our diplomatic activity to achieve the goals set for us, namely, to bring the perpetrators of the terrorist attacks on Mumbai to book, and to seek credible steps by Pakistan to ensure that there would be no recurrence of such attacks.

3. The Mumbai attacks were a crime committed on India, the conspiracy for which was hatched, planned and organized in Pakistan. In our diplomatic effort, we made it clear to Pakistan and the international community:

- Firstly, that the terrorist attack on Mumbai again underlines the grave threat that terrorism poses to peace and stability and therefore has to be seen in the context of the global challenge of terrorism. Terrorism emanating from Pakistan is of course a direct threat to India, but it is equally a regional and a global threat.
- Secondly, from our investigations the evidence was conclusive that the attack was planned, executed and launched from Pakistan territory, by Pakistanis and by elements based in Pakistan. The primary onus of responsibility lies on Pakistan to fully unveil the conspiracy, identify those guilty and act in a transparent and verifiable manner.
- Thirdly, Mumbai was by no means the first or only terrorist attack on India linked to the infrastructure of terrorism in Pakistan. Nonetheless, with Mumbai a threshold was crossed and it was imperative that Pakistan act credibly against that infrastructure to prevent further attacks.

4. By early January our investigations had progressed to the point where the details could be shared with the international community and specific information, material and leads could be provided to the Government of

Pakistan. On the 5th of January we conveyed to the Government of Pakistan material linking the Mumbai attack of 26-29 November, 2008 to elements in Pakistan. This included:

- Material from the interrogation of Mohammed Ajmal Kasab, the Pakistani national who is in police custody.
- Details of the terrorists' communication links with elements in Pakistan during the Mumbai attack.
- Details of recovered weapons, equipment and other articles.
- Data retrieved from recovered GPS and satellite phones used by the terrorists.

5. A full dossier of the Mumbai attack was also prepared and forwarded to all my counterpart Foreign Ministers. At the same time detailed briefings for all resident Heads of Missions in New Delhi were organised in the Ministry of External Affairs.

6. In our diplomatic exchanges, we conveyed our expectation that the Government of Pakistan promptly undertake further investigations in Pakistan and share the results with us so as to bring the perpetrators to justice, and that Pakistan would implement her bilateral, multilateral and international obligations to prevent terrorism in any manner from territory under her control.

7. It may be useful to recapitulate that this was the fourth formal and official communication that we had addressed to the Government of Pakistan on this issue. I had spoken on the telephone to the Foreign Minister of Pakistan on 28 November, 2008, when he was still in India. That conversation was followed up and formalized in writing on the 29th (the next day) morning in the form of a speaking note. Secondly, on 1st December 2008 a formal demarche was made to the Government of Pakistan. Thirdly, on the 22nd December 2008, a letter from the Pakistani terrorist in our custody was officially forwarded to the Pakistan Government. And fourthly, on 5th January 2009 the dossier, with details I mentioned earlier, was given to the Government of Pakistan.

8. Pakistan's Response: Hon. Members are aware of the prevarication, denial, diversionary tactics and misplaced sense of victimhood which characterized Pakistan's reaction from early days after the Mumbai attack. Pakistan's political leadership did condemn the terrorist attack and promised us full cooperation in investigating the conspiracy in Pakistan. I do not discount in any way either their intent or their sincerity, but the fact remains

that the overwhelming response of official Pakistan to the Mumbai attack was not appropriate to a terrorist attack where innocents were massacred in cold blood. Throughout the attempt was to divert attention from the terrorist attack and Pakistan's responsibilities to other issues.

9. On 16 January, the Government of Pakistan informed us that some action had been taken against the Jamat-ud-Dawa in pursuance to its being listed by the UN as a terrorist organisation. Some of its members were placed on the Exit Control List, some arms licenses were cancelled, instructions issued to freeze the accounts of JuD, some activists of JuD were arrested and certain JuD publications were banned. We were also informed that with effect from 15th January, 2009, the Government of Pakistan had launched a formal enquiry into the Mumbai terrorist attack and that the Federal Investigation Agency had been given the responsibility of conducting the enquiry in accordance with the laws of Pakistan. Some details of the enquiry team were intimated to us.

10. In the afternoon of February 12, our High Commissioner in Pakistan was informed by the Pakistan Foreign Secretary of Pakistan's response to the dossier of material that we had made available to Pakistan on January 5 linking the terrorist attacks on Mumbai to perpetrators in Pakistan. This is a positive development. In their official response, the Pakistan authorities have admitted that elements in Pakistan were involved in the terrorist attacks on Mumbai. They are still in the process of investigating the attacks, and have taken certain actions including the arrest of some of those who were involved, and have filed a first information report in Pakistan.

11. Pakistan has also sought further information and material relating to the investigation. The Government of India will now examine the issues raised in Pakistan's response. After our examination, we will share whatever we can with Pakistan.

12. Hon'ble Members will appreciate that Government has constantly been guided by the two objective of ensuring that the perpetrators who planned, organised and trained the terrorists in Pakistan are brought to justice, and that the infrastructure of terrorism which exists in Pakistan is dismantled so that we prevent a recurrence of such attacks. The international community has also worked with us, using its influence on Pakistan to ensure that the terrorist infrastructure and the support provided to such elements is put to an end, since terrorism emanating out of Pakistan is a threat not only to us, but to the world. We will continue to review the situation including Pakistan's responses and will take further steps that we deem necessary in order to

protect our people.

13. The threat of terrorism from Pakistan has emerged as a global menace and cancer. The major onus of responsibility to eliminate this threat rests on the Government of Pakistan. It is imperative that it act with sincerity and act effectively against the licence that terrorist groups enjoy in its territory. It is essential that the assurances given to us repeatedly at the highest level by Pakistan leaders are implemented as solemn commitments.

14. Since the 1st of December, 2008, the Composite Dialogue process with Pakistan has been at a pause. No meeting has taken place and neither are any scheduled. It is also the case that the substantial gains in the process of normalization which were achieved in the last four or five years are at grave risk. As Members are aware, the dialogue and normalization process was premised on commitments given by Pakistan that territory under its control would not be used for terrorism in any manner.

15. We are at a point in our relationship where the authorities in Pakistan itself have to choose the kind of relationship that they want with India in the future. Much depends on actions in the Mumbai case reaching their logical conclusion. I must underline that we have no quarrel with the people of Pakistan. We wish them well and we do not think that they should be held responsible or face the consequences of this situation. We have, therefore, consciously, and after due deliberation, not thought it necessary or fit to curtail people to people contacts, trains and road links.



- 338. Interview by the Minister of State for External Affairs Anand Sharma with the journalists of the *Indian Express*.  
New Delhi, February 15, 2009.**

Please See Document No.17.



- 339. Statement made by the External Affairs Minister Pranab Mukherjee in the Rajya Sabha in response to a question regarding "Pakistan State actors' role in Mumbai attacks".  
New Delhi, February 18, 2009.**

Government has shared the results of its investigation in the Mumbai terror attacks case with the international community. Government expects that the Government of the United States of America along with the international community would extend all necessary help in bringing the perpetrators of the terrorist act to justice.

India and the US have a strong cooperation in the area of counter-terrorism. The two countries have identified international terrorism to be a common enemy and a threat to the civilized world.

There is no US terror package for India. The question of its approval does not arise.

Government of Nepal had denied reports, that the terrorist in our custody was arrested in Nepal, following allegations to this effect in the Pakistan media.

The Government of Iran had strongly condemned the terrorist attack on Mumbai.

On 12th February 2009, Pakistan conveyed its response to the dossier of material that we had made available to it linking the terrorist attacks on Mumbai to perpetrators in Pakistan. In the response, Pakistan authorities have confirmed that elements in Pakistan were involved in the terrorist attack on Mumbai. Pakistan has also sought further information and material relating to the investigation.



**340. Response of Official Spokesperson of the Ministry of External Affairs on the verdict of Supreme Court of Pakistan in the case of Sherif Brothers.**

**New Delhi, February 26, 2009.**

In response to a question on the Pakistan Supreme Court decision\* on former Prime Minister Mr. Nawaz Sherif and Chief Minister Mr. Shahbaz Sherif, the Official Spokesman said that the matter was entirely internal to Pakistan and that we have no comments to offer.

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\* The Spokesperson was reacting to report of the Pakistan Supreme Court February 25 disqualifying Pakistan Muslim League (N) leader Nawaz Sharif and his brother Shahbaz Sharif from elected office. Mr. Sharif squarely blamed President Asif Ali Zardari for the verdict. Describing it as an "attack" on Pakistan, he asked the nation to rise in protest against it. The PML(N) announced nationwide protest. Following the verdict, younger brother Mr. Shahbaz Sharif stepped down as the Chief Minister of Punjab province, where Governor's rule was immediately imposed.



**341. Extract from the Television interview of External Affairs Minister Pranab Mukherjee with Karan Thapar on the CNN-IBN channel.**

**New Delhi, March 1, 2009.**

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**Karan Thapar:** I want to talk to you as a Foreign Minister\*. Suddenly it seems India is surrounded by neighbours in turmoil. There is crisis in Pakistan and Bangladesh, effective civil war in Sri Lanka, political paralysis in Nepal. It looks as if India is surrounded by a sea of insecurity and uncertainty. How concerned are you?

**Pranab Mukherjee:** I would not look at it totally negatively. There are certain positive developments also. You are talking of Nepal but at the same time sometime back, elections to the constituent assembly took place, one organisation which believed in violence, they gave up violence and joined the team of national multi-party political system.

Of course, there would be divergence of views in a democratic system, differences of opinion. In Pakistan also, election took place, elected government came to power after a long spell of army rule. In Sri Lanka, there is a fight

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\* The EAM was also holding charge of Finance Ministry.



against LTTE and the Sri Lankan armed forces. We are deeply concerned for the plight of civilian Tamil population which has been caught in the crossfire. But in other areas, there has been some democratic changes also. For instance, in Maldives. Therefore, it happens and our approach is to help our friends whenever they want it and to the extent possible for us. And to see peace, stability and development take place in our neighbours.

**Karan Thapar:** Let's talk of these countries individually one by one. First, Pakistan. You have said that Pakistan's response to India's terror dossier is a positive development, the foreign secretary in Colombo said, it was a welcome step. Has this therefore, lessened the tension and reduced the temperature between the two countries or does the sense of crisis remain unchanged?

**Pranab Mukherjee:** We have never raised the temperature. This is the phrase, I think British Foreign secretary used, and I told him that 'no, I have not raised the temperature'. We have not stopped the communication line. But what we want is that the perpetrators of 26/11 have to be brought to justice, infrastructure available to the terrorist should be dismantled. And Pakistan authorities must fulfill their bilateral and internal commitments. And we are insisting on that.

**Karan Thapar:** In the meantime, every time President Zardari speaks in interviews or makes comments etc, he speaks things that are reassuring. As you judge him, do you see him as sincere or is this just rhetoric of words?

**Pranab Mukherjee:** He is a nice man. He is a gentleman, Gilani is a gentleman, Qureshi is a gentleman. But this is not the question of personalities; the question is that the incumbent government has responsibility. When we talk of, we talk of the incumbent government.

**Karan Thapar:** So you see Zardari as a nice man, a gentle man whom you can do business with. Therefore the onus is on him to prove that he will take the steps?

**Pranab Mukherjee:** Onus is on the Pakistani authorities to dismantle the infrastructural facilities available to the terrorists, to bring to justice the perpetrators of terrorism and to co-operate with India in achieving this objective.

The relationship between India and Pakistan is not the point of issue at this point of time. Point of issue is how to fight terrorism. It is not the question of improving our bilateral relations. Our bilateral relations are there, people to people contact is there.

**Karan Thapar:** Do you think Zardari is genuinely committed to fight against terrorism or do you think he is telling different things to different people, because he is trying to buy time and that the system in Pakistan won't respond.

**Pranab Mukherjee:** I would not like to comment on the system of Pakistan because it is for them to comment on this issue. But what I would like to say is that I believe in his sincerity because he himself is the victim of terror attacks. His wife, Benazir Bhutto fell as the victim of the senseless brutal terror attack.

**Karan Thapar:** So you mean that you believe in his sincerity?

**Pranab Mukherjee:** I believe in his desire to fight against terrorism but at the same time my belief is not adequate and it must be backed by the action taken by the government and the authorities of Pakistan.

**Karan Thapar:** Let me come to a different subject. Last week, as perhaps you know the former Pakistani Prime Minister Khurshid Kasuri gave me an interview where he revealed that during the time when general Musharraf was President, extensive progress had been made between India and Pakistan on the back channel, in fact he said that more progress was made than most people believed. Can you confirm on that?

**Pranab Mukherjee:** You know, what takes place in the back channel is never discussed in public. Otherwise there is no need of having a back channel at all. I cannot comment on what Quereshi told, but it is not our practice to make any comment, any observation on back channel.

**Karan Thapar:** Let me come to America. We have a new government, a new administration in America, recently Richard Holbrooke has repeated something that President Obama has said quite frequently that America would like to see some reduction in tension between India and Pakistan so that Pakistan can concentrate on its western border. How do you respond to such thinking?

**Pranab Mukherjee:** We have made it quite clear. When we had interactions with Mr Holbrooke or any other official coming from USA, we made it clear that the issue is not the relationship between India and Pakistan.

The issue is how to fight against terrorism. How to dismantle the infrastructural facilities that is available on Pakistan's territory used by Pakistani elements to attack on India. How to bring the terrorists to justice. These are the issues and not the India and Pakistan relationship.

**Karan Thapar:** Did he understand that point?

**Pranab Mukherjee:** We conveyed it quite clearly and I don't see why is there any reason to not understand it.



**342. Response of Official Spokesperson of the Ministry of External Affairs to a question on the attack on Sri Lankan Cricketers at Lahore.**

**New Delhi, March 3, 2009.**

We are shocked at the audacious attack\* on the Sri Lankan cricketers at Lahore this morning. We offer our sympathies and good wishes for their speedy recovery as well as, of those other individuals who have been caught up in the attack.

Terrorism based in Pakistan is a grave threat to the entire world. It is in Pakistan's own interest to take prompt, meaningful and decisive steps to dismantle the terrorist infrastructure once and for all.



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\* The question related to a terrorist attack on the visiting Sri Lankan cricket team in the heart of Lahore, carried out by a dozen men armed with guns, grenades and rockets. The team was fortunate to escape with injuries to five players. But the attack, on a moving convoy of vehicles taking the cricketers from their hotel to the Gaddafi Stadium, left eight persons dead, including six policemen in the escort team. None of the attackers was killed in what the police described as "a 25-minute exchange of fire" between them and the convoy's police escort.

**343. Response of Official Spokesperson to a Question on Srinagar-Muzaffarabad bus service.**

**New Delhi, March 5, 2009.**

The Srinagar-Muzaffarabad bus was unable to cross the Line of Control (LOC) today as intimation was received from the other side that on account of certain administrative issues, the bus could not be allowed to cross over.

We are ascertaining further details and are fixing up an alternative date and time so that the inconvenience to the passengers is reduced to the extent possible.



### **344. Response by External Affairs Minister Pranab Mukherjee to a question on internal situation in Pakistan.**

**New Delhi, March 12, 2009.**

The recent developments in Pakistan\* are an internal matter of the country. We never comment on internal matters of any sovereign nation.

Pakistan is an important neighbour. I hope that all internal matters will be resolved by its leadership amicably and peacefully, in its best interests. We have always been interested to see strong and stable regimes, more so in our neighbourhood, so that the entire region can grow and develop together, for the common good of its people.

This is even more relevant to Pakistan, to enable her to fight against elements in the country that are utilizing the terror infrastructure there and engaging in terrorism within Pakistan and outside.



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\* Mr. Mukherjee was referring to the explosive internal situation created after the Supreme Court of Pakistan declared both the Sharif brother disqualified to hold any public office resulting in the Punjab Chief Minister's resignation and imposition of the Governor's rule in the Province. In another move the Pakistan Muslim League (Nawaz) renewed its earlier demand of restoration of the earlier deposed Chief Justice of the Supreme Court Iftikhar Choudury followed by plan to hold marches on Islamabad from various cities of Pakistan on the Capital, arrest of many lawyers and other political leaders.

On March 12 the Cabinet Committee on Security (CCS) under the chairmanship of Prime Minister Dr. Manmohan Singh reviewed the situation in Pakistan in the wake of political instability prevailing there and assessed the implications of the situation in Pakistan. The meeting was attended by External Affairs Minister Pranab Mukherjee, Defence Minister A.K. Antony and Home Minister P. Chidambaram. After the meeting Mr. Mukherjee while describing the developments in Pakistan as its "internal matter," added that India wanted to see the government in the neighbouring country stable so that it could tackle terrorism emanating from there. "We do hope these issues will be resolved by their own system and by their own mechanism," the External Affairs Minister told journalists. "Pakistan is an important neighbour. I hope that all [its] internal matters will be resolved by its leadership amicably and peacefully, in its best interests," he said.

With the President Zardari agreeing to reinstate the former Chief Justice Iftikhar Chaudhry as Pakistan's Chief Justice, the crisis appeared blown over. The External Affairs Minister on March 16 welcomed the development and hoped that the government there would be stable to act as a "bulwark" against extremism and devote its attention to fighting terrorism.

**345. Press Release issued by the Ministry of External Affairs responding to Pakistan's request for further details regarding Mumbai attacks.**

**New Delhi, March 13, 2009.**

The Government of India has today formally responded to the request from Pakistan for further details relating to the Mumbai terror attacks. Detailed responses and material have been provided by the Foreign Secretary to the Pakistan High Commissioner in New Delhi earlier this evening to all thirty questions raised by Pakistan on February 12, 2009.

It is our hope and expectation that this step will lead to bringing the perpetrators of the Mumbai attacks to justice and to credible action by Government of Pakistan against the infrastructure of terrorism in that country\*.



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\* Speaking about the new evidence now provided the Home Minister P. Chidambaram said the answers were "very comprehensive" and should be sufficient for Pakistan to act decisively against the perpetrators of the terror strikes. "We have put together answers to 30 questions submitted by Pakistan. It is a very comprehensive document, answering each of the 30 questions," he told newsmen, after handing over the replies, along with the evidence to External Affairs Minister Pranab Mukherjee. It also expected Islamabad to ensure "credible justice and credible action against the infrastructure of terrorism in the country." Mr. Chidambaram said the replies were backed by documentary proof, CDs and forensic evidence. "If Pakistan is serious about investigating the origins of the horrific crime in Mumbai, these answers provide solid basis. We expect Pakistan to take the investigation forward quickly," he said. According to media reports India's response runs into about 500 pages and has nearly 16 annexures.

On March 14, the External Affairs Minister Pranab Mukherjee said he expected Islamabad to follow up on its commitment with "tangible action." "Words and commitments should be followed by tangible action," Mr. Mukherjee told journalists here to a question whether he was satisfied with Pakistan's handling of the investigation. India had been demanding that Pakistan dismantle terror infrastructure on its soil, hand over fugitives under the Indian law and bring the perpetrators of the Mumbai terror strikes to justice, Mr. Mukherjee pointed out. "It is not a question about objective satisfaction or dissatisfaction. It is a question of certain hard facts." Right from the beginning, during his conversation with his Pakistani counterpart Shah Mahmood Qureshi, Mr. Mukherjee had said India wanted the infrastructure available to terrorists in Pakistan dismantled. "The evidence of dismantling of terror facilities should be shared not only with India but also with the international community."

**346. Extract from the Press Conference of Foreign Secretary Shivshankar Menon on the visit of Prime Minister to London for the G-20 Financial Summit.**

**New Delhi, March 30, 2009.**

**Question:** I would like you to take you back to Pakistan, Mr. Menon. Since 26/11 India has had a consistent position. I know the investigations into today's attack in Lahore\* and the operations there are not yet over. But India has had a consistent position that there are elements in the Pakistan State that believe in using terror as an instrument of state policy. Would you continue to say that that is the Indian stand today also because will that wash on the world stage today when attacks in Pakistan are mounting at such a pace?

**Foreign Secretary:** We have an attack today, which is clearly a terrorist attack, which is now what seven hours old? I do not think anybody should jump to conclusions about who did it, how it is done, why; or should, therefore, then go to even bigger conclusions about describing the nature of the relationship between terrorist elements in Pakistan and parts of the Pakistan establishment. I mean those are huge conclusions to draw on an absolute absence of information. So, I will be very careful before jumping to all the conclusions that you have mentioned on the basis of what happened today. Our basic judgment and assessment is based on our experience over several years, in fact over decades, and over what we have seen. So, it is not going to waver from day to day. This is not something that changes with the weather or with one event or the other. We will have to see. And let us see. Before we jump to conclusions about what happened in Lahore today and how it affects our assessment, let it play itself out and let us see who actually did it and how it was done and why it was done as well.



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\* In a terrorist attack on the Police training school near Lahore eight trainees were killed, 95 injured and number of them were taken hostage. The Pakistani security forces succeeded in taking control of the training school after a grim eight-hour gun battle. The training school at Manawan is a mere 10 km from the Wagah border with India.

In a separate statement the same day, Mr. Menon expressing his shock at the incident said: we are deeply saddened and shocked by the events in Lahore. We hope that the Pakistan authorities will be able to resolve the situation soon with minimum loss of life. Our sympathies and condolences go out to the families of those who have been killed. Terrorism is a menace to the entire region.

**347. Reaction of Prime Minister Dr. Manmohan Singh on resumption of talks with Pakistan.**

**New Delhi, March 31, 2009.**

"Pakistan should show visible results with regard to investigation in the 26/11 event and show that the Government of Pakistan is doing everything possible to bring the culprits to book," Dr. Singh said, while responding to a query on Pakistan President Asif Ali Zardari's suggestion for an early resumption of the dialogue. He was talking to journalists on the sidelines of the civil investiture ceremony at the Rashtrapati Bhavan.

Dr. Singh said Islamabad should convince New Delhi about its "sincerity and determination" to deal with the menace of terrorism.

On the Lahore police training centre terror attack, he said India and Pakistan would have to jointly face the scourge of terrorism. "I sincerely wish the [Pakistani] government and people will have the courage and resources to defeat the forces of terrorism," he said.

(The Prime Minister, who later left for London to attend the G-20 summit on the international financial crisis, said terrorism would be a "major issue" during his talks with U.S. President Barack Obama, whom he will meet for the first time on April 2. He said all bilateral and regional issues and India's relations with its neighbours, besides the menace of terrorism, would figure in the talks.)



**348. Extract relevant to Pakistan from the press conference of Prime Minister Dr. Manmohan Singh on the conclusion of the G-20 Summit.**

**London, April 2, 2009.**

**Question (Iftekhhar Qaiser, Geo TV):** Are you willing to start dialogue on Kashmir with Pakistan? And are you satisfied on the investigations which are taking place in Pakistan regarding Mumbai attacks?

**Prime Minister:** Let me say that we expect Pakistan to do all that is required to bring the culprits of Mumbai terror attack to book. We have supplied Pakistan answers all the questions that they raised. Now the ball is in the court of Pakistan. It has to convince us that it is absolutely sincere in bringing to book the culprits of the attack on Mumbai. As far as Kashmir is concerned, we have always said that we are willing to discuss bilaterally all outstanding issues which have bedeviled the relationship of our two countries. But let me say that these relations or these discussions cannot proceed if hundreds of people, as happened in Mumbai, are being killed. Therefore, Pakistan has the opportunity to assure the world that it is absolutely sincere in its statements that the territory of Pakistan will not be used to promote acts of terror directed against India. This is a minimum precondition for any discussions between India and Pakistan\*.



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\* Reacting to the Prime Minister's observations, Pakistan on June 3 responding by saying that it would not accept any pre-condition for resumption of the stalled peace process with India. "We should move forward and not backward. By putting conditions, we would be going backward," Pakistan presidential spokesman Farhatullah Babar told Press Trust of India. "When we have a dialogue we cannot have pre-conditions." Mr. Babar insisted that Pakistan had "fully cooperated and is still cooperating" with India in investigating the Mumbai attacks to bring the perpetrators to justice.

In a conciliatory move, on June 4 the Pakistani Foreign Secretary requested the Indian High Commissioner Mr. Sharad Sabharwal for a meeting in his office to discuss the ongoing investigations into the Mumbai terror attack. The Foreign Secretary conveyed to the High Commissioner that "terrorism is a regional issue that required pragmatic cooperation. Pakistan's determination to eliminate terrorism in all forms and manifestations was unequivocal and beyond question. The way forward was to adopt a cooperative mode. It was our expectation that the Government of India will adopt an objective and positive approach to deal with this and other issues." He went on to assure Mr. Sabharwal that on Mumbai terrorist attacks, "Pakistan had taken concrete steps including the arrest of a number of suspects. To carry the judicial process forward, Pakistan was awaiting information from India. New Delhi had responded to our queries on 20 May. Bulk of the information provided was in language other than English. India has agreed to provide the English translation."



**349. Media reports on the Response of India to Pakistan asking for more information on Mumbai terror attacks than already provided to it on 5th January and 13th March, 2009.**

**New Delhi, April 13, 2009.**

India on April 13 rubbished Pakistan's demand for more information\* on the 26/11 Mumbai attacks, saying Islamabad was indulging in "delaying" and "diversionary" tactics which put a "question mark" on its sincerity and intent. "We have given sufficient evidence to Pakistan to act against identified masterminds. By delaying action and raising technicalities, Pakistan would be undermining the credibility of its own commitments to take tangible action," Minister of State for External Affairs Anand Sharma told the Press Trust of India.

"Delaying tactics and invoking purely technical issues puts a question mark on the sincerity and intent of Pakistan," Mr. Sharma said. "We are waiting for tangible actions by Pakistan and not excuses ... What is required is that Pakistan should take action and prove sincerity by bringing the perpetrators of the heinous crime to justice," he said. He ridiculed Pakistan for seeking the statement of the former Mumbai ATS chief, Hemant Karkare, who was killed during the 26/11 attacks, regarding the role of Col. S.K. Purohit in the Samjhauta Express blasts.

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\* The Indian response was to the queries raised by the Pakistan's Interior Minister Rehman Malik with the Indian Deputy High Commissioner in Islamabad. Contending that the information provided by India on the Mumbai attacks was not sufficient, Pakistan sought further details, including the statement of the lone captured terrorist, Ajmal Amir 'Kasab,' for the "successful prosecution" of suspects arrested by it. Islamabad also sought the statement of the former Mumbai ATS chief, Hemant Karkare, who was killed during the November 26 attack, regarding the role of Colonel S.K. Purohit in the Samjhauta Express blasts. Mr. Malik also insisted on information about local help provided to the terrorists, which India denied there was any.

The additional information sought by Pakistan also included details of mobile SIM cards and coordinates of GPS used by the 10 terrorists who carried out the attacks. "This information is very important for the successful prosecution [of suspects arrested by Pakistan]," Mr. Malik said. India should provide the information sought by Pakistan "as quickly as possible" as Islamabad wanted to bring the terrorists responsible for the attacks to justice. Mr. Malik said Pakistan's probe into the Mumbai incident was continuing and another suspect, Shahid Jamil Riaz, had been arrested for facilitating monetary transactions in Karachi and planning the attacks. He did not give further details about Riaz. Mr. Malik asked India to provide more information on Prime Minister Manmohan Singh's statement that Pakistani Taliban could interrupt elections in the country. He said Pakistan was asking for more information on the issue as it valued Dr. Singh's statement.

"It is unconnected. It has nothing to do with 26/11. It is diversionary tactic," Mr. Sharma said, while noting that the matter before India and Pakistan right now was how to bring perpetrators of Mumbai attacks to justice. He pointed out that in the case of Col. Purohit, who was an accused in Malegaon blasts, India itself took action even on mere suspicion against the serving Army officer.

Prime Minister Manmohan Singh on April 14 speaking to journalists on the sidelines of the Civil Investiture at Rashtrapathi Bahavan slammed Pakistan for claiming that the evidence provided on the Mumbai terror attack was not sufficient. He said Islamabad should act as "enough" information had already been given to Pakistan. "We have given enough information for them to act and it is for them to act," he said. Asked to comment on Pakistan's contention that the information provided by India was insufficient and it should be given more details to enable it to take the probe forward, Home Minister P. Chidambaram said that if Pakistan's agencies could not carry out the investigations, they should allow the American agency FBI to do so. "What is the use of a government which keeps on saying that the evidence is not sufficient? The evidence remains in Pakistan. The persons to be investigated are in Pakistan," he said. "If Pakistani investigating agencies cannot do anything, why don't they let the FBI," Mr. Chidambaram said. The Press Trust of India reporting from West Bengal, where the External Affairs Minister was busy electioneering, "Mr. Mukherjee to say while India could provide more specific information, but that should not delay investigations on the pretext of clarifications. "I have just had a discussion with our Foreign Secretary. We have received the papers [from Pakistan]. We are examining them and if further information is necessary, then we will give them the further information," he told journalists. The important issue, however, was for Pakistan to have the intention to resolve the matter and penalise the perpetrators of the Mumbai terror attacks, he said



### **350. Response of Official Spokesperson of the Ministry of External Affairs on alleged 'Indian support' for Balochistan Liberation Army.**

**New Delhi, April 23, 2009.**

In response to a question\* on allegations made by a senior Pakistan official about Indian support for Balochistan Liberation Army, the Official Spokesman said, "These are entirely baseless allegations and we see no reason to dignify them with a response."




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\* The question arose out of reported remarks made on April 23 by the Interior Advisor of Pakistan Rehman Malik, in the closed-door Senate session in response to the observations of US Secretary of State Hillary Clinton on the deteriorating security scenario in Pakistan. She accused Pakistan of "abdicating" power to the militia and extremists by agreeing to Islamic law in parts of the country thereby exposing Pakistan to an "existential threat". (The clear reference was to the advance of the Taliban, who had moved within 100 km of Islamabad by taking control of Buner district just outside the capital region). Deteriorating security in nuclear-armed Pakistan "poses a mortal threat to the security and safety of our country and the world," Ms. Clinton had told the US House Foreign Affairs Committee. She also asked the Pakistani government and Pakistanis at home and abroad, including in the U.S., to "speak out forcefully against a policy [Swat peace accord] that is ceding more and more territory to the insurgents". The matter did not end there. Following Hillary Clinton's indictment of Pakistan, US Special AFRPAK Envoy Richard Holbrooke telephoned President Asif Ali Zardari the same day and conveyed a similar message. In defence of Pakistan Mr. Malik attributed the deteriorating situation to the involvement of India, Afghanistan and Russia in terrorist activities. He said that all major incidents of terrorism and suicide attacks were linked to India and Afghanistan, adding that terrorists were being trained by them in those countries and in North Waziristan and being sent to the settled areas.

A Dawn report on April 24 quoted Mr. Malik to say: 'Conspiracies are being hatched to destabilise and isolate Pakistan. A militant organisation, the Balochistan Liberation Army, was formed which is being funded by Russia and backed by India. The organisation is headed by Brahmdagh Bugti who is stationed in the Afghan capital. About 1,000 students were trained in Russia and now they are back in Balochistan.' Interestingly during the visit of US Secretary of State Ms. Hillary Clinton to Pakistan at the end of October, Pakistan once again raised the bogey of alleged Indian interference in Balochistan but was rebuffed by her when she said bluntly that she had seen no evidence nor was shown any evidence by Pakistan of Indian interference in Balochistan and that Pakistan should learn to live peacefully with India through other routes like trade etc.

On October 29, the Prime Minister Dr. Manmohan Singh addressing a press conference in Srinagar at the end of his two-day visit, while rejecting the Pakistani charge of Indian help to the Taliban, referred to Baluchistan and said: "What was said about the Indian role in Baluchistan has no basis. Those who are leveling these false charges know it jolly well."

**351. Response of the Official Spokesman to a question on imposition of Jaziya on Sikhs in Pakistan.****New Delhi, May 1, 2009.**

'On seeing reports about Sikh families in Pakistan being driven out of their homes and being subject to Jaziya and other such impositions, the Government of India has taken up the question of treatment of minorities in Pakistan with the Government of Pakistan\*.



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\* The spokesperson was referring to reports that the Sikhs living in Swat valley were being subjected to the payment of Jazziya, a religious tax and other forms of discriminations at the hands of the Taliban militants. When the community could not pay up the asked for amount of Rs. 50 million, their houses were demolished. According to media reports Sikh families had started moving out of the area to other parts of Pakistan. Media reports said the External Affairs Ministry summoned an official of the Pakistan High Commission in New Delhi to convey its concern to the Pakistan Government.

But Pakistan reacted sharply to the Indian demarche. The Spokesman of the Pakistan Foreign Ministry said on May 2 that India was told that the Sikhs living in Orakzai agency were Pakistani citizens and hence of no concern to India. The Government of Pakistan was fully cognizant of the situation and looked after the welfare of all its citizens particularly the minority community.

**352. Press Release issued by the Ministry of External Affairs on handing over of additional information relating to Mumbai terror attacks to the Pakistan High Commission in India.****New Delhi, May 20, 2009.**

MEA have today handed over to the Pakistani High Commission additional information and details relating to the Mumbai terror attack sought by Pakistan.



**353. Statement by Official Spokesperson of the Ministry of External Affairs on OIC Foreign Ministers meeting.**

**New Delhi, May 29, 2009.**

We note with regret that the OIC has chosen to comment on India's internal affairs during the 36th Session of the Council of Foreign Ministers held in Syria on 23rd - 25th May 2009. The OIC has no locus standi on India's internal affairs.

We also note with dismay that in the Resolution adopted, the terrorist attack on Mumbai in November, 2008, has been referred to as a mere "incident".

It is most unfortunate that the specter of terrorism confronting the international community, of which the attack on Mumbai by elements from Pakistan was an extreme manifestation, is not being unambiguously addressed by the OIC. We strongly reject such resolutions.



**354. Statement issued by the Ministry of External Affairs on the release by the Lahore High Court of Hafeez Sayeed, accused as mastermind in the Mumbai terrorist attacks.**

**New Delhi, June 2, 2009.**

We are disappointed at the release of Hafeez Sayeed. He is the head of the Jamat-ud-Dawa and the Lashkar-e-Taiba, organizations listed by the United Nations under UNSC Resolution 1267, as being affiliates of the Al-Qaeda and the Taliban. Hafeez Sayeed is specifically listed as linked to these terrorist groups. It is regrettable that notwithstanding this background and the international obligations it entails on Pakistan, he has been released. Hafeez Sayeed, the Lashkar-e-Taiba and the Jamat-ud-Dawa have a long and well established background of planning and launching terrorist acts against India. His professed ideology and public statements leave no doubt as to his terrorist inclinations. His release raises serious doubts over Pakistan's sincerity in acting with determination against terrorist groups and individuals operating from its territory. These actions by Pakistan raise questions about sincerity of Pakistan's investigations into the conspiracy that planned, launched and executed the terrorist attack on Mumbai in which hundreds of

innocent Indian and foreign nationals lost their lives. Pakistan has yet to report the progress of the investigations that she had committed to undertake into that conspiracy.



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\* The statement came in the wake of disappointment on the release by the Full Bench of the Lahore High Court on June 2 of Hafiz Saeed, the chief of the Jamaat-ud-Dawa, known as a front organisation of the Lashkar-e-Taiba. The LeT has been blamed for the November 2008 Mumbai attacks, among other strikes.

“We conveyed our disappointment at the release of Hafiz Saeed. We made clear what we thought about it,” Foreign Secretary Shiv Shankar Menon told newsmen in New Delhi. “After the Mumbai attacks, we did not hold the people of Pakistan responsible. Travel, trade and other interactions are continuing. Action against the terrorists has to be taken by the Pakistani authorities,” said Mr. Menon.

When the Pakistan High Commissioner Shahid Malik, called on the Ministry of External Affairs in some other connection he was left in no doubt what New Delhi thought of the latest development. It was pointed out to him that there were no visible signs of Pakistan dismantling the terrorist training infrastructure directed against India. Mr. Malik however did hold out the possibility of Islamabad appealing against the order, but there was no confirmation of its opting for that course. Pakistan was studying the legal options before it, the Ministry was just told unconvincingly.

Responding to the above statement the Spokesman of the Pakistan Ministry of Foreign Affairs on the same day said: “the views expressed therein are misplaced. It is best not to comment on a Court decision. The Government of Pakistan is well aware of its obligations under national and international laws. Pakistan has demonstrated full sincerity and commitment vis-à-vis inquiry and ongoing investigations concerning the Mumbai attacks. Indian authorities have undertaken to provide English translation of the information material they handed over to Pakistan on 20 May. Polemics and unfounded insinuations cannot advance the cause of justice in civilized societies. Legal processes cannot and must not be interfered with.”

**355. Interview of External Affairs Minister S. M. Krishna with Karan Thapar in the programme Devil's Advocate for the 'CNN-IBN' T. V channel.**

**New Delhi, June 14, 2009.**

[How does the new Foreign Minister S M Krishna view the two key relationships he has to manage: with Pakistan and the United States? That is the key issue Karan Thapar explored with S M Krishna on Devil's Advocate.]

**Karan Thapar:** *Foreign Minister, let's start with Pakistan. It is 10 days since Hafiz Mohammad Saeed was released and even now the government in Pakistan hasn't made up its mind whether they want to appeal against the release or not. What do you make of that?*

**SM Krishna:** We haven't heard anything from Pakistan about the appeal that they are supposed to make in a higher court of law.

The very release of a known terrorist who was instrumental and masterminded the terrorist attack on India on 26/11 has certainly created doubts in us about the sincerity of Pakistan in dismantling the terror instrumentalities that have come up on the soil of Pakistan.

**Karan Thapar:** *And now the delay in appealing, is that underlining the doubts?*

**SM Krishna:** It is. It is.

**Karan Thapar:** *As you view what happened, do you think Hafiz Mohammad Saeed was released because Pakistan today has a strong and assertive judiciary or because the authorities deliberately presented a weak case?*

**SM Krishna:** Well, we know how cases are fought in a court of law and Pakistan could not be an exception. We know that Pakistan could have made more serious attempts in fighting the case and I believe that not enough was done in pursuing the case.

**Karan Thapar:** *Do you have reason to believe that elements of the military or the ISI undermined a strong case? Did they do it on purpose?*

**SM Krishna:** The whole approach of Pakistan has become debatable in as far as terror and attacking terror is concerned.

**Karan Thapar:** *So in a sense handling Hafiz Saeed was a credibility test for Pakistan and in your eyes they haven't necessarily passed that test?*

**SM Krishna:** I think that was one of the important landmarks. He was a terrorist who was wanted in the 26/11 attack and the way he was released and the way Pakistan government took that release and have not followed it up by preferring an appeal shows that they are not serious about pursuing the perpetrators of that attack on India.

**Karan Thapar:** *So Pakistan has actually failed an important credibility test?*

**SM Krishna:** I think over a period of time it is our experience that Pakistan says something for outward consumption but it doesn't really mean what it conveys to the rest of the world.

**Karan Thapar:** *The release of Hafiz Saeed is one setback that has happened, the other is that the United Kingdom has held back consent for declaring Masood Azhar and Azam Cheema terrorists under UN resolution 1267. Do you feel let down by Gordon Brown and David Miliband?*

**SM Krishna:** Well, we have the best of relationship with the United Kingdom and they say they are one with us in fighting terror because terror is a universal phenomenon today.

**Karan Thapar:** *But suddenly on this critical issue they held back consent.*

**SM Krishna:** I think the United Kingdom ought to have been more circumspect in dealing with this particular aspect.

**Karan Thapar:** *So you are disappointed with the United Kingdom?*

**SM Krishna:** Well, I expected something much better from the UK.

**Karan Thapar:** *Have you communicated this to the UK?*

**SM Krishna:** We have our own ways of communicating whatever we feel like through our diplomatic channels.

**Karan Thapar:** *Side by side India is also being nudged by the Obama administration to resume the political dialogue with Pakistan. The President said it in his Af-Pak speech. Then he said it again in April when he met the Prime Minister in London. How intense is the pressure to resume the dialogue?*



**SM Krishna:** I do not know from where one gets this idea that India is a country which can be pressurised to take a particular posture. We are a sovereign country and we take decisions in what is best for our national interest.

We have got to safeguard our territory; we have got to safeguard our polity, so we will be guided by the developments in our own country rather than being pressurised by 'A' power or 'B' power.

**Karan Thapar:** *William Burns, the American Undersecretary of State, met you on Wednesday and it is also well known that he has brought a letter from President Obama for Prime Minister Manmohan Singh.*

*You have received a letter from Hillary Clinton directly as well. Is this part of a concerted attempt by America to persuade or push India into resuming the political dialogue with Pakistan?*

**SM Krishna:** We have taken up our relationship with the US to a higher level than what it was especially after the civil nuclear treaty. We have moved closer to the US.

In view of the fact that there are a number of other concerns where we are acting closely with the US, so they might have friendly advice, suggestions, just as we can give them friendly advice and suggestions. But that doesn't mean to say that they are going to pressurise us or we are going to pressurise them.

**Karan Thapar:** *So you do accept that you are receiving friendly advice, suggestions to start talks with Pakistan?*

**SM Krishna:** We have friendly exchange of views about not only the bilateral relationship between the US and India but about the border situation, the neighbourhood.

**Karan Thapar:** *Of course, analysts say it is not just friendly advice as you call it or pressure as analysts call it, that you are receiving from the Obama administration.*

*They also say that despite numerous denials from the Obama administration it is becoming increasingly clear that in fact part of Richard Holbrook's agenda, although hidden and secret, is India. Does that worry you?*

**SM Krishna:** What the US does with other countries is their own concern. But where India is concerned we are free to take decisions depending upon

the circumstances prevailing in our country and keeping the national interest of India in mind.

**Karan Thapar:** *Let me put it to you like this, given that suspending the political dialogue with Pakistan hasn't pushed the country to either bring the accused in the Mumbai terror strike to justice or even to dismantle the infrastructure of terror, how long do you think it is useful for India to keep the political dialogue suspended?*

**SM Krishna:** We have said—the Prime Minister on the floor of the House did make a mention about this. He said that if Pakistan shows the sincerity that is necessary to convey to us that they are rearing to go the whole hog in trying to destroy the instrumentalities of terrorism which is directed against India, perhaps India will be too willing to resume the dialogue with Pakistan.

**Karan Thapar:** *Let me quote something to you. Listening to the Prime Minister's reply to the President's address, the 'Hindu' commented that what earlier looked and sounded like rigid pre-conditions had now transformed into reasonable expectations. Is that a correct characterisation of the Indian position today?*

**SM Krishna:** We are hoping that Pakistan sees the path of reason and they would live up to what we expect them to do. Then perhaps it becomes smoother for any dialogue to be meaningful. There should be a very conducive atmosphere and that is what we are trying to create.

**Karan Thapar:** *You are trying to create a conducive atmosphere...*

**SM Krishna:** ...for a dialogue with Pakistan which should take note of this.

**Karan Thapar:** *Now in his reply to the President's address the Prime Minister said that "if the leadership in Pakistan has the courage, determination and statesmanship to act against terror I assure them that we will meet them more than halfway." What in your eyes would be proof of courage, determination and statesmanship?*

**SM Krishna:** Whatever they have been saying after that attack on India on 26/11 whatever that has happened, so many innocent lives were lost, property damaged and as a result of that the relationship between India and Pakistan has suffered and taken a nosedive.

**Karan Thapar:** *So you are saying show some reasonable movement, give us and help us resume the dialogue by being reasonable with your reactions and responses.*

**SM Krishna:** That is what we expect from Pakistan. They should take some credible steps to convey to India that they are willing to fight terror both within and without.

**Karan Thapar:** *Am I right in reading into your words and tone a somewhat more accommodating attitude? You still want them to do things but you are more accommodating and understanding today.*

**SM Krishna:** It all depends upon Pakistan's attitude.

**Karan Thapar:** *If they respond well then you will accommodate?*

**SM Krishna:** If they respond well, we have said repeatedly, I repeat whatever the Prime Minister has said or we have said earlier.

**Karan Thapar:** *I understand. If Pakistan responds well India will be accommodating but if Pakistan is obstinate then India can't be accommodating.*

**SM Krishna:** I think you have summed it up very well.

**Karan Thapar:** *So accommodation is the key note here in the relationship with Pakistan?*

**SM Krishna:** Yes.

**Karan Thapar:** *Now let's come to America. After eight years of an excellent relationship under George Bush, many people believe that under US President Barack Obama the relationship could be problematical. To what extent do you share that concern?*

**SM Krishna:** I do not share that perception that under President Obama the relationship between the US and India is going to be any different than it was when President Bush was there.

**Karan Thapar:** *You expect it to continue in the same trajectory?*

**SM Krishna:** I believe and am looking forward that the same relationship will continue and perhaps we might improve our relationship further as we go along the road.

**Karan Thapar:** *Let me tell you why people are concerned that this relationship could become problematical. To begin with, it is said that the new US government has an overwhelming pre-occupation with Pakistan as a result of which India is largely seen through the lens of disturbing events in Pakistan. Has Obama's vision re-hyphenated India and Pakistan?*

**SM Krishna:** From whatever I have read and heard about President Obama, he is a great democrat, not in the sense that he belongs to the Democrat's party but he believes in democracy.

He will be dealing with the biggest democracy in the world which is India. So India and the US have so much in common in terms of our values that we attach and the democratic values. So I think we should be working very closely with the United States.

**Karan Thapar:** *So if I understand you correctly, you are saying that even if at the moment he has an overwhelming pre-occupation with Pakistan that won't stand in the way or it won't hinder a good close relationship with India.*

**SM Krishna:** The US' relationship with other countries is certainly something that they will have to evaluate themselves. But as far as we are concerned, whether it is President Obama or the Secretary of State, Mrs. Hillary Clinton, I believe that they understand India's position globally speaking and India's strength in the neighbourhood and India's relevance in keeping peace and tranquility in this stable region.

**Karan Thapar:** *Let me point out the second concern and it links in directly with your belief that both Obama and Clinton understand India's strength and its role in the region.*

*The former American ambassador Robert Blackwill recently in a major speech to CII said that India does not figure in an important way in US calculations regarding Afghanistan.*

*And you know that America is slowly but surely looking for good or moderate Taliban to incorporate into the Afghan government, something which Pakistan endorses but India has strong reservations about.*

**SM Krishna:** I do not know how to distinguish between a good and a bad Taliban. Talibanism is certainly evil personified.

**Karan Thapar:** *All Taliban?*

**SM Krishna:** Yes, all Taliban are evil personified.

**Karan Thapar:** *Precisely my point. So if President Obama believes that there is an element of the Taliban that can be won over and brought into government that would cause you great concern and disquiet?*

**SM Krishna:** That is something which the US will have to work out with Pakistan. And we certainly will have no role in shaping that.

**Karan Thapar:** *In fact you will keep your distance from it.*

**SM Krishna:** But we evaluate what Talibanism is all about and we certainly will communicate to the US in our own way what we feel about it.

**Karan Thapar:** *You will express your thinking to the US? You will not leave them in any doubt.*

**SM Krishna:** We will communicate to them through the normal diplomatic channels and others.

**Karan Thapar:** *A third area of concern is that America has made it clear that they would like India to sign NPT and if America itself ratifies CTBT then you will be under pressure to sign that as well. Do you think President Obama understands India's special nuclear status in the same way as George Bush understood it?*

**SM Krishna:** Well, we presume that President Obama understands India's special status. Without reason President Bush would not have given us that kind of a status so I am sure the new administration in the US will understand the compulsions of India to not sign.

**Karan Thapar:** *You used a very interesting phrase. You said we presume he understands India's special nuclear status. There is a certain element of doubt in that presumption, isn't there?*

**SM Krishna:** Well, we will have to wait and see.

**Karan Thapar:** *In the meantime have you sought an assurance from Washington that the \$2.8-billion military aid that they are about to give Islamabad won't end up being used against India?*

*You know it has happened in the past. Obama himself, when he was a candidate, has said that it has happened. So what is the guarantee that it won't happen again?*

**SM Krishna:** The very fact that President Obama himself has said something to that account when he was campaigning for the presidency of the US... we proceed on the basis that he understands the implications that any aid given to any country, and more particularly to Pakistan, should not be directed against India and it should not be misappropriated for anything other than for which the aid has been earmarked.

**Karan Thapar:** *Let me end by saying there are many areas where you have presumptions about the Obama administration.*

*Clearly, then the meeting that you are going to have in July with Hillary Clinton is essential because this will clear everything, remove the doubts and establish a proper, firm relationship. That is a critical meeting for you.*

**SM Krishna:** It is going to be a very important meeting and I am looking forward to it. And in the meanwhile there would be occasions when in the international gatherings there are possibilities that the Prime Minister and President Obama would be talking to each other whenever an occasion arises.

So we believe that we will be able to convey to the US our concerns, anxieties and I am sure that they would understand.

**Karan Thapar:** *Foreign Minister, a pleasure talking to you.*

**SM Krishna:** Thank you very much. Thank you.



**356. Press Conference of Foreign Secretary Shivshankar Menon at Yekaterinburg.**

**Yekaterinburg, June 16, 2009.**

Please see Document No.173.



**357. Media Report on the Meeting between Prime Minister Dr. Manmohan Singh and Pakistan President Asif Ali Zardari. Yekaterinburg, June 16, 2009.**

Prime Minister Dr. Manmohan Singh and Pakistan President Asif Ali Zardari had a formal meeting in Yekaterinburg where the two leaders had assembled to attend the Summit meeting of Shanghai Cooperation Organization. (Prime Minister was also there to attend another Summit of the BRIC countries) Terrorism was the "primary issue" which they discussed as it was evident from the remarks of the Prime Minister in the presence of the media. He said "I am very happy to meet you, but I must tell you quite frankly that I have come with the limited mandate of discussing how Pakistan can deliver on its assurances that its territory would not be used for terrorist attacks on India\*."

At the meeting it was agreed that the two Foreign Secretaries should discuss this issue so that the two leaders can decide how to take the bilateral relationship forward when they meet again mid-July at the Non-Aligned summit in Egypt.

Dr. Singh's remarks at the start of the meeting in the full glare of journalists who had gathered to capture the photo-op., were significant since it was meant to be a one-on-one meeting with Mr. Zardari,

(The message delivered and duly noted by the media, officials from both sides rushed to clear the room, leaving the two principals alone for their private interaction without note takers.) Asked by reporters whether he felt Dr. Singh's remarks were acerbic, Pakistan's Foreign Minister said that he did not think so. "We all agree that we should condemn terrorism and fight against it, no matter where it comes from," he said, adding, "Be it from India, Pakistan, Britain or Africa."

Briefing the media about the 40-minute-long meeting, Foreign Secretary Shiv Shankar Menon said the two leaders reviewed the bilateral relationship

\* Reacting to Prime Minister Manmohan Singh's blunt message to President Asif Ali Zardari in front of the media, Islamabad on June 16 said his remarks were "unacceptable." Making a statement in the Senate or Upper House of Pakistani Parliament, Minister of State for Foreign Affairs Malik Amad Khan said Dr. Singh's comments made in Russia were unacceptable. Mr. Khan said Pakistan had asked the Indian government not to resort to "aggressive media statements" and clear the air by talking directly with Pakistan instead of using the media. "I would still ask India to come to talks as engagements would be fruitful rather than estrangements," he said. "Pakistan will never allow any force to use its soil for terrorist activities directed against any country." However, Mr. Khan told journalists that Pakistan was hopeful of follow-up ministerial-level meetings in the wake of the meeting between Mr. Zardari and Dr. Singh.

"which as you know remains under considerable stress, the primary cause of which is the terrorist attacks on India from Pakistani territory."

He said the Prime Minister reiterated "the full extent of [India's] expectation" that Pakistan would take "strong and effective action" to prevent terrorists from using its soil to stage attacks, that it act against the perpetrators of past attacks and dismantle the infrastructure of terrorism on its territory.

Mr. Menon said Mr. Zardari described his government's efforts to deal with this menace "and also explained the problems that Pakistan faces in this regard."

He said the two leaders also spoke about the potential of the relations, only a small portion of which had been tapped by the dialogue process. "But since we can't wish away the factors that have disrupted the dialogue, they decided on this discussion between the two Foreign Secretaries."



**358. Interview of the External Affairs Minister S. M. Krishna with Pranay Sharma of the Weekly Outlook.**

**New Delhi, June 22, 2009.**

Please see Document No.31.



**359. Response by External Affairs Minister S. M. Krishna to questions on the issue of Sarabjit Singh held in Pakistani Jail.**

**New Delhi, June 24, 2009.**

We have seen reports that the Pakistan Supreme Court has turned down a review petition regarding the death sentence awarded to Sarabjit Singh. We are not, however, aware of details of this judgment.

Sarabjit Singh's case has touched the sentiments of many people in India who have been following this case. We have consistently urged the



Government of Pakistan to take a sympathetic and humanitarian view in this case. It is our hope that they will find it possible to do so\*.



**360. Statement by the Ministry of External Affairs on the Meetings of External Affairs Minister S. M. Krishna with his counterparts from various countries including one from Pakistan at Trieste (Italy).**

**New Delhi, June 26, 2009.**

EAM is having a series of bilateral meetings on the margins of the G8 Outreach meeting. He met with the Foreign Ministers of Afghanistan and Pakistan this morning and will be meeting his counterparts of the UK, Canada and Italy, among others later today and tomorrow.

Addressing the media after his meeting with H.E. Mr. Shah Mahmood Quereshi, EAM said, 'I am glad that this international conference has provided an opportunity for bilateral meeting with my counterpart from Pakistan.

As you are aware, our Prime Minister had recently met with the President of Pakistan at the margins of the SCO Summit in Russia.

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\* Please also see Document No.257 (page 1307) in India's Foreign Relations - 2008

Meanwhile Human Rights Activist Ansar Burney announced: "Now, I am going to file a fresh Mercy petition before the President of Pakistan tomorrow, June 25, and from my side I am confident that I will not allow Pakistan Government to hang an innocent person only on the basis that he is Non-Muslim or Indian national." Burney was earlier Pakistani federal minister for human rights, and had condemned the decision of the Supreme Court on the review petition.

The reason for the Supreme Court to dismiss the review petitions was a technical one because his lawyer, Rana Abdul Hamid, failed to appear in the case. At the last hearing Justice Rana Fayyaz Ahmed issued notice to the lawyer to appear in the case. Mr. Hamid said he could not appear in court to argue the petition because he had been appointed as the Additional Advocate-General of Punjab province, a term which now ended, and he was now free to pursue the case. "It is my information that the petitions were dismissed by default, for non-prosecution. I will file a restoration petition in the court. I have already applied for a certified copy of today's decision, and when I get that I will be filing the petition," he said. Mr. Hamid had filed four review petitions against the 2005 Supreme Court decision upholding the Lahore High Court death sentence to Sarabjit in four separate cases of terrorism. Sarabjit's other hope was pinned on the government's plan to commute all death sentences to life imprisonment to benefit an estimated 7,000 death row prisoners. But final decision on this was still pending.

In my meeting today, we have reviewed the current status of India-Pakistan relations. These have remained under considerable stress and the primary cause of this is the terrorist attacks on India, by elements based in Pakistan.

FM Qureshi and I however also agreed in our discussions today of the vast potential that exist in India-Pakistan relations. I conveyed the sentiments of our Prime Minister that we stand ready to meet Pakistan more than half way to utilize and harness that potential for our mutual benefit. At the same time, we have to address centrally why our relations come under stress recurrently.

I also conveyed therefore that the forthcoming meeting of Foreign Secretaries, as was decided by our leaders in Russia, is important as it will enable us to take stock of where we stand on the issue of terrorism and the fulfillment by Pakistan of its assurance that its territory would not be used for terrorist attacks on India."



**361. Interview by External Affairs Minister S. M. Krishna with the Press Trust of India on Board the Special Aircraft.**

**July 5, 2009.**

India is "very cautiously" and "responsibly" evaluating the conflicting signals emanating from Pakistan on punishing the perpetrators of the Mumbai terror attacks and is waiting for its "visible and credible" steps against them, External Affairs Minister S.M. Krishna said.

Disapproving of the release of Jamaat-ud-Dawa leader Hafiz Saeed in Pakistan, he said India had not received any official communication about the Pakistan government's appeal in a higher court against his release.

"The brain behind the terror attack has been released. We have not heard about the Pakistan government going on appeal. So, in the light of that, conflicting signals are emanating from Pakistan," he told PTI on his way back from his four-day trip to Japan. India had to "very cautiously and responsibly" evaluate these signals, he said.

Asked about the "credible action" India expected from Pakistan, he said: "Well, It is very simple. We want the perpetrators of the Mumbai attacks to be brought to justice. That is the only thing India is asking for and we are waiting."

"I have repeatedly said it has to be visible and it has to be credible. There must be some commitment on the part of Pakistan that it is going after the Mumbai attackers," he said.

Mr. Krishna said that if need be, he would meet his Pakistani counterpart Shah Mehmood Qureshi on the sidelines of the Non-Aligned Movement Summit in Egypt later this month. India had never hesitated to hold talks with Pakistan at any level, he said.

On suggestions from the international community that India should talk to Pakistan, he said New Delhi had never said 'no' to talks with Islamabad.

"India has taken a very consistent position that we will talk. But we will talk about terror. We will discuss about terror. India is ever willing to talk about terror."

On U.S. Secretary of State Hillary Clinton's visit to New Delhi later this month, Mr. Krishna said he had spoken to the American leader and was looking forward to it. He would raise the issue of terrorism emanating from Pakistan with her.

The safety of Indian students in Australia, who have been the target of frequent attacks, will figure prominently during Mr. Krishna's upcoming visit to Canberra. "Certainly, the safety and well being of our students in Australia will figure at my talks with the Australian leadership," Mr. Krishna said.

This will be the first high-level visit from New Delhi to Canberra since the attacks on Indian students sparked public outrage in India.



**362. Extract from the Media Briefing by Foreign Secretary Shivshankar Menon on Prime Minister's visit to Italy to attend the G-8/G-5 Summits.**

**New Delhi, July 6, 2009.**

**Question:** My question is related to the meeting you will hopefully have next week with your Pakistani counterpart. How exactly will the meeting be structured? I know you said only about terrorism but are you expecting the Pakistanis to give you something in writing about what exactly they are doing with regard to the Mumbai investigations?

**Foreign Secretary:** I think as far as my meeting with my Pakistani counterpart is concerned, it is likely to take place at Sharm-al-sheikh

because I think this will be the first location where we will be get a chance to meet. We will do what we have been asked to do by our leaders which is quite clear, Pakistan will tell us what they have done, we will tell them about our concerns and we will then report to our leaders about where we stand on the issues, which for us are quite clear which is bringing the perpetrators of terrorism against India to justice and dismantling the infrastructure of terrorism in Pakistan which supports these activities. So we will report to our leaders, they will take stock of it. As they have told us they would act at Yekaterinburg and we will see where it goes from there.

\* \* \* \*

**Question:** Sir, petitions against the release of Hafeez Saeed were dismissed by the Pakistan Supreme Court. Your reactions to that.

**Foreign Secretary:** I think there are different stories as you can see. I have heard all kinds of stories. I was told petitions were filed at 12 o' clock, that it was rejected at 2:06. I was told two petitions were filed, one is being rejected, I do not want to comment, frankly, on something that is so unclear. On Friday itself, we heard four different stories of what was actually happening. Once we know, we will let you know.

\* \* \* \*

**Question:** Just in addition to earlier question, the discussion with your Pakistani counterpart, is it going to discuss terror in general? Taking stock is it specifically about Kabul and Mumbai?

**Foreign Secretary:** I think it is clear. For us it is not one incident or the other. It is the fact there is terrorism coming out of Pakistan which affects us. And that is the fact\*. And that is exactly how we have defined it consistently. You must have seen at Yekaterinburg when we spoke about and thereafter and that is really the issue. This is the issue which has bothered us for many years. That is why we raised it before, that is why there are assurances on record from Pakistan about not permitting the use of its territory for terrorism against Indian in any manner and that is really we will discuss.




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The next day on July 7, President Zardari speaking to senior bureaucrats at the President Palace said : "Let us be truthful and make a candid admission of the reality" that the militants and extremists had been deliberately created and nurtured as a policy to achieve some short term objectives. He added that "the terrorists of today were the heroes of the yester years until 9/11 occurred and they began to haunt us as well". They did not emerge because the civil bureaucracy was weak or demoralized, he said.

**363. Extract relating to Pakistan from the Suo Motu Statement by External Affairs Minister S.M. Krishna in Parliament (Lok Sabha & Rajya Sabha) on "Significant developments in our neighbourhood."**

**New Delhi, July 9, 2009.**

I rise to inform the House of significant developments in our relations with three important neighbours - Pakistan, Sri Lanka and Nepal.

2. Hon'ble Members will recall the Prime Minister's remarks in this House on June 9, 2009. He had said then that it is in our vital interest to make peace with Pakistan. In our vision of a cooperative and harmonious sub-continent, the relationship between India and Pakistan can be a critical building block. The Prime Minister had also referred to our intention of meeting Pakistan more than half way, if its leaders have the courage, determination and statesmanship to take the high road to peace. These sentiments encapsulate our approach. We also recognize the importance and salience of a continued dialogue with Pakistan. However, dialogue addressing mutual concerns is premised on an atmosphere free of the threat of violence. It was with this explicit premise that the Composite Dialogue Process was restarted in 2004. Despite achievements, the dialogue and our very relationship with Pakistan have come under stress recurrently because of the license which terrorist groups have had in Pakistan to carry out attacks on India.

3. Hon'ble Members are aware of the Government of Pakistan's assurances to us at the very highest level that it would not let territories under its control to be used for attacks against India. Notwithstanding these assurances, we have been repeatedly and severely hit by a series of terrorist attacks emanating from Pakistan. It is the responsibility of the Government of Pakistan to take all such steps as are necessary to address this issue and expose and take action against the conspiracies and conspirators responsible for such attacks. Unfortunately, terrorists in Pakistan continue attacks against India.

4. When the Prime Minister met President Asif Ali Zardari of Pakistan at the margins of the SCO Summit in Russia last month, the President of Pakistan told us of Pakistan's efforts to deal with the menace of terrorism and the difficulties that they face. It was agreed that the Foreign Secretaries of India and Pakistan will discuss what Pakistan is doing and can do to prevent terrorism from Pakistan against India and to bring to justice those

responsible for these attacks, including the horrendous crime of the attacks in Mumbai. After the Foreign Secretaries report, we will be able to take stock of the situation at Sharm-el-Sheikh where, at the margins of the Non-Aligned Summit, Prime Minister will be meeting the Pakistani leadership.



**364. Extract from the Press Conference of Prime Minister on board the special flight from Rome to New Delhi.**

**July 10, 2009.**

\* \* \* \* \*

**Q-5** - There apparently is an impasse with Pakistan, is there anything that India can do to break that impasse?

**PM-** I have often said India and Pakistan are close neighbours, we can choose our friends but we have no choice with regard to our neighbours. I have always believed that for India to realize its development ambitions, to realize its place in the comity of nations, requires to work with its neighbours to bring about peace and amity in South Asia. And we will do all that is necessary to resolve all outstanding issues that have bedeviled India's relations with Pakistan. But it requires credible action on the part of Pakistan to deal with terrorist elements directing their energy to disrupt and destabilize our economy and polity.

So I look forward to the meeting with Prime Minister Gilani for an exchange of views and I do hope that out of that meeting we will have a renewed reaffirmation on the part of Pakistan that they will bring the perpetrators of the Mumbai massacre to justice, that they will not allow Pakistani territory to be used for terrorist acts directed against our country. If they do that we are willing to walk more than half the distance to normalize our relations.



**365. Extract from Media briefing relevant to Pakistan by Foreign Secretary on the conclusion of the NAM Summit.**

**Sharm el Sheikh, July 15, 2009.**

**Question:** Mr. Menon, Did you have a meeting with the Pakistani Foreign Secretary today? It is being said that a roadmap, an agenda will be prepared for the meeting between the prime ministers of the two countries. Secondly, did you meet MR. Gilani? Was there a proposal to issue a joint statement on behalf of the two countries or their prime ministers?(Free translation from Hindi)

**Foreign Secretary:** Yesterday evening after I reached here I had a meeting with the Pakistan Foreign Secretary. It was for an hour and a half last evening when we met. Even today during the meeting I met him two three times outside of the meeting; and I met MR. Gilani too. It was just like shaking hands while standing in the corridor. We talked for 10-20 minute while standing; what happened, what will happen, what results will come out, this you ask me tomorrow after the meeting between the prime ministers; I will tell you all tomorrow-we are still working, the dialogue is still on, and will go on. (free translation from Hindi)

**Question:** Mr. Menon, if you are not going to give us details about your meeting, I want to ask you one question. A number of foreign dispatches from Correspondents talk about a level of arrogance in the Indian Delegation talking to Pakistan. If you cannot really talk with a democratically elected Government which is battling internal demons of its own, and you cannot talk with military dictators, then who can you really talk to in Pakistan? Bilawal?

**Foreign Secretary:** That is a 'when did you stop beating your wife?' kind of question. We have been talking to Pakistan to whoever is ruling in Pakistan steadily since 2003. So, quite frankly I do not understand the question. We have been talking to Pakistan even after the Mumbai attacks. After the Mumbai train blasts we talked to them. So, the basis on which that question is phrased I think is completely wrong. It is just false. We kept our High Commissioners in place after the Mumbai blasts. We are in communication with them. I do not think that is the issue. The question is what we discuss and what it results in. And we do have difficult issues to address. We have had in the past; we still have difficult issues to address. And that is what we are talking to them about. As far as we are concerned, it has been consistently our approach, our policy, that there is no way but dialogue to deal with these issues, either to take the relationship forward or to address the issues that might divide us.

**Question:** Mr. Foreign Secretary, there have been some reports that the Prime Ministers will issue a joint statement. I think that is the best case scenario of these talks. But even there were to be a joint statement, from ... (Unclear)... for example, analysts, observers have said that there are so many unresolved issues and both sides do not seem to agree on how to resolve them. For example, the handling of the Mumbai attackers. I think there are perhaps different points of view on the strength of the evidence that India has provided and the dossier that is provided. What do you think can be done to and how are these issues going to be resolved?

**Foreign Secretary:** There must be a question in there somewhere! Frankly, whether there is a joint statement or not, we will know tomorrow. So, it is not going to take that long. You do not have to wait that long. We will let you know tomorrow morning. But I do not think that is the issue here. The question is not the form of how we come out and brief you on what happened in the meeting. I think the issue is really how do we deal with what has brought us to this condition of a stressed relationship; and how do we see the way forward. I think all that will be answered tomorrow.

**Question:** Sir, you met your counterpart for 90 minutes yesterday. Is India satisfied with the progress that Pakistan has made as far as investigations are concerned?

**Foreign Secretary:** We had a good, detailed discussion. He told us what they have done; what they feel they can do; where they think it is going. He described the situation as he saw it. I told him of our concerns. But it was not our job at that stage to either decide - yes, this is good; this is bad; this is satisfactory. Our job was to tell each other what we thought and then to go back and report to our leaders. And we are still in the process of talking to each other. So, I do not want to say conclusively, yes, this is it, and we start drawing conclusions from it yet. This is why I am saying, you will know tomorrow. Our job is really to talk to each other, do what we were told by our leaders to do in Yekaterinburg in Russia on the 16th of June which is for them to tell us what they have done about terrorist attacks on India from Pakistan; for us to express our concerns and so on to them; and then to see the way forward and report to our leaders, which is what we are in the process of doing.

**Question:** Sir, how non-negotiable is the Indian decision to make the next round of dialogue, as and when it should evolve with Pakistan, limited and focused specifically on terrorism? I ask this because some sections of the Pakistan media are reporting a deadlock in Foreign Secretary talks over the issue of what the forthcoming framework of dialogue should be, Composite Dialogue on Terrorism?



**Foreign Secretary:** I think the less you speculate the less likely you are to go wrong. All these stories about what we are supposed to have done! We have seen a lot of stories which bear no relationship to reality. The point we have made is a more general point which is that it cannot be that the dialogue does not take into account what has happened. We have had a series of events which have happened. Now you cannot just keep doing exactly the same dialogue over and over again unless it deals with reality as we find it; and with the sources of trouble in our relationship. That is part of it. So, what we are saying here is that, let us see how we deal with this situation. We have a situation where India-Pakistan relations are stressed and they are stressed for certain reasons - because of terrorist attacks on India from Pakistan. So, we need to take that into account to see how we move forward, how we deal with that first. What I am trying to say is there is no such decision saying we will not do this, we will not do that. No. We are saying, we have a situation here; we have to see how we deal with it. All will be revealed tomorrow. You can try in various ways but you will know tomorrow anyway.

**Question:** Just to clarify, you said we are still in the process of talking. Are you going to meet your Pakistani counterpart?

**Foreign Secretary:** We have been meeting right through the day, outside, inside; and we will keep doing this. We know each other quite well. We have been in touch for a long time. So, it is not as though we need to set up a formal meeting. We can talk to each other in various ways or forms.

**Question:** *Since the Mumbai attack there had been series of statement from the MEA and other senior ministers that until the culprits were punished, further talks were not possible. Now you are talking "how to deal with it?" Are you prepared to go a step ahead from this situation? (free translation from Hindi)*

**Foreign Secretary:** Let me be absolutely precise. What we have always said is 'credible action to bring the perpetrators of the Mumbai attacks to justice'. That is what we have said from day two. Secondly, 'credible action to dismantle the infrastructure of terrorism in Pakistan from which attacks on India take place'. Just to be clear, because that is slightly different from what you are saying.

**Question:** You have said that you are going to meet today.

**Foreign Secretary:** No I did not say that. I said that we are in touch. We have been meeting through the day. We will stay in touch. We will keep talking.

**Question :** Is Pakistan willing to admit quite overtly and quite clearly that they have been sponsoring terrorism after ...

**Foreign Secretary:** Please ask Pakistan. I do not speak for Pakistan.

**Question:** Sir, does the dossier provided by Pakistan speak about ...(Unclear)... by Pakistan. Do you think it amounts to ...(Unclear)...

**Foreign Secretary:** As I said, I am not in a position today to say yes or no or to draw conclusions to described it As credible or not. They have given us a dossier describing what they have done. My job as Foreign Secretary is, having listened to them and got their dossier, to report to my leadership. Then we will tell you.

**Question:** A supplementary to this question. Does the dossier contain the identity of eight suspects identified by Pakistan as a demonstration of their commitment to investigating the Mumbai terror attacks?

**Foreign Secretary:** I think what it contains is the identity of five people who are under arrest, nine people who are proclaimed offenders whom they are looking for, and the names and identities of some other people who they say they are looking for who might be connected to the Mumbai attacks.

**Question:** Mr Menon, you have been telling them that you want credible action to dismantle terror structure. What is it that the Pakistan has been telling you in the last two days?

**Foreign Secretary:** Pakistan has told me, and they were quite clear about this, that they listed the actions that they have taken. They also spoke of their determination to fight terrorism. For the rest, I am sure, if you ask them they will tell you.

**Question:** In the past two days there have been a lot of reports on Hafiz Sayeed and that the Punjab Government there is working for the ...(Unclear)... Did it come up in the conversation? And what did the leaders say?

**Foreign Secretary:** It did. We are still looking for clarity, quite frankly. I believe the Punjab Government has withdrawn their appeal, but were also told that there is some other action which may be likely. So, quite frankly, we are waiting for clarity.

**Question:** Beyond 'good and detailed discussions' how will you characterize your meetings with your counterpart over the last 24 hours?

**Foreign Secretary:** Good and detailed.

**Question:** Beyond that.

**Foreign Secretary:** What else is there beyond that? Quite frankly, there is no point. I am having a discussion with my counterpart. For me that is my

primary job. I am not going to negotiate through the media. I have said this to you before; I will end up, I am sure, saying it to you again. But it does not make sense. When we spoke to each other last night just before we parted, we both agreed we would not negotiate through the media.

**Question:** *Sir, you have mentioned nine offenders in the dossier; India had always been talking of Dawood Ibrahim. Is there something about him in this dossier. (free translation from Hindi)*

**Foreign Secretary:** We raised the issue of Indian fugitives from Indian justice who are in Pakistan. We did raise the issue.

**Question:** *Is there a mention of this in the dossier.....(free translation from Hindi)*

**Foreign Secretary:** There is not mention of them in the dossier. The dossier relates to Mumbai directly.

**Question:** I want to know what in your reckoning is a credible action against terror. How would you understand the Pakistani attempts to clean up Swat or Waziristan? Do you think it is actually dismantling of terror infrastructure? Or do you differentiate between what you are asking and what Pakistan is doing?

**Foreign Secretary:** I think we have been through this before. We are not in the business of laying out markers saying, "This would be credible; up to this is not credible; beyond this would be credible". We have always avoided that. When we see credible action we will know it. It speaks for itself. We would be very happy if they took the same kind of decisive action against terrorists and terrorist groups in Pakistan which operate against India as they are taking against some of the groups in Western Pakistan.

**Question:** Sir, once again on the dossier. Does the dossier also an ...(Unclear)... organization or any link towards to ISI?

**Foreign Secretary:** It does. It does include some terrorist organizations.

**Question:** Sir, you said that you had good and detailed discussions. What does this 'good' mean? Can you explain it a little bit? How do you describe this 'good'.

**Foreign Secretary:** You have to look up the dictionary I think. Quite frankly, there is no point going on asking the same question in twenty-five ways. I have made it quite clear why I will not negotiate through the media, and also why you cannot expect some great characterization of what is likely to happen tomorrow from us.

**Question:** Because it has not been decided yet?

**Foreign Secretary:** Because we are still in the middle of a conversation, and it is an ongoing conversation.

**Question:** Sir, beyond the Prime Minister's interaction tomorrow, have you had discussions on how the talks will go on beyond that? Do you have a way forward beyond tomorrow?

**Foreign Secretary:** We will let you know tomorrow.

**Question:** Sir, the Pakistani Foreign Secretary yesterday said that it is quite a pity that you and he had to meet in different countries - in Yekaterinburg and now here. And he said ...

**Foreign Secretary:** No, we did not meet there.

**Question:** No, you did not. That is true. He said that he would like to come to India and also said that he had extended an invitation to you. Is anything like that coming?

**Foreign Secretary:** We will tell you tomorrow. You know, we are just going around. You are just asking the same question in different forms. And this becomes a test of ingenuity on both sides.

**Question:** Just very briefly, why do you think Pakistan is not able to take credible action? Why has it not been able to take credible action for the past period? What would you like to see changed really? I ... (Unclear)... markers but in terms of willingness and ability what do you think ... (Unclear)... can achieve? Is there inability or is there a lack of willingness? What is the problem?

**Foreign Secretary:** I am not in the mind-reading business. I do not want to go that route that - do they want to, could they, if they would, etc. I do not want to go down that route. For me what is important is that we both know we have a problem here that we have to deal with. For us the problem is quite clear - it is terrorist attacks out of Pakistan on India - and we need to deal with that. And the Indian public opinion needs to see a clear, credible action against that. So, that is what we are discussing.

**Official Spokesperson:** Thank you, very much.

**Foreign Secretary:** Thank you.

For full text of the briefing please see Document No.232.



**366. Joint Statement issued at the end of the meeting between Prime Minister Dr. Manmohan Singh and the Prime Minister of Pakistan Syed Yusuf Raza Gilani.**

**Sharm El-Sheikh (Egypt), July 16, 2009.**

The Prime Minister of India Dr. Manmohan Singh and the Prime Minister of Pakistan Syed Yusuf Raza Gilani met in Sharm El Sheikh on July 16, 2009.

The two Prime Ministers had a cordial and constructive meeting. They considered the entire gamut of bilateral relations with a view to charting the way forward in India - Pakistan relations.

Both leaders agreed that terrorism is the main threat to both countries. Both leaders affirmed their resolve to fight terrorism and to cooperate with each other to this end.

Prime Minister Singh reiterated the need to bring the perpetrators of the Mumbai attacks to justice. Prime Minister Gilani assured that Pakistan will do everything in its power in this regard. He said that Pakistan has provided an updated status dossier on the investigations of the Mumbai attacks and had sought additional information/evidence. Prime Minister Singh said that the dossier is being reviewed.

Both leaders agreed that the two countries will share real time, credible and actionable information on any future terrorist threats.

Prime Minister Gilani mentioned that Pakistan has some information on threats in Balochistan and other areas.

Both Prime Ministers recognized that dialogue is the only way forward. Action on terrorism should not be linked to the Composite Dialogue process and these should not be bracketed. Prime Minister Singh said that India was ready to discuss all issues with Pakistan, including all outstanding issues.

Prime Minister Singh reiterated India's interest in a stable, democratic, Islamic Republic of Pakistan.

Both leaders agreed that the real challenge is development and the elimination of poverty. Both leaders are resolved to eliminate those factors which prevent our countries from realizing their full potential. Both agreed to work to create an atmosphere of mutual trust and confidence.

Both leaders reaffirmed their intention to promote regional cooperation.

Both Foreign Secretaries should meet as often as necessary and report to the two Foreign Ministers who will be meeting on the sidelines of the forthcoming UN General Assembly.



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\* Clarifying the phrase "Action on terrorism should not be linked to the Composite Dialogue process and these should not be bracketed," which caused a considerable amount of confusion, Indian officials immediately after the meeting at Sharm El Sheikh said this meant Pakistan should not wait for the resumption of the composite dialogue to take action against terrorism. Whichever way one interpreted the phrase, however, it was clear that India had been the one to link the composite dialogue with action on terrorism by suspending talks after the terrorist incidents in Mumbai and earlier in 2006. And notwithstanding the joint statement, it was evident the link remained a factor in India's eventual willingness to resume the dialogue as and when this occurred.

Indian position was buttressed by what Prime Minister told the reporters after the meeting. He had said Mr. Gilani had been keen to resume the composite dialogue "here and now." "But I said that the dialogue cannot begin unless and until the terrorist acts of Mumbai are fully accounted for and the perpetrators are brought to book." Unless this happened, he stressed, "I cannot agree and our public opinion will not agree." There was no road map for resumption yet, he said, but added: "We have an obligation to engage Pakistan."

Media reports said that Prime Minister told journalists that "I had a very good discussion with Prime Minister Gilani for more than an hour, ... At the end, we called in the two Foreign Secretaries. I asked the [Pakistani] Prime Minister to sum up what we had agreed. I then added some things and we asked them to draft a statement." Indian and Pakistani officials said the Manmohan-Gilani meeting went very well with the two principals striking a rapport with each other. But at the end of the day it was terrorism which dominated the encounter.

Regarding the mention of Balochistan, the Prime Minister denied this represented a climb down by India or a concession to Pakistan. "Mr. Gilani raised the issue of Balochistan and said people say India is active [there]. I said our conduct is an open book and that we are willing to discuss anything... If you have any evidence, we are willing to look at it. We are an open society." Dr. Singh said

Stressing that there was no change in India's stand on keeping the composite dialogue suspended, Dr. Singh said the statement asked the Foreign Secretaries to discuss the relationship and report back to their Foreign Ministers. "Apart from this, we have not made any commitment." He said he told Mr. Gilani the composite dialogue could not begin until there had been an accounting of what had happened in Mumbai and the perpetrators were in the dock. "We felt the two issues should not be and cannot be linked and this has been accepted by Pakistan," he added. "We were clear that if acts of terrorism continue [from Pakistani soil], then dialogue cannot continue, let alone the composite dialogue... And even if it starts, it cannot move forward." The reference to real-time information sharing, Dr. Singh said, resulted from India's apprehension that there might be more Mumbai-type attacks. Prime Minister Gilani told him his government was committed to acting against terrorism and that there was a political consensus in Pakistan in support of firm action. "So we agreed to share information with each other on these threats."

Dr. Singh said he raised the issue of Lashkar-e-Taiba chief Hafiz Saeed's recent release from house arrest and received an assurance from his Pakistani colleague that action would be taken against him.

Asked whether he believed the terrorists in Pakistan were "non-state actors" or had connections with the establishment, Prime Minister Singh said, "I am not accusing the present Pakistani government of involvement but as far as past history is concerned, I did say there were elements [from the establishment] that were involved. But I did not accuse the present, democratic government of Pakistan of this," he stressed.

- 367. Statement by Prime Minister Dr. Manmohan Singh in the Rajya Sabha on his visit to Italy, France and Egypt.  
New Delhi, July 17, 2009.**

Please see Document No.39.



- 368. Interview of External Affairs Minister S.M. Krishna with Managing Editor Raj Chengappa of the Weekly India Today.  
New Delhi, July 23, 2009.**

Please see Document No.41.



**369. Media Report of External Affairs Minister S. M. Krishna's media interaction on Board the Special Flight from Phuket to New Delhi while returning from the ASEAN Regional Forum meeting.**

**July 23, 2009.**

Speaking to journalists on board his flight from Phuket to New Delhi External Affairs Minister asked Pakistan to "go after" terrorists directing their activities against India with the "same force", as it has against the Taliban on its border with Afghanistan. External Affairs Minister S. M. Krishna made this observation when asked about the perceived dichotomy in Pakistan's approach in battling terrorists on its eastern and western borders.

Mr. Krishna said India also expected Pakistan to take action against Hafiz Saeed, chief of the Jamaat-ud-Dawa, whom India believed was behind the Mumbai attacks. He pointed out that Pakistan had indicated its intention to appeal against his release, and said India would prefer to wait and see what action was actually taken against him. However, he felt that Pakistan should take action against "any terrorist" heading an organisation that "takes a position aimed against India."

India had its own method of functioning on the exchange of intelligence, and did so when it was in the "greater interest of the nation," but revealing any more details was not possible because the subject was "highly confidential," Mr. Krishna said. U.S. Secretary of State Hillary Clinton's observation that Pakistan was showing a renewed commitment to fight against terrorism, he said, was the "U.S. perception."

Mr. Krishna disclosed that Pakistan Foreign Minister Shah Mehmood Qureshi had joined other countries at the closed-door ASEAN Regional Forum meeting, held in Phuket, in condemning terrorism, and "claimed" that his country was also a victim. "Therefore, it was willing to join hands to fight terrorism," he said.





**370. Excerpts relevant to Pakistan from the speech of Prime Minister Manmohan Singh in Lok Sabha on the debate on his recent visits abroad.**

**New Delhi, July 29, 2009.**

**On India-Pakistan relations**

**Madam Speaker,**

As I have said many times before, we cannot wish away the fact that Pakistan is our neighbour. We should be good neighbours. If we live in peace, as good neighbours do, both of us can focus our energies on the many problems - our abject poverty that confront millions and millions of people in South Asia. If there is cooperation between us, and not conflict, vast opportunities will open up for trade, travel and development that will create prosperity in both countries.

It is, therefore, in our vital interest to make sincere efforts to live in peace with Pakistan. But despite the best of intentions, we cannot move forward if terrorist attacks launched from Pakistani soil continue to kill and injure our citizens, here and abroad. That is the national position. I stand by it.

I have said time and again and I repeat it right now again: it is impossible for any government in India to work towards full normalization of relations with Pakistan unless the Government of Pakistan fulfills, in letter and spirit, its commitment not to allow its territory to be used in any manner for terrorist activities against India.

This was a commitment made as my friend Shri Yashwant Sinha has mentioned to my distinguished predecessor Shri Atal Bihari Vajpayee, and it has been repeated to me in every meeting I have had with the Pakistani leadership. The people of India expect these assurances to be honoured and this government recognizes that as the national consensus.

**Madam Speaker,**

The attack on Mumbai last November outraged our nation and cast a deep shadow over our relations with Pakistan. The reality and the horror of it were brought into Indian homes over three traumatic days that still haunt us. The people of India demand that this must never happen again.

Over the past seven months, we followed a policy, using all effective bilateral and multilateral instruments at our command, to ensure that Pakistan acts, with credibility and sincerity, as we would expect of any civilized nation.

Soon after the attacks, the United Nations Security Council imposed sanctions on the Lakshar-e-Tayeba and its front organizations, including the Jamaat-ud-Dawa. It also imposed sanctions on four individuals connected with the organization, including one of the masterminds behind the Mumbai attacks, Zaki-ur-Rehman Lakhvi.

We exercised great restraint under very difficult circumstances but made it clear that Pakistan must act. On 5th January 2009, we handed over to Pakistan the details of the links to Pakistan that were revealed by our investigators. Some action followed and Pakistan formally responded to us on two occasions regarding the progress of their own investigations - in February 2009 and then just two days before my departure for Paris and Sharm El Sheikh.

The latest dossier is a 34 page document that gives details of the planning and sequence of events, details of the investigations carried out by the special Federal Investigation Agency team of Pakistan, a copy of the FIR lodged and the details and photographs of the accused in custody and those declared as proclaimed offenders. It provides details of the communication networks used, financing of the operation and seizures made in Pakistan including maps, lifeboats, literature on navigational training, intelligence manuals, back packs etc.

The Pakistan dossier states that the investigation has established beyond doubt that LeT activists conspired, financed and executed the attacks. Five of the accused have been arrested, including Zaki-ur-Rehman Lakhvi and Zarar Shah, and thirteen others have been declared proclaimed offenders. A charge sheet has since been filed against them under Pakistan's Anti Terrorism Act and other relevant laws. We have been told that the investigations are nearly complete and that the trial will now proceed. We have also been asked for some further information. We will provide this shortly.

This is the first time that Pakistan has ever formally briefed us on the results of an investigation into a terrorist attack in India. It has never happened before and I repeat this is the first time. It is also the first time that they have admitted that their nationals and a terrorist organisation based in Pakistan carried out a ghastly terrorist act in India.

**Madam Speaker,**

The reality is that this is far more than the NDA Government was ever able to extract from Pakistan during its entire tenure despite all their tall talk. They were never able to get Pakistan to admit what they have admitted now. So the UPA government needs no lessons from the opposition on how to conduct foreign affairs or secure our nation against terrorist threats.

But while noting the steps Pakistan has taken, I have to say that they do not go far enough. We hope that the trial will make quick progress and that exemplary punishment will be meted out to those who committed this horrific crime against humanity. We need evidence that action is being taken to outlaw, disarm and shut down the terrorist groups and their front organizations that still operate on Pakistani soil and which continue to pose a grave threat to our country.

**Madam Speaker,**

In the final analysis, the reality is that, despite all the friends we have, and we should have as many friends as Shri Mulayam Singh ji has said, when it comes to matters relating to our national security and defence, we will have to depend on ourselves. Self-help is the best help. There is no substitute to strengthening our defence capabilities, our internal security structures and our emergency response mechanisms. I wish to assure the House that the government is giving these matters the highest priority and attention.

Several important steps have been taken to modernize, rationalize and strengthen our defence, security and intelligence apparatus. A detailed plan to address internal security challenges is being implemented in a time-bound manner. The Government is maintaining utmost vigil in the area of internal security. Measures have been taken to ensure enhanced information and intelligence sharing on a real time basis. A policy of zero-tolerance towards terrorism, from whatever source it originates, has been put in place.

In the area of defence, steps are underway to substantially improve our coastal and maritime security. Large acquisitions of major weapon systems and platforms have been approved for the modernization of our Army, Navy and Air Force. There has been a special focus to improve the welfare of the Armed Forces personnel.

We will spare no effort and no expense to defend our nation against any threat to our sovereignty, unity and integrity. This is the sacred and bounden duty of any Government of this great country.

**Madam Speaker,**

We do not dilute our positions or our resolve to defeat terrorism by talking to any country. Other major powers affected by Pakistan based terrorism are also engaging with Pakistan. Unless we talk directly to Pakistan, we will have to rely on third parties to do so. That route, I submit to this August House, has very severe limitations as to its effectiveness, and for the longer

term the involvement of foreign powers in South Asia is not something to our liking.

I say with strength and conviction that dialogue and engagement is the best way forward.

This has been the history of our relations with Pakistan over the last decade. Shri Atal Bihari Vajpayee took a decision of political courage to visit Lahore in 1999. Then came Kargil and the hijacking of an Indian Airlines plane to Kandahar. Yet, he invited General Musharraf to Agra and again tried to make peace. The nation witnessed the terrible attack on Parliament in 2001. There followed an extremely difficult phase in our relationship. The armed forces of the two countries stood fully mobilized.

But, to his great credit, Shri Vajpayee was not deterred, as a statesman should not be. In 2004, he went to Islamabad, where a Joint Statement was issued that set out a vision for a cooperative relationship. I must remind the House that opposition parties supported these bold steps. I, for one, share Shri Vajpayee's vision, and I have also felt his frustration in dealing with Pakistan.

In my meetings with President Zardari in Yekaterinburg and with Prime Minister Gilani in Sharm El Sheikh, I conveyed, in the strongest possible terms, our concerns and expectations. I conveyed to them the deep anger and hurt of the people of India due to the persistence of terrorist attacks in India.

I told them that the operations of all terrorist groups that threaten India must end permanently. I urged them to make no distinctions between different terrorist organizations. I said that it was not enough to say that Pakistan is itself a victim of terrorism. They must show the same political will and take the same strong and sustained action against terrorist groups operating on their eastern border as they now seem to be taking against groups on their western border.

Both President Zardari and Prime Minister Gilani assured me that the Pakistan government was serious and that effective action would be taken against the perpetrators of the Mumbai carnage.

Shri Yashwant Sinha asked me what had changed between my meeting with President Zardari and the meeting with Prime Minister Gilani. In between came the dossier which showed progress though not adequate progress. Shri Sinha also asked me do we trust Pakistan. Let me say that in the affairs of two neighbours we should recall what President Reagan once said - trust

but verify. There is no other way unless we go to war.

I was told that Mumbai was the work of non-state actors. I said that this gave little satisfaction and that it was the duty of their Government to ensure that such acts were not perpetrated from their territory. I told them that another attack of this kind will put an intolerable strain on our relationship and that they must take all possible measures to prevent a recurrence.

**Madam Speaker,**

After I returned from Sharm El Sheikh, I made a statement in Parliament, which clarified and elaborated not just the Joint Statement issued following my meeting with Prime Minister Gilani, but also what we discussed.

I wish to reiterate that the President and the Prime Minister of Pakistan know, after our recent meetings, that we can have a meaningful dialogue with Pakistan only if they fulfill their commitment, in letter and spirit, not to allow their territory to be used in any manner for terrorist activities against India. This message was repeated when the Foreign Ministers and Foreign Secretaries met.

I stand by what I have said in Parliament - that there has been no dilution of our position in this regard.

An interpretation has been sought to be given to the Joint Statement that we will continue to engage in a composite dialogue whether Pakistan takes action against terrorism or not. This is not correct. The Joint Statement emphasized that action on terrorism cannot be linked to dialogue. Pakistan knows very well that with terrorism being such a mortal and global threat, no civilized country can set terms and conditions for rooting it out. It is an absolute and compelling imperative that cannot be dependent on resumption of the composite dialogue. In the Joint Statement itself, the two sides have agreed to share real time, credible and actionable information on any future terrorist threats.

**Madam Speaker,**

When I spoke to Prime Minister Gilani about terrorism from Pakistan, he mentioned to me that many Pakistanis thought that India meddled in Balochistan. I told him that we have no interest in destabilizing Pakistan nor do we harbour any ill intent towards Pakistan. We believe that a stable, peaceful and prosperous Pakistan living in peace with its neighbours is in our own interest.

I told him then, and I say it here again, that we are not afraid of discussing any issue of concern between the two countries. If there are any misgivings, we are willing to discuss them and remove them.

I said to him that I had been told by the leadership of Pakistan several times that Indian Consulates in Afghanistan were involved in activities against Pakistan. This is totally false. We have had Consulates in Kandahar and Jalalabad for 60 years. Our Consulates perform normal diplomatic functions and are assisting in the reconstruction of Afghanistan, where we have a large aid programme that is benefiting the common people of Afghanistan.

But we are willing to discuss all these issues because we know that we are doing nothing wrong. I told Prime Minister Gilani that our conduct is an open book. If Pakistan has any evidence, and they have not given me any and no dossier has been given, we are willing to look at it because we have nothing to hide.

**Madam Speaker,**

I believe that it is as much in Pakistan's vital interest as it is in ours to make peace. Pakistan must defeat terrorism, before being consumed by it. I believe the current leadership there understands the need for action.

I was told by the parliamentarians who accompanied Prime Minister Gilani that there is now a political consensus in Pakistan against terrorism. That should strengthen the hands of its leaders in taking the hard decisions that will be needed to destroy terrorism and its sponsors in their country.

**Madam Speaker,**

Our objective, as I said at the outset, must be a permanent peace with Pakistan, where we are bound together by a shared future and a common prosperity.

I believe that there is a large constituency for peace in both countries. The majority of people in both countries want an honourable settlement of the problems between us that have festered far too long and want to set aside the animosities of the past. We know this, but in the past there have been hurdles in a consistent pursuit of this path. As a result, the enemies of peace have flourished. They want to make our alienation permanent, the distance between our two countries an unbridgeable divide. In the interests of our people, and in the interest of peace and prosperity of South Asia, we must not let this happen.

That is why I hope and pray that the leadership in Pakistan will have the strength and the courage to defeat those who want to destroy, not just peace between India and Pakistan, but the future of South Asia. As I have said before, if they show that strength and that courage, we will meet them more than half way.

There are uncertainties on the horizon, and I cannot predict the future in dealing with neighbours, two nuclear powers. We have to begin to trust each other, but not blindly, but trust and verify. People say that we have broken the national consensus. I refuse to believe that we have broken the national consensus.

For the present we have agreed that the Foreign Secretaries will meet as often as necessary and report to the two Foreign Ministers who will meet on the sidelines of the United Nations General Assembly. The two Foreign Ministers have met even before the Joint Statement in Trieste. I met President Zardari in Russia. So in operational terms the effect of the Statement that the two Foreign Secretaries will meet as often as necessary followed by the Foreign Ministers is no more than what we are doing at present. Does it involve surrender or a sign of weakness?

As neighbours it is our obligation to keep our channels open. Look at what is happening in the world. The US and Iran have been sworn enemies for thirty years, and yet they feel compelled to enter into a dialogue. Unless we want to go to war with Pakistan, dialogue is the only way out. But we should do so on the basis of trust but verify\*.

For full text of discussions please see Document No.43.



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\* The same day Pakistan Prime Minister Yusuf Raza Gilani reacting to the PM's statement said that he reciprocated the sentiments for peace expressed by Prime Minister Manmohan Singh in his address to the Lok Sabha. He said: "At Sharm-el-Sheikh, we had useful talks and a good meeting of minds. We had agreed that terrorism was a common threat. We also agreed that dialogue is the only way forward. The Indian Prime Minister has rightly emphasised the importance of honourable settlement of the outstanding issues between India and Pakistan. I commend Dr. Manmohan Singh for his bold vision of peace and prosperity in South Asia and the statesmanship that he has demonstrated."

**371. Press Release issued by the Ministry of External Affairs confirming handing over of Additional Evidence to Pakistan on Mumbai terror attack.**

**New Delhi, August 1, 2009.**

On the 11th of July 2009, Pakistan had provided to us, a dossier providing an update on investigations in Pakistan into the terrorist attack on Mumbai.

A request had been made in it for further evidence. A detailed dossier of evidence has been provided today to the Pakistan High Commission\*.



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\* Media report said that the evidence now provided was a seven-page dossier and underlined that it had given Islamabad enough proof to prosecute Jamaat-ud Dawa (JuD) chief Hafiz Saeed, the alleged mastermind of the carnage. The report quoted Intelligence sources to say the dossier also contained transcripts of wireless intercepts during the Mumbai attacks in which Saeed's name kept figuring. In Islamabad the Foreign Office spokesman Abdul Basit had said on July 30 that New Delhi's replies to Pakistan's latest questions were "not really enough" to proceed legally against the Jamat-ud-Dawa leader. Media reports said that the questions that Pakistan asked did not specifically relate to Mr. Saeed but to the nitty-gritty of the Mumbai investigation. It sought certified statements from officials involved in various aspects of the investigation, plus the interrogation statements of two Indians accused in the attacks, Sabhauddin and Fahim Ansari. At the weekly Foreign Office briefing, Mr. Basit persisted in response to a question that in the Hafeez Saeed case, Pakistan was proceeding in accordance with its own laws but "the material [contained in the dossier handed over by India last week] apropos Hafiz Saeed is not really enough and it does not strengthen our hands to proceed legally against him." In view of Pakistan's persistence that India had not provided sufficient evidence about the involvement of Hafiz Saeed, India denying this allegation maintained that five dossiers submitted since November last year to Pakistan provided "comprehensive" and "detailed" information to justify his prosecution.



**372. Special Mention in the Lok Sabha regarding talks with Pakistan.**

**New Delhi, August 4, 2009.**

**Note: The transcript in italics is free translation of the Hindi text.**

*Shri Lal Krishna Advani (Bharatiya Janata Party): Madam Chairperson, a little while back, our colleague Shri Mulayam Singh Yadav had raised a very serious topic. And the subject while being discussed, one important point that came across was that in the last few days many joint statements came and they were debated as well. One joint statement caused a lot of anguish to the members of the house. But yesterday a statement was given by the foreign minister. That statement was given not in the House but outside the House. A lot of people can confirm what was said. Today in the House, this issue was brought up Shri Mulayam Singh Yadav with reference to Hafiz Saeed. Today we all have read in the Times of India's morning paper the statement given by the Foreign Minister to that paper in an exclusive interview. In the interview given to the Times of India, he has said,*

*"We know for a fact that Hafiz Saeed is the mastermind of Mumbai attacks."*

*He has said this. We all remember very well the three ghastly days of last November, the Mumbai attacks which was seen by the whole country and the whole world. It almost felt as if India was being attacked. The whole attack had been masterminded by Hafiz Saeed who is the chief of the Lashkar-E-Toiba and who has been pronounced as a terrorist by the UN Security Council. Despite this, the Pakistani government put an end to the action that was being taken against him, even in the court. On this S.M.Krishna said,*

*"Regardless of how many times the PMs or the Foreign Ministers meet or the Foreign Secretaries meet, it will have no impact."*

*And that is why he has said that,*

*"All talks are futile till Islamabad gives positive indication of tackling terror."*

*Now this House would like to know that as per the statement given by our Prime Minister with Mr. Gilani that terrorism will be delinked from dialogue, will our secretaries keep meeting and keep going forward. The Foreign Minister made the statement not in the House but outside, exclusively to the Times of India that 'Talks' have no meaning. Till Pakistan does not take action against terror, this delinking that the Prime Minister has said, it contradicts it in a way. And I am happy it contradicts. If he has given the*

*statement after thinking about it properly, it would be nice if the Prime Minister also confirms it. Madam chairperson, you stopped the proceedings of the House for ½ an hour and so I thought that after that the Prime Minister himself will come to the House or atleast the foreign Minister will come and repeat the statement that he has given outside the House to the House as well because the parliament session is on and it is necessary to state the same in parliament. The last time there was a lot of discussion on this issue. I request that either the Prime Minister or the Foreign Minister come to the House immediately and confirm this.*

*We think that it is useless for the Secretaries to talk to each other till further information is received on Hafiz Saeed who has become a kind of touchstone, Saeed's trial has become the acid test for Pakistan. Because of what the Foreign Minister has now said All talks are futile until action is taken. We would welcome it if either the Prime Minister or the Foreign Minister came to the House and gave this statement again to the House.*

**Shri Sanjay Nirupam (Mumbai North):** *Honourable Madam Chairperson, the terrorist attack that took place in Mumbai on 26 November, that definitely is unforgettable. After that the Indian government took a decision that till Pakistan takes some action against these kind of terrorists, till then we will not have any dialogue. Ill the time Pakistan does not remove all the terrorist training camps on its soil and destroys them completely, there is no meaning for dialogue. I think it is the first time that the Indian government has nailed Pakistan on the international forum and Pakistan is left standing alone and in this pressure it has really taken some concrete action against terrorism. In the last few months Pakistan has taken the same kind of action that we have been taking over the past few years and Pakistan is troubled. ....(Interruption)*

**Madam Chairperson:** *Please settle down.*

**Shri Sanjay Nirupam (Congress):** *We listened to your leader patiently.....(Interruption)*

**MADAM SPEAKER:** *Nothing will go on record except what Shri Sanjay Nirupam is saying.*

*(Interruptions) ... (Not recorded)*

**Shri Sanjay Nirupam:** *Madam Speaker, the whole world knows that Pakistan is fighting with terrorists such as Betulla Masud. Benazir Bhutto their former Prime minister lost her life to terrorism.*

**Shri Rakesh Singh :** *Why are you advocating Pakistan's story?*

**Shri Sanjay Nirupam:** *I am not advocating Pakistan.....(Interruption) please don't worry. I am a more patriotic Indian than you. ....(Interruption) We also have patriotism, I am also nationalist. When Mumbai was attacked, the first person to reach Taj Hotel was Sanjay Nirupam, nobody came from either Shiv Sena or the BJP.....(Interruption) Madam, it cannot be denied that Hafiz Saeed is the mastermind of the Mumbai attacks and Pakistan has to book Hafiz Saeed, this is a demand that I also make on behalf of my country, my party and my government. In the last few days I read in the newspapers that our Home Minister has said a fourth dossier has been sent in respect of Hafiz Saeed. If possible please send more dossiers. Let Pakistan do whatever is required but it should not leave Hafiz Saeed, we have to keep continuous pressure on them so that the people responsible for the Mumbai attacks are punished and handed over to the law. For the exchange of all that information, dialogue is necessary. This dialogue will be at the level of foreign secretary, foreign minister but information sharing is important as we are neighbouring states. This used to be said by Panditji that we can change our friends but we cannot change our neighbours. When the neighbourhood is in trouble, there are terrorist activities happening, then we have to exchange information and for that purpose dialogue is important. But on other issues, dialogue cannot become normal till the time Pakistan does not take strict action and remove all trace of all the terrorist organizations which have been targeting India over the years. And that is why I would like to on behalf of the government, on behalf of the people of Mumbai demand that Hafiz Saeed be arrested and measures should be taken by the Pakistan government for punishing him. This I would like to request the Indian government also. Thank you.*

**Shri Sharad Yadav (Janata Dal - United):** *Madam chairperson, I will not repeat all that has been said by Mulayam Singh Yadav, Advani ji and Shri Yashwant Sinha. The ink has not yet dried on the joint statement between Indian Prime Minister and Pakistani Prime Minister and it is being talked about, the reason being that Pakistan had well and truly been put in the dock and a world environment had been created where it was fully proved that India had been facing repeated and continuous inhuman terrorist attacks from Pakistan and the world had started believing in it finally. The whole world had criticized Pakistan and had it cornered. Sharm-el-sheikh and the mention of Baluchistan is totally against the national consensus. Today it has been proved in the case of Hafiz Saeed. The Indian government has handed over a dossier to Pakistan. And the ink has not dried on the statement when the Indian government, the*

*foreign minister has come out with a statement that there is no meaning for dialogue because Hafiz Saeed, the acid test, who has to be captured and punished has been declared the most honoured person by the Pakistan government. I would only like to present to the house our view that the world opinion and the environment that had been created in the world against Pakistan has got a severe jolt with the Sharm-el-sheikh statement and the foreign minister calls it the acid test. We reiterate that the Sharm-el-sheikh statement is against the national interest.*

*Madam, the parliament is in session and the foreign minister gives statement outside, we don't have problems with that because he had to give a reply at that time but the government should by itself give clarification regarding sequence of events and that we do not think our statement of delinking dialogue and terrorist activities, is right. They should say here that now dialogue will not happen. As the leader of the opposition has demanded, I support and endorse the view that the foreign minister or the Prime Minister should clarify the issue. With these words I conclude.*

**Shri Lalu Prasad (Rashtriya Janata Dal):** *Madam Chairperson, Shri Mulayam Singh Yadav has raised his party's concerns and not just his own. These are concerns of national interest. The person who created havoc in our country, each and every child of our country knows that the mastermind of the Mumbai attack was Hafiz Saeed. I don't oppose dialogue between two countries, in fact, there has to be dialogues between governments, there are no two ways about it. But the Indian government is going on saying, repeatedly saying that we have given a dossier with all the proof to Pakistan that he is the mastermind, he should be captured and he should be handed over to the authorities for punishment. But will they take action? I have been seeing that the Indian government has been by its statements and actions entangled itself more and more and not learned from its mistakes. There is a saying that a person who burns his mouth with boiling milk, dreads even the buttermilk. But we are not being careful. The statement of the foreign minister as given to Times of India has come. Now it could happen that the Times of India goes back on its words and says this was not said, we did not say this but the whole country has read and the message has gone out loud and clear that the Pakistan government has shown the Indian government the mirror. The government over there has clearly dent out the message that they hold Hafiz Saeed in esteem. This should make us think that and analyse what has happened. It is clear to everybody about what has happened. We are not against the Pakistani people nor friendship with our neighbours, we should have dialogue but we are repeatedly getting hit,*

*battered and still putting up with this behaviour and on this the honourable prime Minister or Foreign minister should clarify their stand. This is the opinion of Mulayam ji, Sharad ji and Mr. Advani has brought up this issue and it is not only his issue. If he had talked about Jai Shri Ram, we would have kept sitting. I repeat that the government should clarify their stand on this issue. What is the truth behind it? Please tell the truth. What action are you going to take? .....(Interruption)*

**Shri Anant Kumar (Bharatiya Janata Party:** *Lalu ji, the minister of state for foreign affairs has come but foreign minister has not come.....(Interruption)*

**Madam Chairperson:** *Please don't talk amongst yourself.*

.....(Interruption)

**Shri Lalu Prasad (Rashtriya Janata Dal):** *He will inform the foreign minister. ... (Interruption) What is the plan of action that the Indian government propose to take. It is a question of India's self-respect. How can India be satisfied till the person who has done a crime, he is not punished and brought to book. The wrong message is going. A lot of important leaders have requested and I also add my voice to the request since it is a question of the country. The country is getting demoralized. Hence the request to the Prime minister or the foreign minister to clarify the issue as it is affecting the country's confidence.*

**Madam Speaker:** *This matter is over. I will now take up other matters under 'Zero Hour'. ... ..(Interruptions)*

**Smt. Sushma Swaraj:** *He has asked for reply. How can the matter get over like that. ....(Interruption)*

**Shri Lal Krishna Advani (Bharatiya Janata Party:** *We knew it officially that you will yourself call them.....(Interruption) At the time the leader of the House is also not present.....(Interruption) There is no issue left for the government. ....(Interruption)*

**Smt. Sushma Swaraj:** *The Parliamentary affairs minister is sitting here, he will know. ....(Interruption)*

**Shri Ananth Kumar:** *We want a reply from the government... ..(Interruption)*

**Shri Jagdamba Pal :** *All you leaders have been given an opportunity, please give the same to us.....(Interruption)*

**Madam Speaker:** *I cannot compel the Government to give the reply.*

... (Interruptions)

**Shri Lal Krishna Advani:** *The foreign minister should reply....(Interruption)*

**Smt. Sushma Swaraj:** *This way the matter is getting more confusing. We would like to know if the Prime Minister agrees with the foreign minister's statement. Or has the Foreign minister overruled the Prime Minister? .....*(Interruption)

**Shri Ananth Kumar:** *Does this government have collective responsibility or not? .....*(Interruption)

**Smt. Sushma Swaraj:** *Has the Foreign minister overruled the Prime Minister? .....*(Interruption)

**Madam Speaker:** *It is a matter of 'Zero Hour'. I cannot compel the Government to respond.*

.....(Interruption)

**Shri Mulayam Singh Yadav:** *The government has not clarified on this issue and hence we are walking out in protest.*

**(Following which Sri Mulayam Singh Yadav and some other honourable members went out of the House)**

**Shri Lalu Prasad Yadav:** *The government is not answering the questions raised on this issue and hence we walkout in protest.*

*(Following which Shri Lalu Prasad Yadav and some other honourable members went out of the House)*

**Smt. Sushma Swaraj:** *Is the prime minister in agreement with the foreign minister's statement or has the foreign minister overruled the Prime Minister? The government should tell us. The House has become literally like a house.....*(Interruption)

**Shri L.K.Advani:** *This cannot end here. Today they don't want to accept that....(interruption) but I am basically saying that either you announce when the Prime Minister or foreign Minister will be issuing clarifications. If they don't give then for the time being they can give a statement outside the house .....*(Interruption) *The Prime Minister says one thing and the foreign minister says another thing. I consider this wrong. They should come to the House and say the same thing. ....*(Interruption) *But I am against*

*this.....(Interruption)*

**Smt. Sushma Swaraj:** *This is an insult to the parliament.....(Interruption)  
They talk to the newspapers but don't talk here.....(Interruption) If they  
say here, it will get recorded into the minutes and  
proceedings.....(Interruption) Please call the foreign minister.*

**Shri Ananth Kumar (Bangalore South)** *This is not right .....(Interruption)*

**Madam Speaker:** *Nothing will go on record.*

*(Interruptions) ... (Not recorded)*

**Madam Speaker:** *I cannot compel the Government to respond. Let me take  
up other matters of the 'Zero Hour'. Shri M.I. Shanavas.*

**Shri Lal Krishna Advani:** *We walkout in protest of this.*

**(Following which Shri L.K.Advani and some other members walked  
out of the House)**



**373. Interview of National Security Advisor with Siddharth Varadarajan of the daily *The Hindu*.****New Delhi, August 29, 2009.**

Seeking to draw a line under the controversy surrounding last month's meeting between Manmohan Singh and Yusuf Raza Gilani, National Security Adviser M.K. Narayanan replied in the negative when asked whether the Sharm el-Sheikh summit between the Prime Ministers of India and Pakistan had been a step forward. "But," he hastened to add, "it certainly wasn't a step backward."

The inclusion of Balochistan in the joint statement had made many critics see red but Mr. Narayanan was categorical that it made no difference to India's position. Asked whether there were any scenarios where he felt India might regret the B-word, the NSA said no. "Frankly, we don't see the reference to Balochistan as something culpatory, that there is something we are doing." Mr. Gilani brought up the subject and this was mentioned in the statement. "Now whether we should have put out a complete rebuttal in the joint statement - well, it is a joint statement and it becomes difficult sometimes to put all these things down."

Asked whether he would rather see the reference wasn't there, the NSA replied: "I don't think it makes much of a difference. Well, if it was not there, probably somebody could not even mention it ... But they mention it all the time anyway." Pakistani leaders keep telling all the foreign dignitaries they meet that India is involved in Balochistan, he said. "They've made it a point to say our consulates in Afghanistan are involved in Balochistan and Waziristan. So it's not as if they haven't been saying these things." India, he said, is very clear. "We are not involved in Balochistan. Not because of anything else, but because it just doesn't make sense ... to do the kind of thing that the Pakistanis accuse us of - putting a few bombs here, bursting something else. So somebody can always use it, to say, 'Oh, there is some reference to Balochistan.' But so what"? Mr. Narayanan added that "most of the western intelligence agencies who have the capabilities know we are not involved there."

The NSA attributed the progress Pakistan had made so far in investigating the Mumbai case to American pressure. Asked if he'd expected Islamabad to do as much as it had, he said, "We didn't. But we knew that if the Americans leaned on them, they would. And, therefore, most of our effort at the high level, at least from my side ... was primarily to get them to lean on the



Pakistanis." India knew that whatever it said or did, the Pakistanis would do little. "I think the Americans certainly helped a lot... Since their nationals were also killed, [we told them] this was as much an attack on you as it is on us." Thanks to the FBI and CIA, he said, "the Pakistanis were more forthcoming in accepting some of the basics." But he said he did not expect them to go any further on the investigative front. "They've done just enough to take the heat off them from the West. I think that's where we are."

Acknowledging that sections of the Pakistani establishment had begun recognising the threat terrorism posed to Pakistan itself, Mr. Narayanan expressed concern about the fact that only the Tehreek-e-Taliban Pakistan and its allied groups were being seen as a problem across the border and not the Lashkar-e-Taiba and Jaish-e-Mohammed. "Of course, we don't want Pakistan to become a fundamentalist state - but what is our primary interest? That we do not want another group to come out of Pakistan and attack us. And that will come from the Lashkar, Jaish and so on. And nothing has happened. We've seen no evidence of any of that. And if the information that is coming our way is any index, there's been little let up on this. Of course, some sections [of the Pakistani establishment] will be concerned about the growth of fundamentalism and extremism, but this is not translating into taking action against what I would call the 'Punjab group' which is basically attacking us."

Pakistan was approaching the threat posed by terrorist groups from a "purely military standpoint," the NSA said. "And the military takes them item by item. 'Which is the group that is our main enemy now? The main enemy is the TTP and those groups involved in Swat, Waziristan, FATA etc. This other group is not causing us trouble. There is no evidence of any LeT attack [against us]'. Of course, umbilical connections between all these groups are emerging. In a more orderly society, I think they would say, let's nip it in the bud before it becomes a problem in the Punjab, which is the real heartland of Pakistan. But we've seen no evidence of this. I can't say whether they are thinking about this. We can only go by actions."

The NSA was dismissive of Pakistan's latest request for India to provide information about the terrorist threats the Prime Minister spoke about recently. Laughing, he said, "It's kind of like telling the robber where the jewels are, literally, I mean, if you tell them how we come by this information, what the source is!"

He said that at this time "it is very difficult to engage in this." India's principal aim was "not to assuage Pakistan's concerns" but to ensure something does not take place on its soil. The joint anti-terror mechanism had been a

"leap of faith" on the part of the Prime Minister but it collapsed soon after it was set up. Mr. Narayanan said not all intelligence came from "deep penetration sources." A lot of information about terror threats came from electronic intercepts by India, the U.S., Britain and others. "Now, to say the Pakistanis alone have never been able to intercept anything of this kind and something has [to be shared], you see, it puts a big question mark on the bona fides to say, please share it with us. Now whatever we have shared in the past, nothing has happened."

Reminded about the Sharm el-Sheikh statement's reference to sharing real time, credible information about threats, Mr. Narayanan said India "will provide real time information but it is part of an intent." If relations improved and India saw Pakistan taking action against the LeT and JeM, it could pass on information. But in any case, the expectation from the joint statement is that each country would inform the other about threats emanating from its territory, the NSA clarified. "If something is happening on their soil, who should be having that information? It's that country's intelligence agencies who should be monitoring this and passing on the information to us. And if we have information about something going to take place in Pakistan, we should be sharing it with them. That is what is real time [sharing]. For India to tell Pakistan, 'We believe someone is going to attack us,' is really not the intention. They are supposed to pass on to us real time intelligence, that 'We understand something of this kind is going to happen, please take precautions, please take necessary care'."



**374. Interview of Home Minister P. Chidambaram with Barkha Dutt for the NDTV programme 'The Buck Stops Here'.**

**New Delhi, September 6, 2009.**

*[India cannot rule out the involvement of Pakistan's state actors in the 26/11 attack, says Home Minister P Chidambaram. Mr Chidambaram, who was in the NDTV studios and speaking exclusively on the show The Buck Stops Here, said that for Pakistan to not act against Hafiz Saeed is atrocious. Sharing, for the first time, details of the exact role that the Lashkar-e-Toiba chief played in the attacks. He said there was evidence that Saeed was involved in training Ajmal Kasab and others to fire on targets. These details and Islamabad's failure to act against Saeed will be raised by the Home Minister in his talks with senior American officials later this week. Chidambaram said Pakistan was simply inventing new questions and it would be a charade for them to keep asking for more dossiers.]*

**Some excerpts from the interview with Home Minister P Chidambaram:**

**On Pakistan, Hafiz Saeed, and US visit:**

**Barkha Dutt:** When Hillary Clinton was here and when we asked her about Hafiz Saeed, at that point the Pakistan government had actually appealed against the court order which said that he need not be arrested. But since then, as you have said yourself several times nothing has moved on the arrest of Hafiz Saeed. Now is that some thing you will raise with Washington that Washington need to weigh upon Islamabad that it has to act against hafiz Saeed?

**Mr. Chidambaram:** Well if there is an opportunity I will take them through the dossier. It has already been shared with many countries.

**Barkha Dutt:** 16 countries I think.

**Mr. Chidambaram:** Yes, including US so they know what we have. If there is an opportunity I will take them through the dossier to point out that there is enough evidence to continue the case against Hafiz Saeed. In the face of this evidence to let him off, I think is atrocious.

**Barkha Dutt:** And that is something you will communicate to Washington.

**Mr. Chidambaram:** Well it has been communicated but I am sure there will be an opportunity to discuss that.

**Barkha Dutt:** You say there is enough evidence in the sixth dossier. What is the nature of the evidence against Hafiz Saeed?

**Mr. Chidmabaram:** Well I am not going to read out the dossier to you. But I will highlight some things. Firstly we know when Kasab first met Hafiz and where. We know what Hafiz Saeed told the trainees. We know at least a couple of places where the training took place. And that Hafeez Saeed visited these camps. We know that it was Hafiz Saeed who gave names to buddy pairs. The final farewell call was made by Hafiz and Hafiz Saeed even tested Kasab and others on their training achievements.

**Barkha Dutt:** When you say he tested them you mean he ran them through some kind of drill?

**Mr. Chidmabaram:** Well he asked them to fire some targets. We know that the final instructions were given by Hafiz Saeed. So all these things are known - places, approximate dates, names, visits made by Hafiz Saeed. Now in the face of these evidence how does the prosecutor say that I have no leads to continue the investigation?

**Barkha Dutt:** And when Islamabad say that even this evidence is inadequate. They have more questions they say?

**Mr. Chidmabaram:** Well if they want to invent questions they are welcome to do so. But I think that they have come to the end of the road. They cannot invent more questions. We have answered all their questions in the successive dossiers. It's now time to take these leads and do a proper traditional investigation. Arrest the person, take him to these places and ask the person questions. I mean just the ground work of investigation which any inspector will know how to do.

**Barkha Dutt:** Can you share some more details? When you say that actually Hafiz Saeed asked Kasab to fire at the targets and that he was part of the last training? Can you share some more details?

**Mr. Chidmabaram:** Well we know that he was accompanied by a person who was described as "major gen saab". Hafiz Saeed told a person to set up 10 targets and he asked each of the selected terrorist to fire at the targets. We know that Kasab fired target number four. Now is this not enough detail to take up the investigations?

**Barkha Dutt:** You say Hafiz Saeed was accompanied by a "major general sahab". Is it the assessment of the Home Ministry that it this is a serving or retired Pakistani army officer?

**Mr. Chidmabaram:** We don't know.

**Barkha Dutt:** But it's possible?

**Mr. Chidmabaram:** He could be serving; he could be retired.

**Barkha Dutt:** But definitely an army officer? Or is it just a name, a nick name?

**Mr. Chidmabaram:** Well very unlikely. He should have been a Major General at some time.

**Barkha Dutt:** So does it concern you that at some point this could link to someone in the Pakistan army?

**Mr. Chidmabaram:** Well that can only be revealed by the investigation. We have never ruled out state actors although Pakistan has always maintained that there are only non-state actors involved. We have never ruled out state actors and we have never accepted this distinction between state actors and non state actors as both operate from Pakistan soil.

**Barkha Dutt:** If you are not ruling out the involvement of state actors and you have gone on record saying that Pakistani government is deliberately stifling the probe, is it your assessment that the state of Pakistan is somewhere involved in covering up for 26/11?

**Mr. Chidmabaram:** No, no. Covering up is a strong word but there is for some strange reasons an unwillingness to take the investigations forward. What they told the common friendly countries; what they have told the Prime Minister is that they will spare no effort to prosecute and punish the perpetrators. In the light of that, letting off Hafiz is unacceptable. And I don't know who else is involved. There is a major general sahab for example. So unless there is a proper investigation I am not in a position to say that Pakistan intends to keep its promise. Why they are unwilling to take the investigation forward I cannot say.

**Barkha Dutt:** Is there any information available with your intelligence agencies that there could be any involvement of state actors in 26/11 and thereafter?

**Mr. Chidmabaram:** Investigations will establish whether the state actors were involved or not but I am not ruling out the possibility.

**Barkha Dutt:** Now when you say that at this stage Pakistan is merely inventing new question can we take it to mean that there will not be more

dossiers? Was the sixth dossier the last dossier?

**Mr. Chidmabaram:** How can I say that. If they do invent more questions...

**Barkha Dutt:** You will continue to answer them?

**Mr. Chidmabaram:** I will answer them with a growing sense of frustration. I still have to answer them. Shouldn't I?

**Barkha Dutt:** Well some would say that if the Home Minister has decided that there are no more questions to answer them then why continue with the whole process of multiple dossiers?

**Mr. Chidmabaram:** I know its a charade.

**Barkha Dutt:** You acknowledge its a charade?

**Mr. Chidmabaram:** After a point it's a charade. But I don't want to give them any quarter to say that answers are not forthcoming therefore we are not investigating.



**375. Press Release issued by the Ministry of External Affairs on Indian protest to Pakistan against the "Gilgit-Baltistan Empowerment and Self Governance Order -2009".**

**New Delhi, September 11, 2009.**

The Government of India protested through diplomatic channels today against the Government of Pakistan's so called "Gilgit-Baltistan Empowerment and Self Governance Order -2009".

Pakistan has for the past six decades denied the basic democratic rights to the people in those parts of the state of Jammu and Kashmir under its illegal occupation. The entire state of Jammu and Kashmir is an integral part of India by virtue of its accession in 1947. The so called "Gilgit-Baltistan Empowerment and Self Governance Order -2009" is yet another cosmetic exercise intended to camouflage Pakistan's illegal occupation.



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\* Indian protest was directed against a package of measures announced by Pakistan ostensibly aimed at giving the Northern Areas of Gilgit-Baltistan a measure of administrative and political autonomy. The Pakistan Cabinet approved the measures, known as the Gilgit-Baltistan Empowerment and Self-Governance Order 2009, at a special meeting on August 29. The new order appeared to give the status of a province to the areas without any constitutional propriety. The region is to be renamed Gilgit-Baltistan, and will vote for a legislative assembly. A Chief Minister will govern the region, replacing direct rule by Islamabad. It is to have a "supreme appellate court" to be headed by a chief judge, a public service commission, a chief election commissioner, and an auditor-general. The Northern Areas were part of the erstwhile princely State of Jammu and Kashmir and on its joining India on Indian independence legally became part of India and were being illegally held by Pakistan like the POK.

However, the Indian protest was rejected by Pakistan. A statement from the Foreign Ministry said the Deputy High Commissioner of India, Rahul Kulshreshth, was called in "to emphasise that Pakistan rejects the Indian protest, as the Government of India has no *locus standi* in the matter.

**376. Press Release issued by the Ministry of External Affairs on Indian protest to Pakistan against the construction of Bunji Hydroelectric Project in Pakistan Occupied Kashmir.  
New Delhi, September 11, 2009.**

The Government of India lodged a protest today over the proposed construction of the Bunji Hydroelectric Project\* in a part of the state of Jammu and Kashmir under illegal occupation of Pakistan.



**377. Questions Relevant to Pakistan replied at the media briefing by Foreign Secretary Mrs. Nirupama Rao on the Prime Minister's visit to Pittsburg for the G-20 Summit.  
New Delhi, September 19, 2009.**

**Question:** Madam, I just wanted to ask you if you have been able to fix a date for the meeting with the Pakistani Foreign Secretary, and if there is a date fixed for the meeting between the two Foreign Ministers in New York.

**Foreign Secretary:** We are working to fix the dates for the meetings of the Foreign Secretaries and the Foreign Ministers in New York, that is the meetings with Pakistan, and we are in the process of finalising these dates.

**Question:** Madam, I am going to back to Pakistan. We have heard from Mr. Qureshi recently. He says he does not have any expectations from the meeting in New York. What are the expectations Mr. Krishna and the Ministry have of that meeting?

**Foreign Secretary:** Our expectations are that Pakistan should focus seriously, in a concentrated and meaningful manner, on our concerns regarding the issue of terrorism that is directed against India from within Pakistani territory. And this has been consistently stated to the Pakistani side with sincerity, in all detail, by the Government of India and all the officials concerned. It is our expectation, it is our hope that Pakistan will address these concerns in full seriousness and full commitment so that the desired outcome can be reached.

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\* The 7,000 MW project, estimated to cost \$6 billion to \$7 billion is expected to be financed by China. It may be recalled that when President Asif Ali Zardai visited Beijing in August he had signed a memorandum of understanding with Beijing for this Project.



**Question:** Pakistan has repeatedly said that continued stalled Composite Dialogue between the two countries would help those elements who are opposed to peace in South Asia. Secondly, Pakistan has said that any precondition to talks would not help any side and not acceptable to Pakistan. What are your comments?

**Foreign Secretary:** First of all let me say that engagement between India and Pakistan obviously works in the long-term interest of both countries, and there is obviously a potential that exists for that. But, let me also add that we cannot shut our eyes to the threat that exists in terms of terrorism directed against India from Pakistan and the Composite Dialogue is contingent, that process is contingent on an atmosphere free of terrorism and violence. Realising the potential is really not the issue here because the first step we need to take is to squarely address the issue of terrorism.

**Question:** ...My second question is that there have been repeated ceasefire violations at the borders by Pakistan. I am asking this question because yesterday DG BSF said that we are approaching Ministry of External Affairs to lodge a strong protest with Pakistan. Are we doing it?

**Foreign Secretary:** .....As far as the question on cross-border firing is concerned, in fact there are certain objective circumstances which you have just referred to. There have been incidents of ceasefire violations apart from infiltration also from the Pakistani side of the Line of Control, which has been at a very high level in the last few weeks. There were cases of rockets being fired across the Punjab border and thereafter there was sniper firing at Border Security Force posts yesterday. There are, of course, mechanisms to deal with this and the DGMOs of the two countries have been in touch, as also flag meetings have been held. But the general issue is that it is the responsibility of Pakistan to see that whoever may be responsible for this from their side should not have the licence to carry out such acts which destabilise the situation.



**378. Extract Relevant to Pakistan from the Interview of National Security Advisor M. K. Narayanan with Karan Thapar for the TV Channel CNN-IBN.**

**New Delhi, September 20, 2009.**

**Karan Thapar:** Let us come to Pakistan\*; at Sharm-el-Sheikh the Prime Minister agreed that dialogue was the only way forward and that the two foreign secretaries should meet as often as necessary. But six week later he said relations with Pakistan are currently not conducive for the two sides to have talks at any level.

To many people that sounds as if he has done a complete U-turn?

**M K Narayanan:** I think what the Prime Minister at Sharm-el-Sheikh said is clearly the policy that is laid down; that dialogue is the way forward. We are not talking in terms of a conflict with Pakistan. Now it depends on what context this particular statement is made.

The whole problem is that you can take a statement out of context. I think even with regard to Sharm-el-Sheikh people took certain words or lines out of context and it can give a different meaning.

I think quite clearly dialogue is the way forward. At the moment, the issue is the dialogue should be essentially confined to discussing terrorism. We need comfort on this issue. Apart from Mumbai there are other issues and therefore we will not expand the range or the scope of the dialogue till there is a fair amount of comfort. That is more or less the context in which the statements have been made by the prime minister or others.

**Karan Thapar:** So you are saying to me that media reports or suggestions that the Prime Minister, because of the criticism he faced over the Sharm-el-Sheikh statement, has perhaps lost his nerve or changed his mind--that is not the case?

**M K Narayanan:** Many people know the Prime Minister better than I do. But I think there is steel in the Prime Minister.

**Karan Thapar:** And he is committed to dialogue?

**M K Narayanan:** When he says something he stands by it. He is committed to the dialogue; he also understands the limits of the dialogue at different

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\* Please see document No.451 for earlier part of the interview relating to China.

stages or phases. And therefore I do not think there is any contradiction in what he says in place A or at place B or elsewhere.

But in the overall context of a particular conference or meeting or whatever the same views gets expressed in different terms.

**Karan Thapar:** If then the Prime Minister's thinking or attitude has not changed presumably the problem lies in the response and the attitude of the Pakistanis. I want to explore that with you and let's first start with Hafiz Saeed.

The Home Minister, in his interview to Al Jazeera, has made perfectly clear the extent of detailed evidence that India has connecting Hafiz Saeed to the Mumbai terror attack. What is Pakistan's response to that specific detail?

**M K Narayanan:** Pakistan's point is that whatever information or evidence that has been provided by India is inadequate to nail Hafiz Saeed and they say that if we did go up and try to get a conviction it will be thrown out, the Supreme Court will sort of condemn us. It's really a question of how you are willing to marshal the evidence that has been given and put it in court.

I think in one of our earlier interviews, if I remember right, sometime in 2006, when you asked me about the evidence that we had with regard to the Mumbai serial blast which took place in the suburban trains, I made a statement for which I suffered because you took it out of context perhaps. I said that we have evidence which is as good as you can get in a terrorist case and beyond that it's difficult to say.

Now in this case if you take the Hafiz Saeed dossier that has been provided--I think maybe I have probably the longest association with terrorism in one form or the other, actually counter-terrorism not so much terrorism--I think we have marshalled almost grade one evidence.

You have the evidence from three people, three human beings, three terrorists, admitted terrorists (Ajmal) Kasab, Fahim Ansari, Sohrabuddin, who talk of how Hafiz Saeed had come, talked to them, what he had said etc apart from other connecting evidence. I agree, one can never be sure what a court would do with that kind of evidence.

But if you are not willing--in the context of saying what you said in Sharm-el-Sheikh to ensure that terrorism is stamped out--you are not even willing to test that, it certainly leaves in our mind a big question mark as to where Pakistan stands on terrorism.

**Karan Thapar:** And that's the real question mark that hangs over Pakistan today. Despite the rhetoric when they repeatedly say that they will leave no stone unturned to bring the Mumbai accused to justice, they don't act?

**M K Narayanan:** They don't act and there are also other issues which we have. I think Mr Chindambaram was on record on this fact saying that there are several other credible threats. I think the Prime Minister has made the same statement. This evidence is coming from not only our agencies but from friendly intelligence agencies.

Unless Pakistan is willing to take action against the two main terrorist groups which are targeting India: the (Lashkar-e-Toiba) LeT and Jaish. The rest is all rhetoric from our point of view.

**Karan Thapar:** I want very much to find out a bit about these additional threats that face India. The Prime Minister spoke about them in Barmer on the 30th of August. But first on Thursday Pakistan has filed two FIRs under the Anti-Terrorist Act against Hafiz Saeed. But they are not in anyway connected with the accusations that he faces for the Mumbai terror attack of 2008.

Do you see that as a first positive step or from India's point of view is it irrelevant?

**M K Narayanan:** I think the latest one doesn't add to their credibility, in my opinion.

**Karan Thapar:** It does nothing to add to Pakistan's credibility at all?

**M K Narayanan:** At least as far as the Mumbai terror....

**Karan Thapar:** So the question mark remains as strongly?

**M K Narayanan:** Yes.

**Karan Thapar:** Let us then come to these other additional terrorist threats that you've talked about. In fact the Prime Minister on August 30 spoke of forces working to destabilize India-Pakistan relations. He said, "I could say a lot more." What was he referring to?

**M K Narayanan:** He was referring to the threats that we-- what is the sort of thought behind these threats? Primarily the intelligence that we have is they wish to strike at targets which is bound to create widespread mayhem.

There is no other particular significance of some of the targets that are being targeted. Sometimes it is a religious place, sometimes it is a building

which houses a large (number of people) or a institution that houses a large number of people of different kinds etc and several others. But the basic point is that if you take the totality, the totality of what is taking place, it is to create as much destruction for the sake of destruction.

Our concern is that if you really have a problem of this kind and even in Mumbai, for instance, you could very well have had a situation where because the attack came from Pakistan, people would see it as some Muslims are responsible. That could have been but the greatness of the Indian people is that they did not accept this neither the Hindus nor the Muslims or other communities.

So that is our concern, we are worried that something might sometimes trigger off a reaction which we are not able to control.

**Karan Thapar:** How seriously scared are you that there could be a second major Mumbai-like strike on India?

**M K Narayanan:** Here you're asking me a question that I live with in almost daily dread that something that I am looking at over in the Home Ministry, because we attend a daily meeting, the Home Minister takes a daily meeting at which I am present, we get so many pieces of intelligence which pass across our table--many can be sort of weeded out--but as I said there are quite a few which if we are not able to nip in the bud and if they escape us could have (that result).

It is difficult to say whether we'll have another Mumbai because I think we are better prepared for that kind of a situation - but it could be quite serious.

**Karan Thapar:** So you live with this dread every single day?

**M K Narayanan:** I would say that this is something that not merely I, but I think all the members of the security architecture or security force, live with.

**Karan Thapar:** President Obama was once quoted as saying that Pakistan scares him. Does Pakistan scare you?

**M K Narayanan:** Pakistan may not scare me but some of Pakistan's actions scare us because I don't think they really add to anything except creating problems for us.

**Karan Thapar:** Given these circumstances and given the perpetual fear that we could be the victim of another terrible strike, what point or purpose is served by the two foreign secretaries or the two foreign ministers meeting at the UN or is that meeting now less than likely?

**M K Narayanan:** The dialogue mechanism or rather the restricted dialogue mechanism, if I might say so, will continue. We are hoping that as a civilized nation although with a civilian leadership not very much in control but hopefully anxious to do something - somewhere, sometime the forces arranged against us operating from Pakistan can be brought to book.

**Karan Thapar:** How realistic is that hope?

**M K Narayanan:** I've always been seen as a hawk, so I don't want to comment on that but I live in hope anyways.

**Karan Thapar:** And so the foreign secretaries and the foreign ministers will meet in the hope that may be they can get Pakistan to concentrate and deliver?

**M K Narayanan:** Yes. Hopefully, yes.

**Karan Thapar:** But it is a slim hope isn't it?

**M K Narayanan:** Slim hope but I think if we don't have hope you cannot achieve anything.



**379. Questions relevant to Pakistan answered by Prime Minister Dr. Manmohan Singh at his press conference held on the conclusion of the G-20 Summit.**

**Pittsburg, September 25, 2009.**

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**Question:** The Foreign Ministers of India and Pakistan are scheduled to meet very soon in New York. How hopeful do you feel about the outcome of those talks and what will India's main message and focus be during those talks?

**Prime Minister:** India's message is that India seeks to normalise its relations with Pakistan. The only obstacle is that Pakistan should give up its old attitudes regarding the use of terror as an instrument of state policy. We hope that they would carry out investigations based on the material that we have supplied to Pakistan regarding the massacres that took place in Mumbai in November. Although the tragedy took place in India, the conspiracy was hatched in Pakistan, and that has been admitted by Pakistan Government. We sincerely hope that they would carry forward this process of investigation and bring to book all the culprits. If that is done, I have said it in Parliament, we will move an extra mile in order to normalise our relations. We are neighbours, and as neighbours we have an obligation to work together.

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**Question:** Sir, important public figures in Pakistan have very openly admitted that the aid which was being given by the American Administration to them was being openly utilised for military purposes. Again huge aid has been given to them. Do you say that it will be again used for building military assets against India?

**Prime Minister:** I have seen those reports and the Government of India has officially taken note of that. We have brought this to the notice of the US Government. Even in the past whenever sophisticated weaponry was made available by the United States to Pakistan, we have always known that the only country against whom these weapons can be used is India.

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**Question:** Sir, just to take you back to Sharm el-Sheikh, you have broken through old mindsets in dealing with Pakistan. Does the lack of action on the ground by Islamabad disappoint you? Are you at all hopeful of Pakistan

taking any credible action and thereby the Composite Dialogue process being restarted?

**Prime Minister:** If you read my statement in Parliament soon after I came back from Sharm el-Sheikh, I think I have explained the whole position at great length. There is no change in my thinking on that subject.



**380. Extract from the Statement of External Affairs Minister S. M. Krishna made to the press on his meeting with the Pakistan Foreign Minister.**

**New York, September 27, 2009.**

My meeting with His Excellency Foreign Minister Qureshi was preceded by a detailed meeting between the Foreign Secretaries of India and Pakistan. We had a useful, constructive and candid exchange of views on the present situation in our bilateral relations. We both agreed that the future direction in our bilateral relations has to be one of deeper, sustained and meaningful relations. Being a neighbor, there is an imperative to have a mutually beneficial relationship with each other in the long term interests of our own countries and to realize our national developmental priorities. I utilized this opportunity to convey to Foreign Minister Qureshi our appreciation that for a sustained and meaningful dialogue process to succeed, it is essential to ensure an environment free of violence, terrorism and the threat to use violence. As you are aware, we do have serious and continuing concerns about terrorists and extremist groups in Pakistan which are a national security risk for us and for our people. Foreign Minister Qureshi conveyed to me the seriousness of his Government in bringing to book through their legal process those responsible for the terrorist outrage in Mumbai ten months ago.

Pakistan has taken some steps within its own legal system against those directly responsible for the attack on Mumbai and the processes thus instituted must gather further momentum. We remain concerned about the threat which groups and individuals in Pakistan continue to pose to us. I, therefore, underlined and reiterated in my meeting that concrete and effective steps against these individuals and entities can instill in us the confidence that commitments given by Pakistan that it would not allow its soil to be used for terrorist attacks against India would be adhered to. The case regarding Hafiz Sayeed is also one that concerns us as evidence available



with us bring out his major role in the Mumbai Terrorist Attack Conspiracy. Foreign Minister Qureshi conveyed to me that the trial against those accused for the Mumbai attack would begin shortly and that the Pakistan Government will take steps to see justice done. We will be monitoring developments on this score very carefully\*.



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\* Media reports said the External Affairs Minister later clarified that the issue of Balochistan did not come up during the meeting. Despite mentioning that Pakistan had taken some steps against those behind 26/11 attacks, Mr. Krishna underlined that a case against Hafiz Saeed also concerns India. India, however, rejected backchannel talks proposed by Pakistan saying that "if a front channel is open, what's the need of backchannel".

Pakistan giving a little more details of the talks said issues such as J&K, Siachen, Sir Creeks, Wullar and water were raised during the meeting. "We cannot confine our discussions to just one issue. We should discuss all issues that form part of composite dialogue," Mr. Qureshi said. He further said that Pakistan would start the formal trial in the Mumbai attacks on October 3. At the meeting, Mr. Krishna turned down Pakistan's desire for going beyond the issue of terrorism and said "the least" New Delhi expected were "tangible results" from Islamabad on the basis of the dossiers containing information about the involvement of Pakistani nationals in the Mumbai attacks.

The tone for India's stand on normalisation of ties was set days earlier by Prime Minister Manmohan Singh in Pittsburg. "India's message is that it seeks to normalise its relations with Pakistan. But the only obstacle is that Pakistan should give up its old attitude regarding the use of terror as an instrument of state policy," Dr. Singh had told a news conference at the end of the G20 meet in Pittsburg on September 25. Though India did not want to set a benchmark for resuming the composite dialogue, Mr. Krishna said he told Mr. Qureshi that prosecution of the perpetrators of the attack "within the framework of the Pakistan law" would help build the appropriate atmosphere. Participating in the general debate of the 64th session of the United Nations General Assembly, Mr. Krishna on September 26, assured Pakistan of India's commitment to good neighbourly relations but felt there could not be any justification for mindless terrorist acts. Without mentioning Pakistan, he said, "It is our collective responsibility and duty to work together to ensure that terrorists, organisers, perpetrators and supporters of such crimes are brought to justice."

**381. Observation of the Official Spokesperson of the Ministry of External Affairs on the recent comment of the Organisation of Islamic Conference (OIC) Meeting in New York on India's internal affairs.**

**New Delhi, October 3, 2009.**

"It is regrettable that the OIC has commented on India's internal affairs. We condemn and reject this. Inherent in OIC's statements and actions on the issue of Jammu and Kashmir is a complete inability to understand India's position. Jammu and Kashmir is an integral part of India and it is our firm position that the OIC has no locus standi in matters concerning India's internal affairs"\*.

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*It may be added for record that Prime Minister Dr. Manmohan Singh on October 29, addressing a press conference in Srinagar at the end of his visit to the State referred to the OIC proposal and expressing his disappointment, regretted the OIC suggestion. He said: "We regret that the OIC has got into this business and we have lodged a protest on this account".*



**382. Response of Official Spokesperson of the Ministry of External Affairs to a question on Pakistan China projects in Pakistan Occupied Kashmir.**

**New Delhi, October 14, 2009.**

" We have seen the Xinhua report\*\* quoting the President of China as stating that China will continue to engage in projects with Pakistan inside Pakistan Occupied Kashmir. Pakistan has been in illegal occupation of parts of the Indian State of Jammu & Kashmir since 1947. The Chinese side is fully aware of India's position and our concerns about Chinese activities in

\* The reference was to the so-called appointment of a Special Envoy on Jammu and Kashmir by the OIC after a meeting of its contact group in New York, a move which was considered to be part of Pakistan's continuing effort to internationalise the issue. A Saudi national Abdullah Bin Abdul Rahman Al Bakr was so designated. The contact group was addressed by the Foreign Ministers of Pakistan, Turkey, Saudi Arabia and Niger.

\*\* The Spokesperson was reacting to the report in the media that the Chinese President Hu Jintao had given an assurance to the visiting Pakistan Prime Minister Yusuf Raza Gilani, of help in upgrading the Karakoram highway and building the Neelam-Jhelum

Pakistan Occupied Kashmir. We hope that the Chinese side will take a long term view of the India-China relations, and cease such activities in areas illegally occupied by Pakistan."



**383. Extract relevant to Pakistan from the Interview of Foreign Secretary Mrs. Nirupama Rao with Senior Journalist Kalyani Shankar for All India Radio.**

**New Delhi, October 16, 2009.**

**KS :** ..... We have problems with Pakistan also. So now the two Foreign Secretaries were supposed to meet in New York last month.

**FS :** They did meet.

**KS :** Then after that what is the progress?

**FS :** Well, during these meetings, we have had useful meeting with the Pakistani Foreign Secretary and our External Affairs Minister with his Pakistani counterpart. They were useful meetings that were held in New York last month. And during these meetings we were able to communicate to the Pakistani side that while Pakistan is our neighbour and that we have always understood that it is only through dialogue that we can normalize relations between the two countries and build more satisfying degree of understanding between the two countries. It is very essential and we were communicating this to the Pakistani side on behalf of the Government of India and also on behalf of the people of India that the threat and the effect of terrorism which has been directed against the people of India from

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hydroelectric project in Pakistan-occupied Kashmir (PoK). The Chinese Foreign Ministry on October 15 reacting to Indian statement took the position that China's position was that the Kashmir issue had to be settled "between India and Pakistan" and that China's position had been "consistent." The spokesperson said: "The Kashmir issue is a matter left over from history. It should be settled properly through dialogue and consultation between India and Pakistan, and China's position has been consistent." It may be recalled that China had in 2006 agreed to upgrade the Karakoram Highway, which runs from Kashgar in China's Xinjiang region to Gilgit and on to Islamabad. Now they are seeking to strengthen the highway to increase its operational capacity in adverse weather conditions, since currently it has to be closed for around six months every year in the winter. Only a couple of months earlier in August, during Pakistani President Asif Ali Zardari's visit to Xinjiang the two countries signed an agreement to build a 7,000 MW hydro power project in Bunji, in PoK.

Pakistani soil by groups, by institutions, by individuals that operate with impunity from Pakistani soil, is the cause of utmost concern for us, because we have been victims of terrorism.

And for a meaningful dialogue to be transacted between the two countries, between the governments, between the institutions of the two countries it is essential that Pakistan addresses this threat of terrorism seriously and meaningfully and effectively. And this is particularly so in the context of the investigations into the Mumbai terror attacks. A little more than a month from now, it will be one year and in Pakistan the trial of those accused and also the investigation into Hafeez Sayed and still we have not had satisfaction on that as yet from the Pakistan side. And we continue to emphasise this to the Pakistani authorities that it is essential that they move resolutely and meaningfully and they take action against these individuals because it is only through that process that we will see an end to these problems.

**KS:** We have been saying this that the culprits should be brought to book, we have been insisting again and again. We have been saying that there will be no composite dialogue, but still there is not much of forward movement. They only go ahead with whatever they are saying, nothing more than this. They say no credible evidence. We have given evidence, still it is not satisfactory.

**FS:** Well, we should not, in my view, let down our guard on this issue and that I feel very very strongly that we must continue to emphasise our concerns to Pakistan because what we are saying is for the good of Pakistan also. You see the effect of terrorism in Pakistan also, so I think it is time that Pakistan understood the danger, the clear and present danger that exists from terrorism. We are the voice of sanity, the Indian Government and the Indian people, and I think Pakistan must come round to understanding the sincerity and the seriousness that we attach to this.

**KS:** Well, we talk of Pakistan, but I want to move forward to Afghanistan where our embassy has been attacked recently and it was done earlier also. So, where it is going to lead us?

**FS:** Again, the attacks on our embassy in Kabul last week and the attack last July 2008 have also brought home, not only to us in this region, but also to the international community, the threat and danger that exists from terrorism. The unhindered way in which terrorist groups have been allowed to operate in this region and we must understand that there is very very great urgent immediate need for the international community to be one on tackling this threat. And what

has happened in Afghanistan, we are in Afghanistan to help the people of Afghanistan. Our development partnership with Afghanistan has won us hearts and minds in Afghanistan and there is no doubt about it. I went to Afghanistan myself and had the opportunity to meet President Karzai, Foreign Minister and National Security Adviser, Dr. Rasool.

All of them were unanimous in their appreciation of the role that India is playing in Afghanistan to help the Afghan people. We have no other agenda in Afghanistan, we are there to help.

**KS:** But Pakistan should realize this.

**FS:** Of course, it is essential that Pakistan realizes this and Pakistan understands that we are there for legitimate reasons, we are there to help the people of Afghanistan.

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**384. Extract of questions relevant to Pakistan raised at the Media Briefing by the Foreign Secretary for the President's visit to the United Kingdom.**

**New Delhi, October 23, 2009.**

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**Question:** Madam, this relates to the situation across the border. Today there was an attack by terrorists on Kamra which is an Air Force base which has nuclear components in it. Is the Government of India concerned, because this concern has been expressed in the past, about nuclear weapons of the Pakistani side falling into the hands of terrorists?

**Foreign Secretary:** We have seen the reports of what happened today at Kamra. What I want to say on the issue is that we hope that the Pakistan Government will continue to take steps to effectively secure their nuclear assets.

**Question:** Madam, ten months after the Mumbai attacks, could you give us an idea as to diplomatically what Pakistanis have told us, where the investigation is leading to? Have we heard anything from them after we handed over the last dossier which is quite some time ago?

**Foreign Secretary:** I will draw reference to the meetings that we had in New York last month with the Pakistani side. I met my counterpart the Pakistan Foreign Secretary, and our External Affairs Minister met the Pakistan Foreign Minister. During these meetings of course we emphasised our concerns about the very very slow and tardy pace of action being taken against the conspirators and others responsible for the Mumbai terror attacks last year. That is a concern that we have expressed with all seriousness and emphasis to the Pakistan side. We have also drawn attention and also expressed our concern about the very very slow pace of not only the action that is supposed to be taken but the whole business of the trial that they are supposed to conduct against the accused.

**Question:** Mrs. Rao, we listened to you in Kabul where the attack had taken place and you had declared that there will be a kind of Government of India inquiry. What is the progress of that inquiry which you declared there? You remember that the Pakistani Prime Minister also had told our Prime Minister in Colombo in the SAARC meeting that he would come back to him so far as the earlier attack was concerned. Has there been any kind of progress on that earlier attack? And what is the progress on this particular attack?

**Foreign Secretary:** I would again draw reference to the context that I had explained in my earlier answer, the lack of progress from the Pakistan side when it comes to investigation of all the long series of terrorist attacks that have been directed against us from their soil. That is as far as the Pakistan side is concerned. As far as the bomb attack on our Embassy in Kabul is concerned, yes I was in Kabul soon after this happened, and I was able to survey and see at first hand the extent of the damage that had been caused around the perimeter of our Embassy and indeed to parts of the building also. In my discussions with the Afghan leadership during that visit, they not only expressed their sympathy and concern to us over what had happened but also drew attention to the fact that this pointed to the involvement of forces that in all likelihood operated from across the borders. They are conducting an enquiry into what happened, and we are awaiting the full results of that enquiry. It would not be in the interest of the enquiry for me to talk further about it at this moment.



**385. Media Report on the comments by Foreign Secretary Mrs. Nirupama Rao on Indian concern for the safety of Pakistani nuclear programme.**

**New Delhi, October 23, 2009.**

Foreign Secretary Mrs. Nirupama Rao when asked for her comments on the terror attack near a strategic military complex near Islamabad reportedly linked to Pakistan's nuclear weapons' programme expressing India's concern on the vulnerability of Pakistani nuclear arsenal told the media on October 23 "We have seen reports of what happened today at Kamra (in Pakistan). We hope the Pakistan government will continue to take steps to effectively secure their nuclear assets\*." She also expressed unhappiness over "very very slow and tardy" progress of investigation and prosecution in the 26/11 attacks case as also in the case relating to the attack on Indian embassy in Kabul last year.

Asked about the sense India was getting about the status of probe and prosecution by Pakistan in the Mumbai attacks, she referred to the meeting she had with Pakistan Foreign Secretary Salman Bashir and the discussions External Affairs Minister S.M. Krishna had with his Pakistani counterpart Shah Mehmood Qureshi in New York in September on the sidelines of the UNGA session.

She said: "During these meetings, of course, we emphasised our concerns about the very very slow and tardy pace of action being taken against those responsible, conspirators and others responsible for the Mumbai terror attacks." She too expressed her disappointment on the lack of progress in the probe by Pakistan on the July, 7-terror attack at the Indian Embassy in Kabul. The international intelligence agencies had held the Taliban in

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\* It may be recalled that she was not the only or the first to express concern on the safety of Pakistan's nuclear arsenal. Before her, the western countries including the U.S. had expressed such concern. But in order to win a debating point, the official spokesman of the Pakistan Ministry of Foreign Affairs said in Islamabad on October 24: "such remarks are evidently self-serving and integral to India's efforts to seek unilateral advantage at the cost of regional strategic stability by its feverish militarization and working on dangerous military doctrines....Pakistan has refrained from commenting on India's own record on nuclear safety and security and its overt and covert endeavours to build its WMD programmes. Instead of finger pointing, India should accept our proposal for promoting regional strategic restraint regime and work with Pakistan to promote strategic stability in South Asia. Suggestions to this effect were made to the Indian Foreign Secretary at the recent meeting of the two Foreign Secretaries in New York. It is also time that India stop its opportunistic propaganda against Pakistan".

collaboration with Pakistani intelligence agency ISI responsible for that tragic incident. On the latest attack on the Kabul embassy on October 8, she said the Afghan leadership had pointed to "involvement of forces that, in all likelihood, operated from across its border." She said that Afghanistan was conducting an enquiry and results were awaited.



### **386. External Affairs and Defence Ministers reject Pakistan's charge of Indian support to Taliban.**

**New Delhi, October 26, 2009.**

Reacting to the reported statement of Pakistani Interior Minister Rehman Malik that India was backing Taliban, the External Affairs Minister S. M. Krishna rejected on October 26 in Bengaluru any such charge and said that "We want Taliban and Talibanism to be totally eliminated". The Defence Minister A. K. Antony too speaking in New Delhi on the next day rubbished as "absurd" and "totally baseless" Pakistan's allegations that New Delhi was supporting the Talinbans. He said: ""It is absurd and totally baseless. India cannot support Taliban, which is the greatest threat to world peace." The Defence Minister was reacting to journalists queries on the sidelines of a defence function in New Delhi.

The suggestion that India was helping the Taliban was also rejected by the Prime Minister himself while addressing his press conference in Srinagar on October 29 at the end of his two-day visit to Jammu and Kashmir. Rejecting Pakistani allegation the Prime Minister said it was a far fetched and "far from the truth....We are victims of terrorism aided abetted from the Pakistani side. Both references to Baluchistan and what is said about Taliban are widely false."



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\* Pakistan's Interior Minister Rehman Malik on October 26 had accused India of backing Talibans, while claiming that he had evidence of that. He however, gave no details or proof for his allegation.



**387. Press Release issued by the Ministry of Home Affairs advising Indian pilgrims to avoid visiting Pakistan in view of the deteriorating security scenario.**

**New Delhi, October 27, 2009.**

Ministry of Home Affairs has advised Indian pilgrims to avoid visiting Pakistan in view of deteriorating security situation there. In an advisory, MHA has said that the Government of India is of the view that it is not advisable for the Indian pilgrims to visit Pakistan in the prevailing situation when frequent terrorist attacks are taking place in Punjab province of Pakistan, where all Gurudwaras are situated. Accordingly, the Government advises all Indian citizens to avoid undertaking any visit to Pakistan for this purpose, till the security situation in Pakistan improves

The advisory was issued because at this time of the year a large number of Sikhs from India visit Pakistan to observe the Birthday of the founder of the Sikh faith Guru Nanak who was born in Nankana Sahib, near Lahore in Pakistan.



**388. Speech by Prime Minister Dr. Manmohan Singh at the Inauguration of the Anantnag - Qazigund Rail Link making an offer of talks to Pakistan.**

**Anantnag (Kashmir), October 28, 2009.**

I am delighted to be back in the valley of Kashmir in the lovely season of autumn. We will soon see the beautiful golden hues of the season and the magnificent chinar will soon be flaming red.

I have come today to inaugurate the Qazigund-Anantnag rail link. I congratulate the Indian Railways and the people of Kashmir for this achievement. The day is not far when trains will run from Jammu to Srinagar through the Banihal Pass.

The last time I came to Jammu & Kashmir, the State Assembly elections were going to be held. Later, the Lok Sabha elections were also held. I am happy that the people of Jammu & Kashmir turned out to vote in these elections in large numbers. I believe that it was a vote for a peaceful path to a better tomorrow. I applaud the wisdom and good faith of the common man of Kashmir. The elected government has a golden opportunity to consolidate the peace in the State.

In the last five years, the Government of India has taken a number of steps to bring development to Jammu & Kashmir. We have tried to revive the traditional connectivity between the people of the region. We took the bold step of reviving the movement of goods and people across the Line of Control on the Srinagar - Muzaffarabad road and on the Poonch - Rawalakot road. I am happy to announce that the Central Government has decided to fund the additional cost of Rs. 385 crore to build the heritage Mughal Road that will connect Shopian with remote areas of Poonch and Rajouri.

Unprecedented resources have been committed to the State for its comprehensive reconstruction. But I recognize that the benefits are trickling down slowly. This state of affairs should change. We have to speed up the pace of development in the state. We have to reverse the brain drain that has denuded the state of many of its teachers, doctors, engineers and intellectuals. We have to create the conditions for them to return and to be the instruments of change and development. We want to strengthen the hands of the State Govt. so that they can implement an ambitious development agenda.

I would also urge that the time has come for elections to local bodies to be held quickly. This will increase the people's participation in the processes of development.

I appeal to the youth of Kashmir to join in building a new Kashmir. I understand their frustration. But things are changing. I urge them to think constructively about how to build their futures.

The Central Government will make all efforts to involve the youth of the State in constructive work. Under the "Skill Development to Employment" Programme, the Ministry of Tourism will train 300 youths of the State. In addition, 200 youths will be trained and deployed as tourist escorts during the Amarnath and Vaishno Devi Yatras. The Ministry of Labour will train 8000 youths in the ITIs every year.

As part of a national programme the Ministry of Youth Affairs will deploy around 8,000 youth in Jammu and Kashmir on a voluntary basis. They will engage in public service such as cleaning of the Dal lake.

I believe that the IT Sector in J&K can be as developed as in other states of the country. We will fully support the efforts of the State in this area. I am happy that more than 600 youth of the State trained under a Central Government project have been employed in the IT sector recently.

I am happy to announce that the Government of India has decided to set up two Central Universities in J&K, one in Jammu and one in Kashmir.

The majesty and splendour of this beautiful valley and the culture of hospitality of the Kashmiri people are second to none. Its magnificent lakes and forests have charmed travelers for centuries. It offers the solemnity of the Buddhist monasteries of Ladakh, the treasures of the Hazratbal shrine and the piety of the Raghunath temple. Let us build Kashmir into one of the world's top tourist destinations.

The picturesque Dal Lake is the icon of the tourism industry in Kashmir. We have been funding a project for the conservation of the lake but progress has been slow. I would urge the State Government to set up a task force to expedite the project. The Centre has decided to commit additional funds of Rs. 356 cr for this project. We will also discuss with the State Government how to expedite ongoing projects for the conservation of Wullar Lake and Manser Lake.

The Government is concerned about reports of receding glaciers. I am happy to announce the launch of the National Mission on Sustaining the Himalayan Eco-system. We wish to preserve the sacred heritage of places like the Amarnath shrine.

The era of violence and terrorism is coming to an end. The public sentiment is for peace and for a peaceful resolution of all problems.

When I came to office in 2004, I had said that our Government is committed to having unconditional dialogue with whoever abjures violence. We had discussions with different groups. We had a number of round table conferences. All issues were discussed. We tried to give voice to the demands of all sections of the people. We have implemented a number of initiatives as a result of this process.

I wish to say again today that we are willing to talk to anyone who has any meaningful ideas for promoting peace and development in Kashmir. We want to carry all sections of the people with us in resolving the political and economic problems of Jammu and Kashmir.

I had also said that I was ready to discuss all issues with Pakistan. I did so not because of weakness but from a position of strength. We had the most fruitful and productive discussions ever with the Government of Pakistan during the period 2004-07 when militancy and violence began to decline. Intensive discussions were held on all issues including on a permanent resolution of the issue of Jammu & Kashmir.

For the first time in 60 years, people were able to travel by road across the LoC. Divided families were re-united at the border. Trade between the two sides of Kashmir began. In fact, our overall trade with Pakistan increased three times during 2004-07. The number of visas that we issued to Pakistanis doubled during the same period. An additional rail link was re-established.

These are not small achievements given the history of our troubled relationship with Pakistan. Inside the valley, as militancy declined, trade, business and tourism began to pick up. We were moving in the right direction. For the first time there was a feeling among the people that a durable and final peace was around the corner.

However, all the progress that we achieved has been repeatedly thwarted by acts of terrorism. The terrorists want permanent enmity to prevail between the two countries. The terrorists have misused the name of a peaceful and benevolent religion. Their philosophy of hate has no place here. It is totally contrary to our centuries old tradition of tolerance and harmony among faiths.

I strongly believe that the majority of people in Pakistan seek good neighbourly and cooperative relations between India and Pakistan. They seek a permanent peace. This is our view as well.

The cross-LoC initiatives have been well received on both sides of the border. But I am also aware that they are not as people friendly as they could be. Trade facilities at the border are inadequate. There are no banking channels. Customs facilities need to be strengthened. There are no trade fairs. The lists of tradable commodities need to be increased. Clearances for travel take time. Prisoners of India and Pakistan are languishing in each other's jails even after completing their sentences.

The fact is that these are humanitarian issues whose resolution requires the cooperation of Pakistan. We are ready to discuss these and other issues with the Government of Pakistan. I hope that as a result things will be made easier for our traders, divided families, prisoners and travelers. For a productive dialogue it is essential that terrorism must be brought under control.

We will press the Government of Pakistan to curb the activities of those elements that are engaging in terrorism in India. If they are non-state actors, it is the solemn duty of the government of Pakistan to bring them to book, to destroy their camps and to eliminate their infrastructure. The perpetrators of the acts of terror must pay the heaviest penalty for their barbaric crimes against humanity.

It is a misplaced idea that one can reach a compromise with the ideology of the terrorists or that they can be used for one's own political purpose. Eventually they turn against you and bring only death and destruction. The real face of the terrorists is clear for the people of Pakistan to see with their own eyes.

I hope that the Government of Pakistan will take the ongoing actions against the terrorist groups to their logical conclusion. They should destroy these groups wherever they are operating and for whatever misguided purpose.

I call upon the people and Government of Pakistan to show their sincerity and good faith. As I have said many times before, we will not be found wanting in our response. In the words of a poet:

'There are moments in history when wrong decisions are taken

The effects of which are felt for ages'

I appeal to the Government of Pakistan to carry forward the hand of friendship\* that we have extended. This is in the interest of the people of India and Pakistan.

In conclusion, I wish to convey my good wishes to the people of Jammu & Kashmir. I hope that the future will bring a new era of peace, reconciliation and development."




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\* The next day on October 29th, the Prime Minister at his press conference in replies to questions from the media clarified that while there should be no preconditions on talks with Pakistan, but firmly linked his readiness to take forward the peace initiative to Islamabad's ability to prevent terror groups on its soil from attacking India. Answering a question whether his statement calling for destruction of terror camps on Pakistan's soil was a precondition, he said: "It should not be a precondition", but the domestic support to peace process in Pakistan -essential for the government's efforts to succeed - would be markedly absent if terror attacks did not cease. "India is a democracy, we can't create an atmosphere for negotiations if terrorism continues," he said. Elaborating he said that though he may not insist on immediate dismantling of terror camps in Pakistan, "...there is a practical way of looking at (things)...Negotiations can't make headway unless Pakistan brings under control terrorist elements which aid and abet terrorism in India". If "day in and day out" terror attacks continue to take precious lives, "we cannot create an atmosphere for negotiations," he emphasized. When asked if New Delhi was satisfied with Islamabad's steps on Mumbai attacks, the Prime Minister replied: "Obviously, we are not satisfied. We sincerely hope the Pakistan Government will bring all the perpetrators of 26/11 attack to justice."

He further made it clear that his offer of talks with Pakistan or for that matter with all shades of public opinion in Jammu and Kashmir was not an outcome of any international pressure but his initiative in the interest of the people of India, Pakistan and Jammu and Kashmir. Emphatically rejecting any insinuation that his offer of talks was under any pressure, he said it was in the interest of the people of India, Jammu and Kashmir as well as Pakistan that the 'relations between the two countries should be what they ought to be between two neighbours.' "The destinies of India and Pakistan are closely interlinked," he said. Dr. Singh hoped that his offer of talks will be reciprocated in the spirit in which it was made. Rejecting Pakistani allegation that India was providing funds to Taliban fighters, the Prime Minister said that it was far fetched, "far from the truth....We are victims of terrorism aided abetted from the Pakistani side. Both references to Baluchistan and what is said about Taliban are widely false."

**389. Reaction of the Official Spokesperson of the Ministry of External Affairs on elections in Gilgit-Baltistan.**

**New Delhi, November 13, 2009.**

"The elections in Gilgit-Baltistan are just another cosmetic exercise intended to camouflage the fact of Pakistan's illegal occupation of areas of the state of Jammu and Kashmir\*."



**390. Extract relevant to Pakistan from the Prime Minister Dr. Manmohan Singh's address to the American Council of Foreign Relations.**

**Washington (D.C), November 23, 2009.**

Ladies and Gentlemen: My government has invested heavily over the past few years in normalizing relations with our neighbour Pakistan. We made considerable progress on the road to a durable and permanent settlement of all outstanding issues. I have said that we are ready to pick up the threads of the dialogue, including on issues related to Jammu & Kashmir. We seek a South Asia of peace, friendship and prosperity, where its borders will be energized by the flow of people, goods and ideas. For this to happen, Pakistan must make a break with the past, abjure terrorism and come to the table with good faith and sincerity. It is my solemn hope that India and Pakistan can together move forward to write a new chapter in the history of our sub-continent. We are three days away from the first anniversary of the heinous and barbaric terrorist attacks on Mumbai. The trauma of that attack continues to haunt us. Terrorism poses an existential threat to the civilized world and must be defeated. We should not harbour any illusions that a selective approach to terrorism, tackling it in one place while ignoring it in others, will work or pay dividends.



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\* The Spokesperson was responding to the so-called elections being held to the 33-seat Gilgit-Baltistan legislative assembly in the Pakistan occupied region of the Indian State of Jammu and Kashmir. However the Pakistani Foreign Secretary described the Indian reaction as unwarranted and said : "These remarks are unwarranted. The government of India has no locus standi in the matter."

**391. Extract relevant to Pakistan from the Press Conference of Foreign Secretary Mrs. Nirupama Rao on Prime Minister's engagements in Washington.**

**Washington (D. C), November 23, 2009.**

**Question:** I have two questions, if I may. One is on Pakistan. India has often spoken about the need for Pakistan to act more swiftly in bringing suspects to justice. What is your impression of the US response to this concern? Do you think they are more willing to pressure Pakistan more openly or behind the scenes? How receptive do they seem after all on this message? Second question is: the Prime Minister mentioned today at the USIBC that he expects more cooperation in counter-terrorism cooperation between India and the US?

**Foreign Secretary:** As to Pakistan and whether the United States is receptive to our concerns, the short answer to that is, Yes. I will answer that in the affirmative. They are receptive; they are sensitive to India's concerns. We have an ongoing dialogue with them relating to counter-terrorism, relating to our concerns about issues that follow from the Mumbai terror attacks. We have had very good cooperation in this area between India and the United States. So, to answer your question, there is a great deal of receptivity to our concerns from the United States.

**Question:** And do you feel hopeful that that receptivity will actually lead to pressure on the ground by the United States on Pakistan?

**Foreign Secretary:** We have said consistently that Pakistan needs to take concrete action as far as delivering on the Mumbai terror attacks is concerned because there are no two opinions about the fact that the attack originated out of Pakistan. Even Pakistan and Pakistani agencies have come to acknowledge that. So, the issue here is that Pakistan needs to take action against those responsible, the conspirators, the culprits, the individuals who are culpable in this attack. The United States has been made well aware of our concerns and they fully understand that there is need for the international community to also persuade Pakistan that it needs to act in this regard. We see the United States as being very receptive to our concerns on this.

**Question:** Madam, we have been repeatedly voicing our concerns over the misuse of international aid and American aid by Pakistan to bolster anti-India terror infrastructure. But apparently it has not worked. Americans believe that Pakistan needs aid of some sort. That is the point of divergence. Why

despite our repeated pleading that this aid is not being used in the right direction, Americans are not able to see thorough that?

**Foreign Secretary:** I think our concerns have been registered very well with the American side and we are able to discuss these issues with a great deal of openness, with a great deal of candour with the American side. They are conscious of our concerns, our point of view, our approach to this issue. They are very conscious of it. We have not only mentioned it to the Americans but we take it up, we are very specific in the articulation of our concerns on this issue and they are receptive. What we have said is that there needs to be greater accountability about this kind of aid that is being provided to Pakistan, particularly defence-related, military aid because our experience with Pakistan in this regard has been an unhappy one. The United States is increasingly coming to be aware of this aspect of our concerns. A few years ago, I think the situation was different. But today, with the growth in our relationship with the United States, with the process of maturity that you see in this relationship, and the many dimensions that have been added on to our dialogue, particularly as far as the counter-terrorism dialogue is concerned, particularly as far as our security and strategic dialogue is concerned, all these issues have figured and the United States is coming to be increasingly sensitive to these issues.

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**Question:** Madam, in July when Hillary Clinton came to India she made repeated pitch for the resumption of Composite Dialogue between India and Pakistan. What is surprising about this trip is that we do not get any pronouncements from American officials that India and Pakistan should resume Composite Dialogue? How has American perception changed? Coupled with this, the new investigations or disclosures that point to the links between Headley-Rana plot and their links in the ISI. So, are Americans now more realistic about Pakistan's involvement?

**Foreign Secretary:** You should probably ask them that question. Having said that let me say that they are very conscious of our concerns about Pakistan and why the present situation is not conducive to the resumption of dialogue with Pakistan. We have not shut the door on dialogue with Pakistan. I think the Prime Minister has said that time and time again that we want to extend the hand of peace and dialogue to Pakistan. But for this dialogue to proceed and for this dialogue to acquire momentum, we would need to have a closure, we would need to have progress as far as the addressing of our concerns about action that needs to be taken against



those responsible, Pakistanis responsible for the Mumbai terror attacks. The weight of public opinion in India today is so strong on this issue and we are a vibrant democracy and we always remain sensitive to the concerns of our people also on this issue. This is apart from Government policy itself that you have to take a composite view of the situation as it exists today within India. The mood of the people, the mood in Parliament, the feelings that have been expressed, our concerns, these cannot be just ignored.



**392. Extract Relevant to Global Security and Terrorism from the Joint Statement between Prime Minister Dr. Manmohan Singh and President Barack Obama.**

**Washington (D. C), November 24, 2009.**

**ADVANCING GLOBAL SECURITY AND COUNTERING TERRORISM**

Prime Minister Singh and President Obama recognized that the India-U.S. partnership is indispensable for global peace and security. In this context, the interests of both countries are best advanced through the values mirrored in their societies.

They acknowledged the common threat that international terrorism poses to regional and global security. They condemned terrorism in all its forms and manifestations and declared that there could be no justification for terrorism anywhere.

On the eve of its first anniversary, President Obama reiterated the United States's condemnation of the terrorist attack in Mumbai in November 2008. The two leaders underscored the absolute imperative to bring to justice the perpetrators of this terrorist attack.

They expressed their grave concern about the threat posed by terrorism and violent extremists emanating from India's neighborhood, whose impact is felt beyond the region. The two leaders agreed that resolute and credible steps must be taken to eliminate safe havens and sanctuaries that provide shelter to terrorists and their activities. These undermine security and stability in the region and around the world.

They vowed to redouble their efforts to deal effectively with terrorism, while protecting their countries' common ideals and shared values and committed

themselves to strengthening global consensus and legal regimes against terrorism. They decided on a Counterterrorism Cooperation Initiative to expand collaboration on counterterrorism, information sharing, and capacity building.

The two leaders reiterated their shared interest in the stability, development and independence of Afghanistan and in the defeat of terrorist safe havens in Pakistan and Afghanistan. President Obama appreciated India's role in reconstruction and rebuilding efforts in Afghanistan. The two leaders agreed to enhance their respective efforts in this direction.

The two leaders committed to continue pursuing mutually beneficial defense cooperation through the existing security dialogue, service-level exchanges, defense exercises and trade and technology transfer and collaboration. They recognized the scope for cooperation in the areas of non-traditional threats to security, peacekeeping, humanitarian and disaster relief, and maritime security and protecting sea lanes of communication. They agreed to expedite necessary arrangements to facilitate these activities.

The two leaders agreed that strengthening high technology trade between their countries is in the spirit of their strategic dialogue and partnership. They reiterated their shared commitment to technology security and that it is in their mutual interest to invigorate this area of their partnership.

Prime Minister Singh and President Obama reaffirmed their shared vision of a world free of nuclear weapons and pledged to work together, as leaders of responsible states with advanced nuclear technology, for global non-proliferation, and universal, non-discriminatory and complete nuclear disarmament. Part of that vision is working together to ensure that all nations live up to their international obligations. India reaffirmed its unilateral and voluntary moratorium on nuclear explosive testing. The United States reaffirmed its testing moratorium and its commitment to ratify the Comprehensive Test Ban Treaty and bring it into force at an early date. Both leaders agreed to consult each other regularly and seek the early start of negotiations on a multilateral, non-discriminatory and internationally verifiable Fissile Material Cutoff Treaty at the Conference on Disarmament. They noted that nuclear terrorism, and clandestine networks are a matter of grave concern. Prime Minister Singh and President Obama look forward to the April 2010 Nuclear Security Summit and working together with all participating states for the success of the Summit.



**393. Extract Relevant to Pakistan from the Press Conference of Prime Minister at the end of his visit to Washington. Washington (D. C), November 25, 2009.**

President Obama was very conscious and aware of the threats both our countries face from terrorism, and the need for us to work together to combat it. We have agreed to strengthen cooperation in the area of counter-terrorism. He told me that the United States highly values India's role in the reconstruction and development of Afghanistan. We had similar views on establishing peace and prosperity in the Asia-Pacific.

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**Question: On bringing perpetrators of Mumbai terror attack to justice**

**Prime Minister :** As far as bringing the perpetrators of Mumbai massacre to book, our position is very clear that since the conspiracy was hatched basically in Pakistan, it is the obligation of the Government of Pakistan to do everything in their power to bring the perpetrators to justice. I have not seen the report that you have mentioned but I welcome every step that leads in that direction. I have, however, said that it is our strong feeling that the Government of Pakistan could do more to bring to book people who are still roaming around in the country freely, to dismantle the infrastructure of terrorism. I can only hope that there will be progress in that area.

With regard to the Commonwealth Prime Ministers' Conference, there will of course be meetings between various delegations. We simply cannot wish away Pakistan. Whenever politicians meet we always have a tendency to discuss mutual issues. As of now nothing is planned or is on the horizon.

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**Question: On India's relations with Pakistan**

**Prime Minister:** Let me say categorically, India regards a strong, purposeful, peaceful Pakistan to be in our national interest. We have worked in that direction, we will continue to work in that direction. I have also said publicly in my recent interviews to the American media and Fareed Zakaria last week, that Pakistan faces no threat whatsoever from our country and that is the stated position of the Government of India. Any other statement distorted out of context should not carry the weight when I have stated categorically that Pakistan faces no threat whatsoever from our side.

**Question:** On Taliban

**Prime Minister:** Let me say that we are worried about the activities of the Taliban now covering the mainland cities and towns of Pakistan, particularly of Punjab. That is a threat to security not only of Pakistan but also a threat to security of our country.

**Question:** On US pressure on Pakistan to contain terrorism

**Prime Minister:** I have discussed this matter with the President and with the Secretary of State. I have been assured that the US influence will work in the direction that you have asked for.

**Question:** On Liberhan report and intelligence sharing by Pakistan and USA

**Prime Minister:** I have to express my regrets on the Li berhan Commission's report. This should not have happened; regarding the responsibility for the same, we will have it investigated. All this happened while I was away from the country. When I go back I will discuss this matter with the Home Minister and other dignitaries.

The second question you asked is why we do not get the information from Pakistan about the terrorist actions planned against India. For this we have been making efforts and we will continue with our efforts that Pakistan should recognise its responsibility. But we welcome the support that the US authorities have given to us in strengthening our cooperation in information and intelligence gathering.

**Question:** On Mumbai terror attack

**Prime Minister:** I had said what I wanted to say in my prepared statement. The 26/11 ghastly act should not have taken place. That it did take place is a cause of deep sorrow and concern to me both as Prime Minister and also as an ordinary citizen of our country; that about 200 citizens of ours perished in this onslaught; that several nationals of various foreign countries also were victims of this ghastly act. I sincerely hope that the world's conscience will be aroused to take effective action against terrorism and associated activities in the hope that our planet can be made free of this scourge for the benefit of all people in all countries.

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**Question:** On possibility of repeat of 26/11 type terror attack in India

**Prime Minister:** I sincerely hope that the combined pressure of the world community including the United States will work to ensure that the ghastly acts of the type that took place on 26/11 do not happen once again. But I do recognise the obligation of the Government of India to protect its citizens. We will strengthen our internal security measures to the extent possible. We will do all that is necessary to ensure that there is no repetition of these ghastly acts like 26/11. I sincerely hope that the whole civilised world would back India in that direction. I have already mentioned that we greatly appreciate the cooperation that we have been receiving from the US in this regard after the events of 26/11.



**394. Response by Minister of State Shashi Tharoor to a question in the Rajya Sabha regarding the meeting between the External Affairs Minister S. M. Krishna and Pakistan Minister of Foreign Affairs Shah Mahmood Qureshi in New York.**

**New Delhi, November 26, 2009.**

The External Affairs Minister (EAM) met Pakistan Foreign Minister (FM) Shah Mahmood Qureshi on September 27, 2009 in New York on the sidelines of UNGA. This meeting was preceded by a detailed meeting between the Foreign Secretaries of India and Pakistan.

Both the Ministers had a useful, constructive and candid exchange of views on the situation in our bilateral relations. They agreed that the future direction in our bilateral relations has to be one of deeper, sustained and meaningful relations. EAM conveyed to Pakistan FM our view that for a sustained and meaningful dialogue process to succeed, it is essential to ensure an environment free of violence, terrorism and the threat to use violence. EAM underlined and reiterated that concrete and effective steps by Pakistan against individuals and entities who pose a threat to us can instill in us the confidence that commitments given by Pakistan for not allowing its soil to be used for terrorist attacks against India would be adhered to. Pakistan FM conveyed the seriousness of his Government in bringing to book through their legal process those responsible for the terrorist outrage in Mumbai. Pakistan FM conveyed that the trial against those accused for the Mumbai attack would begin shortly and that the Pakistan Government would take steps to see that justice is done\*.



\* When the External Affairs Minister Krishna met the Pakistani counterpart again on November 19 in Kabul (where both were participating in the swearing in ceremony of Afghan President Karzai), according to media reports, he assured him that India had clean hands with respect to Balochistan and Afghanistan, and urged Islamabad to step up the pace in prosecuting the masterminds of the Mumbai terror attacks on November 26 2008.

[Mr. Qureshi in turn told Mr. Krishna about Pakistan's investigations into the Mumbai attacks and appreciated the evidence submitted in seven dossiers by India which, he assured, would be presented to the court.] EAM also informed Mr. Qureshi that Islamabad's suspicions of New Delhi's ulterior motives in Afghanistan were unfounded. India had no other agenda in Afghanistan apart from institution building and developmental work, which ought to be appreciated by Pakistan. The only motive was to restore peace and stability in the war-torn country.

**395. Remarks by Minister of State Dr Shashi Tharoor at the commemorative memorial event on the 1st anniversary of the Mumbai terror attacks.**

**Mumbai, November 26, 2009.**

- **Rabbi Yehuda Krinsky, Chairman, Chabad Lubavitch World Headquarters.**
- **Rabbi Moshe Kotlarsky Vice Chairman of Chabad Lubavitch World Headquarters**
- **Rabbi and Mrs. Holtzberg, Parents of Rabbi Gavriel Holtzberg**
- **Rabbi Shimon Rosenberg, Father of Rivka Holtzberg**
- **Rabbi Avraham Berkowitz**
- **H.E. Mr. Mark Sofer, Ambassador of the State of Israel**
- **Orna Sagiv, Consul General, the State of Israel**
- **Excellencies,**
- **Ladies and Gentlemen,**
- **Brave Mumbaikars, Fellow Indians**
- **Friends,**

It is a sober privilege to be with you all this evening, on the first anniversary of the horrific tragedy inflicted upon the citizens of Mumbai last November which claimed, amongst its more than 180 victims, several foreigners, including 6 Israeli citizens. Today we remember in particular Rabbi Gavriel Holtzberg and his wife Rivka, who made this house their home.

2. If I may be allowed a personal note, I grew up in Bombay, as it was then called, and I watched the unfolding horror here with profound empathy. There is a savage irony to the fact that the attacks in Mumbai began with terrorists docking near the Gateway of India. That magnificent arch, built in 1911, has ever since stood as a symbol of the openness of the city of Mumbai.

3. I remember my childhood and well thereafter, going back frequently and seeing the crowds flocking around the Gateway of India -- crowds made up of foreign tourists and local yokels, teeming throngs reflecting India's diversity. Last year in late November, watching that same area, the same

Gateway of India, on television, barred and empty, ringed by police barricades, that Gateway -- the Gateway not just of India but to India and to India's soul -- seemed to me to stand as a mute testimony to this criminal assault on my country's pluralist democracy.

4. The terrorists who assaulted the Taj Mahal and Trident Hotels, the Chhatrapati Shivaji Terminus, Nariman House and so many other places, knew exactly what they were doing. Theirs was an attack on India's financial nerve-centre and commercial capital, a city emblematic of this country's energetic thrust into the 21st Century. They killed, in cold blood, people of several different faiths, backgrounds and nationalities. The terrorists demonstrated that their brand of fanaticism is anchored less in the absolutism of pure faith than in the geopolitics of hatred.

5. The attack on Nariman House and its Jewish residents was quite central to the terrorists' aims. And it was particularly sad, since India is justifiably proud of the fact that it is the only country in the world with a Jewish diaspora going back 2,500 years where there has never been a single instance of anti-Semitism. The fact is, in my home State of Kerala, the Jews landed, if oral legend is right, after the destruction of their first temple by the Babylonians, or at least after the destruction of the second temple by the Romans, at any rate well before the birth of Christ. Again, another oral legend is that when St. Thomas, Doubting Thomas the Apostle, landed on the shores of Kerala, he was greeted on shore by a flute playing Jewish girl. We have the Jewish community of the Bene Israel of Maharashtra and the urban so-called Baghdadi Jewish communities who came during the Imperial era; all of them have lived in India in peace, in peace with their neighbours of all communities and religious faiths. This is the first time that it became unsafe to be Jewish in India.

6. This tragedy at Nariman House provided one more proof that the terrorists were not Indians -- because the people of India, of every community, have no conflict with the Jewish people anywhere, and it was clear these were foreigners pursuing a foreign agenda.

7. The loss of the Holtzbergs, fine young people who had opened their doors and their hearts to the Jews of Mumbai and to Jewish travelers here, was truly tragic, its poignancy underlined by the survival, thanks to their plucky Indian nanny, Sandra, of their 2-year-old son Moshe. They were known as a generous, loving couple. Their home, which was so brutally attacked, was a home away from home for thousands of Jewish travelers from and to India. I have known the Lubavitch Chabad movement earlier in my years as a UN official and I grieve with them for their terrible loss.



8. The deaths at Nariman House made conclusively clear that India had become the theatre of action for a global battle, one which threatens Indian lives, it is true, but one whose world-wide objectives also mean that we are not alone in this fight. That is part of the solidarity we are all expressing tonight with all those nations whose citizens lost their lives a year ago in Mumbai.

9. This is also the moment to recall and pay homage to the bravery and sacrifice of the many security forces, policemen and others, and ordinary human beings like, hotel staff and Moshe's nanny Sandra, many of whom made the supreme sacrifice in their attempts to rescue innocent civilians from the perpetrators of this unforgivable crime. I salute in pride and admiration the bravery of these Indians, who answered the call of duty, the call of conscience, with tremendous courage and conviction and without a moment of thought or concern about their own lives. Their courage and sacrifice gives a strong message to the terrorists and their masters, wherever they are, that such is the mettle of the sons and daughters of India, whom they have chosen to challenge and threaten. Let a clear message go from this place tonight that India and Indians will not be terrorized.

10. Terror must be resisted. But it is not enough to raise our defenses and improve our intelligence. We must work together to ensure that the malign men who plan such attacks are identified and stopped in their tracks before they can do such harm again. I say to the many foreigners present tonight that we must not let the terrorists imagine that if they attack India, only Indians are concerned. Terrorist attacks anywhere in the world are an assault on our collective conscience as human beings and as citizens of this one world. Our solidarity tonight must be a solidarity of shared suffering but also a solidarity of shared determination. We have to be united in the face of such outrages. We have to preserve the culture of openness symbolized by the Gateway of India - the values of pluralism, co-existence and diversity that we cherish and the killers abominate.

11. Tonight we must reaffirm the human spirit - the spirit of Mumbai. The phrase "never again" has been used elsewhere. Today it resonates in every Indian heart. Let us mourn what happened in Mumbai. Let us pay homage to all the victims of this senseless outrage and tribute to those who overcame the terror. But at the same time let us strive together to ensure that it never happens again.

Thank you!



**396. Response of the Official Spokesperson of the Ministry of External Affairs on charge sheet against David Headley, one of the masterminds involved in the criminal conspiracy in 26/11 terror attacks in Mumbai.**

**New Delhi, December 10, 2009.**

"Investigation and filing of charge sheet in a US court against David Coleman Headley are important steps in exposing the wider conspiracy behind the Mumbai terrorist attack, and other acts of terrorism, for bringing to justice those responsible for mindless violence against innocent people.

The information available from the charges filed points to the fact that organizations including LeT, HUJI and Al-Qaeda, having sanctuaries in Pakistan, continue to remain active in plotting new acts of terrorism, targetting India as well as other countries. Applying facile distinctions amongst these organizations can only be counter-productive in the fight against terrorism, which cannot be selective.

The investigations into the Headley case also highlight the significance of timely, transparent and effective international cooperation for defeating terrorism.

The FBI team is traveling to Pakistan. We expect Pakistan to follow the leads provided, and unravel the full conspiracy behind the Mumbai terrorist attack and other terrorist plots which continue to emanate from its soil. The onus is on Pakistan to act with unalloyed determination against terrorism, its leadership and ideologues so as to eliminate the space which these elements continue to enjoy in Pakistan, and to dismantle the infrastructure of terrorism in its territory\*."



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\* It may be recalled that Headley, a US citizen with Pakistani links was arrested in the United States by the FBI and charge-sheeted for his alleged involvement in the Mumbai attacks. The FBI and the the US Justice Department continue to share information with the law enforcement agencies in India. India is keen to get his extradition. But the Press Trust of India reporting from New York quoted the US Assistant Secretary of State for Public Affairs P. J. Crowley that since there was no extradition treaty between India and the US, it has to be seen "how that will work" and "going forward, I think that's premature." "As a matter of long-standing policy, we never comment on extradition matters. Headley remains charged in the federal court in Chicago, and the investigation continues."

**397 Response of the Official Spokesperson of the Ministry of External Affairs to a question on the proposed release of Indian fishermen by Pakistan.**

**New Delhi, December 23, 2009.**

'Our High Commission of India, in Islamabad has already issued a Press Release to say that they have "seen reports in the media attributing the delay in the repatriation of 100 Indian fishermen detained by Pakistan to a request made by India. The High Commission of India received the formal communication in this regard from the Ministry of Foreign Affairs of Pakistan late evening on 22 December 2009. While welcoming the release of the fishermen, the High Commission immediately requested the Ministry of Foreign Affairs of Pakistan to forward the list of the fishermen who were to be released. The list was made available at 1230 hrs on 23 December 2009. Arrangements to receive fishermen, together with completion of necessary formalities are underway and will be completed expeditiously. It is hoped that the remaining Indian fishermen in custody in Pakistan will also be released at the earliest.

The release of Pakistani fishermen in Indian custody, whose nationality has been verified by the Pakistani High Commission in India, is also being processed".

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On December 31 Ministry of External Affairs announced the release of thirty one Pakistani fishermen, whose nationality had been confirmed by Pakistani High Commission in New Delhi , and were being released that day were being repatriated to Pakistan via Attari on January 2, 2010. A press release issued by the Ministry of External Affairs said the release of the remaining nineteen Pakistani fishermen, whose nationality has been confirmed by Pakistan, was under process and were expected to materialize in the near future.

The Ministry also hoped that Pakistan will take necessary steps at the earliest to release more than 500 Indian fishermen and over 400 Indian fishing boats still in Pakistan's custody.



**398. Response of the Official Spokesperson of the Ministry of External Affairs to a question on the sale of Gurdwara land in Pakistan.**

**New Delhi, December 29, 2009.**

"The reported incidents of sale of some of the land attached to Gurdwaras in Pakistan has caused concern in India. Government has conveyed the concerns in this regard to the Government of Pakistan, and requested it to look into the matter and take appropriate remedial action."



**SRI LANKA**

**399. Extract Relevant to Sri Lanka from the Media Briefing by Foreign Secretary Shivshankar Menon after India had handed over the dossiers on Mumbai terror attack to Pakistan.**

**New Delhi, January 5, 2009**

**Question (Mr. Manish Chand, INS):** Sir, what is the Indian stand now about Prabhakaran? Have you heard anything latest?

**Foreign Secretary:** Our position is quite clear that there are several aspects to the Sri Lankan problem, and that no one of them is sufficient to solve the problem. There is no military solution to this problem, for instance, no matter how the military situation might fluctuate. One side might be up, down, today, tomorrow, whatever. But that is neither here nor there. There is a political aspect which needs work because until there is a political understanding within the framework of a united Sri Lanka, within which all the communities in Sri Lanka are comfortable, you cannot speak of a political solution of the situation in Sri Lanka. There is a third aspect, which is a direct result of the military conflict and the absence of a political solution, which is the humanitarian problem for which, as you know, we have been working in the last several months as the fighting is intensified, to try and get relief to supplies and to try and get help to the civilian population who is caught up in this conflict. That we will continue to do. And we will continue to work with all those who are willing to do so, to try and help those poor civilians who are trapped in this zone of conflict. Quite frankly, the military situation might

change, might vary. But there is more to the situation in Sri Lanka than just the military situation. I think that is very important.

On Prabhakaran our views are well known. I think we have consistently sought his extradition to face charges here, to face trial here actually. And that continues. That is a request we have renewed repeatedly.



**400. Statement of Foreign Secretary Shivshankar Menon on the need for a political settlement.**

**New Delhi, January 5, 2009.**

"There are several aspects to the Sri Lanka problem. No one solution is sufficient to solve the problem. Military solution alone won't work, no matter how the military situation fluctuates," Foreign Secretary Shiv Shankar Menon said. "Until there is a political understanding within the framework of a united Sri Lanka, we can't speak of a political solution." Humanitarian crises were one direct result of the military conflict and the absence of a political solution. "We have tried to get help to the civilian population and will continue to work with all those to help to civilians caught in the zone of conflict," Mr. Menon said.

(The statement came following the Sri Lankan Army's capture of the administrative and political headquarters of the LTTE.)



**401. Press Release issued by the Indian Ministry of External Affairs on Indian humanitarian assistance to civilians and Internally Displaced Persons (IDP) in Sri Lanka.**

**New Delhi, January 16, 2009.**

As stated in the India-Sri Lanka joint press release of 26th October 2008, India, as a goodwill gesture, decided to send humanitarian assistance to civilians and internally displaced persons affected by the conflict in the northern part of Sri Lanka. The first consignment of approximately 1700 tonnes comprising 80,000 ready-to-use family packs containing food, clothing and personal hygiene items arrived in Sri Lanka within three weeks and has

already been distributed to those in need with the assistance of the ICRC and the co-operation of the Government of Sri Lanka.

India will continue to work with Sri Lanka in meeting the humanitarian needs of the civilian population in Northern Sri Lanka. India has decided on a second installment of such assistance amounting to approximately, SLR 40 million. Accordingly, a consignment of medicines was handed over by the Foreign Secretary Shri Shivshankar Menon to Senior Presidential Advisor and MP Hon. Mr. Basil Rajapaksa at a simple ceremony today.



**402. Press Release issued by the Ministry of External Affairs on the visit of Foreign Secretary Shivshankar Menon to Sri Lanka.**

**New Delhi, January 18, 2009.**

During his visit, the Foreign Secretary Mr. Shivshankar Menon met with the Foreign Secretary of Sri Lanka, Dr. Palitha Kohona and the Defence Secretary of Sri Lanka, Mr. Gotabhaya Rajapaksa. He also held discussions with the Senior Advisor to the President, Mr. Basil Rajapaksa, the Secretary to the President, Mr. Lalith Weeratunga and the Governor of the Central Bank, Mr. Ajith Nivard Cabraal. He also called on H. E. Mr. Mahinda Rajapaksa, President of the Democratic Socialist Republic of Sri Lanka and H. E. Mr. Rohitha Bogollagama, Foreign Minister. In addition, the Foreign Secretary also met political leaders, including the Leader of the Opposition, Mr. Ranil Wickremesinghe of UNP and prominent leaders of the Tamil and Muslim communities in Sri Lanka.

Discussions during the visit covered bilateral relations, the situation in Sri Lanka and developments in the region. The Foreign Secretary was informed of recent developments in Sri Lanka. President Rajapaksa indicated his desire to rapidly move on from military success to a political solution of Sri Lankan issues. The Foreign Secretary urged early movement towards a peacefully negotiated political settlement in the island, including in the North. He reiterated the importance of a political understanding within the framework of a united Sri Lanka, wherein all communities, including the Tamil community, live in peace and dignity. In this connection, he welcomed the Sri Lankan Government's commitment, reiterated to him during the visit, to fully implement the 13th Amendment and devolve further powers to the provinces.

In his meetings, the Foreign Secretary also conveyed India's concerns at the humanitarian situation in the northern part of Sri Lanka and the need to ensure the safety and security of the internally displaced civilian population. He underlined the importance of preventing civilian casualties as a result of ongoing hostilities. The Foreign Secretary announced India's intention to provide further assistance of relief material consisting of medicines and shelter material. As part of this assistance, he handed over the first consignment of medicines to Mr. Basil Rajapaksa, MP and Senior Advisor to the President. India had earlier provided 1680 tonnes of food and other relief assistance through the ICRC for the affected population in the Vanni.

Discussions between the two sides also touched upon the present global economic situation and, in that context, both sides decided to consider ways to further deepen and strengthen bilateral relations and cooperation for mutual benefit.



**403. Statement by External Affairs Minister Pranab Mukherjee on his visit to Sri Lanka.**

**New Delhi, January 28, 2009.**

I had detailed, useful and productive discussions with H.E. President Rajapaksa and am pleased with the comprehensive briefing by the Sri Lankan side. We covered recent developments in Sri Lanka, the entire gamut of India-Sri Lanka relations and regional issues of mutual interest. India-Sri Lanka relations are developing strongly. It is particularly important at this time of transition and change that we should continue to strengthen our ties.

- The President mentioned his hopes for future developments in Sri Lanka. I stressed that military victories offer a political opportunity to restore life to normalcy in the Northern Province and throughout Sri Lanka, after twenty three years of conflict. The President assured me that this was his intent. We will work together with the Government of Sri Lanka to enable all Sri Lankans, and particularly the Tamil community who have borne the brunt of the effects of the conflict, to lead normal lives as soon as possible.

- For our part, I expressed our readiness to participate in the reconstruction of northern Sri Lanka so as to overcome the ravages of war and also to lay the economic and political foundations of a strong peace in which all communities feel comfortable. We will be working together on a reconstruction plan for these areas which will involve infrastructure and other support. I was happy to be informed of progress towards the establishment of a 500 MW thermal power project near Trincomalee by NTPC from India.
  - H.E. President Rajapaksa assured me that it was his intention to move as quickly as possible to implement the 13th Amendment of the Sri Lankan Constitution, which, you would recall, followed the India-Sri Lanka agreement of 1987. In fact, he would explore the possibility of going further and improving upon those devolution proposals.
  - We also reviewed the humanitarian situation as a result of the conflict. The Sri Lankan Government has reassured that they would respect the safe zones and minimize the effects of conflict on Tamil civilians. As you know, India has extended its relief supplies to civilians caught up in the zone of conflict and intends to continue doing so.
2. After our conversation H.E. President Rajapaksa was good enough to extend a personal invitation to an all-party delegation from Tamil Nadu led by Chief Minister Karunanidhi and Ms. Jayalalitha to see for themselves the situation on the ground and to persuade the LTTE to lay down arms and join the democratic mainstream.
3. An early restoration of normal democratic life in the areas affected by the conflict would be a major contribution to peace and stability. India will do all that it can bring this about, working with all those who work for this goal with us.





**404. Statement by External Affairs Minister Pranab Mukherjee to the media on his return from Sri Lanka.**

**New Delhi, January 28, 2009.**

Yesterday in the morning I told you that I will be visiting Sri Lanka. I went late evening and reached there around 2100 hrs. I had very fruitful and productive discussions with the Sri Lankan President H.E. Rajapakse.

We discussed, apart from our normal bilateral relationship, the contemporary developments in Sri Lanka after the success of Sri Lankan armed forces in liberating a large portion of territory under occupation of the terrorist organization LTTE. We made quite clear our concerns for the civilian population-around 150,000 plus-(who) are affected by the campaign.

In course of our discussions, President Rajapakse agreed to expand the safe zones and also ensure that there is no shelling, firing in the safe zone. He appealed to all concerned to allow the civilians to go to the safe zones so that food, shelter, medicine and safety could be provided to them. We also requested that international agencies like UN High Commissioner for Refugees, International Red Cross Society Committee and other international organizations engaged in the relief measures, should be allowed to visit and that Sri Lanka authorities should extend facilitation so that they can visit safely and see the circumstances with their own eyes. We further requested and President agreed to ensure that the relief material, which we are sending, reaches the persons who are affected by the impact of this conflict.

Sri Lankan President has extended an invitation to all-party Tamil delegation to visit the affected areas led by Chief Minister Dr. Karunanidhi and Ms. Jayalalitha.

We also discussed the 13th Amendment of the Sri Lankan Constitution which was introduced after the 1987 Rajiv Gandhi-Jayawardhene Agreement, to allow devolution of power and autonomy to the northern and eastern provinces, to meet the legitimate aspirations of the ethnic minorities of Sri Lanka. President assured me that this would be an area of his urgent attention and that he would try to explore possibilities and to improve the conditions further.

Thank you.



**405. Press Release of the Ministry of External Affairs on  
Consignment of medicines sent to Sri Lanka.****New Delhi, February 3, 2009.**

The Government of India began handing over a consignment of medicines yesterday, to assist the people affected by the conflict in northern Sri Lanka, in keeping with its commitment. It forms a part of our package of assistance announced earlier. A portion of the consignment was handed over at the Ministry of Health, by our Deputy High Commissioner Vikram Misri, to the Minister of Healthcare and Nutrition Mr. Nimal Siripala de Silva.

The entire consignment, valued at approximately SLR 20 million, will be handed over to Sri Lankan authorities by the end of this week.

The Government of India hopes that the assistance will help in ameliorating the sufferings of the people affected by the ongoing conflict\*.



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\* Meanwhile a medical team from India was expected to provide emergency care to civilians displaced by the fighting between security forces and LTTE in the north. India sent the team based on an agreement made during the visit of the Foreign Secretary, Shivshankar Menon, to participate in the SAARC Standing Committee meeting. The Indian High Commission said the team would establish an emergency medical unit, including a hospital at Pulmodai in the eastern district of Trincomalee, to supplement the existing medical facilities in that area. "In addition, a consignment of urgently needed medicines and other supplies worth approximately Sri Lankan Rs.70 million will also be brought by the team and handed over to the Health Ministry," it said.

**406. Statement of the Home Minister P. Chidambaram to the media advising the Sri Lanka Government to suspend the military operations while advising the LTTE to lay down arms.**

**New Delhi, February 5, 2009.**

Indian Home Minister on February 5 advised the LTTE to lay down arms and come to the negotiating table even as it urged the Sri Lankan government to suspend the offensive.

Speaking to journalists, home minister P Chidambaram said, "We are deeply anguished at the loss of lives. We are not happy that the Sri Lankan government has resumed hostilities."

He said, "The Lankan government must suspend hostilities and the LTTE must lay down arms. This must happen simultaneously. It requires both hands to clap...Unfortunately we are not able to prevail over the LTTE to lay down arms and not able prevail over the Sri Lankan government beyond a point. We once again appeal to both sides to give up hostilities and come to the negotiating table."

He stressed that Central government was "very deeply concerned" about the situation in Sri Lanka, and added that foreign minister Pranab Mukherjee and foreign secretary Shivshankar Menon had visited Colombo in this connection.

"We were able to prevail upon Sri Lanka to pause (hostilities) for 48 hours. We were disappointed that there was no response from the LTTE. Even today there is no response from the LTTE," he added.

To a question about the possibility of LTTE cadres sneaking into Indian territory, Chidambaram said the Centre has sensitised the Tamil Nadu government on the matter. He pointed out that LTTE was a banned organisation in India.

"The (Tamil) refugees will be dealt with according to the extant policy," he said.

Asked about protests by some political parties in Tamil Nadu on the ongoing conflict in the island nation, Chidambaram said the Centre and the state government "have done, are doing and will continue to do whatever is in our capacity".



**407. Press Release issued by the Ministry of External Affairs on the Telephonic Conversation between External Affairs Minister and Danish Foreign Minister Per Stig Moller to discuss the situation in Sri Lanka.**

**New Delhi, February 8, 2009.**

Foreign Minister of Denmark H.E. Per Stig Moller called the External Affairs Minister on 7th February 2009 to discuss the current situation in Sri Lanka. He expressed concern at the situation of the civilian population in northern Sri Lanka.

In response, EAM mentioned to his counterpart that the safety and security of the civilians and internally displaced persons (IDP) in the LTTE controlled areas continued to be a source of concern. He referred to his recent visit to Colombo on 27th January when he had taken this up with President Rajapaksa. Soon after his discussions, the Sri Lankan President had announced a 48 hour period for civilians to leave the conflict zone and had appealed to the LTTE to allow the civilians to leave and assured their safety. EAM further stressed to the Danish Foreign Minister that the Government of India was doing its best to ensure that the civilians are moved to safety\*.

Referring to India's humanitarian assistance of food, non-food and medical supplies for these affected IDPs and civilians, EAM also referred to the Sri Lankan Government's assurance to provide relief supplies, respect and expand safe zones and prevent civilian casualties. The way forward must include credible devolution of powers, early return of democracy and rehabilitation and reconstruction of the affected areas.



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\* On February 8, the External Affairs Minister Pranab Mukherjee urged "friends" in Tamil Nadu to draw a distinction between the Liberation Tigers of Tamil Elam (LTTE) and the Tamil civilians of the island nation. The Minister was elaborating on the government's policy vis-a-vis the Sri Lankan Tamil issue at the one-day national convention of Block Congress Committee (BCC) and District Congress Committee (DCC) presidents.

Mr. Mukherjee said it was at India's request that Sri Lanka agreed to a near ceasefire for 48 hours to facilitate safe passage for Tamil civilians caught in the crossfire between the Sri Lankan Army and the LTTE. Referring to the concern expressed by "friends" from Tamil Nadu about the plight of Tamil civilians in Sri Lanka, the Minister said India had informed the Sri Lankan government about its concern while asserting that it had no sympathy for the LTTE. Not only was the LTTE a banned organisation in India, the

**408. Telephonic Conversation of External Affairs Minister with the Canadian Foreign Minister.****New Delhi, February 10, 2009.**

EAM received a telephone call from the Canadian Foreign Minister Mr. Lawrence Cannon today. During the call, both Ministers expressed concern over the situation of the civilian population in northern Sri Lanka. EAM noted that the safety and security of the civilians and the internally displaced persons continued to be a source of concern. He reiterated that the only way forward would be to ensure credible devolution of powers at the earliest.

EAM discussed other issues of mutual concern with both his Australian and Canadian counterparts.



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country had also been consistently seeking the extradition of its head V. Prabhakaran. On February 13, The plight of Tamils caught in the war between the Sri Lankan Army and LTTE militants in the island nation was raised in both Houses of Parliament with Members urging the Government to talk to the Sri Lankan government to ensure the safety of displaced Tamils. They said there was a grave humanitarian crisis in Sri Lanka where over three lakh Tamils had been pushed inside the jungles by the Sri Lankan Army. "It is a matter of concern for all of us. India cannot remain a mute spectator and should withdraw all types of military aid being provided to the Sri Lankan Army. Indian government should immediately intervene and safeguard the Tamils," it was argued. Intervening in the matter, Minister of State for Parliamentary Affairs V. Narayansamy drew the attention of the House to President Pratibha Patil's address to the Parliament when she enumerated India's policy on the Sri Lankan Tamil issue that India favoured an immediate ceasefire and that the matter be resolved through negotiations.

**409. Suo Motu Statement by the External Affairs Minister Pranab Mukherjee in Parliament on the situation in Sri Lanka.**

**New Delhi, February 18, 2009.**

I rise to apprise this august House about the present situation in Sri Lanka.

Since I last addressed the House on this issue in October 2008, developments have unfolded rapidly in northern Sri Lanka. Sri Lankan Government forces have made significant advances into LTTE-held territory, restricting LTTE cadres to a small area of approximately 150 sq. km. adjacent to the coast. Sri Lankan forces have captured Kilinochchi, Elephant Pass and Mullaitivu town and have regained control of the A-9 highway.

A serious source of concern to us has been the condition of civilians and internally displaced persons, mostly Tamil, caught up in the zone of conflict. Estimates on the number of civilians trapped vary, but 70,000 or so are estimated to be there now. The LTTE were reportedly using them as human shields.

Hon'ble Members may rest assured that our strong concerns for the safety, security and welfare of civilians caught in the conflict have led us to stay actively engaged to prevent a further deterioration of humanitarian conditions. We have sent relief supplies to the civilians and the IDPs, facilitated access by international and UN organisations, and suggested ways for civilians and IDPs to escape from the conflict zone. Two batches of relief assistance have been sent so far including 80,000 family packs of food and non-food articles, collected and donated by the Government of Tamil Nadu and medicines. Another batch of relief material is being sent.

I personally visited Colombo on 27th January. In my discussions with Sri Lankan President Mahinda Rajapaksa, I stressed the need to give an opportunity to civilians and IDPs caught up in the conflict to emerge from LTTE held areas and suggested a pause in hostilities to provide the necessary environment. On 29th January 2009, the Sri Lankan President announced a 48-hour period for civilian safe passage to secure areas. He also appealed to the LTTE to allow civilians to leave and assured the safety and security of the civilians who did so.

In the last two weeks, nearly 35,000 civilians have come out of LTTE-held areas. Sadly some of those escaping from the conflict have been caught in cross-fire and, in recent incidents have been stopped and even killed by LTTE cadres. As the conflict enters what may be the final phase of military operations, the LTTE would best serve the interest of the Tamils by immediately releasing all civilians and laying down arms.

The Government of India is ready to facilitate the evacuation of civilians trapped in the area of conflict, working with the Government of Sri Lanka and the ICRC who would take responsibility for the security, screening and rehabilitation of these internally displaced persons.

**Mr. Speaker,**

India continues to support a negotiated political settlement in Sri Lanka within the framework of an undivided Sri Lanka acceptable to all the communities, including the Tamil community. The LTTE remains a proscribed organisation in India and has done much damage to the Tamil community.

In this context, the earlier normal democratic political processes begin in Sri Lanka the better. In our view, after 23 years of conflict, there is today a political opportunity to restore life to normalcy in the Northern Province and throughout Sri Lanka. The President of Sri Lanka assured me that this is also his intent. The full implementation of the 13th Amendment to the Sri Lankan Constitution would be a significant first step. Honourable Members would recall that the 13th Amendment was introduced to give effect to the India-Sri Lanka accord in 1987. Going beyond the 13th Amendment on the question of devolution of powers would be significant.

India is ready to work with the Government of Sri Lanka in their important tasks of rehabilitation and reconstruction which lie ahead in Sri Lanka, particularly the north and east. We have begun steps to implement developmental projects in the Eastern Province such as a 500 MW thermal power project, assistance for a rail bus project and the setting up of IT centres.

I wish to assure the Hon'ble Members that Government will continue to stay engaged in the process of bringing enduring peace to Sri Lanka, working with the Government of Sri Lanka and the various communities in Sri Lanka in pursuit of our common security and prosperity.



**410. Statement by Official Spokesperson of the Ministry of External Affairs on evacuation and safety of internally displaced persons in Sri Lanka.**

**New Delhi, February 24, 2009.**

We have seen reports that the LTTE has declared its willingness to discuss international appeals to permit internally displaced persons (IDPs) caught in the zone of conflict to leave the area for safety.

2. In this context, India appeals to the Sri Lankan Government and to all concerned to work out appropriate and credible procedures for the evacuation of IDPs to safety, which would include the international agencies being able to oversee the movement of the IDPs. The sanctity of the safe zones must be respected by both sides. We understand that small numbers of medical evacuees have indeed been brought out of the conflict zone for the last few days by sea. We would urge all concerned to make it possible for much larger numbers to be brought out both over land and by sea.

3. India is ready to provide all necessary help to facilitate the process of bringing innocent civilians to safety and to meet their humanitarian needs for relief materials, medicines and medical care.

4. India is working out modalities with the Government of Sri Lanka to arrange for early dispatch of medical help and medicine to reach sick and injured civilians.



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\* The Sri Lankan Government response was to put the onus on continuing the operations on the LTTE. It said on February 24 that if the LTTE was ready to heed the call of the European Union (EU) to lay down arms, the need for "immediate ceasefire" to protect the interests of stranded civilians does not arise. Welcoming the EU call to the LTTE to lay down arms and renounce terrorism, the government claimed that it suspended hostilities for a 48-hour period and designated no-fire zones to allow safe passage of the civilian population fleeing the conflict areas on January 29. The LTTE has not responded so far to the EU call. Hours before the EU Foreign Ministers statement, the Tigers in a letter to the Co-Chairs of Sri Lanka (U.S., Norway, Japan and EU) argued why it was not "helpful" to ask the LTTE to give up arms and said it was ready for an internationally supervised ceasefire. "The LTTE's only response was to continue with its armed hostilities, endangering the lives of civilians. It should be emphasised that the objective of the present military engagement is to defeat terrorism and create an environment conducive for democratic pluralism", it said.

"Amidst extremely hazardous circumstances, the government is continuing to keep the civilians supplied with food, medicine, and other essential services, which underscores the duty and concern towards its own citizens, thus also fulfilling its obligations under International Humanitarian Law and the principles of the laws of war", the Sri Lankan Foreign Ministry said.



**411. Statement of Official Spokesperson of the Ministry of External Affairs on providing a full-fledged emergency medical unit with hospital to Sri Lanka.**

**New Delhi, February 26, 2009.**

India had earlier expressed its readiness to provide all necessary assistance to facilitate the process of bringing civilians and internally displaced persons from the conflict-affected zone in northern Sri Lanka to safety as well as meet their immediate humanitarian and medical requirements. India has discussed this further with the Government of Sri Lanka to work out the modalities.

Accordingly, India and Sri Lanka have agreed to work together to address the urgent medical needs of these civilians. In this connection, India will immediately send a full-fledged emergency medical unit with hospital to Sri Lanka. This emergency medical unit would consist of doctors, surgeons, anaesthetist, nurses and support staff and necessary medical equipment and supplies. This would be augmented further depending on the requirement.

India will also work with the Government of Sri Lanka in the rehabilitation and reconstruction process in the northern and eastern Sri Lanka.



**412. Statement by External Affairs Minister Pranab Mukherjee on humanitarian crisis in Sri Lanka and appealing the Sri Lanka Government to work out safe passage for trapped civilians.**

**New Delhi, February 28, 2009.**

The Government of India views with grave concern the humanitarian crisis that is building up with every passing day in Sri Lanka. There are reports that over 70,000 civilians are trapped in the conflict zone in Sri Lanka and there is acute shortage of food, water and medicines. Many innocent lives have been lost in the conflict zone. The Government of India has repeatedly expressed its concern for the security and passage to safe zones of the civilian population.

It is reported that the LTTE has offered a ceasefire. While this may fall short of a declaration of willingness to lay down arms, it is our view that the Government of Sri Lanka should seize the opportunity presented by the offer to bring about a pause in the hostilities. The Government of India would, therefore, appeal to the Government of Sri Lanka to immediately work out safe passage for trapped civilians to secure locations. This would require the cooperation of the LTTE.

The pause in hostilities must be utilised to facilitate the movement of Tamil population out of the war-affected areas to secure locations where proper rehabilitation is possible and international aid organisations, as also the ICRC, have free access and scope to provide medical and other forms of humanitarian aid. Government of India is making arrangements to send an emergency medical unit and medicines to render medical assistance to internally displaced persons in Northern Sri Lanka.

This needs to be further followed up by effecting a proper devolution of powers to the Provinces, with assurances of equality and equal rights to all citizens, particularly the Tamil people, within the constitutional framework of Sri Lanka maintaining its territorial integrity.

I sincerely hope that the Government of Sri Lanka and all others will respond to this sincere appeal that is made in the interest of all sections of the people in Sri Lanka.



**413. Extract relevant to Sri Lanka from the Media Briefing by the Foreign Secretary Shivshankar Menon on the visit of the Prime Minister Dr. Manmohan Singh to London for the G-20 Summit.**

**London, March 30, 2009.**

**Question:** Sir, can you give us the latest information on India's humanitarian assistance to Sri Lanka? Secondly, Indian Prime Minister's Principal Secretary has visited Colombo and come back. Can you give us the update on his visit? Did he meet any dignitaries there?

**Foreign Secretary:** Yes, he had a very good visit. The Principal Secretary to the Prime Minister met with his counterpart who is the Secretary to the President. He also called on the President. There were three main purposes to this visit. One was to urge upon the Government of Sri Lanka that they take steps towards a credible devolution and a political package which could be seen as contributing to meeting the needs of all the communities in Sri Lanka, particularly the Tamil community and to bring them into the normal political democratic framework; and secondly to see what we could do for reconstruction, rehabilitation in the North especially. We had a fairly detailed discussion of that. Thirdly, to see what we could do on the humanitarian side, which you have mentioned. As you know, we have increased the size of the hospital because of the numbers of people who were coming out. Now I think almost something like 55,000 civilians have come out of the conflict zone and this hospital has been treating fairly large numbers of people in each batch. So, we had to increase its capacity. We have also shipped a new shipment of medicines, end of last week. And we have also got food supplies into the conflict zone both through the ICRC and the UN. This was important because supplies of food into the conflict zone in February had actually dropped considerably because of the fighting. So, we thought it very important that we get it there. You would have seen recent statements by the Government of Sri Lanka that they are ready to work out modalities including a pause of some kind if necessary, to allow civilians to come out of the conflict zone and to bring them out of harm's way. We would welcome that.

As you know, our Minister has said so last month already. He had said publicly that we would welcome that. And we would hope that there is

progress towards bringing remaining civilians out of the conflict zone so that at least this kind of situation where each side is blaming the other but civilian casualties continue and where we then have to deal with the consequences in the hospitals, in terms of rehabilitation is avoided, and we can then concentrate on the big job of actually getting people back into normal activity and a normal political life in Northern Sri Lanka. So, all in all we were very heartened by the results of the Principal Secretary's visit. It was a very useful visit.

**Question:** Are you planning to send more doctors?

**Foreign Secretary:** We have sent more doctors actually last week to the field hospital.



#### **414. Statement by External Affairs Minister Pranab Mukherjee on the situation in Sri Lanka.**

**New Delhi, April 17, 2009.**

India is deeply concerned about the humanitarian situation in Sri Lanka. The continuing conflict has taken a heavy toll on Tamil civilians and internally displaced persons caught in the cross fire. The Government of India has repeatedly expressed its concern for their security and sought to ensure safe passage to secure zones for the civilian population.

We had welcomed the announcement by Sri Lankan President Mahinda Rajapakse of a cessation of hostilities for the Tamil and Sinhala New Year over the last two days. The Government of Sri Lanka must extend this pause in hostilities to prevent further casualties and enable trapped civilians to leave the area to secure locations. Continuation of precipitate military actions leading to further civilian casualties at this time would be totally unacceptable. While it is incumbent on the LTTE to release all civilians and IDPs under their control, the Government of Sri Lanka cannot be oblivious to the evolving human tragedy and the fate of the Tamil civilian population caught up in the so-called No Fire Zone. There is no reason not to continue with the pause in military actions in the NFZ.

The Government of India have extended humanitarian assistance, including medicines, food and other supplies, to the civilian population trapped in the conflict zone. A 62-member emergency medical unit from India has treated more than 1500 serious medical cases among civilians in Pulmoddai in Sri Lanka. We will soon send another consignment of 40,000 family packs to the affected civilians in Northern Sri Lanka.

The Government of India expects the Government of Sri Lanka and others concerned to respond positively to this appeal in the interest of the Tamils who are citizens of Sri Lanka\*.



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\* On April 17, the Tamil Nadu Chief Minister M. Karunanidhi welcomed the Government of India's appeal to Sri Lanka to implement a ceasefire. In identical telegrams to Prime Minister Manmohan Singh, Congress president Sonia Gandhi and External Affairs Minister Pranab Mukherjee, he said: "We welcome with gratitude the appeal made by the External Affairs Minister for ceasefire in Sri Lanka. If the appeal for ceasefire is not honoured and implemented by the Sri Lankan government, we request the Government of India to snap all diplomatic relations with Sri Lanka."

The U.S. also made a similar appeal and called for allowing international observers to oversee the evacuation of civilians trapped in the 'no fire zone.'

#### **415. Statement by External Affairs Minister Pranab Mukherjee on the situation in Sri Lanka.**

**New Delhi, April 22, 2009.**

Prime Minister reviewed the evolving situation in Sri Lanka this evening with me, Raksha Mantri, National Security Adviser and Foreign Secretary.

We are very unhappy at the continued killing of innocent Tamil civilians in Sri Lanka. These killings must stop. The Sri Lankan Government has a responsibility to protect its own citizens. And the LTTE must stop its barbaric attempt to hold civilians hostage.

There is no military solution to this ongoing humanitarian crisis, and all concerned should recognise this fact. The only lasting solution will come from political efforts to address the real concerns of the Tamil people, giving them lives of dignity within the Sri Lankan mainstream.

India will work to achieve this goal, and will do all it can to also ameliorate the humanitarian crisis caused by the conflict\*.

I am speaking to many of my counterparts around the world to join us in this effort.



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\* India on April 22 night voiced its unhappiness over the continued killing of innocent Tamils in Sri Lanka and asked the LTTE to stop its "barbaric" attempt to hold civilians hostage, even as Prime Minister Manmohan Singh reviewed the situation in the island nation. A special meeting, attended also by External Affairs Minister Pranab Mukherjee, Defence Minister A.K. Antony, National Security Adviser M.K. Narayanan and Foreign Secretary Shiv Shankar Menon discussed the latest developments and reviewed the situation. "We are very unhappy at the continued killing of innocent Tamil civilians in Sri Lanka. These killings must stop," Mr. Mukherjee told journalists after the hour-long meeting called to discuss the situation in the light of Sri Lankan Army's final push against the LTTE and the options available to India.

It may be mentioned that the EAM Mr. Mukherjee had cut short his election campaigning to attend the meeting. The government dispatched 40,000 'family packs' to Sri Lanka, bringing the total of such packets - which would help a nuclear family keep going for a week - to one lakh. Meanwhile, two principal political parties, the Congress and the Bharatiya Janata Party called upon Colombo to declare a ceasefire so that civilians could be evacuated from the conflict zone. Congress leaders said United Progressive Alliance chairperson Sonia Gandhi had curtailed some of her programmes of election tours to hold consultations on the Sri Lankan situation in view of the political ramifications. Indian diplomats were in touch with their counterparts from several countries to discuss ways of ensuring that the civilians trapped in the no-fire zone (NFZ) did not fall victim to an impending military assault on militants of the LTTE, who are believed to have taken refuge, among the displaced people, in the NFZ.

**416. Statement by External Affairs Minister Pranab Mukherjee on visit of special emissaries to Sri Lanka.****New Delhi, April 23, 2009.**

Government of India has been monitoring with deep concern and anxiety the evolving situation in Sri Lanka, in particular the conditions of the Tamil civilians in the conflict zones. We understand that over 100,000 civilians have emerged from the No Fire Zone into areas under Government control in the past three days but the lives of several thousands of innocent civilians remain threatened.

We are very unhappy at the continued killing in Sri Lanka. All killing must stop. There must be an immediate cessation of all hostilities.

In order to convey these concerns to the Government of Sri Lanka the Government of India has decided to send two special emissaries to Sri Lanka.



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The U.S., France and Britain, among other countries, had expressed their desire to mount humanitarian operations. Foreign Secretary Mr. Menon was also in regular contact with his Sri Lankan counterpart and was understood to have referred to the U.N. appeal for a massive humanitarian operation. Earlier outlining India's position, Mr. Mukherjee said countries including the U.N., which wanted to help in the evacuation of civilians from the conflict zone, should be allowed to do so. The Minister spoke to the Sri Lankan government to ensure that relief materials sent by India were distributed through the International Committee of the Red Cross.

In an interview, the Prime Minister has said the government considers the LTTE a terrorist organisation, and its chief V. Prabakaran a "proclaimed offender." On April 23, External Affairs Minister Pranab Mukherjee said the government was monitoring with "deep concern and anxiety the evolving situation in Sri Lanka, in particular the conditions of Tamil civilians in the conflict zones." Mr. Mukherjee earlier convened a stocktaking meeting with Foreign Secretary Shiv Shankar Menon and India's High Commissioner in Colombo, who was summoned to New Delhi for consultations. "We understand that over 1,00,000 civilians have emerged from the no-fire zone into areas under government control in the past three days but the lives of several thousands of innocent civilians remain threatened. We are very unhappy at the continued killings in Sri Lanka. All killings must stop. There must be an immediate cessation of all hostilities," Mr. Mukherjee said. In order to convey these concerns to the Sri Lankan government, the Centre, at a high-level meeting chaired by the Prime Minister, decided to send Mr. Menon and National Security Adviser M.K. Narayanan to Colombo, he said. The meeting reiterated India's resolve to extend all possible assistance to the internally displaced people in Sri Lanka. It noted the dispatch of 40,000 packets (about 1,000 tonnes) of 'family relief packs' by ship from Chennai reaching Colombo April 25.

**417. Statement by National Security Advisor M. K. Narayanan upon return from Sri Lanka.**

**New Delhi, April 24, 2009.**

Foreign Secretary and I visited Colombo today on the instructions of the Prime Minister.

We were received by H.E. the President of Sri Lanka. We conveyed the concerns of the Government of India on the evolving situation in Northern Sri Lanka, especially at the casualties caused among Tamil civilians as a result of ongoing operations.

We also expressed the Government of India's concerns about the humanitarian situation as a result of nearly hundred thousand Tamil civilians coming out of the conflict zone since early this week.

The President of Sri Lanka was receptive to our concerns.

We are hopeful of a positive outcome.



**418. Statement by External Affairs Minister Pranab Mukherjee on the situation in Sri Lanka and announcement of a grant of Rs. One billion for providing relief assistance to innocent civilians.**

**New Delhi, April 27, 2009.**

The Government of Sri Lanka has announced\* that combat operations have reached their conclusion and that the Sri Lankan security forces have been instructed to end the use of heavy caliber guns, combat aircraft and aerial weapons, which could cause civilian casualties. Sri Lankan forces will now confine their attempts to rescue the civilians who remain and give foremost priority in saving them.

This is an important first step in addressing concerns for the safety and security of Tamil civilians and Internally Displaced Persons (IDPs) trapped in the conflict zone.

The need of the hour is for urgent steps to ameliorate the humanitarian situation of those who have come out from conflict zone as well as to bring the remaining civilians and IDPs in the No Fire Zone out to safety. The IDPs



and innocent civilians are the main victims of the conflict and every measure must be taken to protect them and guarantee their welfare.

I am happy to announce that the Prime Minister has approved a grant of Rs. 100 crores (Rs 1 billion) for providing humanitarian relief assistance to innocent civilians who have been evacuated from the conflict zone. The details regarding utilization of this assistance are being worked out.



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\* The statement followed a meeting in Colombo of the National Security Council that was presided over by President Mahinda Rajapaksa. It may be added that the statement also came soon after the visit of Indian National Security Advisor and Foreign Secretary to Colombo.

A Statement of April 27 issued from the Presidential Secretariat read: "Government of Sri Lanka has decided that combat operations have reached their conclusion. Our security forces have been instructed to end the use of heavy caliber guns, combat aircraft and aerial weapons which could cause civilian casualties. Our security forces will confine their attempts to rescuing civilians who are held hostage and give foremost priority to saving civilians."

#### **419. Statement by the Official Spokesperson of the Ministry of External Affairs on Sri Lanka.**

**New Delhi, May 18, 2009.**

In a telephone conversation with External Affairs Minister Shri Pranab Mukherjee earlier today, the President of Sri Lanka confirmed that armed resistance by the LTTE has come to an end and that LTTE leader Velupillai Prabhakaran is dead.

India will work with the people and Government of Sri Lanka to provide relief to those affected by the tragic conflict, and to rapidly rehabilitate all those who have been displaced, bringing their lives to normalcy as soon as possible.

It is our view that as the conventional conflict in Sri Lanka comes to an end, this is the moment when the root causes of conflict in Sri Lanka can be addressed. This would include political steps towards the effective devolution of power within the Sri Lankan Constitution so that Sri Lankans of all communities, including the Tamils, can feel at home and lead lives of dignity of their own free will.



**420. Press Statement on the visit of National Security Advisor M. K. Narayanan and Foreign Secretary Shivshankar Menon to Sri Lanka.**

**Colombo, May 21, 2009.**

Mr. M.K. Narayanan, National Security Advisor and Mr. S. Menon, Foreign Secretary visited Sri Lanka on 20 and 21 May. They called on His Excellency President Mahinda Rajapakse, and met with senior officials, including Mr. Basil Rajapakse, MP, Mr. Lalith Weeratunga, Secretary to President and Defence Secretary Gotabhaya Rajapakse. They also interacted with a number of political parties in Sri Lanka.

Both sides agreed that with the end of military operations in Sri Lanka, the time was opportune to focus attention on issues of relief, rehabilitation, resettlement and re-conciliation including a permanent political solution in Sri Lanka.

Following their agreement of 26 October 2008, both sides have been co-operating in providing humanitarian relief and assistance to IDPs in Sri Lanka. This includes medical assistance in the form of a field hospital, urgently needed medicines and medical supplies as well as food, clothing and shelter material.

Both sides emphasized the urgent need to resettle the IDPs in their villages and towns of habitation and to provide to them necessary basic and civic infrastructure as well means of livelihood to resume their normal lives at the earliest possible. To this end, the Government of Sri Lanka indicated that it was their intention to dismantle the relief camps at the earliest and outlined a 180 day plan to re-settle the bulk of IDPs to their original places of habitation. The Government of India committed to provide all possible assistance in the implementation of such a plan in areas such as de-mining, provision of civil infrastructure and re-construction of houses.

Both sides also emphasized the urgent necessity of arriving at a lasting political settlement\* in Sri Lanka. Towards this end, the Government of Sri Lanka indicated that it will proceed with implementation of the 13th Amendment.

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\* The Policy of the Government of Sri Lanka to the Tamil question was articulated on May 17 in Parliament when Mr. Rajapaksa said: "At this victorious moment, it is necessary for us to state with great responsibility that we do not accept a military solution as the final solution ...the responsibility that we accept after freeing the Tamil people from the LTTE is a responsibility that no government in the history of Sri Lanka has accepted. It

Further, the Government of Sri Lanka also intends to begin a broader dialogue with all parties including, the Tamil parties in the new circumstances, for further enhancement of political arrangements to bring about lasting peace and reconciliation in Sri Lanka.



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is necessary that we give these [Tamil] people the freedoms that are the right of people in all other parts of the country. Similarly, it is necessary that the political solutions they need should be brought closer to them faster than any country or government in the world would bring. However, it cannot be an imported solution. It is necessary that we find a solution that is our very own. It should be a solution acceptable to all sections of the people."

On May 16 after Mr. Rajapaksa formally conveyed to India that Eelam War IV had ended. New Delhi said that India would work with the people and the government of Sri Lanka to provide relief to those affected by the tragic conflict, and to rapidly rehabilitate all those who had been displaced, bringing their lives to normality as soon as possible.

**421. Remarks by External Affairs Minister S.M. Krishna on his meeting with Sri Lankan delegation.****New Delhi, June 24, 2009**

I just received the delegation from Sri Lanka which includes the Senior Adviser to the Sri Lankan President, Basil Rajapaksa, Defence Secretary of Sri Lanka, Gothbaya Rajapakse and Secretary to the President, Lalith Weertunga.

2. We reviewed several issues related to our bilateral relations and developments in Sri Lanka. During the discussion, when I raised the question of rapid resettlement and rehabilitation of internally displaced persons in the Northern Sri Lanka, I was assured that the Sri Lankan Government will see to return IDPs to their homes, and to dismantle the camps in the timeframe of 180 days that they have indicated to us earlier. India will be assisting in the resettlement and rehabilitation process and we are committed to helping in the demining activity which must be the first step to permit the safe return to home of the IDPs.

3. We also discussed issues relating to the course of political events in Sri Lanka. I was assured that it is the intention of the Government of Sri Lanka to implement the proposal which would be an advance on the 13th Amendment to the Sri Lankan Constitution, which you would recall was designed to devolve considerable power to the Sri Lankan provinces.

4. During this conversation I stressed that following the cessation of active hostilities in Sri Lanka there is an opportunity to make a new beginning and to build a better future for all the peoples of Sri Lanka and therefore for the region as a whole.

5. I also took this occasion to reiterate the need to strictly adhere to the understanding reached in October 2008 on matters relating to fishing. The Sri Lankan Government clarified that it does not contemplate putting up any military structures at Katchchativu.

6. I also requested the delegation that as a humanitarian gesture, the Sri Lankan Government allow the ship Captain Ali to off load the relief items on board meant for IDPs in Northern Sri Lanka. The Sri Lankan delegation kindly agreed to our suggestion and these would now be routed to Sri Lanka through the Indian Red Cross.



**422. Extract relevant to Sri Lanka from the Media Briefing by Foreign Secretary Shivshankar Menon on Prime Minister's visit to Italy to attend the G-8/G-5 Summits.**

**New Delhi, July 6, 2009.**

**Question:** Sir, two short questions. One is that the Finance Minister announced a Rs. 500 crore package for Sri Lanka. Is the package kind of ready or is it still in the making, have you discussed it with the Sri Lankans and second you mentioned development policy as being the core of the G-8 this time. Do we have yet another paper that we are presenting and your thoughts on the development policy in the current situation?

**Foreign Secretary:** I did not say it is the core of the G-8 this time, I just said it is one of the big issues; it is part of the broader issues which the G-8 is actually well equipped to discuss and for that part of the discussion in fact it would be a much broader meeting with other countries. We will not be presenting a paper this time, not this time around.

On the Sri Lankan package, on the 500 crores for relief and rehabilitation in Sri Lanka which we provided in the budget today, you know, we have been discussing with the Sri Lankan authority and with the civil society in Sri Lanka also what is required to resettle populations which have been affected by this long-drawn out tragic conflict in Sri Lanka and there are a series of steps that we, as India, have indicated that we would be willing to take that we think we can take. The Sri Lankan Government has assured us at the highest level that it is their goal also to resettle all their internally displaced people those who are in the camps in six months, in 180 days, and we will do what we can do to make that possible to bring people back to their homes in safety back to their original place of habitation with proper livelihood and a proper prospect of living in comforts, some comfort, at least. This would involve a whole series of steps; de-mining to start with, making sure that the paddy fields and their other produce uses the next growing season which is now really over the next few months, so that they have some livelihood to depend on when they go home. That we also provide some shelter in terms of material and so on so, we do have a plan of things that we want to do in these areas to try and help people to go home. We discussed them with the Sri Lankan government in some detail but we will have to keep detailing these and making them more and more details.

Some of these materials has actually already been shipped, some of the help is already there, there is a large hospital, ours is in fact one of the few hospitals which is working within the camps itself and we are trying to take care of their medical needs. There is a whole series of needs which we think this 500 crores will be necessary for. So, yes, we do have a plan which will have to be improved as we learn, as we go along, we are working with the Sri Lankan Government, the authorities, with the civil society in Sri Lanka to see that we can carry out this plan and hopefully achieve our goal.

**Question:** Today's five hundred crores is in addition to the previous package announced in May?

**Foreign Secretary:** In May we were speaking of one hundred crores, then PM said five hundred crores. So this implements what the PM had said. It is in the budget.

**Question:** Will we be sending de-mining experts to Sri Lanka?

**Foreign Secretary:** Yes, we will be sending experts from India. We have some expertise in it. More than experts it is also equipment which helps to do this.

**Question:** Will the experts be from the Army as well?

**Foreign Secretary:** Possibly. But there are groups outside the Army who have specialized in this.



**423. Keynote address by C. Romesh Jayasinghe, the High Commissioner of Sri Lanka at the Seminar on "Post-Conflict Sri Lanka and India's Role".**

**Chennai, July 7, 2009.**

Mr. R. Swaminathan, Special Secretary & Director General [Retd.] Govt. of India,

Dr. Sister Jasintha Quadras, Principal, Stella Maris College,

Lt-Gen V.R. Raghavan [Retd], President, Center for Security Analysis, Chennai,

Mr. N. Ram, Editor in Chief, The Hindu,

Mr. N. Sathiya Moorthy, Observer Research Foundation, Chennai,

Mr. P. M. Amza, Deputy High Commissioner, Members of the Diplomatic Corps,

Ladies & Gentlemen.

Mahatma Gandhi said "It is, at least it should be impossible for India and Ceylon to quarrel. We are the nearest neighbours. We are inheritors of a common culture..... But even as blood brothers sometimes differ, so do next-door neighbours. And like brothers, they usually adjust their differences and are often more closely knit together after the clearance".

Though the Father of the Indian Nation made this statement almost 70 years ago, the sentiments expressed have withstood the passage of the years. Indeed, they have perhaps even gained in relevance at this present juncture, with the historic clearance or end of the conflict which affected parts of Sri Lanka for over a quarter century.

It is of course a fact that despite the conflict, the bilateral relationship between India and my country was never a hostage to the situation in Sri Lanka. After all, it was during this period that both nations established a bilateral Free Trade Agreement, which has in turn led to two way trade today growing to a level of over US\$ 3 billion per year. Parallel to the growth in trade, civil aviation links too expanded significantly, thereby enabling an exponential increase in people to people contacts. Nevertheless, it has also to be accepted that what was happening in Sri Lanka did have a potential of placing great stress on the bilateral relationship, with accordingly a need for

both nations to devote some energy to managing the situation.

That particular need is now no more and so there is a consequent opportunity, for an even greater strengthening of relations. At the same time, the efforts in this direction would be even more sustainable, once they are evolved through a thorough understanding of the relevant background and issues. I therefore see our Seminar this morning on the theme of "Post-Conflict Sri Lanka and India's Role", as being singularly appropriate. I wish to thank the ORF in Chennai for their important initiative and regard myself as extremely privileged in being invited to deliver the Inaugural Address.

Ladies and Gentlemen, it is in a spirit of contributing to an understanding of the background and issues, that I now wish to flag certain matters for your consideration. I begin with those relating to the past. Let me emphasize in this regard that while the conflict in parts of Sri Lanka lasted for over 2 ½ decades, this era was also characterized by several attempts, in fact five in number, to politically resolve the situation.

The first such culminated after tripartite discussions convened by India with the involvement of the Sri Lanka authorities, the Tamil political parties and the armed separatist groups, in the India - Sri Lanka Agreement of 1987. In keeping with its obligations under the Agreement the Government of Sri Lanka enacted the 13th Amendment to the Constitution, in order to share responsibilities and empower especially the minority community through the devolution of many of the functions of the authorities based in the capital of Colombo, to Councils or administrations set up on the basis of the island's nine Provinces. With the passage of the Amendment, the LTTE undertook to lay down its arms and join the political process.

Unfortunately, the objective of the Agreement of bringing about peace was not attained, because the LTTE reneged on its commitments and attacked the units of the Indian Army that had originally gone to the island as a Peace Keeping Force.

In 1990, there was a second effort for negotiations, this time between the administration of the then newly elected President Mr. R. Premadasa and the LTTE. The key demand of the LTTE was that the Indian Peace Keeping Force (IPKF) should leave the island, before substantive discussions could commence. The Indian Forces were de-inducted, but instead of commencing talks, the LTTE promptly went back to conflict.

A third effort for negotiations commenced in late 1994, under the



administration of President Kumaratunga. In these negotiations, the tactic of the LTTE was to insist on what they termed confidence building measures, such as the relocation of certain vital military facilities, to their manifest advantage and to the clear disadvantage of the Security Forces.

The Government was of the view that such matters could be progressively addressed since as the outlines of a political solution become clearer, it would only be logical for both sides to incrementally de-escalate their respective security stances. The LTTE brushed aside this reasonable approach and in April 1995, they unilaterally commenced hostilities.

The fourth endeavour for peace took place under the Government of Prime Minister Ranil Wickremesinghe, through a Ceasefire Agreement or CFA negotiated under the facilitation of Norway that came into operation in February 2002. Under the CFA, six rounds of face to face negotiations between the Government and the LTTE took place with the presence of the Norwegian facilitators in various locations outside Sri Lanka. However in April 2003, the LTTE abruptly walked away from the negotiations. The LTTE also built up quite a record of repeated violations of the Ceasefire Agreement, by abusing the space they should have used for legitimate political activities to instead covertly take on Government targets and those associated with non-LTTE Tamil political factions.

The fifth in the series of efforts for peace was mounted by President Mahinda Rajapaksa, who in his Address to the Nation after being elected to office in November 2005, offered to personally meet and discuss with LTTE leader Prabhakaran, the way forward to a negotiated solution. However, even as the President was extending this gesture of peace, the LTTE intensified its campaign of covert attacks. Despite the repeated and serious provocations President Rajapaksa did not abandon the effort to re-invigorate the Ceasefire Agreement and sent teams of senior Government personalities twice to Geneva, for talks with the LTTE under Norwegian facilitation.

The LTTE however made for it the fatal error of mis-reading the restraint of President Rajapaksa as weakness and decided to plunge into even more escalated conflict. Having unsuccessfully attempted in April 2006 to assassinate the Commander of the Sri Lanka Army, the LTTE began a series of offensives in the East, cutting off irrigation for agriculture and threatening to over-run the vital port city of Trincomalee. In the North, the control of the Jaffna peninsula by the Government was challenged.

In this situation, the President and his Government faced the LTTE with great resolve. The results were not long in coming, with the Tigers flushed out of the East by mid 2007 and then cleared out of the North in May 2009.

Had any one of these efforts for peace succeeded, the conflict would have ended much earlier with the prevention of further suffering and loss.

Regrettably, that could not be the case due to the obdurate refusal of the LTTE to make the transition from its focus on fighting and violence, to purposeful discussion. The present reality therefore is that whatever may be the attempts by non-mainstream elements to subjectively interpret what happened, the culpability of the LTTE in wrecking the efforts for peace will never be erased. This reality alone Ladies and Gentlemen, should lead us to accept that in relation to Sri Lanka there should be a closure of any tendency to become fixated on the past, at the cost of the ability to look ahead positively to the future.

Another set of matters I wish to flag, concerns the immediate needs arising from the end of the conflict, as well as the medium or longer term effort that would follow. The tactics deployed by the LTTE up to the very end caused further tragic human loss and suffering, as well as the large scale displacement of civilians. To the around 280,000 persons who escaped or were freed during the first five months of this year from their plight of being used as human shields by the LTTE, must be added another 100,000 or so persons including from the Muslim community, who had been displaced even earlier on, again due to the activities of the Tigers. The scale of the problem can be seen in its immensity, when it is realized that the number involved amounts to more than 1.5% of the island's total population. At the same time, Sri Lanka is fortunate to have a competent administrative system with a proven track record of delivery, especially in relation to health care and education. Its capacities were notable when in the aftermath of the Asian Tsunami of 2004 which led to a death toll of 35,000, it was possible to launch a sustained and ultimately successful rehabilitation effort with no outbreak of mass disease or any breakdown of law and order.

A major concern would be the comprehensive de-mining of the areas inhabited by the internally displaced, so that they can safely return to their dwellings. Among the related concerns would be ensuring the availability of construction material for repairs to damaged housing stock, plus supplying in adequate quantities the wherewithal such as fertilizer and fisheries equipment, for the resumption of livelihoods. Let me add that Sri Lanka deeply values the

generous pledge of Indian Rs. 500 crore announced by the Prime Minister of India to meet these needs, which is complemented by the timely grant of Rs. 25 crore by the Government of the State of Tamil Nadu, for the same purpose.

Sri Lanka will also draw on the specialized agencies of the UN system, the ICRC and other reputed international NGOs with a record of effective service in the island, for assistance in coping with those displaced or otherwise affected by the conflict. With the progressive restoration of security and normalcy, access to the transit facilities housing the internally displaced can now be stepped up for the personnel of these agencies.

The resettlement of the internally displaced will have to take place in a situation where due to the conflict the infrastructure both in the East and especially in the North, has been subjected to colossal degradation. For example, that segment of the electricity grid which enabled power transmission to the Jaffna peninsula is no more. One hundred and forty kilometers of rail-track, on the stretch from the Northern Province town of Vavuniya to the peninsula, is no more. The heavy industry on the peninsula such as the cement factory and the chemicals plant were razed long ago by the LTTE.

While the precise financial cost of the conflict is perhaps yet to be worked out, a study carried out on the basis of a detailed methodology by the American academic Professor John Richardson for his book "Poisoned Paradise" looks at the early phase from 1983 to 1987 and calculates that the cost during those four years, was equivalent to 70% of Sri Lanka's 1988 GDP. As the conflict went on for 27 years, the cost on the basis of Professor Richardson's computation may amount to four to five years cumulated worth of national GDP. Moreover, the process of recovery has to be commenced within the current global climate of significant and prolonged economic down-turn. At the same time, two significant positive factors that have emerged with the end of the conflict should not be overlooked. The first is that the return to normal economic activity of North and of the East, which together account for around 13% of Sri Lanka's population, 28% of its land area and over 50% of the island's fisheries rich coastal belt, will hugely boost national productivity. The second would be with the opening up of road transport between the rest of the island and the peninsula, the energizing re-entry back into national life of the Jaffna and Northern Province populace, who are renowned for their intellectualism and disciplined approach to any task they undertake.

Ladies and Gentlemen, there is also the all important matter of strengthening national reconciliation and amity, through a political process

of devolution which creates a sense of empowerment amongst all. President Rajapaksa clearly signaled his intent to move in this direction when in his Address to Parliament on 19th May 2009 informing of the successful end of the security operations, he emphasized "we do not accept a military solution as the final solution". The President in order to give this effort further impetus constituted an All Party Committee chaired by him, which would meet once a month, to address the issues of national reconciliation and of development. It was particularly encouraging that 22 political parties including the Tamil National Alliance, participated in the initial meeting of the Committee on 2nd July.

In advancing the political process, the President and his Government would be mindful that our Constitution is rigid in nature, requiring for amendment a 2/3rd majority in Parliament, with some entrenched clauses needing even thereafter approval by the people at a Referendum. Since Sri Lanka's change in 1989 from the previous first-past-the post system to a proportional representation system, no party has obtained a two third majority. In fact, President Rajapaksa depends for his parliamentary support on a coalition, with his own party the SLFP having less than 1/3rd of the seats in a Legislature with a total strength of 225.

In this situation, the President intends to proceed pragmatically by relying on the constitutional provisions for devolution that have already been enacted, through the 13th Amendment to the Constitution adopted after the India-Sri Lanka Agreement of 1987. Paradoxically though the 13th Amendment became part of the law of the land 22 years ago, it could not benefit the Northern and Eastern Provinces as long as the LTTE was present in those areas.

In the East, the operationalization of the 13th Amendment has already started, with the election of the Chief Minister and his administration consequent to the Provincial Council polls held on the 10th of May 2008.

Now that the LTTE is no more in the North, the Government will hold Provincial Council elections there as well. Before that, there will be elections to the local bodies in two of the main Northern Province towns, namely Jaffna and Vavuniya.

The completion of the Provincial Council election in the North, in the wake of that which took place in the East, will be an important milestone in the further strengthening of national amity. These elections will have to be

complemented by the evolution of sound administrative practices and conventions. The political leaders and authorities in the capital of Colombo and those at the helm of administration in the Provinces would need to collaborate towards this end through a spirit of give and take, which while trying to accommodate the specific interests and concerns of the Provinces, also keeps in mind the wider context of ensuring Sri Lanka's continued economic and political progress as a multi-ethnic and multi-cultural society.

Ladies and Gentlemen, Dr. Henry Kissinger concludes his book "Diplomacy" by referring to a Spanish proverb that says "Traveller, there are no roads.

Roads are made by walking". The session of the Seminar that follows next will have the benefit of being addressed by a most distinguished group of panelists. I am very confident that the understandings reached through their contributions, would help India and Sri Lanka as the nearest of neighbours and the inheritors of a common culture, to choose on an informed basis the road that would best lead them, to the realization of their shared goals.

I thank you Ladies and Gentlemen, for the kind attention you have devoted to my remarks.



**424. Interview of Sri Lanka President Mahinda Rajapaksa with the Chief Editor of Chennai based daily *The Hindu*.**

(The three part interview was published on July 6, 7 and 8, 2009.)

[The human drama of some 300,000 Tamils fleeing the LTTE in the weeks before its elimination as a military force moved the world as it watched in shock, awe, and eventually great relief. What is their present condition in the Vavuniya IDP camps and what will be their future? And what is the nature of the political solution Sri Lanka's government has in mind? President Mahinda Rajapaksa responds to N. Ram 's questions in this first part of an extended interview to The Hindu in Colombo. Lalith Weeratunga, Secretary to the President, participated in the conversation, filling in some details and adding his insights. P.M. Amza, Sri Lanka's Deputy High Commissioner in Southern India, was also present during the June 30 meeting at Temple Trees, the former official residence of Prime Ministers.]

**Part - I**

**N. Ram:** Mr. President, are you satisfied with conditions in the Vavuniya IDP camps where close to 300,000 Tamils are housed?

**President:** I sent some people close to me to the camps. They went and stayed for several days. They spoke to the girls, the Tamil children, and others. And they came and reported to me. I don't rely on information only from the officials. We released people over 60. You know, a 74-year-old man, when he was released he immediately came here and went to Singapore. He was the man who had the money list, the other list. [Velupillai] Prabhakaran had given lists to many, not to just one person. This man escaped; he was one of the leaders.

I would say the condition in our camps is the best any country has. We supply water. There is a problem with lavatories. That is not because of our fault. The money that comes from the EU and others, it goes to the NGOs and the U.N. They are very slow; disbursing money is very slow. We supply the water tanks; we have spent over [Sri Lankan] Rs. 2 billion. Giving electricity, giving water, now we are giving televisions to them. They have telephone facilities. Schools have been established. Some of the leaders are using mobile phones.

I had a special meeting on the disposal of waste. I sent a special team of specialists to see how mosquitoes can be eradicated.

We know there are shortcomings. Slowly, we have to overcome them. In some camps there are no problems. What these people I sent told me: they are satisfied with the housing, the shelter. They have undergone much worse conditions earlier [when they were under the LTTE's control]. Their problem is movement, freedom of movement. Since there are security concerns, I don't know how to do that immediately.

So I said: "We have to identify these people. So if anybody takes the responsibility, we are ready to send them." We have called an all-party meeting for Development and Reconciliation. The reconciliation part, all parties must participate. The TNA [Tamil National Alliance] must participate.

#### **Resettling displaced Tamils**

**NR:** Why can't more Tamil IDPs be sent back to the places they hail from, provided of course their security and wellbeing can be assured? Why not a grand gesture of sending tens of thousands of people to safe places where they can be looked after - at this stage, in the Eastern Province, the Jaffna Peninsula, and the Indian Tamil areas?

**President:** You must remember it is only one month, my friend. I said on the 20th of May that as soon as possible, we must send them to places where they can stay. My problem is that we have to get the certificate of de-mining from the U.N. We have already sent people back to several places; you can get the details. As soon as we get the clearance, I'm ready to do that. But before that I must get the clearance from the U.N. about the de-mining. I can't send them to a place without basic facilities. Now we're spending on electricity, on roads, on water. We can't send them back to a place where there are just jungles. Every square centimetre has been mined by the LTTE. If something happens, I am responsible.

**Lalith Weeratura (Secretary to the President; LW):** Sri Lanka is adopting a very good system. We are de-mining the paddy fields first; then you can get into rice cultivation. The other thing is that the U.N. has been so slow in de-mining. It's the Indian companies that have been doing the good work.

**President:** And the [Sri Lankan] Army. They're doing the best work.

My personal feeling is that as soon as possible, we have to re-settle these people. We have to send them to the villages. But my problem is that to provide security for them, I will have to recruit another 200,000! I don't want to do that. Now I am recruiting Tamils to the Army and the police. I was always for that. I said: "Have a Muslim regiment and a Tamil regiment." All these people started

opposing it for political reasons: "No Muslim regiment, no Tamil regiment." Not by the Sinhalese who welcomed that, but by the Tamils, by the Muslims.

You know, the mothers of our soldiers - some of them though their sons had been killed by the LTTE - when we told them that these people [Tamil civilians fleeing the LTTE] were coming and we must send them food and meet their other basic needs, these mothers contributed. The mothers of ex-soldiers contributed. Bikkus contributed. But not some Tamil businessmen. I had to remind them, shout at them, plead with them to get that support.

**NR:** Another issue is three doctors under detention: one may be an LTTE man; the other two are government doctors. Why can't they be released now?

**President:** I told them to organise a press conference. Let the doctors come and say what they have to say.

**LW:** They were lying through their teeth [about civilian casualties in the No Fire Zone]. And they are public servants, paid by the government. If they go scot-free, it will set a very bad precedent.

**President:** Everybody is worried about the doctors. So let them explain to the public, to the journalists, who can question them, why and on what basis they said what they said. Let the pro-LTTE journalists also question them.

### **The question of Tamil leadership**

**NR:** How do you see the post-Prabakaran situation evolving politically?

**President:** My view is this. Most Tamil people believed they had a leader - whether he was right or wrong. This man [Prabakaran] made them proud. It was a ruthless organisation, it killed people, those are all immaterial for others. They thought: "There is a leader who is keeping us up in the world." Suddenly that leadership vanished, after thirty years. Immediately they couldn't digest it. Many of them know he was wrong. It will take time. Some of these people, the older people, can't accept it yet. Still the Internet - 'KP' [Selvarasa Pathmanathan, the former head of the LTTE's 'Department of International Relations' and chief arms procurer who is at large and on Interpol's most wanted list] and the rest are sending messages, right? "You don't worry, the organisation is still there," and so on. Their propaganda machinery is alive, to get the money. Things that they bought individually, they are not giving it. There are Sinhalese businessmen here who invested the LTTE money. We know it but various powerful people protected them.



My fear is this. Now, to collect money again, somebody will have to plan something here. Just one incident. Just to upset the world and then to show they have started the movement - so that they can continue to collect the money. They think that will help. But we are very vigilant.

**No racism**

In this whole thing, we have to think aloud. I have warned my party people, all party people, whether Sinhala, Tamil or Muslim, that "I don't want any statement, anything that creates a disturbance among our three communities." Now my theory is: there are no minorities in Sri Lanka, there are only those who love the country and those who don't. They tried to twist that but I still maintain that position.

**NR:** That was in your speech of May 19.

**President:** Yes, in Parliament. And in my Parliament speech, I spoke in Tamil also. And I spoke only in Tamil when I gave a small message when we started the new ITV Tamil channel, Vasantham.

**LW:** The public service is learning Tamil. Some are following courses of 40 hours of spoken Tamil.

**President:** I learnt that in one school the master said: "If the President can learn Tamil, why can't you all? You are students. You must learn Tamil." We are paying people in the public service for learning Tamil, to encourage them.

**LW:** There is a one-time payment if you pass Tamil. But if they go for classes also we pay. H.E. [His Excellency] has issued a directive that with effect from July 1 we will not recruit people to the public service unless they know Tamil - and vice versa, that is, Tamils must know Sinhala, Sinhalese must know Tamil.

**President:** Let them learn, let them learn. I can remember that in 1970 as a young MP I said that we must teach all Sinhalese Tamil and all Tamils Sinhala. If that had happened, I think there would have been a different world.

**NR:** There was this famous and prophetic statement in the 1950s [in 1956, when Sinhala was made the official language]: "Two languages, one country. One language, two countries."

**President:** Yes, by Colvin [Dr. Colin R. de Silva, the LSSP leader who between 1970 and 1975 was a key Minister in the Cabinet of Sirimavo Bandaranaike].

**Towards a political solution**

**NR:** Now about your political solution. You talked about the 13th Amendment plus.

**President:** I am waiting for them. The TNA representatives must come and participate in the discussions [on the political solution]. I am getting delayed because they haven't done this yet. [On July 2, leaders and representatives of 22 political parties, including the TNA, participated in the inaugural meeting of the newly constituted All Parties Committee to build a consensus among political parties for development and reconciliation, giving priority to the speedy resettlement and rehabilitation of the war-displaced.] I am waiting but it will be after my [re-]election [as President]. I must get the mandate. After that, the political solution comes. Even tomorrow I can give that - but I want to get that from the people. Even today somebody said: "The 13th Amendment. We are not for..." I called them and gave them a piece of my mind. I called our party leaders and told them: "Now what I'm going to tell you, you're not going to tell anybody. It's between you and I." Only party leaders were there. But today a professor from a university called me to say, "Thank you very much." I said: "For what?" He said: "This morning you have warned all the people about racism. And what you said has been highly regarded. This call is to thank you." I asked, "How do you know?" He said: "No sir, I just heard." This professor, a Tamil man, had immediately got the news. "Whether it is Sinhalese, Tamil or Muslim, I am telling you all. No racism. Don't try to create problems for me."

[As for the political] solution, I'm willing. I know what to give and I know what not to give. The people have given me the mandate, so I'm going to use it. But I must get these people [the TNA representatives] to agree to this. They must also know that they can't get what they want. No way for federalism in this country. For reconciliation to happen, there must be a mix [of ethnicities]. Here the Sinhalese, the Tamils, and Muslims inter-marry. In my own family, there have been mixed marriages: Sinhalese with Tamils, Sinhalese with Muslims. This is Sri Lankan society. No one can change this.

**NR:** You have this idea of a Second Chamber.

**President:** Yes, I want to get representatives from the Provinces involved in national policy-making. And if there is anything against a Provincial Council, they can protect their powers constitutionally. I have an arrangement in mind - this is what we call 'home-grown solutions' - but the idea needs to be discussed and the details settled. I don't want to impose any arrangement.

In this second part of an extended interview to The Hindu at Temple Trees in Colombo on June 30, President Mahinda Rajapaksa answers N. Ram's questions on his outlook on the LTTE, his approach to it in peacetime and in armed conflict, and his assessment of its fighting capabilities and of Velupillai Prabhakaran's strategy during the endgame. The first part was published on July 6.

**N. Ram (NR):** Mr. President, when you were elected in 2005 what was your expectation of this conflict? This is what you said in your 2005 presidential election manifesto, Mahinda Chintana: "The freedom of our country is supreme. I will not permit any separatism. I will also not permit anyone to destroy democracy in our country...I will respect all ethnic and religious identities, refrain from using force against anyone, and build a new society that protects individuals and social freedoms." In that policy statement, you also projected the "fundamental platform" of your initiatives as "an undivided country, a national consensus, and an honourable peace." So what was your real expectation when you assumed the office of President? You had no plan, it appears, to go on an offensive.

**President:** I was very clear about terrorism. I didn't want to suppress the Tamils' feelings. But I was very clear about the terrorism from the start. That's why as soon as I knew that I was going to win, I invited Gota [his brother Gotabaya Rajapaksa, who took charge as Secretary in the Ministry of Defence, Public Security, Law & Order on November 25, 2005; a battle-hardened professional with 20 years of service in the Sri Lankan Army, he played a key role in the successful Vadamarachchi Operation against the LTTE in 1987 and subsequently, in 1990, in Operation Thrividabalaya to rescue Jaffna peninsula and the Jaffna Fort from LTTE control.] I said to him: "You can't go. You wait here." That's why I selected as commanders of the Armed Forces people who would get ready to do that.

Then I sent the message to the LTTE: "Come, we will have talks, discuss." I was trying to negotiate. I was very practical. I said: "You can get anything you want. But why don't you all contest for this, have elections? Now you are people who have weapons in your hands. Ask the people to select. Have elections for the Provincial Council. Then we will negotiate. I can negotiate with an elected group. But with a man with weapons, I can't negotiate." The biggest mistake he [Prabhakaran] made was this. He said I was a practical man, a pragmatic man.

**Lalith Weeratura (Secretary to the President; LW):** H.E. [His

Excellency] was appointed on the 19th of November [2005] when he made his inaugural speech, where he invited this man. Then on the 27th of November came Prabhakaran's Maaveerar speech, in which he said the President was a pragmatic, practical man [the LTTE supremo announced that his organisation would "wait and observe" the new President's approach to the peace process "for some time" because "President Rajapaksa is considered a realist, committed to pragmatic politics"]. When he said that, H.E. said in a speech: "I am willing to walk that last mile." Then on the 5th of December, they attacked 13 innocent soldiers who were taking meals to their comrades and they were without weapons. That is how it started.

**President:** Even then I didn't do anything. But then I knew what was going on. Then only I started my defence, I would say. Then Gota said we would have to increase the strength of the Army. All that was planned by them [the professionals]. I said: "What do you want? Get ready." But I went behind them [the LTTE] pleading. But I knew people were getting worked up in the South. Then I warned the LTTE: "Don't do this. Don't push me to the wall."

**LW:** Then you sent me to talk to one of their leaders.

**President:** I sent him. I sent Jeyaraj [Jeyaraj Fernandopulle, a veteran politician hailing from the Tamil minority group of Colombo Chetties and Cabinet Minister of Highways & Road Development; he was assassinated by an LTTE suicide bomber on April 6, 2008].

**LW:** In 2006, I went through many checkpoints without being checked. H.E. said: "Just go. Don't identify yourself." Later he told them: "I sent someone. You people couldn't even find out who it was."

**President:** I pulled up the Defence people, saying: "If I can send a man there, what is your security?" I told them after several months: "He [Lalith Weeratunga] is the man who went there. Do you know that?"

**LW:** To that extent he went.

**NR:** To see the weaknesses?

**LW:** No, to negotiate.

**President:** To negotiate and see the weaknesses also! Then I sent Jeyaraj. He told them some home truths in Sinhala, which they understood. "You will be killed [if they continued along this path]."

**NR:** Then came the Mavil Aru incident.

**President:** That was the time they gave me the green light!

**NR:** But you were well prepared by then, August 2006?

**President:** Yes. But before that, they tried to kill the Army Commander.

**LW:** In April 2006, when they tried to assassinate the Army Commander, the President said - this was in the next room - "as a deterrent, just one round of bombing, then stop it."

**President:** Yes, I said: "Just go once." We were very careful. We did our best to find a way out through talks.

**LW:** There was a whole series of negotiations, in Geneva and elsewhere. They [the Tigers] didn't even want to talk.

**President:** So these military operations did not come without negotiation or without any reason. But from the start, I was getting ready for that [the military operations]. I knew - because I had the experience, you see. We knew that they would never lay down arms and start negotiating.

**LW:** In this connection let me tell you about the President's interesting conversation with Mr. Solheim [Eric Solheim, the Norwegian politician and Minister who helped negotiate the 2002 ceasefire and was a controversial participant in the Norwegian mediatory efforts]. I was there, it was about March 2006. Mr. Solheim came to see H.E. after he became President, and said, in the midst of other things: "Prabakaran is a military genius. I have seen him in action," and this and that. The President said: "He is from the jungles of the North. I am from the jungles of the South. Let's see who will win!" It was very prophetic. Later the President met Minister Solheim in New York and reminded him of their conversation on the "military genius," the jungles of the North and South, and who would win. The East had by that time, in 2007, been cleared and the President said: "Now see what's going to happen in the North. The same."

**NR:** When did you first get an idea that the Tigers were vulnerable, that they were hollow in some sense, that you could hit deep?

### **No underestimation**

**President:** From the beginning I had the feeling that if you gave the forces [the Sri Lankan armed forces] proper instructions and whatever they wanted, our people could defeat them. Because I always had the feeling

that what they [the LTTE] were showing was not the reality. But in a way, we were wrong. They had numbers, they had weapons. They would have attacked not just Sri Lanka, they would have attacked South India. The weapons they had accumulated could not have been just for Sri Lanka! The amount of weapons our armed forces are discovering is unbelievable. And I knew when our intelligence was saying: "They have only 15,000 fighters," I knew it was not that number. I was not depending on one source. I knew that the LTTE had more than that. One thing I never did was to underestimate the LTTE.

**NR:** So you say they were the most ruthless and most powerful terrorist organisation in the world.

**President:** Yes, the most ruthless and richest terrorist organisation in the world. And well equipped, well trained.

#### **LTTE's final strategy?**

**NR:** What do you think was their final strategy? Prabhakaran holed out with all the LTTE leaders and their families in that small space, that sliver of coastal land. It shocked the world. But what were they expecting? D.B.S. Jeyaraj, who writes for us, has a theory that they wanted to do a daring counter-attack.

**President:** I think what they wanted was to escape. In the final phase, they were waiting for somebody to come and take them away. Otherwise, they wouldn't have gone there. Because they had the Sea Tiger base: that was the only place where they could bring a ship very close - even a submarine. They selected the best place for them: on one side the sea, then the lagoon, and there was a small strip. But then it was not they who actually selected the place: they 'selected' it but the armed forces made them go there. The No-Fire Zones were all announced by the armed forces. After Kilinochchi, they were saying: "No-Fire Zones, so go there." So all of them [the LTTE leaders and fighters] went there. These were not areas demarcated by the U.N. or somebody else; they were demarcated by our armed forces. The whole thing was planned by our forces to corner them. The Army was advancing from North to South, South to North, on all sides. So I would say they got cornered by our strategies.

**LW:** Kilinochchi was captured on the 1st of January 2009. And the whole

operation was over on the 19th of May. So there was ample time [for them to get away].

### **Conduct of armed forces**

**President:** Yes, I can't understand why they had to fight a conventional war. Prabakaran could have gone underground. If I was the leader of the LTTE, I would have gone underground and I would have been in the jungles - fighting a guerrilla fight. They couldn't do that now because we, our Army, mastered the jungles. They were much better than the LTTE in this [mode of warfare]. Thanks to the Special Forces, the Long-Range Forces, and the small groups, the group of eight. That worked very well. And I salute our forces for their discipline.

**LW:** For example, there was not a single instance where the Army was found to be wanting in its conduct towards women.

**President:** That girl, when she surrendered - they were deciding, there were six or seven [LTTE women fighters] - she says in her statement: finally, two or three ate cyanide and killed themselves; and then two or three girls said, "all right, we will see whether we will be raped, whether we will kill ourselves or be killed by rape, we will take this risk." The schoolteacher, this educated girl, surrendered. Nothing happened. She can't believe this. She was paid by the government for fighting us! By the way, we are now going to get all the government servants [from the Northern areas that used to be controlled by the LTTE] and I am going to tell them: "Forget your past. You work there in these organisations, you can't just wait there. We are paying you." Now teachers must go and teach and others must go to their posts and work.

And the money that they [the Tamil civilians fleeing the LTTE] deposited: on the first day it was 450 million [Sri Lankan rupees] together in the two banks, People's Bank and the Bank of Ceylon. And considerable quantities of gold. The Army has become a very disciplined force.

### **Part - III**

[In this concluding part of an extended interview to The Hindu at Temple Trees in Colombo on June 30, President Mahinda Rajapaksa answers N. Ram's questions on concerns over what is perceived as triumphalism, the power of Sri Lanka's executive presidency, assaults and pressures on the

news media, personal friendships, and relations with India.]

**NR:** Are you not worried by what is seen outside Sri Lanka as triumphalism following the military victory? That has to be checked, does it not, in the South?

**President:** No. The Tamils are happy, the Muslims are happy. They had that fear for two days. I must admit that. When my friends informed me, "Sir, we have a problem like this" - they had this fear - I spoke to them in Tamil and said: "Don't worry, I will look after you." People were enjoying themselves for two weeks. One day I took a vehicle and went all over just to find out what was going on. I placed the Army and the police near the Tamil houses. Nothing happened. Not a single Tamil house was attacked, not a single Tamil was humiliated. Not a single Muslim.

Do you know that recently there was a fight. Two were killed. I thought, "Another problem." Only to find out that a gang had applied for visas saying, "The Army is bombing us and fighting us" and that they wanted to escape all this. They somehow got two visas and [to celebrate that] had a party. After drinking, two fellows were killed. We caught all of them and questioned them. They are not LTTEers, they don't belong to any political party. They are gangsters. Gang fighting is going on. These are the underworld; we have to tackle them. They want to go to some western countries. I don't mind; if those governments want them, let them take them!

#### **Is the President too powerful?**

**NR:** There is a perception that the presidency has become too powerful. If so, what is the safeguard? What would be your answer to this criticism?

**President:** My answer is that it is not too powerful. That is my three years' experience. I can't take any decision on money matters. My money is controlled by Parliament. My powers have been taken over by Commissions. I can't dismiss any Provincial Council - unlike your central government, which has the constitutional power to dismiss a State government and dissolve a State Assembly. So how can I say I am powerful? I can't transfer a provincial teacher. I can't make a school a national school. So what is this power? To decide on the security, yes. The power is there. To keep the country in one piece. Otherwise I have no powers. The Cabinet has all the power. I can request.

**NR:** You are a man of Parliament, are you not?



**President:** I always say I am a man of Parliament. I like to debate. I like to fight, not physically of course. If you are inside Parliament, you're in touch. I'm in a prison now. A glorified prisoner, I would say, with all these security personnel. I'm one who walked from Colombo to Kathargama, 180 miles in 18 days. I'm a person who went and met people. I am a person who went to their houses. I was very free: 40 years of politics was with the people. So suddenly you put me here. I also have been in remand for three months. But I can't see a difference now. Of course I'm getting all these comforts. But what is comfort? This is not comfort. I can't get out, I can't drop in on my friends, I can't bring them here. I can't enjoy anything.

### **Friendship**

**NR:** They say you value friendships a lot. You have friends in India.

**President:** I will do anything for a friend - not for any bad work, of course. But when a friend in difficulty approaches me, I will do whatever is possible to comfort them. Even when a country needs a friend, I always trust that country as a friend. Personal friendship has become important even in international relations. That is why I always treat India as a friend. A little more than that: a relation, I would say. Because of that, I will not get angry with others also.

**NR:** You are happy overall with India's response to the recent developments?

**President:** Yes, India was very helpful, first by understanding what was happening. We had a list and we knew what was possible and what was not. We bought the weapons we wanted from China. It was a commercial deal. China helped us and when somebody helps you, you appreciate it, don't you? But we paid them on international terms. We were very clear about this. That is also why I stood by Pakistan. When they were isolated, I got up and defended them. Then I canvassed for India during the process of choosing a Secretary-General for the Commonwealth [Kamalesh Sharma, a senior Indian diplomat, was chosen for this post by the Commonwealth Heads of Government in November 2007 and took up his post in April 2008]. I think no other country's leader would have been doing that openly. There were people in Sri Lanka who were interested in the job. But I said I wanted an Indian candidate. "In this region, we must have a leader. Here's the SAARC leader, at that time. So make them also powerful internationally and then we have a friend to defend us in international forums." That was my reasoning.

### **Media issues**

**NR:** There has been international concern over the assaults and pressures on journalists in Sri Lanka. Some of these journalists were your personal friends, especially Lasantha Wickrematunge [Editor of The Sunday Leader] who was gunned down in January 2009. Then, in June, a Tamil woman journalist [Krishni Ifhan née Kandasamy of Internews] was abducted in Colombo by unidentified persons [who questioned her for several hours before releasing her in Kandy].

**President:** Most of these cases were created, I would say. If you fight someone in the street and that man comes and hits you, can the government take responsibility? But we have not done anything against journalists even when they attack us. For example, even though we had evidence that a Tamil newspaper owner and editor supported the LTTE, we treated them as journalists. I invited them here and they even entered into arguments with our senior officials.

Some of our journalists want complete freedom. They can attack anybody, they cannot be charged. Under the Constitution, only the President has immunity from prosecution. But the journalists also think they have the right to do whatever they want and get away with it - because they are journalists. Some of them said they would get together and do something about this. But what are some of the newspapers doing? They use media power to blackmail innocent citizens and collect money. I am a politician, I can take it. But public servants, what recourse do they have? The journalist writes something and then publishes a correction - it is useless. If they write falsely that this person is a bribe-taker or a rapist - there are such instances - what does he do? He can't go home; he can't face his children. How many people can afford to go to court with a civil [defamation] case?

Newspapers must take responsibility. If they won't do this, then you will have laws to make them do this.

Lasantha was my friend; he used to come and meet me, told me of various things that were happening, even in my party. He would drop in at two o'clock in the morning and I used to send him back in my vehicle.

**NR:** His last call was to you?

**President:** Yes, but unfortunately I was in the shrine room. It was a bad time. If I was out, they would have given me the phone. I was very angry with my security people.

**Cultural values**

**President:** I always respect the family culture of the Tamils. That is very important but it has been ruined by the LTTE. There is this 19-year-old girl in one of the IDP camps; she has had seven children! Every year she got pregnant because then the LTTE would not take her away to fight. And they don't even know the father.

**NR:** And the parents also supported this?

**President:** Yes, to keep the child. This is in a traditional family. This is the society we are living in. We don't want to publicise all this, although I did mention it in one of my speeches. The point is you can't ruin the culture of a country, the future of the young generation. The drug dealers are doing that. We must do everything to stop them.



**425. Extract Relevant to Sri Lanka from the Statement of External Affairs Minister S. M. Krishna in Parliament.**

**New Delhi, July 9, 2009.**

**Sri Lanka**

5. Permit me now to briefly apprise the House of recent developments in Sri Lanka. As Hon'ble Members are aware, after more than two decades of conflict involving the Sri Lankan Government and the Liberation Tigers of Tamil Eelam (LTTE), a terrorist organisation proscribed in India, the Sri Lankan Government in mid-May 2009 proclaimed the end of military operations after wresting back all the territory held by the LTTE. The death of several LTTE leaders was also announced, including that of Velupillai Prabhakaran, who is a proclaimed offender in India. This is a significant conclusion to the military conflict in Northern Sri Lanka.

6. The end of military operations in northern and eastern Sri Lanka is an opportunity to rebuild the country after the ravages of conflict. In the immediate post-conflict situation, the most pressing concern is to ensure the early resettlement and rehabilitation of the nearly three lakh Tamil civilians displaced by the conflict in the last year. The early return of the Internally Displaced Persons (IDPs) to their homes is a crucial first step towards reclaiming their lives and restoring normalcy. We have been assured by the Sri Lankan Government and President of their intention to proceed quickly with the task of resettlement. Mr. Basil Rajapaksa, Senior Adviser to the President of Sri Lanka, led a high-level delegation to India on June 24, 2009 when we studied the resettlement and rehabilitation issue in great detail. The Sri Lankan Government have committed themselves to resettling most IDPs in 180 days.

7. India will provide every possible assistance in the task of rehabilitation, resettlement and reconstruction. Hon'ble Members will recall that Prime Minister himself announced in this august House, India's firm commitment to engage with the process of relief and rehabilitation in Sri Lanka in keeping with our abiding interest in the well being of the Tamil people in that country. The Government has earmarked Rs. 500 crores for this purpose and we are willing to do more.

8. The immediate focus of the projects that will be taken up as part of this effort include deployment of four demining teams, which is a pre-requisite for IDPs to return to their homes, reconstruction of houses and supply of shelter material, medical assistance, and provision and repair of civil infrastructure.

9. Since November 2008, India has shipped 1.7 lakh family relief packs from Tamil Nadu for IDPs and civilians affected by the conflict. The packs included essential items such as dry rations, personal hygiene items, clothes, utensils etc. and were distributed to the beneficiaries by the ICRC. Another consignment of family packs will be dispatched from Tamil Nadu shortly. India has also been operating a full-fledged 60-member field hospital in Sri Lanka since March 2009. Since moving to its new location near Vavuniya after the end of military operations, more than 14,000 patients have been treated by the facility which is equipped with modern equipment and amenities and they have done commendable work. Further, two consignments of medicines have also been gifted to Sri Lanka in view of the urgent requirement for civilians and IDPs.

10. The cessation of hostilities gives Sri Lanka an opportunity to make a new beginning and to build a better future for all her peoples and, therefore, for the region as a whole. We are convinced that a closure to the cycle of violence and terrorism that has plagued Sri Lanka requires an inclusive political process of dialogue and devolution. Such a process must address the legitimate aspirations of the minorities, including the Tamil community, within the democratic framework of a united Sri Lanka.

11. We have been assured by the Sri Lankan Government of their intention to pursue a political process that envisages a broader dialogue with all parties including the Tamil parties, the full implementation of the 13th Amendment to the Sri Lankan Constitution and to go beyond, so as to achieve meaningful devolution of powers. We will remain engaged with them through this process.

12. I would also like to take this opportunity to mention that the Government continues to closely monitor incidents affecting the safety of our fishermen in the waters between India and Sri Lanka. We have reiterated to Sri Lanka the need to ensure strict compliance with the understanding on fishing arrangements reached between the two countries in October 2008.

13. As a close neighbour with whom our security and prosperity are inescapably intertwined, the Government attaches utmost importance to the future course of events in Sri Lanka and has an interest in ensuring that a lasting political settlement is reached.

(For full text please see Document No.256.)



**426. Clarification provided by Prime Minister on his Statement in the Rajya Sabha on his meeting with Sri Lankan President at Sharm El-Sheikh.**

**New Delhi, July 17, 2009.**

.....Now, with regard to what Shri Raja\* has said, I spent a very considerable amount of my time in my meeting with His Excellency President Rajapakse, discussing the Tamil problem. I expressed to him our concern about the plight of Sri Lankan Tamils. There are nearly three lakhs people who are internally displaced persons living in 33 camps and I emphasised to him that he must take all effective measures to provide meaningful relief and rehabilitation, but that is only the beginning of the process. Sri Lankan Government has to create conditions whereby the Tamil people's legitimate political aspirations for a life of dignity and self-respect can be met and the successful process of devolution as envisaged in 1987 Statement with India can be implemented. So, I can assure you, Mr. Raja, that bulk of my time with the President of Sri Lanka was spent in discussing the plight of Sri Lankan Tamils. We are very deeply concerned. I explained to him that we have a legitimate concern about the well being of Sri Lankan Tamils. It has a bearing on Sri Lanka's relations with India, and, therefore, I urged him to do all that he can to satisfy the legitimate political aspirations of the Sri Lankan Tamil community. I thank you, Sir.

(For text of the statement please see Document No.39.)



\* Shri Raja had asked: "..... since the Prime Minister had talks with several Heads of the States, particularly with the President of Sri Lanka, I would like to seek one clarification. I don't know whether the Sri Lankan Tamils will be able to get any political solution to their problem; I do not know whether they will have, in the near future, a peaceful co-existence on the basis of equality in the island nation. I would like to know whether the Prime Minister raised these concerns with the President of Sri Lanka."

It may be relevant to note that a delegation of ten parliamentarians from Tamilnadu visited Sri Lanka for four days from October 10 on the invitation of the Sri Lankan President. Its main objective was to visit the camps of the internally displaced persons and study their problems first hand. It met representatives of the Tamil and Muslim political parties and exchanged views on the plight of the 2.5-lakh war displaced and the need for a permanent solution to the ethnic conflict with meaningful devolution.

After visiting the camps of the displaced persons in the North and meeting the cross section of the political opinion of the Tamils the delegation called on Sri Lankan President Mahinda Rajapaksa in Colombo on October 13 and exchanged views on the rehabilitation of the 2.5-lakh war displaced housed in government-run camps and the contours of a political solution to the ethnic conflict. They also visited the hill districts where the Plantation Tamils of Indian origin are settled. "With regard to discussions on a political

settlement to the ethnic question," the President reportedly told the delegation that "any settlement must be one that is accepted by all communities and by Sri Lanka's neighbour." Mr. Rajapaksa also emphasised the multi-ethnic nature of Sri Lankan society, referring to the 65 per cent of Tamils who live outside the provinces of north and east, mostly in and around Colombo. The delegation reportedly expressed fears about the coming monsoon rains but it was assured that steps had been taken to ensure that no hardships were caused to the IDPs. Media reports said that the President told the delegation that the Government was "concerned about the speedy resettlement of IDPs but were also appreciative of the actions taken by the government so far, in this direction. The President emphasised that de-mining must be done first before any resettlement". The MPs also met Prime Minister Ratnasiri Wickremesinghe, Foreign Minister Rohitha Bogollagama and Defence Secretary Gotabhaya Rajapaksa, beside the United National Party leader Ranil Wickremesinghe. The UNP in a statement said: "Before the war all communities lived amicably, which was disrupted by the cruel war. Now that the war is over, steps should be taken to resettle the IDPs and accelerate their return to normal life. The south Indian MPs must play a vital role towards achieving this goal."

Tamil Nadu Chief Minister M. Karunanidhi, who received the delegation on return at the Chennai airport on October 14, announced at a press conference that the delegation had been assured by the Sri Lanka Government that 58,000 IDPs would be rehabilitated in their native places in 15 days and the remaining would return gradually to their homes. In all, there were about 2.5 lakh people in the camps, Mr. Karunanidhi said adding the move of the Sri Lankan government was in response to the request made by the team that the internally-displaced Tamils be sent to their homes before the advent of rains. To a question whether Sinhalese would be settled in areas where Tamils lived traditionally, the Chief Minister said President Mahinda Rajapaksa had denied that such a thing would happen.

In New Delhi, the delegation called on the Prime Minister on 23rd October. In a written report, they suggested that India could help by building about one lakh houses, constructing roads and schools, making arrangements for water supply, helping with agriculture and other basic amenities for the IDPs, who were returning home. The MPs suggested that the Rs.1,000 crore aid, promised by India to Sri Lanka, could be given in the form of infrastructure. The delegates wanted India to ask the Sri Lankan government to speed up de-mining activities, send more experts there to quicken this process, advise it to stop firing indiscriminately on Tamil Nadu fishermen and rehabilitate IDPs before the monsoons. Home Minister P. Chidambaram and National Security Advisor M.K. Narayanan were present when the MPs briefed Dr. Singh on their visit.

On October 18 the Home Minister P. Chidambaram after meeting the Tamil Nadu Chief Minister in Chennai told the media that New Delhi would provide another Rs.500 crore (besides the Rs. 500 Crore already committed) to the Sri Lankan government towards rehabilitating the displaced persons after Sri Lanka submitted the project report.

He said: "The MPs' delegation has listed the steps taken by the Sri Lankan government (to rehabilitate the IDPs). We discussed how to help the Sri Lankan government to fulfil its promise." Asked whether the Sri Lankan government had started sending the Tamils to their homes after the visit of the Tamil Nadu MPs' delegation, Mr. Chidambaram said 5,000 people had already been sent to their places. "It has started in a slow manner. It has to be speeded up. We will take steps to ensure that all the Tamils are sent to their homes," he said.

Meanwhile on October 15 Minister of State Mrs. Preneet Kaur who was in Colombo in connection with the 8th Asia Cooperation Dialogue in a meeting with the Sri Lankan Foreign Minister Bogollagama had also assured him of India's readiness to provide further humanitarian assistance, on the request of Colombo. She referred to the offer of assistance for rebuilding the Duraiappa Stadium and establishing a cultural centre in Jaffna. Mr. Bogollagama said that though de-mining work carried out by the Sri Lanka Army and the Indian de-mining teams was progressing expeditiously, more assistance was required to complete the process.

**427. Press Release issued by the Ministry of Defence announcing the extension of the Medical Team in Sri Lanka by another two months.**

**New Delhi, August 2, 2009.**

The tenure of the Indian Armed Forces Field Hospital Unit providing succour and relief to the Internally displaced Tamil civilians in Manikfarms Camp in Sri Lanka since March 9, 2009 has been extended by another two months on the request of Sri Lankan Government. This is the third extension granted to the field hospital unit.

The field hospital unit has a 60-member medical team comprising Surgeons, Pediatrician, Medical Specialist and Lady Medical Officer. The team so far has already treated over 21,000 internally displaced Tamil civilians including cases of gunshot wounds, trauma, head injuries and those related to general surgery and orthopedics at Manikfarms camp at Vavuniya. The medical camp was first set up at Pulmodai.

A 30-member Armed Forces medical team has been sent on July 23, from Delhi to relieve the medical personnel already there since March, this year. The Indian field hospital unit is carrying out yeomen service by providing urgent medical aid to the war ravaged Tamil Civilians.

The tales of some of the treated casualties at the Indian Armed Forces Field Hospital Unit give a gripping account of the extent of the treatment provided by the team that has made a difference to those affected.





**428. Suo Motu Statement by External Affairs Minister S. M. Krishna in Rajya Sabha on "Recent Developments in Northern Sri Lanka".**

**New Delhi, December 4, 2009.**

I rise to inform the House of the recent developments in Northern Sri Lanka.

Hon'ble Members would recall that conclusion of the military conflict in Northern Sri Lanka presented Sri Lanka with an opportunity to heal the wounds created by decades of protracted conflict, to make a new beginning and to build a better future for its people.

Government of India had emphasized to the Sri Lankan Government that the time had indeed come to focus on issues of relief, rehabilitation, resettlement and reconciliation. We had expressed our readiness to work with the Government of Sri Lanka in the rehabilitation and reconstruction process of Northern Sri Lanka and in restoring normalcy.

In the aftermath of the conflict, the presence of nearly 300,000 Internally Displaced Persons (IDPs) in camps in Northern Sri Lanka posed a major challenge for the Sri Lankan Government. It was crucial that these IDPs were given immediate humanitarian attention and that urgent steps were taken to resettle them in their original places of habitation. This would, ultimately, ensure that a semblance of normalcy was restored to their lives after the traumatic experience they had undergone during the conflict. Their welfare was the first priority.

Our concern on this score was conveyed to the Sri Lankan Government. We have consistently urged the Government of Sri Lanka to quicken the pace of rehabilitation and resettlement. They had agreed that the bulk of the IDPs would be resettled within 180 days.

In October this year, a delegation of Parliamentary Members from Tamil Nadu had visited Sri Lanka to study the rehabilitation and relief work being undertaken in Northern Sri Lanka. They had visited Jaffna, the IDP camps in Vavuniya, the Up-country Plantation areas in Central Sri Lanka and met the IDPs in the camps, witnessed the distribution of the humanitarian relief items donated by India and held discussions with a cross-section of the leaders of the Sri Lankan Tamil community and the Indian Origin Tamils. They called on the President of Sri Lanka H.E. Mahinda Rajapaksa.

Subsequent to their visit, more than 100,000 IDPs have been resettled. According to Sri Lankan Government sources, a total of more than 150,000

IDPs have been resettled and around 145,000 still remain in the camps. We understand more have been resettled recently. Travel restrictions in Northern Sri Lanka as well as those on the remaining have been relaxed. We have been assured that by end-January 2010, all IDPs would be resettled. We continue to work with the Sri Lankan Government to ensure the resettlement of all IDPs.

India has been actively involved in the critical task of providing humanitarian relief and assisting in the rehabilitation of the IDPs in Northern and Eastern Sri Lanka. 2.5 lakh family packs from Tamil Nadu, consisting of dry rations, clothing, utensils, footwear etc, have been rushed to the IDPs since October last year. The 60-member emergency field hospital set up by India in March operated for six months till September this year and treated more than 50,000 patients, many of them serious cases requiring surgery. Two consignments of medical supplies have also been gifted.

After Prime Minister's announcement in June 2009 in the Parliament, Government set aside an amount Rs. 500 crores for the rehabilitation of the IDPs and for the welfare of the Tamil people in Sri Lanka. We are committed to doing more. Our humanitarian effort in Sri Lanka has transitioned from a purely relief effort to a broader rehabilitation and reconstruction phase. In order to facilitate speedy resettlement of IDPs, India is extending much needed de-mining assistance. Four Indian de-mining teams are currently in Sri Lanka. After our Parliamentary delegation suggested enhancing Indian assistance in the field of demining, we are sending three more de-mining teams. To ensure that returning IDPs have a roof over their heads, India has donated 2,600 tonnes of shelter material. Additional 2,600 tonnes of shelter material is being sent. We will also supply cement to assist the returning IDPs to rebuild damaged housing. To address the vulnerable sections of the society emerging out of a military conflict, especially war widows, we are undertaking a project for their rehabilitation as well.

India has also decided to assist Sri Lanka in reviving agriculture in the North. To begin with 20,000 agricultural starter packs have been supplied. Supply of an additional 50,000 packs is in the pipeline. A team led by the Indian Council of Agricultural Research visited Sri Lanka to work out a blueprint for our assistance to revive agriculture in Northern Sri Lanka.

Infrastructure is a priority area. The extension of assistance under Lines of Credit to take up projects in railway infrastructure reconstruction in Northern

Sri Lanka and provision of rolling stock is receiving our attention, as also construction projects in the North and East of Sri Lanka to rejuvenate the cultural and social life amongst the people. At the same time, the requirements of the up-country Indian Origin Tamils are also not lost sight of. Skill development and capacity building are areas of focus, as also vocational training and the provision of enhanced educational opportunities.

Government is keen to see the revival of the political process in Sri Lanka, which will meet the legitimate interests and aspiration of all communities, including the Tamils and the Muslims, within the framework of a united Sri Lanka. Revival of such a political process and an inclusive dialogue would help bring the minority communities into the political mainstream. We have continued to emphasise to the Sri Lankan Government to put forward a meaningful devolution package that would go beyond the 13th Amendment. We will remain engaged with them through this process of transition and reform.

Before I conclude, I would like to reiterate to this august House that the welfare and the safety of our fishermen in the waters between India and Sri Lanka have always received very high priority by Government. Government and our High Commission in Sri Lanka have always taken up matters relating to the expeditious release of the arrested Indian fishermen. Hon'ble Members would recall that it was with a view to address the humanitarian and livelihood dimensions of this issue that Government reached an Understanding with the Sri Lankan Government in October 2008 to put in place practical arrangements to deal with bonafide Indian and Sri Lankan fishermen crossing the International Maritime Boundary Line. The Understanding of October 2008 has had a salutary effect on the situation. While in 2008, 334 boats and 1456 of our fishermen were apprehended by Sri Lankan Government, in 2009, till end of November, we have had only 31 boats and 124 fishermen apprehended, witnessing a sharp decrease. We have continued to emphasize to the Sri Lankan Government the need to scrupulously adhere to the October 2008 Understanding. However, it is important that our fishermen do not venture deep into Sri Lankan waters for their own safety and security.

Government attaches utmost importance to the rehabilitation and the reconstruction efforts being undertaken by Sri Lanka in the North. As a close neighbour, India continues to do whatever it can to assist Sri Lanka at this crucial turning point in the country's history.

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**On December 7, the External Affairs Minister provided clarification to the points raised by the members on the Statement made by him on Decemberr 4, 2009.**

Sir, I would like to thank all the hon. Members who participated in their effort to seek clarifications as to what the Government of India has been doing in terms of helping out the Tamil minority in Sri Lanka. I was particularly benefited by the perspectives that hon. Members, Shri Venkaiah Naidu, Shri D. Raja, Shri Tiruchi Siva, Shri T.K. Rangarajan, Shri K. Malaisamy, Shri B.B. Tiwari and Shri Rajniti Prasad and others that were able to paint a picture as to how pitiable it is, how pathetic it is that the Tamil minority in Sri Lanka are going through.

Sir, in my Statement, I gave the figures as to some of the steps that the Sri Lankan Government has taken in terms of rehabilitating the 3,00,000 Tamil-speaking IDPs, internally displaced persons. But, the question is whether what they have done is enough. Well, I would certainly go along with the assessment that it is not enough. But, at the same time, we are dealing with a friendly country with which we have had traditionally cordial relations; and, in terms of our security also, Sri Lanka is a very important country.

I did give the figures as to how many of them are still in the camps. I am given to understand that there are about 1,00,000 IDPs still in the camps. I think, the effort is to resettle them also, or at least get them out of the camps so that they could go back to their villages, they could go back to their hamlets and seek a living there. As I have mentioned in my Statement, India is giving substantial assistance for rehabilitation and reconstruction in northern Sri Lanka and it is our intention to continue to do so. Doubts were expressed by some Members including Shri Tiruchi Siva, Shri Brij Bhushan Tiwari about whether our assistance was reaching the intended beneficiaries. Sir, Rs. 2.5 lakh family packages from Tamil Nadu were in fact, distributed through reputed international organisations like the International Red Cross and the UN High Commissioner for refugees and we have received extremely positive feedback about their distribution and our timely help. Let me assure you that other projects being taken up by India are also being monitored closely and there are robust mechanisms existing for monitoring all Government projects taken up abroad. Let me submit that it is incorrect, as was suggested by some Members, particularly Dr. Malaisamy that we had taken up projects only in socalled Sinhalese areas. Sir, our engagement with Sri Lanka has increased to embrace a range of such projects in various parts of Sri Lanka, including the Northern and the Eastern provinces where India has been generous in extending assistance. I would like to assure

Shri Natchiappan that we are actively involved in improving the welfare of the Indian origin Tamils. We are also taking up projects to support the widows, the unfortunate widows. They have become widows because of the tragic turn of events that have taken place in Sri Lanka. Hon. Member, Shri Raja, did mention about our defence cooperation.

Sir, Sri Lanka is a close neighbour with whom our security is intertwined. India regularly maintains defence cooperation with Sri Lanka. Such cooperation is premised on our national interest. It is incorrect to impute that the Government had actively aided the Government of Sri Lanka against the Tamil community in the conflict. Even during the conflict, the security and safety of the IDPs received our highest priority.

Hon. Members might recall that we had consistently impressed upon the Sri Lankan Government to ensure the security of the IDPs to strictly adhere to no-fight zones and to extend safe passage to the civilians to come out of the conflict area and to pause hostilities to give a chance to the IDPs to escape from the conflict zone. Hon. Members, Shri M. Venkaiah Naidu and Shri Tiruchi Siva and others have raised a question of human rights violation. India condoned human rights violations regardless of where such violations take place. But, we would not like to politicise the issue, because it is very easy to politicise the human rights issues. We have taken up, whenever it has been brought to the notice of the Government of India, about human rights violations. We have always taken up with the Sri Lankan Government through diplomatic channels. I think, it is the unanimous opinion of this hon. House that the Sri Lankan Government, though victorious, as I said in the other House, the victors must be just and the weak protected. This is the dharma that we expect from the Sri Lankan Government. We have always conveyed to the Sri Lankan Government that it should, through a political process, settle the issue of Tamil minorities.

Sir, we are not stopping at the 13th Amendment. We want the Sri Lankan Government to go beyond the 13th Amendment. The political dialogue, which the Government of India expects Sri Lanka to involve itself, would be to find a permanent solution to this problem which is haunting Sri Lanka for quite some time.

Concerns have also been raised about the role of China, especially by Mr. Tiwari. Let me assure the hon. Members that we are confident about the strength of our ties with the Sri Lankan Government. And, our relations with Sri Lanka stand on its own and are not dependent on Sri Lanka's relations with a third country. Sri Lanka is aware of our security concerns and sensitivities and we hope they will continue to respond in a spirit of trust and understanding.

Hon. Shri Raja drew our attention to the plight of fishermen and Katchativu Island. Let me reiterate that the international maritime boundary line between India and Sri Lanka was settled by the Agreement of 1974 and 1976. The sovereignty over Katchativu Island is, now, according to those Agreements, a settled matter. We do not propose to reopen or renegotiate this matter. However, the safety and security of fishermen are all utmost concern to the Government of India.

Hence, we have proposed to the Sri Lankan Government that a Memorandum of Understanding on fishing cooperation with Sri Lanka is being attempted.

We have initiated the process, so that in the days to come we would be in a position to have an MoU with particular reference to the safety of fishermen, so that our fishermen, even if, by chance, go beyond our maritime territorial waters, are not harshly dealt with by the Sri Lankan Government. We are hoping that the Sri Lankan Government would see the rationale behind what we have proposed to them.

Some Members had talked about sending another Parliamentary delegation to Sri Lanka. Sir, the House may recall that at the invitation of the President of Sri Lanka to the hon. Chief Minister of Tamil Nadu, a delegation did go there. I think, some Members from this House also had gone there. They have come back and submitted a report.

.....The hon. Member is technically correct that the report, or whatever you may call it, has not been tabled in Parliament, but nonetheless, they have gone there and visited the camps, not one camp but a few camps.

**Among further interruptions the External Affairs Minister continuing with his speech said:** Mr. Deputy Chairman, Sir, we are impressing upon the Sri Lankan Government for the political process of consultations with Tamil minorities there and then a durable solution to this problem keeping the Thirteenth Amendment in view and a formula, which would be acceptable to the minorities particularly the Tamil minorities, would be desirable. It would be in the interest of Sri Lanka and it would be in the interest of India so that this problem will not come to haunt that island country of Sri Lanka. I hope that they will be able to go through this political process. Thank you. ..(Interruptions)..

Mr. Deputy Chairman, Sir, I would like to thank all the hon. Members who participated in their effort to seek clarifications as to what the Government of India has been doing in terms of helping out the Tamil minority in Sri Lanka. I was particularly benefited by the perspectives that hon. Members, Shri Venkaiah Naidu, Shri D. Raja, Shri Tiruchi Siva, Shri T.K. Rangarajan, Shri K. Malaisamy, Shri B.B. Tiwari and Shri Rajniti Prasad and others that

were able to paint a picture as to how pitiable it is, how pathetic it is that the Tamil minority in Sri Lanka are going through.

Sir, in my Statement, I gave the figures as to some of the steps that the Sri Lankan Government has taken in terms of rehabilitating the 3,00,000 Tamil-speaking IDPs, internally displaced persons. But, the question is whether what they have done is enough. Well, I would certainly go along with the assessment that it is not enough. But, at the same time, we are dealing with a friendly country with which we have had traditionally cordial relations; and, in terms of our security also, Sri Lanka is a very important country.

I did give the figures as to how many of them are still in the camps. I am given to understand that there are about 1,00,000 IDPs still in the camps. I think, the effort is to resettle them also, or at least get them out of the camps so that they could go back to their villages, they could go back to their hamlets and seek a living there. As I have mentioned in my Statement, India is giving substantial assistance for rehabilitation and reconstruction in northern Sri Lanka and it is our intention to continue to do so.

Doubts were expressed by some Members including Shri Tiruchi Siva, Shri Brij Bhushan Tiwari about whether our assistance was reaching the intended beneficiaries. Sir, Rs. 2.5 lakh family packages from Tamil Nadu were in fact, distributed through reputed international organisations like the International Red Cross and the UN High Commissioner for refugees and we have received extremely positive feedback about their distribution and our timely help. Let me assure you that other projects being taken up by India are also being monitored closely and there are robust mechanisms existing for monitoring all Government projects taken up abroad. Let me submit that it is incorrect, as was suggested by some Members, particularly Dr. Malaisamy that we had taken up projects only in so-called Sinhalese areas. Sir, our engagement with Sri Lanka has increased to embrace a range of such projects in various parts of Sri Lanka, including the Northern and the Eastern provinces where India has been generous in extending assistance. I would like to assure Shri Natchiappan that we are actively involved in improving the welfare of the Indian origin Tamils. We are also taking up projects to support the widows, the unfortunate widows. They have become widows because of the tragic turn of events that have taken place in Sri Lanka. Hon. Member, Shri Raja, did mention about our defence cooperation. Sir, Sri Lanka is a close neighbour with whom our security is intertwined. India regularly maintains defence cooperation with Sri Lanka. Such cooperation is premised on our national interest. It is incorrect to impute that the Government had actively aided the Government of Sri Lanka against the Tamil community in the conflict. Even during the conflict, the security and safety of the IDPs received our highest priority.

Hon. Members might recall that we had consistently impressed upon the Sri Lankan Government to ensure the security of the IDPs to strictly adhere to no-fight zones and to extend safe passage to the civilians to come out of the conflict area and to pause hostilities to give a chance to the IDPs to escape from the conflict zone. Hon. Members, Shri M. Venkaiah Naidu and Shri Tiruchi Siva and others have raised a question of human rights violation.

India condoned human rights violations regardless of where such violations take place. But, we would not like to politicise the issue, because it is very easy to politicise the human rights issues. We have taken up, whenever it has been brought to the notice of the Government of India, about human rights violations. We have always taken up with the Sri Lankan Government through diplomatic channels. I think, it is the unanimous opinion of this hon.

House that the Sri Lankan Government, though victorious, as I said in the other House, the victors must be just and the weak protected. This is the dharma that we expect from the Sri Lankan Government. We have always conveyed to the Sri Lankan Government that it should, through a political process, settle the issue of Tamil minorities. Sir, we are not stopping at the 13th Amendment. We want the Sri Lankan Government to go beyond the 13th Amendment. The political dialogue, which the Government of India expects Sri Lanka to involve itself, would be to find a permanent solution to this problem which is haunting Sri Lanka for quite some time.

Concerns have also been raised about the role of China, especially by Mr. Tiwari. Let me assure the hon. Members that we are confident about the strength of our ties with the Sri Lankan Government. And, our relations with Sri Lanka stand on its own and are not dependent on Sri Lanka's relations with a third country. Sri Lanka is aware of our security concerns and sensitivities and we hope they will continue to respond in a spirit of trust and understanding.

Hon. Shri Raja drew our attention to the plight of fishermen and Katchativu Island. Let me reiterate that the international maritime boundary line between India and Sri Lanka was settled by the Agreements of 1974 and 1976. The sovereignty over Katchativu Island is, now, according to those Agreements, a settled matter. We do not propose to reopen or renegotiate this matter. However, the safety and security of fishermen are all utmost concern to the Government of India. Hence, we have proposed to the Sri Lankan Government that a Memorandum of Understanding on fishing cooperation with Sri Lanka is being attempted.



We have initiated the process, so that in the days to come we would be in a position to have an MoU with particular reference to the safety of fishermen, so that our fishermen, even if, by chance, go beyond our maritime territorial waters, are not harshly dealt with by the Sri Lankan Government. We are hoping that the Sri Lankan Government would see the rationale behind what we have proposed to them.

Some Members had talked about sending another Parliamentary delegation to Sri Lanka. Sir, the House may recall that at the invitation of the President of Sri Lanka to the hon. Chief Minister of Tamil Nadu, a delegation did go there. I think, some Members from this House also had gone there. They have come back and submitted a report.

That would only provide a lasting solution to this ethnic problem in Sri Lanka. I think, that will be helpful to Sri Lanka also. Shri Rangarajan mentioned about 180 days. Well, we insist on 180 days. The time is running out. As we run a Government here, they also run a Government there and I can imagine the kind of problems that they would be facing. So, within the constraints of the Government that are placed there, we will continuously insist on the 180-day deadline. Mr. Malaisamy mentioned about equal status. Yes, the Tamilian minorities in Sri Lanka should be equal citizens along with Sinhalese. I think, that is Government of India's proposition. We entirely agree with that. We go along with that and insist on that. Then, the fishermen's problem. Sir, one suggestion has come from our friend, Mr. Natchiappan. I think, the fishermen's federation has to be taken into consideration. They should be taken into confidence. I think, I am inclined to go along with this suggestion which has been made by Mr. Natchiappan. We will sound them out and see if we can get into an MoU so that there could be a permanent basis. But, the only problem is Katchatheevu. One of the hon. Members mentioned that agreement should be abrogated. Well, if an agreement between two sovereign countries has to be abrogated, then, there should be some reasons.

(Interruptions) Well, short of re-opening that, we are negotiating so that our fishermen could be helped out. This is the time for both countries to find a creative solution to put in place institutional arrangements for regularising fishing activities by our fishermen in these waters. So, we will work towards this objective of helping the fishermen.

Sir, with these explanations, I am sure that the purpose for which I made my suo motu statement would have been served.



**429. Joint Press Statement issued on conclusion of the visit of High Level Sri Lankan delegation.****New Delhi, December 10, 2009.**

Hon'ble Basil Rajapaksa, Member of Parliament and Senior Adviser to the President, H.E. Mr. Lalith Weeratunga, Secretary to the President, H.E. Mr. Gotabhaya Rajapaksa, Defence Secretary visited New Delhi between 9-10 December 2009 and met with Shri M.K. Narayanan, National Security Adviser, Smt. Nirupama Rao, Foreign Secretary and Shri Pradeep Kumar, Defence Secretary. They also called on the External Affairs Minister Shri S.M.Krishna.

Both sides reviewed the ongoing relief, rehabilitation and resettlement efforts in Northern Sri Lanka. The Sri Lankan side mentioned that more than 1,58,000 Internally Displaced Persons (IDPs) have since left the camps and around 1,15,000 remained. The Sri Lankan side detailed to the Indian side the steps initiated to resettle the IDPs in their original places of habitation. They indicated their resolve to resettle the IDPs before end-January 2010. Welcoming the initial steps taken by the Government of Sri Lanka to relax movement and travel restrictions on IDPs, the Indian side expressed the hope that the IDPs would resume their livelihood and return to a life of normalcy.

The Sri Lankan side thanked the Indian side for the substantial assistance being provided by India for the rehabilitation of the Internally Displaced Persons. Both sides expressed satisfaction at the commendable work done by the 60-member Indian Field Hospital at Menik Farm, Vavuniya, where more than 50,000 patients were treated. The contribution of 2.5 lakh family packs sent by the Government of Tamil Nadu to the IDPs was appreciated. The Indian side emphasized that, with a view to ensure the return of the IDPs to their homes and resumption of their livelihood, it had enhanced the number of Indian de-mining teams in the area, provided additional quantity of shelter material and agricultural starter packs and was now in the process of providing cement bags for reconstruction of damaged houses of IDPs. These gestures were welcomed by the Sri Lankan side.

Both sides recognized the importance of sustaining peace and moving towards a political solution in Sri Lanka. The Indian side welcomed the holding of local elections in Jaffna and Vavuniya. Both sides agreed on the need for political arrangements which would serve the legitimate interests and meet the aspirations of all Sri Lankan citizens. The Sri Lankan side reiterated the commitment of the Government of Sri Lanka to a political process that would lead to lasting peace and reconciliation.

Both sides agreed on the need for restoration of infrastructure and services in the North and East Sri Lanka and welcomed the participation of Indian companies in these projects.

Both sides expressed satisfaction at the visit of a delegation of Tamil Parliamentarians to Sri Lanka and the access given to them by Sri Lanka to visit IDP camps in Vavuniya. The delegation had also visited Jaffna and the Up-country areas. They called on H.E. President Mahinda Rajapaksa.

Noting the salutary effect, which the October 2008 Joint Statement on Fishing Arrangements has had on issues relating to fishing, the two sides agreed to continue to adhere to these arrangements and also agreed to convene the Joint Working Group on Fishing Cooperation to continue discussions on the draft MOU to put in place an institutional arrangement.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - VI**

**(ii) SOUTHEAST, EAST ASIA AND  
PACIFIC**

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**AUSTRALIA****430. Telephonic talk of External Affairs Minister S. M. Krishna with the Australian Foreign Minister Stephen Smith.****New Delhi, February 10, 2009.**

External Affairs Minister (EAM) made a telephone call to the Australian Foreign Minister Mr. Stephen Smith today. On behalf of the Government and people of India, EAM conveyed deep condolences and sympathies to the families of the deceased and victims of the bushfires in the State of Victoria. He conveyed India's readiness to provide any assistance in the disaster relief and management, that Australia may require.

**431. Statements by the External Affairs Minister S. M. Krishna on attack on Indian students in Melbourne.****New Delhi, May 27 and May 29, 2009.****May 27, 2009**

I have been appalled by the attack on our students in Melbourne. Our Consulate General in Melbourne has been in touch with the students affected and with the State police.

One of the students, Sravan Kumar Theerthala, is seriously injured and is currently in the Intensive Care Unit.

Our High Commissioner in Canberra has rushed to Melbourne to take stock of the situation and to ensure that the student who has been seriously injured receives the best possible treatment and that the authorities ensure that the culprits are brought to book.

We will also impress upon the Australian authorities that such attacks should not be permitted and that it is their responsibility to ensure the well-being and security of our students studying in Australia.

**In the face of persistent reports of racial attacks on Indian students another statement was issued on May 29:**

Reports of further incidents of attacks, on Indian students in Melbourne and Sydney, have generated extreme concern, in Government of India. To convey this, at the highest levels, in Government of Australia, the Indian High Commissioner to Australia, along with the Consul General in Melbourne, had detailed meetings, with the Premier of the State of Victoria, John Brumby and other ministers - as also Police officials, on Thursday 28 May.

It was conveyed to them, that Indian students, have been feeling that vicious attacks against them, have been increasing and that, there is an urgent need, to reassure them.

Separately, in telephonic conversations, when the Australian PM Kevin Rudd called Prime Minister and Australian FM Stephen Smith called EAM, to convey their congratulations, on their assumption of office, in the new Government, our concerns at attacks, on Indian students were conveyed suitably, in respective telephonic conversations.

The Australian High Commissioner, was called in to the Ministry when, the deep anguish and continuing concern, of the Government of India, about the students' welfare in Australia, was conveyed. The High Commissioner gave details, of the several steps, that the Australian authorities are taking, to address, the safety issues, concerning the Indian students studying in Australia.

It was conveyed to the Australian High Commissioner that, continuing sense of unease and insecurity, for Indian students in Australia, can have an adverse effect, in a sector that holds much promise. Certain steps that the Australian side could take, in addition to those that they have initiated, were also discussed and conveyed to the High Commissioner.

The Indian High Commissioner and Consul General in Melbourne, visited the injured Indian student, Sravan Kumar Theerthala, at the Royal Melbourne Hospital. They also met his friends and other students, who had been injured in the incident, on the night of 23/24 May. Sravan Kumar is being given, the best possible medical treatment, though his condition continues to be serious. Separately, other students who had been injured in Melbourne and Sydney, have also been met, by the Indian High Commissioner.

Australian authorities have conveyed, their clear commitment, to ensuring the safety and well-being, of Indian students in Australia. Meanwhile

Indian High Commissioner in Canberra, as also, the Consuls General in Sydney and Melbourne, are taking steps, to put a series of cautionary measures, on their respective websites, including do's and dont's. A section of the website, specifically devoted to the students, would advise them, on how to report incidents, even of a minor nature, to enable the Indian officials, to take up, their specific complaints with the concerned Australian authorities.

The High Commissioner and the Consul General are in close and constant touch, with the Indian students in Australia and will continue to extend all possible assistance.

Separately, a guide for prospective students, going to Australia, listing out, all the relevant information, to coordinate action on their welfare, is under preparation.

The Australian authorities, have assured that they will be taking, additional steps, to ensure the safety and security, of our students and to reassure all concerned, that Australia continues to be, a safe country to study - in.\*



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\* In the face of persistent reports of attacks on Indian students in Australia the Government of India on June 1 hoped that attacks on Indian students in Australia would end. Talking to journalists, External Affairs Minister S.M. Krishna hoped that things would be sorted out soon and detailed the steps taken by New Delhi in this direction. "The Prime Minister has spoken to the Australian Prime Minister [Kevin Rudd]. I have spoken to the Foreign Affairs Minister [of Australia] and our Mission [in Canberra] is in touch with the students from India and also the government of Australia. So, I hope things will be sorted out," he said.

Media reports pointed out the divergence in the perception of the Indian and Australian governments on the origin of the racial attacks. While Indian High Commissioner to Australia Sujatha Singh pointed out to the racist element in the attacks and the Victoria Police not being sensitive to the victims of these crimes, Australian Prime Minister Kevin Rudd told the Australian Parliament on June 1 that the attacks were "part of a much wider problem of urban violence" in parts of some cities. Pointing out that Australia was committed to diversity, harmony and tolerance, Mr. Rudd said his government was committed to developing a stronger, closer relationship with India. Of the approximately one lakh Indian students in Australia, over half are enrolled in Victoria province. Three of the most grievous attacks took place in Melbourne, leaving six Indian students seriously injured.



**432. Statement by the External Affairs Minister S. M. Krishna on his visit to Australia.**

**New Delhi, August 11, 2009.**

I visited Cairns (Australia) in connection with the Pacific Island Forum's - Post Forum Dialogue which took place on 7th morning. While in Cairns, I had a bilateral interaction with Foreign Minister Stephen Smith, first over lunch and followed by detailed talks. I also had a closed door meeting with Prime Minister Kevin Rudd.

2. India-Australia relations have been expanding rapidly over the last few years. India attaches importance to its relationship with Australia and we are committed to further strengthening and expanding our relations to cover virtually every area of interaction. Both sides feel that significant further scope exists, for expanding our trade as well as cooperation in areas such as Science and Technology, Information and Communication Technology, Energy, Education, Tourism and Agro-industry.

3. People to people contacts are at the heart of any relationship. Almost a quarter of a million people of Indian origin, live in Australia today. The Indian community through its culture and values is contributing in making Australia the vibrant multi-cultural society that it is today. They are a vital bond between our two countries. There is also a strong and growing community of Indian students in Australia (close to 97000). I shared with Australian PM and FM, Indian Government's deep concerns about the safety and security of our students in Australia and impressed, that measures need to be put into place, to address their legitimate grievances so that our students get a good quality educational experience and I am sure the Australian authorities are working to bring this about\*.

4. Both India and Australia hope to eventually take our relationship to the level of a strategic partnership. We are looking at the possibility of discussing a Free Trade Agreement which would further boost our ties.

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\* Apart from the political relations with Australia, the recent attacks on Indian students studying in Australia were uppermost on the Minister's mind. In his interaction with Australian leaders including the Prime Minister, the Foreign Minister and the Premier of the New South Wales Government, he vigorously took up this issue and was assured of their full cooperation to safeguard the interests of the Indian students and he was promised stern action against the culprits. When the Minister was informed that scores of Indian students were among those duped in a massive education scam in Australia, he said India would be "ruthless" with the rogue agents who took gullible youth for a ride. The Indian government would go after the unscrupulous education agents in the country as part of its effort to control the student crisis, External Affairs Minister S. M. Krishna said in response to a question at a press conference in Melbourne. On the

5. I have conveyed to FM Smith that we are looking forward to his visit in the near future as also a visit from PM Rudd in the later part of this year. The regularity of our bilateral interaction (visits of Australian Dy. PM and Education Minister Julia Gillard in end August) shows that the relationship is growing strongly all around and areas where there are concerns, such as the students' issue, need to be dealt with, in a sensitive manner, while we make efforts to strengthen our ties in a comprehensive manner.



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attacks on Indian students in Australia, the Minister said he did not think all assaults were racist. Mr. Krishna, however, said there was need for orientation for students on living conditions and other information that would help them integrate with the society here easily. Satisfied with the assurances of the Australian Government on the treatment of Indian students in that country Mr. Krishna felt confident to tell the members of the Indian community in turn that he was satisfied with Canberra's response.

Mr. Krishna said Prime Minister Kevin Rudd and Mr. Smith had assured him that the well-being and security of Indians would be taken care of. (Among the Indians Mr. Krishna met were some students who were subjected to racial attacks.) "We appreciate the fact that they have stepped up police patrolling in the problematic areas and have taken several other measures to deal with the safety issue," he said. "I have underlined that these things should be kept in place as long as they are needed. The two task forces that have been set up are examining the various issues related to the well-being of international students in Australia, including those from India," the External Affairs Minister said.

He announced additional measures on India's part to instill greater confidence among the Indian students and said specially designated student welfare officers would be available in the Indian High Commission and Consulates in Australia. They would focus on issues related to Indian students. "The officers will also be available every Friday for Indian students. The students and community members can discuss any issue with them."

On Australian uranium supply to India, he said it came up for discussion during his meeting with his counterpart Stephen Smith. The Minister said he was aware of the Australian position on uranium supply. Australia is against supplying the yellow cake to countries that have not signed the Nuclear Non-Proliferation Treaty.

Speaking over the telephone to *The Hindu* correspondent based in Singapore separately, Mr. Krishna said: "I was very impressed with the kind of assurances that I have been able to get from the Prime Minister [of Australia], Foreign Minister, national security advisers and others" across the policy spectrum. Mr. Rudd "has taken very seriously the [issue of] quality of education," said Mr. Krishna. On talks with Australian Foreign Minister Mr. Smith, Mr. Krishna told *The Hindu* the "stalemate continues" in regard to Australia's unwillingness to supply uranium to India, which had not signed the Nuclear Non-Proliferation Treaty (NPT). The issue was "discussed in passing" but he emphasised that "as long as the NPT is discriminatory, we will not be in a position to sign it." The External Affairs Minister left Australia in no doubt that India was looking for uranium purchases only for power generation purposes.

[Even before his Australian visit, when the External Affairs Minister visited Phuket (Thailand) in July for the Asean foreign ministers meeting, he took the opportunity to meet the Australian Foreign Minister Stephen Smith and bring to his notice the concern of the Indian government on the plight of the Indian students in his country. Mr. Smith in trying to reassure the EAM of his governments concern briefed him of the steps taken by Canberra to stem the violence against the Indian students. It was then that while briefing the journalists of his "pull aside" meeting that he announced his intention to visit Australia to underline Indian concern to the Australian government.]

**433. Press Statement by the External Affairs Minister S. M. Krishna on his talks with the Australian leaders on the question of attacks on Indian Students in Australia.**

**New Delhi, August 17, 2009.**

I have been deeply concerned, about the incidents of assaults, on Indian students, which have come to our notice since the last week of May. To assess the situation personally, I utilized the earliest opportunity to visit Australia, for in-depth talks with the Australian leadership on the issue of the safety and security of our students, for an early solution to matters pertaining to difficulties being experienced by them, with respect to academic issues and facilities at their educational institutions.

2. While attending the Pacific Island Forum-Post Forum's Dialogue meeting at Cairns(Australia)-which took place on 7th August morning, I had detailed discussions with Australian Foreign Minister Stephen Smith, first over lunch and thereafter followed by talks. I also met Australian PM Kevin Rudd in a 20 minute closed door meeting. Both these leaders told me that they were 'personally appalled by the incidents of assaults'. They gave me their categorical assurance that the present Australian Government was committed to finding an early and lasting solution to the problems which have been highlighted by our students. Australian society is a multi-cultural one where approx. 250,000 persons of Indian origin, as long-term residents, have made significant contributions to the Australian society.

3. Arriving in Sydney on 6th August(Thursday) en-route to Cairns, I spent the full day in Sydney meeting prominent Indians settled in and around the city who have achieved prominence in the Australian society. These people informed me that their fruitful and long-term stay in Australia was a clear example of the open and tolerant way of life in Australia and the recent incidents were only an aberration, which were unfairly highlighted in Indian media as being racist. From my interaction with the Indian community, it emerged that there are many inter-connected issues concerning students problems which need further investigation, like the role of some Indian origin entrepreneurs/businessmen acting as educational/immigration agents as also of Indian businessmen under-paying them in part time jobs, in violation of the Australian prescribed minimum wages. They also highlighted that the quality and the inadequate infrastructure of some educational institutions/colleges needed to be looked into. I exhorted the Indian community to enhance their interaction with our student community in order to, help them

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\* Apart from the political relations with Australia, the recent attacks on Indian students studying in Australia were uppermost on the Minister's mind. In his interaction with Australian leaders including the Prime Minister, the Foreign Minister and the Premier of the New South Wales Government, he vigorously took up this issue and was assured of their full cooperation to safeguard the interests of the Indian students and he was promised stern action against the culprits. When the Minister was informed that scores of Indian students were among those duped in a massive education scam in Australia,

better assimilate in their new surroundings.

4. Separately, I met the Indian students in Sydney and heard their grievances as also suggestions. A section of the students was especially concerned at the incidents involving pre-mature closure of certain colleges like the Sterling College in Sydney with resultant hardship for our students. It was the desire of these students that at the earliest opportunity, Australian authorities should be impressed upon to have them accommodated in other similar colleges for their courses to continue.

5. In Sydney, I also had a detailed meeting with the Premier of New South Wales State, Hon. Nathan Rees, in his office, where senior officials of Police, Education and other Departments were also present. Premier Rees assured me that in conjunction with our Consulate in Sydney they had taken measures in advance, in susceptible areas, to prevent incidents of assaults by increasing police patrolling, better lighting etc. Measures like greater interaction with the Indian students community and counselling by local police had resulted in far fewer incidents in the State of New South Wales as compared to the State of Victoria. He assured me that his Government was determined to prevent such attacks and would do its' utmost to make the stay of our students' problem free. As he is scheduled to visit India soon to inaugurate New South Wales Office in Mumbai, he promised to up-date me of further remedial measures undertaken when he visits India.

6. In my interaction with our students including those from the Harris Park area of Sydney, while hearing their individual problems, experiences and suggestions for improving the situation, I did emphasize to them that they needed to abide by Australian laws and regulations and take required common precautions while moving-about in the city especially late at night. I also told them to ensure cross-checking of the bonafides of educational institutions and convey this very message to other prospective students in India intending to join education institutions in Australia.

7. Two clear problems emerged from such discussions. First, the students' anxiety about colleges like Sterling having gone bankrupt with the resultant hardship and loss of academic semester and the serious problems being faced by our students undergoing Aircraft Pilot training where vast sums of money had been paid by them after taking Bank loans in India but the flying training still to be completed. I took up both these issues with the Australian Government, at the highest levels, for an early solution.

8. On the matter of attacks on our students, Australian PM Kevin Rudd

conveyed his appreciation of the position taken by our side. He promised that Australia would do everything required, to make our students feel at home by addressing their specific problems, concerning the lack of suitable accommodation and deficient infrastructure at educational institutions.

9. After the Cairns meeting, I traveled to Melbourne (August 8) and attended a Reception where prominent members of the Indian community from the State of Victoria and Indian students studying in various institutions in Melbourne had been invited. In my brief address to them, I underlined the utmost importance GOI places, on their welfare and safety and told them of my extensive discussions earlier in Sydney and Cairns. I informed the students and the Indian community that I had instructed the Indian High Commission in Canberra and the Consulates in Sydney and Melbourne to ensure with immediate effect the presence of a dedicated India-based official to receive and attend to the grievances of Indian students every Friday afternoon. Here again the students brought to my notice problems being faced by them due to closure of a few colleges (like the MIC) and consequently their tuition expenses getting stuck with the management. Students also highlighted the need for greater sensitivity on the part of local police and pre-departure orientation in India before their travel to Australia.

10. I met the Premier of Victoria State, Hon. John Brumby on Sunday Aug 9th and once again I was assured that the Government of Victoria State was fully resolved, to tackle the various issues relating to students' welfare. PM Brumby told me that his Government was recruiting 120 additional police officers, to improve the security environment at sensitive places in addition to measures like a dedicated telephone hot-line operational round-the-clock, for registration of students' complaints. Measures were also being taken by his Government to toughen laws relating to race and hate crimes. Regarding closure of colleges he admitted that such problems had been brought to his attention and to assist the affected students, some measures are being worked out, to help students transfer to other similar colleges. Brumby would be visiting India in September and promised to give me a further up-date on various other measures his Government was undertaking to improve our students' confidence.

11. In Melbourne, more than 47,000 Indian students, are present out of approx. 97,000 Indian students in Australia, and a rapid increase has occurred in a very short span of time in the last three years especially in vocational training colleges where some educational and immigration providers seem to have bent rules and cut corners.

12. I also utilized the opportunity to visit Sunshine Railway Station in

Western Melbourne where the local Police Chief showed me recent measures undertaken like the stationing of mobile CCTV camera fitted vans and the control room where such footage was being constantly monitored. Measures like these have been initiated by the police over the last three months to provide assurance to students to travel from Suburbs to the inner city for educational area to work places.

13. Australian Dy. PM Julia Gillard, [who is also the Federal Minister for Education] is scheduled to visit India in end-August. She has announced the establishment of a Committee, to review the entire system of international education in Australia and report to her Government, the necessary changes which need to be brought about.

14. My visit to Australia, has thus afforded me a first-hand opportunity, to not only understand the concerns of our students there but at the same time convey in a forceful manner, to the Australian Government the seriousness with which the Government of India views the safety and welfare of our students. Over the next few months, high level visits from Australia are scheduled. It will give me a chance to learn from them, what additional measures Government of Australia has been able to implement. I am sure the concerns that I have conveyed to the Australian leadership will result in a tangible improvement in the situation, very soon.



**434. Statement by Official Spokesperson of the Ministry of External Affairs on the assault on Indians in Melbourne.**

**New Delhi, September 16, 2009.**

It is learnt that two Indian nationals and two other persons of Indian origin, were assaulted by a group of individuals at Melbourne late in the evening on 12th September. One of the Indian nationals, Mr. Sukhdip Singh sustained serious injuries and is undergoing treatment. We are informed that the Police arrested four individuals who have since been released pending further investigations.

We are concerned at the recurring attacks on Indians in Australia. The matter was taken up with Foreign Minister Stephen Smith by our High Commissioner in Canberra today who has also written to the Premier of Victoria. The Indian Consul General in Melbourne is in contact with authorities in Victoria including the police authorities.

As we take note of the assurances given, including from the highest levels of the government and provincial authorities of Australia, it is our earnest hope that the concerned authorities would take all necessary steps towards the safety and security of Indians in that country.

We hope that the latest incident is investigated with care and the culprits are dealt with, according to the laws of the land. It would also help, if various measures being contemplated by the Australian side, in addition to those already announced, are put in place at the earliest, to prevent reoccurrence of such incidents in the future\*.

Officials of the Consulate General of India in Melbourne, are also in touch with the members of the family of the victims, who have been assured all assistance by the Consulate.



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\* A week later the Premier of the State of Victoria John Brumby visited New Delhi and in his meeting with the Minister for Overseas Indian Affairs on September 25, he gave an assurance to provide heightened protection to the students studying there and announced a series of initiatives to promote Australia as an education destination.

Both the Overseas Affairs Minister Vayalar Ravi and Human Resource Development Minister Kapil Sibal too had expressed concern over the unsavoury incidents against Indians in Australia when they met Mr. Brumby and sought necessary steps to ensure their safety and security.

**435. Joint Statement issued at the end of the India -Australia Foreign Ministers Framework Dialogue.****New Delhi, October 13, 2009.**

At the India-Australia Foreign Ministers Framework Dialogue in New Delhi on 13 October, the Indian Minister of External Affairs, S M Krishna and the Australian Minister for Foreign Affairs, Stephen Smith underlined the strong bonds and enduring shared interests which bind India and Australia together.

Relations between India and Australia continue to expand across a wide front, adding depth and breadth to the relationship. The two Ministers acknowledged the significant contribution made by regular two-way high-level political and official visits to the deepening and diversification of bilateral relations in various sectors.

**International and regional cooperation**

The ministers had an in-depth and wide-ranging discussion about international and regional issues. They underlined the significant capacity for enhanced regional cooperation between India and Australia, including to strengthen the leaders-led East Asia Summit. The Australian Minister for Foreign Affairs welcomed India's initiative on the revival of the Nalanda University as an important step for promoting deeper understanding by promoting the values of tolerance and accommodation. The Indian side noted the recent Australian initiative on the need for evolving an Asia-Pacific community to meet future challenges.

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Mr. Brumby gave an undertaking to not only strengthen the police force and the effective enforcement of law, but also to keep Delhi posted with the action being initiated and the progress achieved to put down violence and racial hatred. Describing his discussions with the two Ministers as positive and constructive, Mr. Brumby claimed that the level of crimes had come down in the wake of the action initiated. He took pains to assure the Indian leaders of the impartiality and objectivity of the police in dealing with such sensitive incidents. Mr. Brumby, however, admitted that the attacks had damaged Australia's image but not its relations with India and said that partnership in the sphere of education was fundamental to the future ties between the two countries. Outlining the measures being initiated to root out racial hatred, Mr. Brumby said the law was being amended to give more powers to the police besides deploying a greater number of personnel on security duty. The punishment against offenders would be made more stringent with longer jail terms to send a clear message. Mr. Brumby however announced scholarship of AUD \$ 10,000 to five Indian students in 2009 as part of a new International Scholarship programme.



Global events since the last Framework Dialogue in June 2008 have underlined the urgent need for effective multilateralism and more representative international institutions which reflect the realities of the 21st century. India and Australia are pleased that the G20 has been designated as the premier forum for international economic cooperation. India and Australia look forward to continuing to work together closely in the G20 to meet the challenges confronting the global economy.

Mr. Smith reiterated Australia's strong support for a permanent seat for India on the United Nations Security Council (UNSC). He also highlighted Australia's firm support for India's membership of the Asia Pacific Economic Cooperation grouping when the membership moratorium ends next year.

Mr Krishna said India was pleased Australia had become an observer at meetings of the South Asian Association for Regional Cooperation. Mr. Smith affirmed that this step highlighted Australia's commitment to advancing its engagement with South Asia and said Australia looked forward to working with India in the SAARC context.

India and Australia are both strong supporters of nuclear non-proliferation and disarmament and believe that these are mutually reinforcing processes. They have stepped up their dialogue on strategic issues.

Recalling the terrorist attacks in Mumbai in November 2008, Mr. Smith and Mr. Krishna stressed that India and Australia were united in the fight against terrorism. Looking forward to the next meeting of the bilateral Joint Working Group on Counter-Terrorism and Immigration in New Delhi, they noted the need for practical cooperation in areas such as intelligence, law enforcement, border security and terrorist financing and money laundering. They welcomed the signing of a bilateral Memorandum of Understanding on Money laundering in May 2009.

Mr. Krishna and Mr. Smith stressed the importance of an effective and comprehensive global response to climate change and underlined the need for political will to reach a successful outcome at the Copenhagen conference of parties to the UN Framework Convention on Climate Change. Twenty-nine joint Australian-Indian projects under the Asia-Pacific Partnership on Clean Development and Climate, including in relation to

deploying clean technology, are making a tangible contribution. Mr Smith noted that India was a founder member of the Global Carbon Capture and Storage Institute (GCCSI) and that a representative of India's The Energy Research Institute is serving on the GCCSI International Advisory Panel.

### **Political links**

Political links continue to expand. The two countries are finalising the details of a new young political leaders' exchange programme. The exchange will build strong links between the rising political leaders of India and Australia, helping to deepen mutual understanding. Mr. Krishna and Mr. Smith look forward to the second India -Australia Roundtable meeting, which is to be hosted in New Delhi in November.

Noting the historic role that the public sector continues to play in the economic development of the two countries, the Ministers welcomed Australia's decision to increase support to build public sector linkages between the two countries. Projects funded under the scheme will address pressing public policy issues in various areas, including potentially on agriculture, climate change, water and resource management.

The new joint working group on visas, passports and consular issues met for the first time in Delhi on 11 August 2009, agreeing on a number of practical steps to enhance cooperation in these areas. Australia and India will continue to work together to counter people smuggling and human trafficking.

### **Economic links**

The bilateral economic relationship continues to go from strength-to-strength, especially in the resources and energy sector. India is now Australia's fifth largest export market. Two-way investment continues to grow. The base of the economic relationship is expanding into new areas such as energy, information technology and biotechnology. Mr. Krishna and Mr. Smith noted that the decision to undertake a Free Trade Agreement Feasibility Study was an indication of the great potential for growth in trade and investment between our two countries. The fourth meeting of the FTA Feasibility Study Joint Working Group was held in New Delhi on 22 -23 September. Both sides are working towards early finalisation of the report.

India and Australia have stepped up their cooperation in the resources and energy sector, by signing five action plans to deliver concrete outcomes. Strong

commercial links continue to drive the energy relationship. India's first long-term LNG supply contract was signed in August this year.

India and Australia are committed to cooperate closely in discussions leading to the conclusion of the Doha Round of trade negotiations in 2010, thereby providing an important boost to the global economic recovery.

### **Education and Scientific cooperation**

Mr. Smith reiterated that the Australian Government and the governments of the Australian states are determined to address concerns about the safety and well-being of Indian students\* in Australia. Noting that Australia was a culturally diverse country, Mr. Smith stressed that Australia had a zero tolerance approach towards violence and racial prejudice. People who had committed offences against Indian nationals would face the full force of the law. The Australian Government had introduced legislation to require all international education providers to re-register by the end of 2010 against strengthened criteria.

Mr. Krishna welcomed these steps and stressed that India was fully committed to working with Australia to ensure that the education links that bind the two countries together were not compromised by poor quality education providers and unscrupulous education agents. Bilateral working groups discussed the issues of regulation of education agents, student welfare, vocational education and training, and quality assurance in Delhi on 6-7 October.

Cooperation in Science and education constitutes one of the most dynamic parts of the Australia-India relationship, with collaborative projects such as the IIT-Bombay Monash University Academy underlining the great capacity for scientific cooperation. The two countries are creating a broad and strong knowledge partnership.

Australia's Endeavour Awards and Australian Leadership Awards are playing

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\* At the meeting with his Australian counterpart Mr. Stephen Smith, External Affairs Minister S.M. Krishna, conveyed India's concern while noting a number of measures taken by the government. While discussing the question of Indian students, Mr. Krishna impressed upon the Australian Foreign Minister the need to take steps that should be effective so that attacks on the Indian students did not recur and also look into the aspect of some education and immigration agents who were misleading students. "The students should get what they have been promised," he told Mr. Smith. India while hearing Mr. Smith, appreciated the categorical reassurance by him that it would continue to take measures to address concerns over the safety and well-being of students and its zero tolerance to violence.

an important role in strengthening knowledge links between the two countries.

**People-to-people links**

The India - Australia relationship is underpinned by diverse and expanding people-to-people links. The Indian community in Australia now numbers 250,000 people and is making a valuable contribution to building Australian society and to enhancing bilateral links. Sport has long been a strong bond between India and Australia. Mr Smith said Australia was looking forward to participating in the 2010 Delhi Commonwealth Games.



**436. Statement by the Prime Minister Dr. Manmohan Singh at the joint media interaction with the Australian Prime Minister.**

**New Delhi, November 12, 2009.**

It is an honour for me to welcome the Prime Minister of Australia, His Excellency Kevin Rudd on his first visit to India as Prime Minister.

I have had extremely productive discussions with Prime Minister Rudd

India and Australia are two multicultural, plural democracies. We share the values of cultural diversity, respect for fundamental freedoms, human rights and rule of law. We have both decided to harness these common values for mutual benefit.

Building upon the significant expansion of our relations in recent years we have decided to upgrade our relations to the level of a "Strategic Partnership". The Joint Statement and the Joint Declaration on Security Cooperation that we have agreed upon charts out the future course of our relations. We have also signed a Memorandum of Understanding on cooperation in the field of water resources.

These decisions will further strengthen our partnership in the areas of political, security and defence interaction, trade and investment, energy and natural resources, science and technology, education, culture and people to people contacts.

We have decided to constitute a CEOs Forum to boost to our trade and economic ties. We have agreed to expedite the finalization of the feasibility study on a Free Trade Agreement between our two countries in order to harness our economic complementarities for mutual benefit.

Australia has emerged as a major destination for Indian students with more than 80,000 students pursuing studies in Australia. I conveyed my concerns to Prime Minister Rudd about the safety, security and well being of our students and the Indian community in Australia\*.

The Prime Minister assured me that Australia is fully committed to ensuring their security and will take all steps necessary in this regard, including the strengthening of regulatory measures. We have decided to institute an annual Ministerial level dialogue on education between our two countries.

We also exchanged views on regional and global issues. We have agreed

to work towards the creation of an open, inclusive and transparent architecture in the Asia-Pacific region building upon the East Asia Summit process. We will intensify our cooperation in the fight against international terrorism, and work towards the promotion of peace and stability in Afghanistan.

We reiterated our commitment to achieving a balanced and successful outcome at the Copenhagen Climate Change Conference, continuing our cooperation on global economic issues within the framework of the G 20 process, and on achieving universal and complete nuclear disarmament.

Prime Minister Rudd's visit has imparted a new focus and direction to relations between our two countries. India looks forward to working with Australia to tap the full potential of our relations in the years ahead.



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\* Speaking at the Indian Council of World Affairs the same day Mr. Rudd said: "As Prime Minister of Australia, I am deeply disturbed and disgusted by attacks of violence against any foreign student studying in our country as guest. There have been criminal attacks targeting Indian students for the little money they earn to support their studies. These attacks will not be tolerated," Adding he said the Australian government was working with all its states to make sure that everything was done to protect overseas students. At the same time no government could guarantee that no acts of violence would occur, he added and said "Let us calmly work together to deal with future challenges as they arise."

### **437. Joint Statement issued during the visit of Australian Prime Minister Kevin Rudd.**

**New Delhi, November 12, 2009.**

India and Australia are two countries with shared interests and shared values. We are both pluralist democracies. We are both global in our outlook, but also closely integrated into the Asian region. Our economic relationship is expanding rapidly. We have a shared desire to enhance and maintain peace, stability and prosperity in Asia. We both value multilateral institutions and recognise the need to reform and renovate them. Our people-to-people links are broad-based and growing.

To give expression to the expansion and dynamism of our bilateral ties, we have agreed to take the relationship to the level of a strategic partnership.

#### **Bilateral cooperation**

In line with this strategic partnership, the two Prime Ministers affirmed their desire to intensify their contacts with each other. Dr Singh said he looked forward to visiting Australia at a mutually convenient date.

As two countries committed to political pluralism and parliamentary democracy, the Prime Ministers emphasised the need to reinvigorate bilateral parliamentary exchanges. Aware of the critical role that the young people of today will play in meeting the challenges and taking forward the initiatives of the 21st century, the two leaders welcomed the proposal to establish a new young political leaders program. A familiarisation visit of Australian young political leaders to India is likely to take place in 2010 to work out the modalities.

#### **International and Regional Cooperation**

Dr Singh and Mr Rudd reaffirmed the strong security and defence ties between India and Australia and welcomed a Joint Declaration on Security Cooperation that will see the two countries intensify their efforts to maintain peace, stability and prosperity.

Regional and multilateral cooperation is an important strand of the India - Australia relationship. The two leaders reaffirmed the key role being played in the Asian region by bodies such as the East Asia Summit, the ASEAN Regional Forum and the Asia Europe Meeting. The Prime Ministers welcomed the outcomes of the Fourth East Asia Summit (EAS) held in Hua Hin on 25 October, and agreed that the agenda of the EAS should continue

to be strengthened. In particular, they welcomed the agreement reached by EAS leaders to convene an EAS Finance Ministers' meeting and to have officials consider a Comprehensive Economic Partnership in East Asia. Mr Rudd reaffirmed Australia's firm support for India's membership of the Asia Pacific Economic Cooperation grouping when the membership moratorium ends next year.

The Prime Ministers welcomed ongoing discussion about how the institutional architecture of the region could evolve over time. Dr Singh welcomed Mr Rudd's intention to convene a 1.5 track conference in Sydney in December 2009 to consider further Australia's Asia Pacific community initiative.

The Prime Ministers reconfirmed their support for reform of the United Nations to ensure it reflects the realities of the 21st century, including by modernising the United Nations Security Council (UNSC). In this context, Mr Rudd reiterated Australia's support for a permanent seat for India on the UNSC.

Mr Rudd and Dr Singh welcomed the decision to make the G20 the premier forum for international economic cooperation.

Both countries stressed the need to increase agency-level cooperation in areas of mutual interest such as terrorism.

Dr Singh and Mr Rudd reaffirmed their shared vision of a world free of nuclear weapons and agreed to work together in a spirit of partnership on global disarmament and non-proliferation.

### **Expanding Economic Links**

The bilateral economic relationship continues to expand rapidly to mutual benefit and there is significant untapped potential for even stronger trade and investment links. The Prime Ministers noted that the Joint Study Group Report on the feasibility of Free Trade Agreement between the two countries will be submitted shortly and agreed to consider its recommendations expeditiously with a view to taking further action.

The Prime Ministers agreed to constitute an India-Australia CEOs Forum which would involve prominent companies from each country across the spectrum of key economic sectors.

### **Energy, climate change and water cooperation**



Energy security and climate change are serious challenges facing the international community. The Prime Ministers reiterated that Australia and India believe that a comprehensive outcome at the Copenhagen Conference in accordance with the principles and provisions of the UNFCCC and the Bali Action Plan, is critical to meeting the challenge of climate change.

Mr. Rudd noted India's plans to meet its future energy requirements by exploring and developing all sources of energy, including nuclear, renewable and non-conventional resources.

Both sides recognized the benefits of enhancing bilateral commercial exchanges of renewable and non-renewable energy resources. The two Prime Ministers also agreed that energy security concerns are best met by reconciling the long-term interests of both energy producing and energy consuming countries through a truly open and competitive energy market. Both sides also expressed their willingness to join efforts which promote a cooperative response to any global energy crisis, noting the important role of open and transparent energy trade and investment markets.

The Prime Ministers agreed that meaningful progress in the areas of energy security and climate change should be made through national, bilateral and multilateral efforts in a manner that does not limit the possibilities of accelerated economic and social development. The leaders agreed to work to address these global challenges.

Both leaders stressed the determination of Australia and India to work together to achieve a comprehensive, fair and effective outcome at Copenhagen, with the involvement of all countries in line with their common but differentiated responsibilities and respective capabilities.

In developing a global response to climate change, the leaders agreed to engage constructively with each other, and with other countries, including under the UNFCCC and in other multilateral fora such as the East Asia Summit (EAS) and the Asia-Pacific Partnership on Clean Development and Climate (APP).

Practical collaboration by Indian and Australian agencies is continuing to meet the challenge of climate change, including under the Asia-Pacific Partnership on Clean Development and Climate. The Australian Government will provide A\$1 million (4.315 crore rupees) to support a joint solar cooling and mini-grids project being undertaken by India's The Energy and Resources Institute (TERI) and Australia's Commonwealth Scientific and

Industrial Research Organisation (CSIRO). The Prime Ministers noted the positive contribution being made by the Global Carbon Capture and Storage Institute (GCCSI). An International Advisory Panel, which includes a TERI representative, will play a key role in guiding the work of the GCCSI.

India and Australia are faced by the imperative of managing scarce water resources. Dr Singh and Mr Rudd welcomed the signing of a Memorandum of Understanding in the Field of Water Resource Management. Mr Rudd also announced Australia would devote A\$20 million in funding over five years under the Australian Centre for International Agricultural Research for joint research in dry-land agriculture in India.

#### **A knowledge partnership**

India and Australia are building a broad knowledge partnership, ranging from developing collaborative projects in education from primary school up to university, to conducting joint research in many fields. Science and technology cooperation is a critical part of this partnership.

Both Prime Ministers acknowledged the important role science plays in the bilateral relationship and the potential to work more closely in this area of shared strength. Building on the success of the Australia-India Strategic Research Fund, Australia will increase its commitment to bilateral research efforts to A\$10 million per year for the next five years, which will be matched by India.

The expanded fund will introduce a new 'grand challenge' component, which will support large-scale research projects designed to deliver practical solutions to some of the major challenges shared by both countries. The areas of focus will be "energy", "food and water security", "health" and "the environment". The expanded fund will also introduce a substantial new fellowship program, comprising exchanges for early-career researchers from both countries and short-term visits by senior scientists. Both governments will continue to support leading-edge research in areas including in information and communication technology, micro-electronic devices and materials, earth sciences, nanotechnology, astronomy and biotechnology.

The two Prime Ministers welcomed the recent agreement that India and Australia would hold an annual ministerial dialogue on education, which would include representatives from education institutions and industry. Mr. **Rudd welcomed India's proposal to revive Nalanda University.**

Dr. Singh conveyed the high priority that Government of India attaches to

the safety, security and well being of Indian community in Australia. Mr Rudd reiterated that Australia had a zero tolerance approach to violence and was committed to taking all possible measures to protect the safety and welfare of all international students including Indian students. He provided Dr Singh with an update on the efforts of the Australian Government and its state government counterparts to enhance law enforcement, extend student welfare measures, re-register all education providers, audit vocational education and training institutions, and strengthen the integrity of the visa system.

### **Culture and Sport**

Cultural ties between Australia and India are vibrant and expanding. The Prime Ministers agreed that strengthening these enduring people-to-people links to enhance mutual understanding is vital to the future of the relationship. In 2010, India will host a 'Days of India' cultural event in seven Australian cities. The Australia International Cultural Council has selected India as the focus country for a major year-long cultural program in 2012. The two Prime Ministers welcomed the decision to launch negotiations on a film co-production agreement covering a wide range of audio visual formats.

Sport has long occupied an important place in the India-Australia relationship. Australia is looking forward to participating in the Delhi 2010 Commonwealth Games and is supporting the preparations. The Australian Sports Outreach Program will be boosted to deliver more grass-roots sports-based activities to India's youth, women and people with a disability, in collaboration with Indian partners. Mr Rudd also launched Business Club Australia in India, which will use sporting events, especially the Commonwealth Games, to build business links between the two countries.



**438. Joint Declaration on Security Cooperation issued during the visit of Australian Prime Minister Kevin Rudd.  
New Delhi, November 12, 2009.**

The Governments of India and Australia have committed to a Joint Declaration on Security Cooperation that will strengthen cooperation in a wide range of security and related areas including counter-terrorism, defence, disarmament and non-proliferation and maritime security

**The Prime Ministers of India and Australia,**

**Affirming** that the strategic partnership between India and Australia is based on a shared desire to promote, regional and global security, as well as their common commitment to democracy, freedom, human rights and the rule of law;

**Affirming** their deep respect for each other's contribution to promoting peace, stability and development in Asia and beyond;

**Affirming** their common purpose in working together, and with other countries including through such regional fora as the East Asia Summit and ASEAN Regional Forum to achieve the objective of a prosperous, open and secure Asia, and recognising that strengthened bilateral security cooperation will make a significant contribution in this context;

**Recognising** that India and Australia are partners with a mutual stake in each other's progress and prosperity;

**Recognising** that India and Australia share a common interest in maritime security.

**Affirming** their common commitment to fight terrorism and recognising that counter-terrorism efforts by India and Australia constitute an important part of the international community's effort to eradicate terrorism;

**Affirming** their common commitment to fight trans-national and organised crime;

**Reiterating** their common commitment to global, complete and universal disarmament and non-proliferation and seeking a peaceful world free of nuclear weapons;

**Have** decided to create a comprehensive framework for the enhancement of security cooperation between the two countries.

**Elements of Cooperation**

Security cooperation between India and Australia will include the following elements:

1. Information exchange and policy coordination on regional affairs in the Asia region and on long-term strategic and global issues;
2. Bilateral cooperation within multilateral frameworks in Asia, in particular the East Asia Summit and ASEAN Regional Forum ;
3. Defence dialogue and cooperation within the framework of the Memorandum of Understanding on Defence Cooperation signed in March 2006;
4. Efforts to combat terrorism;
5. Cooperation to combat trans-national organised crime;
6. Disaster management;
7. Maritime and aviation security; and
8. Police and law enforcement

#### **Mechanisms of Cooperation**

The following mechanisms will carry forward the above mentioned cooperation between the two countries:

1. Exchange of visits at high levels including by Foreign Ministers
2. Defence cooperation, which includes:
  - a. Defence Policy Talks (Senior Officials level);
  - b. Staff talks and service-to-service exchanges including participation in exercises as agreed
3. Consultations between the National Security Advisors of India and Australia.
4. Bilateral consultation to promote counter-terrorism cooperation through such means as the Joint Working Group on Counter-terrorism.
5. Sharing knowledge and experience in disaster prevention and preparedness and relevant capacity building.

#### **Implementation**

India and Australia will work towards developing an action plan with specific measures to advance security cooperation.



**CHINA****439. Address by Secretary (ER) in the Ministry of External Affairs Hardip Singh Puri at Confederation of Indian Industry (CII) Conference on "India-China: Drivers of the Asian Century in a Post-Crisis World."****New Delhi, March 4, 2009.**

Mr. Salil Singhal, Chairman, CII, Northern Region

His Excellency, Ambassador Zhang Yan

Mr. Chandrajit Banerjee, Director General, CII

Ladies and Gentlemen,

Thank you for inviting me to join you today at this conference on "India-China: Drivers of the Asian Century in a Post-Crisis World." The fact that we have already started to talk of a Post-Crisis scenario shows, at the very least, that we are optimistic and that we have begun to see light at the end of the tunnel. That would certainly appear to be the case in so far as the two economies, China and India are concerned. That, I believe, is also the thrust of the underlying message in the publication, "Getting China and India Right," which will be released today. I have gone through this publication and have drawn intellectual inspiration from this for our interaction today.

2. We meet at a particularly challenging time for the global economy. The fact that the US, Japan and parts of Western Europe are already in recession imparts an additional and alarming dimension to this crisis. While the crisis clearly bears a "Made in the US" label, the toxic assets that were produced through the sub-prime crisis were exported to Europe and the rest of world. Corporates all over the world have been adversely affected by the financial crisis. The IMF has projected that world economic growth is set to fall to just 0.5% this year, its lowest rate since World War II. And the International Labor Organization has estimated that 50 million jobs will be lost by end-2009 as a result of the fallout of the global economic recession.

3. Demand has plunged across the world particularly in key developed countries, with domino impact on exports and industrial production in developing economies. While a crisis of confidence has gripped consumers, banks and companies, revival of aggregate demand has become the key issue for recovery of the global economy. Policy makers and economists

are of the opinion that greater global cooperation rather than a retreat from globalization, is the best approach for solving the current financial crisis. Governments, in concerted action, have slashed interest rates and are pumping in hundreds of billions of dollars into new spending programs.

4. In this scenario, it makes no sense to talk about "decoupling" in an era of globalization. Decoupling assumes a more-independent economic world, when in fact globalization, is more than likely creating a more-interdependent global economy, where business cycles are more synchronized, not less. Asia's direct exposure to sub-prime related structured financial products may be limited, and its financial institutions and markets may be better regulated than before, but the region is still tightly linked to the US by trade in services, final products and by financial market co-movements. The drastic fall in Western appetite for consumer goods has resulted in China losing 20 million jobs in the manufacturing sector, while it is reported that India's textile and allied sectors alone would witness a loss of 6 million jobs.

5. Governments of the two countries have a crucial role to play to address the systemic risks in the global financial system. A frank exchange of views between India and China on how both sides can cooperate to stabilize and re-launch the global economy would be a good beginning in this direction. As the Chinese Ambassador had earlier stated, India and China need to have and demonstrate confidence to handle the crisis in a manner which is appropriate to their national interests. In addition, they should focus on stimulus packages to rejuvenate their respective economies. Both countries need to express themselves firmly against trade protectionism. Finally, they should cooperate with each other in drawing up a new financial architecture and also enhance the role the two sides can play in the decision making process of the existing international financial system. In overall terms, they should together turn this crisis into an opportunity. I can agree and support each of these assertions.

6. We have for too long relied on unsustainable, out-dated systems. The international financial system as presently structured has to be rebuilt, partly as a means of limiting the contagion from problems arising in one country, but this does not mean any retreat from open globalization and basic market principles, although "not everything can be left to the market." New forms of international institutions are vital to tackle the problems of the future, and the World Bank and the International Monetary Fund (IMF) have to change the current form of their operations.

7. I believe the current economic crisis is a perturbation on a larger global trend. The decline in housing prices, the sub-prime mortgage mess, and the overt speculation in the financial sector are all serious but they are merely short term symptoms of a bigger systemic change. Although it is difficult to predict when the current crisis will moderate, all indications point out that the current financial crisis, and economic downturn, is going to confirm, and possibly accelerate the shift in economic power to Asia, in particular to India and China. The ongoing metamorphosis of China and India from historic backwaters into economic powers will help reshape the world in the next few decades. The co-authors of the publication being released today succinctly bring out the following: Other than economic historians, few people know that as recently as 1820, China and India together accounted for almost 50% of the world's GDP. After a brief period of hiatus, both China and India are seeking their due place under the sun. The two Asian neighbors have transformed themselves into rapidly growing mega markets, platforms for global cost reduction and innovation and springboards for emergence of new fearsome competitors. And by 2025, it is highly probable that China-India economic ties through trade, investments and technology linkages may be among the five to ten most important bilateral relationships in the world.

#### **Why will India be a driver of growth?**

8. Over the last five years, India has witnessed high growth of 8.8%, driven by strong industry and services sector performances as well as high savings and investments. Despite the economic downturn, we expect India's GDP growth for the current year ending in March 2009 to remain around 7%, the 5.3% growth in the last quarter (Oct-Dec, 2008) notwithstanding. Domestic demand makes up three quarters of the Indian economy. Another Indian mainstay-agricultural growth-should remain steady this year, and the services sector, which now accounts for about 55 percent of India's GDP, is expected to be "more resilient" than manufacturing. Despite the financial crisis, the nation's IT sector managed to grow some 20 percent in 2008, according to India's National Association of Software and Services Companies, and IT firms have already extended 100,000 job offers for 2009.

9. India can sustain high growth rates by paying attention to growth fundamentals. Growth is driven by investment in physical, human and knowledge capital. India's growth acceleration has been associated with significantly higher rates of domestic saving and investment. Removing industrial controls, reforming the tax system and developing the domestic



financial sector have all contributed to raising savings and investment. The good news is that there is enormous scope to realize further efficiencies in institutions for allocating capital, as well as in implementing capital projects. By continuing with financial sector reform and removing infrastructure constraints, India can boost growth even in the face of a global slowdown.

10. India has a high requirement for infrastructure across sectors such as power, roads, ports and airports, telecommunications, etc. It has been estimated that India can absorb investments of \$500 billion in infrastructure sectors in the next five years. We also expect continued demand emanating from rural India, since over 60% of the workforce is dependent on agriculture for livelihood. While there is a huge under-penetration of most commodities and services in India's rural areas, there are enough people at the bottom experiencing an increase in income to sustain growth. The Government has been taking special measures by way of fiscal stimulus for the rural economy, including the farm loan waiver, rural employment guarantee scheme, rural infrastructure, and other social security spending. People in India under the age of 25 account for about 50% of the total population. Of the BRIC-Brazil, Russia, India and China-countries, India is projected to stay the youngest with its working-age population estimated to rise to 70 per cent of the total demographic by 2030 - the largest in the world. It is this section of the population that is expected to keep demand and India's GDP going up.

11. India and China have already unveiled huge stimulus packages to stimulate their domestic economies. Both sides could further enhance cooperation to tackle the crisis under the G-20 framework. Policymakers in both countries should institute reforms to strengthen domestic financial systems, better allocate resources for priority development needs, and bolster regional cooperation as means of building the foundations for enhanced financial stability across the region. India and China, can start a new wave of economic growth by investing in technologies, products and services directly meeting societal needs in eco-efficiency, healthcare, transportation and the empowerment of people. And, there is enough demand for goods and services in these sectors to offset declining consumer demand from US and Europe. Certainly, it is clear that an Asian-led effort within Asia will help the region recover much faster.

12. At the same time, we must not lose sight of the longer-term objectives of inclusive development and poverty reduction. In a region where nearly 600 million people still live on less than a \$1 a day, any tempering of growth is a cause for concern. We should never lose sight of how financial stress

affects the hundreds of millions of Asia's poor. Since 1990, half a billion people have moved out of poverty in our region. But let us not forget the millions who fell back into poverty in the immediate aftermath of the 1997 crisis. One of the most important lessons from the Asian financial crisis was that those least responsible for the crisis - or the region's poor - are usually the hardest hit and the least able to cope. We have also learned that during times of crisis, agenda like environment and climate change (which is a global agenda) are often forgotten or delayed that creates bigger burden for the future or with adverse impacts becoming irreversible. But we also know that crises provide the impetus for significant reforms and bold changes. I am sure the discussions over the coming days will help us gain a better understanding of the challenges we face and the ways in which we can nurture our financial systems to be more responsive and resilient.

13. The time for words is over; this is the time for implementation and action. If we come back in six months or a year and are still talking about the same things, we will have failed. And the social unrest we will have to deal with will be absolutely dramatic.

14. What we are currently experiencing with the financial crisis and its consequences is the birth of a new era - a wake-up call to overhaul our institutions, our systems and, above all, our thinking. It is a call to remind us of the need to adjust our values to the needs of a world that rightly expects a much higher degree of responsibility and accountability.

15. If we recognize this crisis as being really transformational we can lay the foundation for a more stable, more sustainable and even more prosperous world after the crisis. Let me conclude by reiterating that the crisis can and should be turned into an opportunity.



**440. Press Release of the Ministry of Commerce on the "Need to strengthen Trade between India and China".**

**New Delhi, March 19, 2009.**

Speaking at the India-China bilateral meeting here today, Shri G.K. Pillai, Commerce Secretary, has stated that in order to minimize the effects of global slowdown, both India and China need to strengthen the bilateral trade and economic relations and requested the Chinese side to explore the possibility of more diversified exports from India. "Given the immense potential the two countries have, in both production and the consumption capabilities, we need to work more closely to remove all the minor irritants that creep into our economic and trade relations", he added. The bilateral meeting was attended by the Chinese Vice Minister of Commerce Mr. Zhong Shan and senior officials from both the countries.

During the discussions, Shri Pillai informed the visiting Chinese Minister that two countries could gain a lot by providing faster market access to pharmaceuticals and drugs. The Commerce Secretary also requested the Chinese side for granting market access to 14 fruits and vegetable at the earliest, as it was pending since long. Both sides felt that there is a need for increasing bilateral investments between the two countries and the main sectors for investments could be petrochemicals, steel, healthcare, IT, automobiles, biotechnology, renewable energy and low-carbon technologies.

India-China bilateral trade during 2007-08 was to the tune of US \$ 37.9 billion (exports - US \$ 10.8 billion and imports US \$ 27.1 billion). The major items of exports from India to China are ores, cotton yarn & fabric, organic & inorganic chemicals, precious stones & metals and machinery while the major items of imports from China to India are electrical machinery, organic chemicals, Iron & steel, fertilizers and mineral fuel.

During the seventh session of the Joint Study Group (JSG) held in New Delhi, it was recommended that the existing JEG (Joint Economic Group on Economic Relations and Trade, Science & Technology) mechanism be fully activated. The eighth session of India-China JEG is to be held in Beijing.



#### **441. Press Release of the Embassy of India in China on the launching of the India Business Forum.**

**Beijing, April 16, 2009.**

The growth in business and commercial ties between India and China has spurred an increasing number of Indian companies to invest in China, and has also seen the entry of many well-known Chinese companies into the Indian market. The growing engagement of Indian companies in the Chinese market has provided the setting for the establishment of a new body - the India Business Forum (IBF) - which was launched on the 15th April in the Chinese capital city of Beijing. The Forum is the initiative of the Confederation of Indian Industry (CII). The IBF in China is the fourth such body launched by the CII, the other three being in USA, South Africa and Singapore. The IBF was jointly launched by Her Excellency Mrs. Nirupama Rao, Ambassador of India to the People's Republic of China, Mr. Wang Jinzhen, Vice Chairman of the China Council for the Promotion of International Trade (CCPIT), Mr Chandrajit Banerjee, Director General of CII, and Mr J J Shrikhande, Country Head - China, Larsen and Toubro Limited, who is Chairman of the IBF.

The launch of the IBF in Beijing coincided with a day-long Conference on the "Impact of Global Economic Crisis: Challenges and opportunities for India and China", organized by CII in collaboration with the Embassy of India, Beijing.

The keynote address at this Conference was delivered by Ambassador Rao. In her address, she welcomed the launch of the India Business Forum. She highlighted the deepening economic and commercial engagement between India and China and how the business companies of both countries are contributing to the development of closer bilateral ties. While admittedly bilateral commercial engagement has been impacted due to the global economic crisis, this also presents an opportunity for the two sides to engage each other more creatively, to innovate and seize the opportunities. She also underlined the important role that India and China are playing through their cooperation and coordination in the G-20 framework to help mitigate the adverse effects of the global financial and economic crisis.

Mr. Wang Jinzhen, Vice Chairman of the CCPIT, gave an overview of China's economic development since the beginning of the economic reform process 30 years ago; outlined various steps including the stimulus package that the Chinese government has undertaken to counter the impact of the global crisis on the country's economy; and underlined the intent of the Chinese

government and companies to promote business ties with India including investments.

Mr Chandrajit Banerjee, Director General of CII, while welcoming the participants said that the CII IBF in China would help in bringing the two countries' economies and industries together. He stressed that during these times of economic slowdown, it is very important to shift focus on to India and China. He added that a joint strategy can benefit both Indian and Chinese corporations.

Mr J J Shrikhande, Chairman of IBF also gave a brief overview of the various functions of the IBF. The IBF would provide a networking forum for its members to interact with Government officials, academicians and think-tanks on the macro-economic scenario and strategic business partnership between India and China; would help in building "brand India" and analysing sectoral business opportunities in China in coming years.

The Inaugural session was followed by three sessions of panel discussion, namely, "Responses to Global Recession by India & China in a Post Crisis World, India & China Participating in each other's Growth Story, and Emerging Business Opportunities in India".

The event was well attended by participants from the Chinese government, international financial institutions, Indian and Chinese Companies, academicians and the media.



**442. Question in the Rajya Sabha: "China's Objection to ADB Projects in Arunachal Pradesh".**

**New Delhi, July 9, 2009.**

**Will the Minister of External Affairs be pleased to state:**

- (a) whether China has objected to an Asian Development Bank (ADB) plan for India that includes projects in Arunachal Pradesh;
- (b) if so, the details thereof;
- (c) whether China has recently stated that the entire Arunachal Pradesh State is a disputed territory and called upon ADB not to provide funds for watershed projects; and
- (d) if so, the reaction of Government in this regard?

**The Minister of External Affairs (Shri S. M. Krishna):**

**(a) to (d)** China did not endorse the Country Partnership Strategy [CPS] 2009-12 for India in the Board of the Asian Development Bank [ADB] on the ground that the proposed India CPS involved technical assistance funding for the Flood and River Erosion Management Project in Arunachal Pradesh which China claims is its territory. Government has clearly conveyed to the Chinese side that Arunachal Pradesh is an integral part of India. Government has also told the ADB and all member countries of the ADB which have Executive Directors on its Board, including the US, Japan, Australia, Canada, Indonesia, Republic of Korea, Malaysia, Philippines, Germany and Italy that

- (i) the CPS is not a political document and it does not make any judgment as to the legal or other status of any territories; and
- (ii) China's objection on political grounds is a clear violation of the ADB's Charter which prohibits the Bank from evaluating any proposal on grounds other than economic.

India's CPS was discussed in the Meeting of the Board of Executive Directors of the ADB on 15 June 2009, and all member countries except China supported the document\*.



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\* At the media briefing on September 19, on PM's visit to Pittsburg for the G-20 Conference, Foreign Secretary Mrs. Nirupama Rao was asked about this matter:

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Question: I wanted a clarification on the ADB point. Is there a reference there to Arunachal as disputed?

Foreign Secretary: No, there is no reference to Arunachal Pradesh in the sense that you refer to. This is a Country Partnership Strategy looking at development assistance as a package.

Question: ....not audible

Foreign Secretary: That has nothing to do with the approval of the strategy. I think you are referring to something quite different. There is a Chinese position on the subject, what China has been saying on the issue of Arunachal Pradesh. But here, as far as the Country Partnership Strategy is concerned, it has been endorsed by the Asian Development Bank.

The question of the status of Arunachal Pradesh had come in for mention also in the context of the proposed visit to the State by the Dalai Lama in November and Chinese reported objection to it. The External Affairs minister S. M. Krishna had left no one in any doubt when he said: "Arunachal Pradesh is a part of India and Dalai Lama is free to go anywhere in India." The National Security Advisor M. K. Narayanan too in an interview to the CNN-IBN on September 20th said: "China has its own perception. India has a very clear perception about Arunachal Pradesh. And the integrity of India's sovereignty will certainly have to be respected." Pointing out that there were "issues and differences" between India and China over the boundary issue, he said there was a mechanism in place to address such matters. He hoped they would be settled amicably.

**443. Media Report on the meeting between the External Affairs Minister S. M. Krishna and the Chinese Foreign Minister Yang Jiechi.**

**Phuket (Thailand), July 22, 2009.**

The Indian External Affairs Minister and the Chinese Foreign Minister had their first bilateral meeting on the sidelines of the India - ASEAN Ministerial Conference held in Phuket on July 22, 2009. They resolved to further deepen their ties, especially in bilateral trade which has been set a target of \$60 billion by the end of 2010.

The External Affairs Minister S.M. Krishna responded positively to the Chinese counterpart's suggestion to be in close touch with each other on major issues such as climate change, the Doha round of trade talks and the global financial crisis. Pointing to the two countries' similarity of outlook on a number of issues, the Ministers referred to their approach to the financial crises, which was expected to be carried forward at the third G-20 summit on the global meltdown, to be held in Pittsburgh, United States.

Mr. Krishna said there was enough space for both China and India to grow without competing with each other. He described the meeting as "very useful," which saw "cordial and friendly exchange of views." He also conveyed India's desire to support mechanisms that would ensure lasting peace in the region.

Mr. Yang said China was looking forward to the visit by President Pratibha Patil. Mr. Krishna thanked him for renewing the invitation.

The Indian Officials later said the purpose of the "almost impromptu" meeting was fourfold: to get acquainted with each other; deepening the interaction; reviewing the growth of economic ties; and coordinating their action in this sphere on a global scale.





**444. Press Release issued by the Indian Embassy in China on the expanding bilateral trade between India and China.**

**Beijing, August 4, 2009.**

In recent weeks, there have been some articles in Chinese print media on protectionist measures adopted by countries including India against Chinese goods. In this regard, this Embassy would like to put forward the following points which may help in having a more comprehensive and balanced understanding of the issue:

- i) According to the figures provided by China Customs, India-China bilateral trade in 2008 totalled US\$ 51.8 billion, which was an increase of 34% year-on-year. In 2008, Indian exports to China touched US\$ 20.3 billion, rising by 39% over the figure for 2007. Chinese exports in the same period have expanded by 31% to reach US\$ 31.5 billion. In the last five years, the total value of trade has increased almost seven fold from US\$7.59 billion in 2003 to US\$51.85 billion in 2008. This represents an increase of around 583%.
- ii) During the last five years, the Chinese exports to India increased from US\$3.34 billion to US\$ 31.51 billion which is nearly a tenfold increase. While the export from India to China has also increased, it has been a fivefold increase from US\$4.25 billion in 2003 to US\$20.34 billion in 2008. This would reinforce the fact that bilateral trade has been increasing and rate of growth of Chinese exports to India has been maintaining a steady pace. This can not happen in an environment of protectionism or trade barriers. In fact in 2008, the growth rate of Chinese exports to India stood at 31.21%, which was highest in the top ten destinations of Chinese exports.
- iii) The global financial crisis has impacted the bilateral trade between our two countries. In the first six months of 2009, bilateral trade stood at US\$19.61 billion, which is a decline of 32% y-o-y. Indian exports to China in Jan-June 2009 stood at US\$ 6.60 billion, declining by 50%. In comparison, the Chinese exports to India during the first six months of this year stood at US\$13.01 billion, declining by only 16%. The value of Chinese exports during this period is double the Indian exports, which in turn is almost equal to the size of our trade deficit with China during this period which stood of US\$6.41 billion.

- iv) There have been some antidumping cases initiated by India against China. All actions taken by India are as per the procedures and principles enshrined in the national laws which are uniformly applied to imports from all countries including China whenever there is a need for such measure. Indian regulations apply uniformly and are not China specific. Besides, there is a legal framework to deal with Anti-Dumping cases. The antidumping investigations are normally initiated by the Directorate General of Anti-Dumping and Allied-Duties on receiving a fully documented petition from the domestic industry with prima facie evidence of dumping and the causal link between the dumped goods and injury to the domestic industry. Anti-Dumping measures are trade remedy instruments for ensuring fair trade and not measures to restrict competition. The increasing trend in overall bilateral trade is a testimony that the Anti-Dumping investigations have not hindered the bilateral trade and are merely an instrument for ensuring fair trade in accordance with international laws.
- v) On the other hand, the Indian side has some concerns especially with regard long-pending market access for its agricultural products. The India-China bilateral WTO agreement signed in February 2000 and the MOU on Application of Phyto-sanitary Measures, signed in January 2002 during Premier Zhu Rongji's visit to India provides for cooperation and exchange of information in the field of pest risk analysis and application of phytosanitary measures to facilitate smooth trade in agricultural products especially fresh fruits and vegetables. On the basis of these two agreements, the Indian side has sought market access for 17 varieties of fruits and vegetables in the Chinese market. This has been under discussion for almost a decade and market access has been given to only three products out of a list of seventeen. In addition, the issue of market access for basmati rice has been pending for a long time and Chinese side is yet to send the technical team for assessment despite repeated invitations conveyed by the Indian side.
- vi) During the meeting of the two sides early this year, the Chinese side had assured that relevant technical teams would be sent from China and specific progress would be seen soon. However, no progress has been seen with regard to giving market access to India for fruits and vegetables.
- vii) India has several bilateral dialogue mechanisms with China, including the Joint Economic Group at Ministerial Level, Joint Working Group

on Trade at DG/Joint Secretary Level and India-China Trade Remedy Cooperation mechanism at DG/Joint Secretary Level. China has become the largest trading partner of India. Both India and China have regular dialogue to discuss trade related issues. The Chinese Vice-Minister of Commerce Mr. Gao Hucheng visited India in October 2008 and another Chinese Vice-Minister of Commerce Mr. Zhong Shan visited India in March 2009. The trade and economic relations between our two countries are rapidly becoming the bedrock for a more intensive engagement.



**445. Statement\* issued by the Ministry of External Affairs on 13th Round of India-China Special Representatives Talks.**

**New Delhi, August 8, 2009.**

The 13th Round of India-China Special Representatives Talks on the Boundary Question concluded in New Delhi today. The two day talks between the National Security Adviser Shri M.K. Narayanan and the Chinese State Councillor Mr. Dai Bingguo were held in a cordial and friendly atmosphere.

Apart from the boundary issues, discussions covered a broad agenda which included the entire gamut of bilateral relations and regional and international issues of mutual interest.

Describing relations with China as a key foreign policy priority for India, Shri M.K. Narayanan said that the joint document on a "Shared Vision for the 21st Century" signed during Prime Minister's visit to China in January 2008 has taken bilateral relations to a new level. There has been a significant expansion in bilateral cooperation in areas such as trade and investment, defence, culture, education and people-to-people exchanges.

Reciprocating the sentiments expressed by National Security Advisor, Mr. Dai Bingguo referred to rapid growth witnessed in the bilateral relations in recent years. Highlighting the importance of ongoing consultations and coordination between the two countries at multilateral fora, he expressed the hope that the two countries will jointly meet global challenges in the spirit of the Shared Vision. Mr. Dai Bingguo said that China takes a positive view of India's development and progress, and also supports a bigger role for India in international affairs.

Both sides noted that the Strategic and Cooperative Partnership established between India and China in 2005 was a major milestone in the relationship and reiterated the commitment of both countries to consolidate this Partnership in all fields in a comprehensive way.

On the Boundary Question, both sides expressed satisfaction at the progress being made through the Special Representatives mechanism and reiterated that pending the settlement of the boundary issue, peace and tranquility should be maintained in our border areas.

During his visit, Mr. Dai Bingguo called on the Prime Minister and the Chairperson, UPA. He conveyed the greetings of President Hu Jintao and also handed over a written message of greetings from Premier Wen Jiabao to the Prime Minister.



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**The Chinese delegation issued a separate statement which read:**

"From August 7 to 8, the 13th Meeting between the Chinese and Indian Special Representative on Boundary Question was held in New Delhi, India. Chinese Special Representative, State Councilor Dai Bingguo met with his counterpart, Mr. Narayanan, India's National Security Advisor. During his stay in India, State Councilor Dai also met with Mrs. Sonia Gandhi, Chairperson of the Indian Congress Party and Prime Minister Singh.

In a friendly and candid atmosphere, the two Special Representatives had an in-depth exchange of views on resolving the boundary question. Both agreed to press ahead with the framework negotiations in accordance with the agreed political parameters and guiding principle so as to seek for a fair and reasonable solution acceptable to both. Prior to that, both should work together to maintain peace and tranquility in the border areas.

During the talks, the two sides exchanged in-depth views on the further development of China-India Strategic and Cooperative Partnership, as well as regional, international and global issues of mutual interest.

The Chinese side pointed out that the Chinese Government and people value the strategic and cooperative partnership between China and India, the largest two developing nations with a combined population accounting for 40 percent of the world's total. Friendly coexistence, mutual beneficial cooperation and shared progress between the two neighbours will contribute not only to the people of the two countries but also Asia and the whole world. China and India have no other option than living in peace and developing side by side. China stands firmly committed to working with India to press ahead with the bilateral ties.

The Chinese side believes that both countries need to promote the relationship with a higher and strategic perspective and continue to uphold the Five Principles of Peaceful Coexistence. China and India should endeavor to build the strategic mutual trust. Both need to expand the common interests and cooperation bilaterally and on regional and global affairs. Both should take concrete steps to enhance people-to-people and cultural interactions so as to nurture the mutual understanding and friendship between the two peoples. For the questions left over from history, the two countries should work to seek for a fair and reasonable mutually acceptable solution through peaceful and friendly negotiations.

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For the future development of the bilateral ties, the Chinese side made the following suggestions. The two countries need to maintain the momentum of high-level exchanges, will celebrate the 60th anniversary marking the establishment of the diplomatic relations between the two countries, especially the China Festival and India Festival in each other's country in 2010. Both countries should strengthen mutually beneficial cooperation in the economic field and trade, fully tap the potential for cooperation and properly handle frictions and questions thereof and stand side by side against trade protectionism so as to ensure the sustained and healthy development of bilateral economic ties. The two neighbours should enhance people-to-people and cultural exchanges, those between the youth, academic institutions, media and localities in particular, and deepen defence cooperation and continue the defence and security talks. China and India should also intensify the coordination and cooperation on major international issues, especially the global efforts in response to world financial crisis, climate change, energy and food security so as to promote evolution of international system that is in favor of developing nations. The two sides also exchange views on the situation in South and Northeast Asia.

Meanwhile media reports said that one of the decisions taken during the talks was that the two countries would set up a hotline between Prime Ministers Manmohan Singh and Wen Jiabao as a confidence building measure. External Affairs Minister S.M. Krishna told Parliament last month that the proposal had come from the Chinese side and the intention was to "maintain regular contacts at the highest level." China had proposed the establishment of the hotline during a meeting between Dr. Singh and Chinese President Hu Jintao on the sidelines of the Shanghai Cooperation Organisation summit in Yekaterinburg, Russia. No date was however announced and officials said the technical and other modalities were being worked out. Describing ties with China as a key foreign policy priority, Mr. Narayanan said the joint document on a "Shared Vision for the 21st Century" signed during Dr. Singh's visit to China January last year had taken bilateral relations to a new level.

It may be recalled that in March the media had reported the unannounced visit to New Delhi of the Chinese Assistant Minister of Foreign Affairs Hu Zhengyue when several issues of strategic importance were reportedly discussed. Media quoted unnamed sources to suggest that Beijing and Delhi were working towards a renewed thrust on the ties between the navies of the two nations with a possibility of the Indian Navy Chief visiting China later this year. The Chinese reportedly expressed an interest in deepening the economic engagement with India by helping build infrastructure for the 2010 Commonwealth Games. At a conference organised by the CII, analysts said that a sustained mutual interest, a growing economic presence in each other's development and sharing of best practices would help the industry on both sides to move ahead. Chinese ambassador to India Zhang Yan, addressing the conference on March 4, said: "Yes, the challenge we are facing is great, but the future is bright as long as China and India can pool their efforts, learn from each other and compliment each other, the two countries will surely emerge as winners of this crisis."

**446. Response of the Official Spokesperson to question on article by a Chinese analyst.****New Delhi, August 11, 2009.**

"We have seen media reports. India and China have strategic and cooperative partnership. There is multi-sectoral engagement between the two countries and the pace of exchanges has gained momentum in recent years. Both sides have agreed to continue this momentum, while seeking to resolve outstanding issues, including the boundary question through peaceful dialogue and consultations, and with mutual sensitivity to each other's concerns.

The Chinese side has conveyed to us that in approaching India China relations, China abides by the Five Principles of Peaceful Coexistence. One of these principles stresses respect for territorial integrity and sovereignty.

The article\* in question appears to be an expression of individual opinion and does not accord with the officially stated position of China on India China relations conveyed to us on several occasions, including at the highest level, most recently by the State Councillor Dai Bingguo during his visit to India last week.

We continue to maintain that opinions and assessment on the state of India-China relations should be expressed after careful judgement based on the long-term interests of building a stable relationship between the two countries".



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\* An article written under the *nom de plume* on the website of a Chinese military think tank, Beijing strategist had suggested that China should help divide India. China should support factions of the Assamese, Kashmiris and Tamilians and break-up India into 20-30 independent nation-states like Europe and eradicate the caste system. "If China takes a little action, the so-called Great Indian Federation can be broken up," said the article posted on August 8, coinciding with the 13th round of India-China border talks in New Delhi. The website editor later denied that it represented either the views of the Chinese government or of the website editor or the think tank. It was posted anonymously by an internet user.

**447. Media report on the reaction of India to the reported Chinese incursions on the India-China border in the Western Sector.**

**New Delhi, September 7, 2009.**

Amidst media reports of Chinese incursions along the India-China border, the External Affairs Minister S.M. Krishna described the boundary as "most peaceful." He told correspondents in New Delhi that the border with China was "one of the most peaceful boundaries that we have had." Reports of incursions were not any cause for concern, he said. India shared a long border with China, and incidents or incursions were sorted out through a mechanism\*.

Such issues were taken up at periodic flag meetings held in various sectors at different times, media quoted unnamed sources in the Defence Ministry to suggest. *The Hindustan Times* on September 7 quoted an unnamed senior Indian Army officer to say that "We will definitely take up the matter with the Chinese during the next flag meeting of border personnel," Eastern Army Commander Lt Gen V.K. Singh and Leh-based XIV Corps head Lt Gen S.K. Singh, who along with other senior army officials are currently in China on a "goodwill" visit, would also raise the matter with the Chinese authorities at the highest level, he reportedly said.

The media quoted the unnamed sources in the External Affairs Ministry to say that the reports of incursions should also be seen in the context of India and China not having a mutually agreed Line of Actual Control. The Ministry had reportedly sought an early clarification from China, and a response was awaited.

\* It may be recalled that while transiting through Singapore on August 10 on way back from Australia the External Affairs Minister had in his remarks to *The Hindu* correspondent there P. S. Suryanarayana had said the boundary issue with China "has not clouded" India's "vision of the larger picture" in bilateral ties. "We have a good relationship with China," the Minister said and called for a continued "focus" by both India and China on staying their economic courses in the present context. Hinting that the economic scene was "the larger picture," the External Affairs Minister said: "We are two robust economies, in spite of the [current] slowdown globally. These are the two economies which have shown signs of recovery and signs of growth. So, that shows that they are on the right track. We should continue to focus on that. When developing countries are collapsing like nine pins, these two countries have registered progress, which the world will have to take note of. Of course, we consider that China is a developed country; and we are a developing country. [However viewed], these two emerging economies of this century have done exceedingly well." When asked to present a snapshot of the India-China ties in the context of recent developments on the bilateral front, he said: "We would like to strengthen our relationship with China, we would like a partnership with them. We would like the present process, which has been initiated to settle our concerns or their concerns on the boundary issue, [to continue]. We have evolved a methodology to take care of that. [The latest meeting of the Special Representatives] would have made significant progress. With China, we would continue this engagement for a cordial relationship, and we will work on that."

Media reports quoted Mr. Krishna to say that the special representatives on the boundary issue were working towards addressing the different conceptions of the international border. The 13th round of meeting was held recently. (A news agency reported that after two helicopters intruded into the Indian airspace, Chinese troops moved nearly 1.5 km into the Indian territory near Mount Gya.) The Defence Ministry reportedly maintained that the issue was "overplayed," and the terrain added to the problem. Furthermore, transgressions occurred because there was no mutually agreed border.

India will strongly raise the issue of recent incursions by the Chinese army in Ladakh area of Jammu and Kashmir at the next border personnel meeting between the two countries and also at the diplomatic level.



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It may be worthwhile to recall the meeting of the Prime Minister Manmohan Singh and Chinese President Hu Jintao in Yekaterinburg in June on the sidelines of the BRIC Summit which took place against the backdrop of the heightened rhetoric on the border issue. After a review of the bilateral relations they reiterated their intention of pursuing closer ties and give a fresh push to their high-level dialogue on the disputed boundary between the two countries. An official of the Indian delegation briefing the media on the meeting when asked about the recent statements by the outgoing Indian Air Force chief and other IAF commanders on the threat from China and the internal situation in Tibet, the officials said Defence Minister A.K. Antony had ordered serving officers not to make public comments. "In our system, policy statements are the preserve of ministers and duly authorised officials," the sources said, adding, "Unauthorised statements do not constitute Indian policy. They remain the individual view of whoever makes them." The officials said these statements were unhelpful. "They muddy the waters ... The Chinese read them and then they react ... and this prompts further statements."

The statement by the Arunachal Pradesh Governor J.J. Singh made in June on the reported Chinese incursions and his assertion that India intended to deploy around 30,000 troops along the Arunachal border should be seen in the same vein. It had prompted the Chinese Foreign Ministry to respond with a statement that China "cannot accept such allegations". The Spokesperson Qin Gang had said "China and India have never demarcated the border. To resolve this issue at an early date is one of the 10 strategies to improve China-India relations. The two countries have reached a consensus on resolving this issue, and we hope the two countries will follow the 10 principles and jointly safeguard stability and tranquillity in the border areas. China has always followed such an attitude to settle the issue." The media had been during much of the year persisting with reports of Chinese intrusions and incursions along the Sino-Indian border, but the official line had been consistent that there had been no major problem and that such reports were not based on correct appreciation of the boundary situation. The official line had been that the border was all along tranquil and both sides were maintaining the status quo. Putting the problem in perspective the Foreign Secretary Shivshankar Menon said the same thing earlier in the year on March 20. Pointing out that both sides had their own perceptions about the boundary, Mr. Menon said each side treated the other's crossing over as an incursion. But the important thing was whether there had been a change in the pattern of incursions and whether it was taking place in new places. The answer to both was in the negative, he said, while taking questions at the release of the book "India-China relations - The border issue and beyond" co-authored by Mohan Guruswamy and Zorawar Daulet Singh. "Both sides maintain the status quo. We don't see changes in the pattern by either side," Mr. Menon added. Mr. Menon said while there was a border issue there was no border dispute with China unlike with



Pakistan. The last casualty that took place was in October 1975 and even that was an accident.

In its latest statement on the reported incident the Chinese too tried to down play the issue. The Chinese Foreign Ministry Spokesperson Jiang Yu on September 8 described the reports (of incursion) "groundless and untrue." "Border patrols are strictly conducted according to the law and will never enter [Indian] territory." "India and China should make joint efforts to safeguard peace and tranquillity along the border," he added.

On September 10, addressing the Editors' Guild in New Delhi, EAM reassured the media that India's borders were secure and that there was no lowering of our defences either. He said: "On the issue of border incursions, I would like to emphasize that there is an established mechanism to deal with such situations. Both sides have agreed that pending the resolution of the border issue, peace and tranquillity must be maintained on the LAC. Moreover, India is monitoring the situation constantly and there can and will be no lowering of our defences in this regard. Our borders are secure and it serves no purpose to create excessive alarm."

The Chinese official Spokesperson Jiang Yu too on September 10 pleaded against media led reaction on border incidents and also discounted media reports that the recent meeting of the special representatives did not yield much. She reiterated that both China and India were committed to jointly work for peace and tranquillity on the border. "Let not this issue (of media reports) affect the overall interests of bilateral relations", she said. The special representatives of the two countries were working for a "fair, reasonable and mutually acceptable solution of the border issue," she said while replying to a question on whether the recent meeting of special representatives failed to prove useful.

Chinese officials on 16th September also tried to downplay the recurring reports of incidents along the border with India, maintaining that a peaceful resolution of the long-running border dispute was possible if the two countries could enhance strategic co-operation and better an atmosphere that has fast soured in recent weeks. The Chinese officials reiterated that recent media reports on frequent border incursions were not a cause for alarm. In an interaction with Indian journalists, officials from China's Foreign Ministry attributed the recent strain in relations more to media hype than any real cause for concern. "We find it necessary and important to develop friendly and peaceful relations with India," Ma Jisheng, a director-general in China's Foreign Ministry said. "Our position is that we should support better bilateral relations and we can then resolve the dispute. If we can reach a consensus on [other] strategic issues, we believe we can develop a better atmosphere to discuss the border issue. We need to focus on the whole relationship and not just the border issue." Both governments on the same day (15-9-09) also dismissed recent reports of an exchange of fire along the border in Sikkim as "inaccurate." Officials on both sides of the border have said the reported border incursions by the Chinese troops were regular occurrences that were more a result of different perceptions on the extent of the unresolved border rather than new signs of aggression.

The Foreign Secretary Nirupama Rao too speaking at a press conference also on the 19th September, on the Prime Minister's visit to the G20 summit, said there was no significant increase in the number of Chinese incursions in all sections of the LAC and peace and tranquillity continued to hold just as it had done for "some decades now." Regarding the reports of China attempting to block an Asian Development Bank loan for projects in Arunachal Pradesh she said, "The Country Partnership Strategy has been endorsed by the ADB and that's where the matter stands."

**448. Press Release of the Ministry of Home Affairs on the signing of Agreement between India and Hong Kong on Mutual Legal Assistance in Criminal Matters.**

**New Delhi, September14, 2009.**

A Hong Kong delegation, led by Secretary for Security, Hong Kong Special Administrative Region in Peoples' Republic of China, Mr. Ambrose Lee is on a visit to New Delhi from the 13th to 15th of this month to sign the Mutual Legal Assistance Agreement in criminal matters between the two countries.

The Agreement was signed today by the Minister of State for Home, Shri Mullappally Ramachandran on behalf of India and Mr. Ambrose Lee, Secretary for Security on behalf of Hong Kong Special Administrative Region in Peoples Republic of China. The Agreement aims at improving effectiveness of law enforcement of the Contracting Parties in investigation and prosecution of crime and confiscation of proceeds and instruments of crime. With the signing of the Mutual Legal Assistance Agreement in criminal matters, cooperation in judicial matters will be comprehensive. The Agreement will come into force 30 days after the date on which the Parties have notified each other that their respective requirements for the entry into force of the Agreement have been complied with.

Before the signing ceremony, the delegation met the Union Home Secretary, Shri G.K.Pillai and held fruitful discussions on issues of mutual interest.



**449. Comment by Official Spokesperson of the Ministry of External Affairs on incorrect report on firing across Line of Actual Control along the India - China border.**

**New Delhi, September 15, 2009.**

A media report\* about two ITBP jawans having been injured due to firing from across the LAC (Line of Actual Control) has come to notice. The report is factually incorrect.



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\* The Spokesperson was referring to a story published in a section of the press on the same day that 'Two ITBP jawans injured in China border firing.' The Chinese Foreign Office too denied the report of firing.

A media report said that the Home Ministry having taken a serious view of such scary-mongering reporting had decided to file an FIR against the two reporters of *The Times of India* who filed the story claiming Indian soldiers were injured in firing by the Chinese. "We have taken this story very seriously. We are going ahead with our decision to take criminal action against the two reporters and we will soon file an FIR. They have quoted some highly placed intelligence source in their story. Let them appear before the court and tell who is this source who gave them information," media report quoted top sources in the Home Ministry to so suggest.

It may be recalled that media had been publishing repeatedly reports of Chinese incursions along the border, which the official sources felt constrained to deny. On September 18 the Prime Minister had advised journalists that media reports were painting an inaccurate picture of the conditions along the India-China border. On September 19 the Chief of Army Staff Gen. Deepak Kapoor told journalists at the Officers Training Academy in Chennai: "The Prime Minister has just made a statement that there has not been any more incursions or transgressions as compared to last year. They are at the same level. So there is no cause of worry or concern."

In an interview to CNN-IBN, on September 20, the National Security Advisor M.K. Narayanan had urged the media to be restrained. "I really am unable to explain why there is so much media hype on this question," he said, expressing concern that if such coverage continued, "someone somewhere might lose his cool and something might go wrong."

**450. Questions Relevant to China asked from Foreign Secretary Mrs. Nirupama Rao at the media briefing for the Prime Minister's visit to Pittsburg for the G-20 Summit.**

**New Delhi, September 19, 2009.**

**Question:** Is the Indian Prime Minister likely to meet the Chinese President during the G20 Summit? And, what is the status of India's application with the Asian Development Bank for the Arunachal Project?

**Foreign Secretary:** To answer your first question, there is no meeting that is being planned at the moment between our Prime Minister and his Chinese counterpart or the Leader of the Chinese Delegation to the G20 Summit.

On the issue of the Asian Development Bank project that you referred to, the Country Partnership Strategy that India had presented at the ADB has already been endorsed by the ADB. So, the matter stands there. There is really no pending issue now on that front.

**Question:** The loan application is cleared now?

**Foreign Secretary:** The Country Partnership Strategy has been endorsed by the Asian Development Bank.

**Question:** Madam, my question is on Prime Minister's comment of yesterday. He said in the Iftar party yesterday that he was in touch with the highest level authority in China about the current tension of alleged incursions. I would like if the Prime Minister talked to his counterpart or he talked to President Jintao. If yes, what is the nature of that talk? My supplementary question is that there is a general allegation which is made frequently for the last ten days that MEA is downplaying the incursions which have definitely increased because these are the official figures. Can you just clarify these two issues please?

**Foreign Secretary:** As far as your first question is concerned, let me tell you that we remain in constant touch, India and China, on all issues that are of mutual interest and of mutual concern to us as far as our bilateral relations are concerned and also on issues that go beyond the bilateral context. So, this is a relationship that we have been able to develop and that has matured over the years and has acquired many dimensions. A very important aspect of this relationship is the dialogue that we have been able to sustain, that

we have been able to transact and conduct at the highest political level of the two countries. Therefore, the leadership level understandings and the contact and communication remains open at all times. That is the first point I wanted to make.

As far as the second point of the recent Chinese intrusions is concerned, I think enough has been said in the media about these issues in the last few days and perhaps weeks. There has been a certain hype and a certain intensification of volume if I may say, in terms of the manner in which these have been reported upon in the media. Having said that I would only base myself on ground realities and my appreciation of where the relationship stands today, as somebody who has dealt with it for many years now. As far as the intrusions are concerned, there has been no significant increase in the number of Chinese intrusions across the line of actual control in all sections of the India-China border. At the expense of repeating our position, let me do that, there is no mutually agreed or delineated line of actual control between the two countries. So, this is an issue that is yet to be agreed upon between the two sides. What happens, it is an eventuality in such a situation that you find that you have crossings over into what you regard as your side from the other side. This has gone on for a number of years now. This is not a new phenomenon, I would like to point that out. Having said that I would also like to point to the fact that contrary to popular perceptions, the situation along the areas of the line of actual control in the India-China border areas has remained peaceful for a number of decades now. We have mechanisms in place; we have confidence-building measures in place; we have communication links in place that enable each side to reach out to the other whenever there is a perceived problem or a situation that develops in the areas along the line of actual control.

I would like to underline the fact that these mechanisms have worked well and that there is good communication between the two sides. Whenever the situation warrants it we also take it up at the diplomatic level. So, this is a relationship in which there is regular communication, and there is understanding, and there is recognition on both sides that this is an important bilateral relationship, that outstanding differences between the two sides should be resolved peacefully through dialogue, through communication, as it should be between two nations as large as ours, with international responsibilities like ours, and with bilateral commitments such as ours.

**Question:** Madam, coming back to the China question, do you think in any

way this troop movement alongside the border by the Chinese and the Indian side in Ladakh as well as around the area by Chinese side in some way is creating a cycle of mistrust and it can hamper the diplomatic work that had been done in the past with China?

**Foreign Secretary:** You are referring to media reports and I sought to guide your attention to the actual situation in India-China relations. The Chief of Army Staff has already spoken on this issue this morning when he referred to the fact that there has been no increase in the number of intrusions and the situation remains calm. So, I am not here to get into a debate on troop movements. Each country takes steps to safeguard its security in sensitive areas such as border areas but the central fact is that the situation remains peaceful and tranquil. We have open channels of communication with the Chinese side and the Chinese side with us to discuss all outstanding issues that need resolution.

**Question:** I wanted a clarification on the ADB point. Is there a reference there to Arunachal as disputed?

**Foreign Secretary:** No, there is no reference to Arunachal Pradesh in the sense that you refer to. This is a Country Partnership Strategy looking at development assistance as a package.

**Question:** ....not audible

**Foreign Secretary:** That has nothing to do with the approval of the strategy. I think you are referring to something quite different. There is a Chinese position on the subject, what China has been saying on the issue of Arunachal Pradesh. But here, as far as the Country Partnership Strategy is concerned, it has been endorsed by the Asian Development Bank.



**451. Extract Relevant to China from the Interview\* of National Security Advisor M. K. Narayanan with Karan Thapar for the TV channel CNN-IBN.**

**New Delhi, September 20, 2009.**

**Karan Thapar:** Let's start with China first; in recent weeks there is a widespread perception that Chinese incursions across the Line of Actual Control (LAC) have increased and many people say that in fact the incursion is coming deeper and deeper into Indian territory. What's the truth about these perceptions?

**M K Narayanan:** There haven't been any increase if you take the last few years. And I really find it hard to explain why there has been so much media hype on this question. I think it's disturbing because it tends to give an impression and then people get attuned to that kind of attitude. Almost all the so-called incursions which have taken place have taken place in areas which in a sense are viewed as being disputed by one side or the other.

In terms of number of incursions; I think there has been hardly any increase. And there is much more knowledge about what's happening because I think people are much more alive to these questions etc.

Occasionally maybe the inroads are little deeper than what they might have been in the past. So I don't think there is anything alarming about it and I think we have a good understanding about the whole issue.

**Karan Thapar:** Let me underline two important things that you said: firstly that there has been no worrying or remarkable increase in the number of incursions, is that right?

**M K Narayanan:** Yes.

**Karan Thapar:** And secondly even though one or two of the incursions may have been deeper than before these are not alarming situations?

**M K Narayanan:** No.

**Karan Thapar:** So is it in fact just media hype that is building up a sense of concern?

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\* The interview covered Pakistan besides China. For the interview on Pakistan Please see Document No.378.

**M K Narayanan:** As a National Security Advisor and as part of the National Security architecture or mechanism as the case maybe, I am unable to explain why this kind of--one can always argue that any incursion, small or big could be a cause of concern. But having been through this--not only now but in the past, I don't think there is any reason for us to feel particularly concerned as to what's happening.

Our idea is that our border should be tranquil. I think as far as possible we would like to keep it tranquil. I think my counterpart and I have discussed this from time to time.

Not only the two of us as the special representatives but political leadership on both sides is very keen to maintain peace and tranquility on the border and I think that explains a lot.

**Karan Thapar:** As you must be aware certain opposition politicians, Mulayam Singh Yadav for one, have even called for special sessions of parliament. The Bharatiya Janta Party (BJP) has asked for a white paper on the subject. Are you saying to me that those are exaggerated political reactions?

**M K Narayanan:** When one sees what comes in the media almost on a day-to-day basis, I presume political leaders will be concerned is this happening? We want to know more about it etc. And I don't want to blame the media but the question is, why there is so much reporting?

I wont even use the word exaggerated reporting on the point. But I think this is a national security issue. It isn't a kind of a game that we are playing and the more you raise people's concerns, the tension could rise and we would then be facing a situation of the kind that we wish to avoid.

**Karan Thapar:** In other words the media by its overreaction could end up creating a problem that it wants to avoid?

**M K Narayanan:** Could create a problem and I have been through 1962. Then, of course we didn't have the media of this kind. What we need to be careful of is that we don't have an unwarranted incident or an accident of some kind and that's what we are trying to avoid.

But there is always concern that if things go on like this someone, somewhere might lose his cool and something might go wrong.

**Karan Thapar:** In other words the media might accidentally, unintentionally, provoke someone to do something that otherwise would not have happened?



**M K Narayanan:** I don't think they would provoke but people may get mesmerised into doing something, seeing a ghost where it probably doesn't exist.

**Karan Thapar:** It's also been reported that the army has sought the lifting of restrictions on patrolling along what's considered sensitive sectors of the border. Is that a fact that the army want these restrictions removed?

**M K Narayanan:** It's not as if new restrictions have been placed. There are limits of patrolling which are placed from time to time, and it's a calibrated exercise.

If you suddenly think that things are--there could be problems in a particular direction, that you may feel that you need to be little careful, sometimes the limits are--I mean everybody who is on the border is conscious of the fact that you need to keep the border safe and therefore there are different views. But the decisions are taken at the highest level basically by the China Study Group and then these are approved by the cabinet committee.

**Karan Thapar:** But it has been suggested that there could be differences within the government over the nature of the patrolling.

It is said in the press that the army wants a more assertive response --the MEA (Ministry of External Affairs) is a bit concerned about offending or provoking the Chinese--is there any truth to these differences of opinions?

**M K Narayanan:** There is always (differences)--why only between--even I suppose within the army or within the MEA or within Ministry of Home Affairs there could be differences because we are human beings. That's why you have a China Study Group which looks at all aspects of the question. Then over and above that as I said there is the Cabinet committee which looks at it.

There are perceptions of what you need to do. An organised government, which has various checks and balances, looks at these questions and sees what is in the best interest of the country. Each individual can't do what he likes.

**Karan Thapar:** Now it is not just activity on the border that has the media concerned and certain opposition politicians concerned. There are also increasing reports of what are considered hostile articles in the Chinese media that mock at or scoff at India.

For instance there was an article in August in the journal of the Chinese Institute of Strategic Studies which said that just a little action on China's part could lead to the fragmentation of India into 20-30 bits. How do you view this sort of increasing commentary?

**M K Narayanan:** I don't think it is so much of increasing--it has been there and there is now more academic freedom in China than previously I believe. And it is not that everything that comes in either 'Global Times' or in the 'Strategic Review' etc reflects the opinion of the Chinese government, which is the conventional wisdom in these matters.

After all there are articles in our newspapers or what's more even statements by responsible people in India sometimes which are not particularly favourably inclined towards China.

**Karan Thapar:** In other words this sort of thing happens on both sides?

**M K Narayanan:** Both sides and that's why you have governments who look at the whole issue and do not get carried away by individual statements.

**Karan Thapar:** What do you say to strategic experts who look at these two twin developments of activity on the border and hostile commentary in the Chinese press and say this is a deliberate pattern or strategy to put pressure on India?

Some people have even gone so far as to say that if we aren't careful we may see the buildup of a sort of situation that existed in India in 1962 before the war began.

**M K Narayanan:** The first thing I would like to sort of wipe out is the question of a repeat of 1962. India of 2009 isn't India of 1962 and those who say this, most of those people who have written this, were not even born perhaps in 1962--I was there and I want to make that point very clearly. So there is a very fundamental difference between India of 1962 and India of 2009.

It is easy to write an article - I wrote articles for 10 long years, hopefully they were balanced ones but necessarily one doesn't have most of the facts. The system that we follow is that you get pieces of information, they are not necessarily considered views and therefore assessment tends sometimes to be quite off the mark.

**Karan Thapar:** One reason why people are concerned at the moment about

the buildup of what they consider to be incursions and also hostile commentary in the Chinese press is a second perception that the border and boundary talks that you're holding are not making progress and secondly that the Chinese are trying to wriggle out of an understanding reached in 2005 that settled areas would not be the subject of any future boundary alignment.

Are your talks with the Chinese on the boundary making progress?

**M K Narayanan:** I think my last round of talks with Mr. Dai Binggo was the best that I have had in the nine rounds that I have held with him. We discussed the border and boundary dispute.

I think we had over 14.5 hours of discussion spread over a couple of days and of which I think eight-nine hours were on the border. I think we are much more comfortable at this moment than we were a year ago.

**Karan Thapar:** One of the widespread beliefs is that the Chinese are trying to wriggle out of an understanding achieved in 2005 that settled areas would not be the subject of any border realignment in future?

**M K Narayanan:** I think it's a way of looking at some of the language which was used. For instance we have talked in terms of due interest of the settled population and there are what I call terms and the nuances of that are different. I think the Chinese would like certain areas with settled populations to be brought within the system.

We have under the political parameters and guiding principles a certain understanding. That's why we are negotiating.

**Karan Thapar:** Do you have a problem here or is this in fact once again a result of the media not being fully aware?

**M K Narayanan:** I wouldn't say that this is totally a media issue. There are issues that are coming up but I think both sides understand where we are and that's the whole purpose in our prolonged negotiation.

**Karan Thapar:** So at the moment you are not worried or perturbed about this?

**M K Narayanan:** No, not at all.

**Karan Thapar:** People say, and I want to put this to you deliberately and bluntly, that India is reluctant to face up to China. That India thinks of excuses or justifications to explain away Chinese behaviour. Do we have a China

complex particularly after the 1962 war?

**M K Narayanan:** I don't think so. We are careful. I think we are careful partly because what happened in 1962, that we should not provoke a situation which we do not wish to have. I do not think anybody in India wishes to have a conflict with China and I think that goes also for China.

I think both sides are therefore careful but there are issues in the two countries. I don't think we have all the answers to these issues but the whole purpose of dialogue is to see where the areas of congruence are and where are the differences.

**Karan Thapar:** But you're saying to me quite clearly and I just want to repeat this that although there may be issues and although no one wants to provoke a situation that leads to another 1962 like conflict there is no sense of appeasement or hesitation or fear in India when dealing with China?

**M K Narayanan:** No, at least I am not aware of anything of this kind and may be, as I said, since I was there in 1962 I should be more conscious of that. Yes, we are careful and that's important and imperative. We do not wish to get into a situation that we do not want to be in.

**Karan Thapar:** People also say that China is disdainful of India that China doesn't treat India as an equal - is that your impression?

**M K Narayanan:** No, China certainly sees us as a rival. They wish to be numero uno in this part of the world. I think the more the rest of the world sees India as a rising power, more importantly as a democratic power, as a country with a tremendous future in terms of not merely its GDP growth but the fact that it is a young population and a tremendous intellectual capability, therefore there is rivalry.

**Karan Thapar:** But no disdain from the Chinese?

**M K Narayanan:** Nobody can disdain a country like India. I think it is important - today India cannot be disdained.



**452. Response of Official Spokesperson of the Ministry of External Affairs to media reports regarding 'calling off' of joint military exercise between India and China.**

**New Delhi, September 24, 2009.**

India and China had conducted joint military exercises in 2007 and 2008.

It was mutually decided during the last exercise that the next joint military exercise would be held in 2010.

Therefore, no joint military exercise was planned in 2009\*.



**453. Message of greetings from Prime Minister Dr. Manmohan Singh to the people and the Government of China on the Sixtieth anniversary of the founding of the People's Republic of China.**

**New Delhi, October 1, 2009.**

On the occasion of 60th anniversary of the founding of the People's Republic of China on October 1, 2009, the Prime Minister Dr. Manmohan Singh in a message to H. E. Wen Jiabao, Premier of the State Council of the People's Republic of China, has conveyed his warm felicitations and friendly greetings to the government and people of China.

In his message, the Prime Minister has noted that "this is an important milestone in the life of China and an occasion for celebrations of your great nation's many achievements in the last 60 years. As a friendly neighbour and a developing nation, we in India share your sense of happiness on this important occasion.

Our Strategic and Cooperative Partnership for Peace and Prosperity has developed over the last four years. Our Shared Vision for the 21st Century is also reflected in our wide-ranging cooperation and coordination on pressing

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\* The Spokesperson was referring to media report in the *Indian Express* of the same date that the annual India-China Hand-in-Hand military exercises would not be held this year as China had indicated its inability to spare troops for the exercises because of other commitments. Ostensible reason given by the media report was that the Chinese armed forces were busy with the celebrations of the 60th anniversary of Chinese national day and a series of exercises with other countries.

global and international issues. India is fully committed to further promoting our relations in an all-round manner."



**454. Response of the Official Spokesperson of the Ministry of External Affairs to a question on the manner of stamping Chinese visas\* for Indian nationals.**

**New Delhi, October 1, 2009.**

It is our considered view and position that there should be no discrimination against visa applicants of Indian nationality on grounds of domicile or ethnicity. We have conveyed our well-justified concern to the Chinese government in this regard.



**455. Response of the Official Spokesperson of the Ministry of External Affairs to a question on the Indian State of Arunachal Pradesh.**

**New Delhi, October 13, 2009.**

"The State of Arunachal Pradesh\*\* is an integral and inalienable part of India. The people of Arunachal Pradesh are citizens of India, and they are proud participants in the mainstream of India's vibrant democracy. The Chinese side is well aware of this position of the Government of India. It is well established practice in our democratic system that our leaders visit States

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\* A report published in The Hindu on October 1, highlighted the fact that the Chinese Embassy in New Delhi was not stamping the Chinese Visa on the Indian passport of the residents of Jammu and Kashmiri and instead using a separate piece of paper to stamp the visa. This question was also taken up by the Prime Minister when he met the Chinese Premier Wen Jiabao during their meeting on October 24 in Hua Hin, Thailand on the sidelines of the India-ASEAN Summit. External Affairs Minister S. M. Krishna too spoke about it to the Chinese Foreign Minister when the two met on October 27 in Bengaluru on the sidelines of the RIC meeting. Please also see document No.462.

\*\* The Chinese were objecting to Prime Minister Manmohan Singh's visit on October 3 for the poll campaign to the State Assembly. A turnout of electorate to the extent of 72 percent underlined the people's enthusiasm for their democratic rights. India's concern was communicated to Chinese Ambassador Zhang Yan during his scheduled meeting with the Joint Secretary (East) Vijay Gokhale. The spokesman was reacting to the Chinese Foreign Ministry spokesperson Ma Zhaoxu comments that "Despite our grave concerns, an Indian leader went to the disputed area, ... We urge the Indian side to take China's

where elections to Parliament and to the State Assemblies are taking place. The Government of India is deeply committed to ensuring the welfare of its own citizens across the length and breadth of our country.

2. India and China have jointly agreed that the outstanding Boundary Question will be discussed by the Special Representatives appointed by the two Governments. We, therefore, express our disappointment and concern over the statement made by the Official Spokesman of the Chinese Ministry of Foreign Affairs, since this does not help the process of ongoing negotiations between the two Governments on the Boundary Question. India is committed to resolving outstanding differences with China in a fair, reasonable and mutually acceptable manner, while ensuring that such differences are not allowed to affect the positive development of bilateral relations. We hope that the Chinese side will similarly abide by this understanding."




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solemn concerns seriously and to not stir up trouble at the disputed area with a view to ensuring the sound development of China-India relations."

Meanwhile responding to the Chinese concern on the planned visit of the Dalai Lama to the State, the External Affairs Minister S.M. Krishna told a television channel that the Dalai Lama would visit Arunachal Pradesh as per his schedule, since as a respected guest of the Government of India he was free to any part of the country.

On October 14, India once again asserted that Arunachal Pradesh being an integral part of the country the Prime Minister Manmohan Singh was well within his rights to visit the State. "Arunachal Pradesh is an integral part of India and the just-concluded Assembly election there, held under the Indian Constitution, proved it," Union Finance Minister Pranab Mukherjee said at a press conference in Kolkata. Mr. Mukherjee said "just a few months ago, the people of Arunachal Pradesh sent their representatives to Parliament under the Constitution". He said he too visited Arunachal Pradesh for campaigning and "we consider it our legitimate right to do so."

On October 17 media quoted senior officials in a briefing to suggest that "We have to recognise that there is still some distance to be covered. Problems exist and they will take time to resolve. Till then we have to maintain peace and continue talking. The issues can't be resolved by stopping talking to each other." "We have our communication channels open. We don't want our ties in other areas to be diluted or determined by this border issue alone, which, however, is a major issue in our ties. The focus is on not allowing differences to complicate our relationship or preventing it from improving," media quoted them to observe.

On the question of dam on the river Brahmaputra the media quoted unnamed but official sources to say: "dams being constructed by China ... were of the 'run-of-the-river' category. Neither did India look askance at them nor were there international provisions prohibiting them. They also drew attention to the positive aspects of the relationship such as China having become India's largest trading partner, regular high level meetings, coordination on multilateral fora and peace and tranquillity on the border for over two decades.

In an interview to All India Radio, the Foreign Secretary Nirupama Rao said on October 17 that "Both governments understand that a peaceful relationship between India and China is not only good for the two countries but it is good for this region, it is good globally also."

In her interview to Kalyan Shankar for the AIR, Mrs. Rao said, "The focus that has been given to both the incursions and also to Arunachal Pradesh, only I think intensifies the need for the two sides to really sit down to resolve these issues with even more seriousness and determination." On the question of the Dalai Lama's visit to Arunachal Pradesh she said:

**456. Response of Official Spokesperson of the Ministry of External Affairs to a question on Pakistan-China projects in Pakistan- Occupied Kashmir.**

**New Delhi, October 14, 2009.**

Please See Document No.382.



"But notwithstanding the sensitivities on the Chinese side, India is determined to let the Dalai Lama travel to Arunachal Pradesh in November. "We regard and we have always said this clearly and also to China that His Holiness Dalai Lama is a spiritual figure, he is a religious figure and he does not indulge in political activities on Indian soil and he is our guest in India and he is free to visit any part of our country." On October 19, the Prime Minister Manmohan Singh told an Arunachal Pradesh delegation that China had not constructed any dam on the Brahmaputra river - which would have been a matter of concern for India. According to Chief Minister Dorje Khandu, who led the delegation of State leaders, Dr. Singh also told them that India would tackle diplomatically the boundary issue with China. "The Prime Minister said no dam is being constructed and only run-off-the-river construction has been made," Mr. Khandu told reporters while citing a letter from the Chinese government. India has no problem with run-off-the-river constructions as they involve no storage of water. Mr. Khandu said the State is an "integral part of India" and the recent election there was a reply to the Chinese claim. The question of the Dalai Lama visiting Arunachal Pradesh also figured in the Prime Minister's discussions with the Chinese Premier in Hua Hin (Thailand) on the sidelines of the India-ASEAN Summit and the Prime Minister at his press conference on October 25 when asked "Mr. Prime Minister, one of the issues that the Chinese side agreed publicly prior to their meeting with you was their objections to the planned visit to Arunachal Pradesh by the Dalai Lama. In your view do you think this proposed visit will complicate India's relations with China and make resolution of the boundary issue more difficult?, and **he replied:** "All I can say is that I explained to Premier Wen that the Dalai Lama is our honoured guest; he is a religious leader; we do not allow the Tibetan refugees to indulge in political activities; and that as proof of that last year we took resolute action at the time of Olympics when there were reports that some Tibetan refugees might disrupt the process. That is the position that I explained to Premier Wen." To a further **Question:** "Just going back to Sidharth's question, you did mention that you explained your position to the Chinese side but were they convinced enough? And is there any change of plan as of now in the Dalai Lama's planned tour to Arunachal Pradesh?" and the **Prime Minister replied:** "I am not aware of the plans of the Dalai Lama. I have explained this position to the Chinese leadership. We have also agreed that whatever outstanding issues there may be between us - and there is the complex boundary question which cannot be wished away - there are established Government channels to exchange views on all these issues, and one does not have therefore to go to the media to accentuate or exaggerate the amount of differences that prevail. We both agreed that the boundary question is a complex question; that pending a resolution of the boundary question we both have an obligation to maintain peace and tranquillity along the border."

On October 24 the question of the visit of Dalai Lama again cropped up at the press briefing of **Foreign Secretary** for the President's visit to the UK and the **question asked was:** "There has been a suggestion that the Dalai Lama's visit to Arunachal Pradesh may be called off in the light of ongoing war of words between various media entities in India and China. Is that at all likely to happen or is he going ahead with his visit?" and the **Foreign Secretary replied:** "I am not aware of such a suggestion firstly. Secondly, I have said this before and the Government has said this before that His Holiness the Dalai Lama is a respected religious and spiritual figure. We regard him as such. The Tibetan community in India is not expected to undertake any political activity. That is our consistent position. We have also said the Dalai Lama is free to travel anywhere in India."



**457. Response of the Official Spokesperson of the Ministry of External Affairs on a media report about a Chinese dam on Brahmaputra river.**

**New Delhi, October 15, 2009.**

The Brahmaputra flows for about 1625 kilometres inside the Tibet Autonomous Region of the People's Republic of China and for a further 918 kilometres inside India.

Keeping in mind that the river is an economic resource for the development of the local communities in the two countries, India and China agreed in November 2006 to establish an Expert Level Mechanism to discuss trans-border river issues in an institutional way. Three meetings have been held so far.

During these meetings, the Indian side has taken up with the Chinese side, reports about the construction of a large scale dam or diversion project in the Brahmaputra. The Indian side has conveyed that such a project may have significant impact on the socio-economic condition of people living downstream. The Indian side has also expressed the hope that the Chinese side will not undertake such a large scale project or divert the waters of the Brahmaputra.

The Chinese side has categorically denied that there is a plan to build any such large scale diversion project on the Brahmaputra river.

We are looking into the said newspaper report to ascertain whether there are recent developments that suggest any change in the position conveyed to us by the Government of China\*.



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\* The media on October 15 reported of strong evidence of Chinese activities that suggested actual construction had started on the 540 MW project, some time in March-April, contrary to the earlier assurances. The report further giving details said "The 1.138-billion Yuan project had been awarded to a five-company consortium with China Gezhouba Group. The report said from 'preliminary information available with India, the Chinese plan to have a series of five medium-sized dams along the river in the Nanshan region of Tibet at Zangmu, Jiacha or Gyatsa, Zhongda, Jiexu and Langzhen'. On October 25, the Hindu daily quoted senior officials to suggest that the Prime Minister Singh had conveyed in his opening remarks during his meeting with the Chinese Premier Wen Jiabao in Hua Hin on October 24 India's concerns about the need for relevant information and data sharing on this project and the Chinese Premier Wen said 'some data had been shared in the past but agreed that a proposed meeting of technical experts - the joint expert-level mechanism on trans-border rivers is supposed to meet annually but has been delayed this year - could take the issue up'. When the Prime Minister was asked at his

**458. Extract relevant to China from the Interview of Foreign Secretary Mrs. Nirupama Rao with Senior Journalist Kalyani Shankar for All India Radio.**

**New Delhi, October 16, 2009.**

**KS:** Mrs. Nirupama Rao, you had been the Indian Ambassador to China before you took over as Foreign Secretary. You are fully aware of the Indo-China policy, the Sino-Indian policy also. Do you think the Chinese protest, it is on account of the huge turnout in the Assembly elections or there are other significant things like Pakistan Prime Minister Gilani is visiting Beijing? There have also been reports of a Chinese incursion in the last few months. And also the controversy about China issuing Visa papers to Kashmiris.

**Foreign Secretary (FS):** We take a long term perspective in our relations with China. China is our largest neighbour. We share a very long boundary with China. There are outstanding issues relating to this boundary which are yet to be resolved. And, therefore, the whole issue that you referred to and the Chinese protests that have been made should be seen in the context of the unresolved boundary question between the two countries. We are very intensively focused on this issue. But at the same time, one must understand that the relationship with China has also been developed in many other areas.

And that development of relations and the concomitant build up of good communication and better understanding between the governments of the two countries and indeed also the academic institutions, the business and industry circles, better connectivity, all this has happened in the last twenty years. So this is what, well, in terms of bringing the two countries into a better mode of communication with each other. As far as boundary between

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press conference after the conclusion of the India-ASEAN Summit on October 25 about the concerns of the North-Eastern States on the issue of Dams the Prime Minister replied: I did raise this issue with Premier Wen Jiabao yesterday. I conveyed to him that cooperation in the area of trans-border rivers is of mutual benefit. Premier Wen said that keeping in mind the overall friendly relations and the humanitarian aspects, the Chinese side has been providing hydrological data during the flood season. He said that relevant discussion on trans-border river issues could be held through the expert level mechanism that we have constituted. So, the answer to your question is, I did raise the issue of trans-border river systems."

The External Affairs Minister on October 27 told a meeting of the Bangalore Press Club that "It was conveyed to us by our own experts that no such thing is happening there."

the two countries is concerned, there is still a lot of ground that we have to cover in terms of narrowing differences and building more understanding. But progress in this regard is being made, albeit slowly but it is being made surely. We have the mechanism of the special representatives appointed by the two governments to look into these issues and they have held thirteen rounds of discussions so far. So, as far as the boundary question is concerned, even as we have had these reports of protests and the incursions, one must understand also that there is a situation in which both our countries are placed at the moment and that situation is this focus on trying to resolve the boundary question peacefully.

And on that I believe, I can say it with all honesty, both governments are convinced that there is no other way to resolve this without dialogue. One has to resolve it through dialogue. I remember our first late Prime Minister, Jawaharlal Nehru, speaking to Parliament in 1962 saying "we cannot march to Peking" and I am quoting his words. But whatever it is, we must take a realistic view that there are differences, there are differences when it comes to perceiving the line of actual control in the border areas. And there are differences also in terms of conflicting territorial claims. So this is a very complex issue. It is one of the most complicated boundary questions that exist anywhere in the world. But I think it is a good development and it is a positive factor that both countries are determined to resolve these issues.

KS: Do you think in the next round of discussions between the two special representatives, this incursions will be taken up and also about this Arunachal issue will come up because it is again referring to the border?.

FS: In fact, the focus that has been given to both the incursions and also to the Arunachal Pradesh issue, only I think intensifies the need for the two sides to really sit down to resolve these issues with even more seriousness and determination. Because, I think, both governments understand that a peaceful relationship between India and China is not only good for the two countries but it is good for this region, it is good globally also. Just look at the number of issues on which we can cooperate, we are cooperating whether it comes to the Doha Development round, whether it comes to climate change issues, whether it comes to cooperation in multilateral fora, in the reform of the international financial system in the wake of the global economic crisis. There are many many other issues in the relationship where we have common ground where there is a meeting of minds, so I think, we must look at this whole relationship in the larger perspective.

KS: But is the government taking it very seriously, I mean what has been said about Prime Minister's visit. As you said earlier rightly that this is not the first time they have protested. They have protested earlier also.

FS: Of course we take this seriously, and we have been very very particular and very clear and unambivalent in expressing our position to the Chinese. In that way we have said that Arunachal Pradesh is an integral part of India, it is an inalienable part of India.

KS : Mrs. Rao, will there be any change about Dalai Lama visiting Arunachal next month? He is supposed to go there and, I think, Indian government has put a condition that he should not talk anything political and Chinese are objecting to this also?

FS: Well, we regard and we have always said this clearly and also to China that His Holiness Dalai Lama is a spiritual figure, he is a religious figure and he does not indulge in political activities on Indian soil and he is our guest in India and he is free to visit any part of our country.

KS : Mrs. Rao, the Chinese Foreign Minister is due to visit India shortly for the Russia-China-India trilateral. What issues will be discussed in this meeting and also at what level will our Foreign Minister be raising these points?

FS: Kalyani this is a trilateral meeting of the Foreign Ministers, India-Russia-China trilateral. This is the structure that the three countries have devised and this enables us to discuss issues of regional importance and of course, our External Affairs Minister will be meeting his Chinese counterpart during this meeting and this meeting will afford us the opportunity to touch upon various issues of mutual concern and mutual interest in the bilateral relationship, but you must understand that the larger context of this meeting is trilateral. But, there will be bilateral meetings and of course, it goes without saying that whenever we have the opportunity to meet between the two countries, as we would on this occasion, the opportunity does arise for us to raise all issues including issues of concern because it is through discussion, through frank discussion and through open discussion and through discussion at that level, we can remove misunderstandings.

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**459. Salient briefing points by Secretary (East) of the Ministry of External Affairs N. Ravi on Prime Minister's meetings with the Chinese Premier Wen Jiabao.**

**Hin Hua (Thailand), October 24, 2009.**

- PM and Premier Wen Jiabao held bilateral talks in a warm and friendly atmosphere.
- Wen Jiabao felicitated PM on his re-election.
- Wen Jiabao said that in the past years both PM's had reached important agreements on how to develop and strengthen bilateral relations. This serves the interests of the two countries, the region and the world. The contribution of high level visits to the strengthening of relations was also stressed.
- PM reviewed all aspects of our bilateral relations with Premier Wen. PM reiterated our readiness to cooperate with China on global issues like climate change, world trade and the global financial crisis.
- PM referred to our bilateral cooperation in different fields. He said that he would like to see India-China relations move forward in every direction.
- PM described our economic and trade relations as a vital pillar of our partnership. He also referred to our exchanges in the defence fields. PM proposed that both sides should observe the 60th anniversary of the establishment of diplomatic ties in a fitting manner.
- PM welcomed the forthcoming visit of the Chinese Foreign Minister to India next week for the India-Russia-China trilateral Foreign Minister's meeting (in Bangalore). PM also said that our President is looking forward to visit China on mutually convenient dates next year.
- PM underscored the importance for both sides to build better understanding and trust at the political level so that our relations remain robust and strong. He stressed that neither side should let our differences act as impediment to the growth of functional cooperation between the two countries.
- PM agreed with Premier Wen's opening remarks that our partnership is in the interest of the region and the whole world.
- Wen Jiabao said that he agreed with PM's view on our bilateral relations. He recalled that it was during his visit in 2005 that the two countries had jointly established the Strategic and Cooperative Partnership for Peace and Prosperity. He referred to the 10 pronged strategy agreed between President Hu Jintao and PM and the Shared

Vision document during PM's visit to China last year. Wen Jiabao said that it is important to implement these agreements and to deepen mutually beneficial cooperation on bilateral as well as regional and international issues.

- Wen Jiabao pointed out that for the Asian Century to become a reality, it is important that India and China should live in harmony and friendship and enjoy prosperity. He said China is ready to maintain high level exchanges. The both sides should seize the opportunities of the 60th anniversary of the establishment of diplomatic relations to heighten our bilateral relationship.
- Wen Jiabao also recalled PM's remark about both sides having enough space to develop and cooperate and added that there are sufficient areas in the world for India and China to enhance such cooperation.
- Wen Jiabao fully shared PM's view on the importance of enhancing bilateral trade and economic relations. He suggested that the Joint Economic Group should hold early consultations. He also said that China will work with India to handle the matter of the growing trade deficit. He said that China encourages its companies to invest in India and that they welcome Indian investments in China.
- He concurred with PM that issues that may arise in the course of our bilateral relations should be properly handled through discussions and they should not become impediment in the development of our friendly relations\*.



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\* *The Hindu* on October 25th however, quoted senior officials, 'pointing out on condition of anonymity that difficult issues were raised and discussed, especially the recent tension over the boundary question and lingering uncertainties about upstream water projects on the Yaluzangbu, as the Brahmaputra is known on the Chinese side'. The paper quoted Indian officials to suggest that the Chinese premier reaffirmed this understanding twice. He said the border dispute was "complicated and difficult" and that both sides must have "courage, vision and patience" in order to reach a settlement that was "fair, reasonable and mutually acceptable." He also noted that in 2,000 years of shared historical and civilisational ties, India and China had been through a "very difficult period" just once.

The Prime Minister Dr. Manmohan Singh at his press conference in Hua Hin on October 25 gave a broader perspective of his meeting with the Chinese Premier when asked: "Mr. Prime Minister, what happened in your meeting with the Chinese Premier? Did we raise the issue of Chinese incursions into Indian territory?" and he replied: "I had a frank and constructive exchange of views with Premier Wen both during our formal meetings and at the gala dinner last night. We discussed all these issues and agreed that existing mechanisms for bilateral cooperation should be used to resolve all issues amicably in the spirit of the strategic and cooperative partnerships. As you know, the Chinese Foreign Minister will be visiting India in two days' time and the Foreign Ministers will have an opportunity to discuss all issues which have bearing on our relationship. The Premier and I reaffirmed the need to maintain peace and tranquillity on the border pending a resolution of the boundary question. Both of us agreed that we should continue and strengthen efforts to build political trust and understanding."

**460. Statement to the Media by the External Affairs Minister S. M. Krishna after his meeting with the Chinese Foreign Minister Yang Jiechi.**

**Bengaluru, October 27, 2009.**

I had a warm meeting with Foreign Minister of China for more than 90 minutes.

We had a fruitful exchange of views on all aspects of our bilateral relations.

We welcomed the positive outcomes of the meeting between the two PMs in Thailand last week end.

We also discussed how to further develop our relations in the light of the PMs' meeting.

We agreed on the importance of further developing high level exchanges, of enhancing trade and economic cooperation and on progressing our defence contacts.

We will be celebrating the 60th anniversary of the establishment of India-China relations in 2010 in a befitting manner. In this framework we agreed to have enhanced media, cultural and people to people exchanges.

He invited me to visit China next year. I have accepted his invitation. Dates will be worked out.

I am satisfied with my talks with the Chinese Foreign Minister today. We both see this as part of the process of building trust and understanding at the political level\*.



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\* Media report said that at the meeting the Chinese Foreign Minister did not raise the issue of Dalai Lama's proposed visit to Arunachal Pradesh. On complaint about the issue of visa to Chinese workers employed on the Indian projects, Mr. Yang was told by his Indian interlocutors: "There was no change in the visa regime. Only the misuse of the business visa was stopped. Visas would henceforth be uniform employment visas" applicable to all foreign worker. China condemned the Mumbai attacks and the repeat bombing of the Indian embassy in Kabul after India gave a detailed briefing and "exposed" the masterminds, media quoted highly placed sources to say. China said such killing of innocent civilians "also affected them." The two sides also dwelt on trade issues and explored ideas to step up the volume in a manner that addressed Indian concerns about the massive imbalance. Briefing the media a day earlier on the 26th October Official Spokesperson of the Ministry of External Affairs said: "Absolute peace and tranquillity prevails along the LAC between India and China." However, he added for good measure, as had been articulated in the past that Indian and Chinese patrols were

presumably foraying into each other's territory as the LAC had not been clearly demarcated.

Next day on October 28 the External Affairs Minister Mr. Krishna replying questions from the media at a press meeting organized by the Bangalore Press Club, said "China wants to have good ties and I have often said India would like to have very friendly relations with China. Our effort is to take this relationship to the level of partnership. Hence there is goodwill on both sides and it augurs well." Regarding the India-China border, referring to the 13 meetings of the representatives of the two countries he said: "We have to have lots of patience. I would like to assert that the India-China border is one of the most peaceful and tranquil one though it is not delineated. Because of this, if there are incursions, there is a mechanism and things are sorted out at the field level." Regarding the visit of Dalai Lama to Arunachal Pradesh, Mr. Krishna said the Dalai Lama, as a guest of India, was free to go wherever he wants. "The only restriction on the Dalai Lama is that he should not indulge in politics or boundary related questions." On reports of construction of a dam by China across the Brahmaputra, he said "It was conveyed to us by our own experts that no such thing is happening there." About the issuance of visa to Indians from Jammu and Kashmir by China on a separate slip, instead of on the passport, Mr. Krishna said he told his Chinese counterpart that it should be uniform for all Indians.

Talking about Pakistan he said organisations based in Pakistan were "breeding terror" against India, and described as "ridiculous" the allegation by the Pakistan Foreign Minister that India was supporting terror attacks in several parts of that country. He said that the preliminary reports on the two attacks on the Indian Embassy in Kabul suggested that the perpetrators were "outsiders and not those who live in Afghanistan." On the Mumbai attacks, Mr. Krishna said India had provided six dossiers to Pakistan on the involvement of its nationals and Islamabad should now pursue the leads and bring them to justice.



**461. Press Release issued by the Ministry of External Affairs on the Call on the External Affairs Minister S. M. Krishna by Communist Party Secretary of Sichuan province in China.**

**New Delhi, November 11, 2009.**

H.E. Mr. LIU QIBAO, Party Secretary of Sichuan province of the People's Republic of China, who is currently on a visit to India, called on the External Affairs Minister in New Delhi today.

2. They had a fruitful exchange of views on bilateral issues. H.E. Mr. LIU conveyed greetings from the Chinese leadership to the Indian leaders. He said that China welcomes the rapid growth of India's economy and in its international standing, and that it is the policy of the Chinese Communist Party and of the Chinese Government to develop friendly relations with India. H.E. Mr. LIU added that in recent years there has been a very sound momentum in India-China relations, based on the consensus reached by leaders of both countries on establishing a Strategic and Cooperative Partnership. He emphasized that friendly and cooperative relations between the two countries is important for peace and development in Asia and in the world. He also briefed External Affairs Minister on the manner in which China has handled the effects of the global economic crisis.

3. H.E. Mr. LIU said that China welcomes more investment and trade with India, and that he looks forward to welcoming more Indian companies in Sichuan province. He told the External Affairs Minister that during his visit to Bangalore, he had discussed specific projects with Indian companies. He also recalled the assistance given by Government of India during the devastating earthquake in Sichuan province last year, and expressed gratitude to the people of India on behalf of the people of Sichuan province.

4. The External Affairs Minister told H.E. Mr. LIU that the Government of India desires to build a strong and stable relationship with the People's Republic of China, and to develop strong bonds of friendship between the two peoples. The External Affairs Minister said that, like China, India also wishes to see enhanced trade and investment between the two countries, and that the Government of India is ready to work with China towards achieving the full potential of our bilateral relationship. EAM recalled his friendly discussions with the Foreign Minister of China in Bangalore last month, and the meeting between the Prime Ministers in the margins of the

East Asia Summit. He said that these had been positive meetings and that both sides had agreed on the importance of strengthening bilateral relations. He emphasized that both countries can work together in the spirit of the Strategic and Comprehensive Partnership, and join hands as major emerging economies.

H.E. Mr. LIU invited External Affairs Minister to visit Sichuan province during his next visit to China.



**462. Press Release issued by the Ministry of External Affairs  
advising visitors to China regarding visa requirements.**

**New Delhi, November 11, 2009.**

It has come to the attention of Government of India that the Embassy of the People's Republic of China in New Delhi and the Chinese Consulates in Mumbai and Kolkata are issuing visas on a separate piece of paper "stapled" to the passport (rather than "pasted" as is the usual practice), to certain categories of Indian nationals on the basis of their domicile, ethnicity and/or place of issue of the passport. Such paper visas stapled to the passport are not considered valid for travel out of the country.

All Indian citizens intending to travel to the People's Republic of China are advised that before making any travel arrangements they should first ascertain from the Chinese Embassy or Consulate, as the case may be, whether the visa being issued to them will be affixed to the passport or will be in the nature of a stapled paper visa, so that they are not inconvenienced or put to any financial loss later on this count.

(In this connection please also see Document No.454.)



**463. Address of the Vice President M. Hamid Ansari at the Conference titled "Emerging China: Prospects for Partnership in Asia" organized by Indian Council of World Affairs and Association of Asian Scholars. November 2009.**

**New Delhi, November 21, 2009.**

I am happy to be here at this seminar organized by the Indian Council of World Affairs and the Association of Asia Scholars. Sapru House itself has a place in the evolution of our foreign policy thinking. Established in 1943, the Council is tasked to promote the study of national and international affairs. More than a generation of scholars, analysts and diplomatists has passed through its portals.

It was here that Jawaharlal Nehru, with his vision of Asia forged in the fires of the struggle for freedom that raged across the entire continent of Asia, organized the Asian Relations Conference in 1947 as a non-governmental gathering.

Human societies live in time and space. A historian has noted that in the year 1500 each one of the great centres of world civilization was at a roughly similar stage of development, some more advanced in one area but less so in others. Subsequent events were to show that initiative, technological innovation, intellectual liberty and a flourishing economic base provided the critical mix that allowed the West to dominate the world for almost five centuries.

The Asian Relations Conference was held at the end of one era and at the threshold of another. One theme of the Conference was the contours of the awakening of Asia; another was cooperation and partnership among the countries and peoples of Asia. The objective was spelt out by Nehru: "We propose to stand on our own feet and to co-operate with all others who are prepared to co-operate with us."

Six decades later, the continent stands at the threshold of another Asian era. In this period the Nehruvian vision of Asia, indeed the geographical unity of the continent so to speak, has ceased to matter for geo-politics or economics. Asia developed, but the development was perceived and reflected in individual countries, sub-regional and trans-regional groupings. Japan emerged from the ruins of the Second World War as an important economic powerhouse, South East Asia has witnessed rapid economic

growth and there has been a dramatic change in the economic, military and political profile of China. India has developed at a much faster pace in the last decade bringing millions out of poverty and showing that substantive social and economic progress is possible through democratic governance.

In this period, even as India and China enunciated the Five Principles of Peaceful Co-existence as the corner stone of inter-state relations, the bilateral relations between them did not always conform to those very principles. Yet, as Prime Minister Rajiv Gandhi presciently put it in 1988: "What must not be forgotten in a listing of differences is a listing of commonality in our world outlook. There has been significant parallelism in the views expressed by India and China on a wide range of issues relating to world security, the international political order, the new international economic order, global concerns in regard to environment and space".

A glance at the Asian map shows that over a wide arc extending from West Asia, through Central Asia, to South and South East Asia to East Asia, Indian and Chinese interests intersect. Active partnership between New Delhi and Beijing and mutual sensitivity to each other's concerns is thus vitally necessary if stability, security and prosperity in the shared spaces in their near and distant neighbourhood are to be effectively ensured.

The leaderships of India and China during the past two decades have cooperated in creating mutual political and economic stakes for mutual benefit. Economic cooperation between us has become a principal driver of our strategic and cooperative partnership for peace and prosperity. Yet, cooperation does not preclude competition. We realize that countries compete in global markets and such competition is constructive and beneficial rather than adversarial.

The post-Cold War world also demands that we readjust our theoretical models of state behaviour. Traditional concepts of polarity, alliance building, balance of power and spheres of influence have to contend with the impact of globalization where opportunities for, and threats to, human welfare and national progress have a global character. How India and China deal with various trans-national challenges such as terrorism, illegal migration, smuggling of drugs and arms and pandemics would affect large parts of Asia. The joint vision of the leaderships in India and China is to ensure a global order in which our simultaneous development will have a positive impact for our peoples and economies, as also for the rest of the world.

## II

### Friends

Allow me to dilate a little on conceptual frameworks. Partnership in Asia has primarily taken four forms. The first is one of Asian regionalism. Asia has been primarily reduced to the total of its constituent sub-regions like GCC, SAARC, SCO, ASEAN, BIMSTEC and the MGC or the Mekong Ganga Cooperation framework. The second means of partnership has been through inter-regional dialogue forums like Asia-Europe Meeting (ASEM) and APEC. The third framework is one of global and multilateral organizations. These include the UN and its specialized bodies, the IMF and World Bank, WTO and WIPO, Asian Development Bank etc. There also exist thematic organizations such as the G-20, Organisation of Islamic Conference (OIC) and the League of Arab States. The fourth framework is that of bilateral relations between countries of Asia.

The last decade has seen two contradictory trends at work. Even as market-driven globalization is a reality, the global political and economic institutional framework has weakened and is evident in the diminished role and influence of bodies such as the United Nations, IMF, World Bank and WTO. Nations have resorted to regional political and economic institutions to resolve problems and cooperate for mutual gain. This phenomenon is most visible in the economic arena. With progress being stalled in the Doha round of trade negotiations, countries of Asia have concluded regional and bilateral free trade and economic partnership agreements creating the so-called "noodle bowl" of Asian regionalism, spurred on by the inability of global multilateral bodies to address the Asian economic crisis in 1997 and leading to the emergence of the ASEAN+3 framework.

The evolution of community building and partnership in Asia thereafter led to the launching of the East Asia Summit (EAS) process. The first Declaration issued in Kuala Lumpur called for the EAS to be an open, inclusive, transparent and outward looking forum. The ultimate vision is one of Asian economic integration by converging the Free Trade Agreements among Asian countries into an Asian Regional Trade Agreement. This could, later, lead to the creation of a broader Asian Economic Community.

## III

### Ladies and Gentlemen

Partnership and cooperation among Asian countries is a necessity to take advantage of the opportunities emerging as a result of the region's increasing economic integration, as also to face the common threats of terrorism, proliferation of weapons of mass destruction, energy shortage, security of sea lanes, pandemics, natural disasters and others. China is an important element of this architecture of cooperation, as are India, Japan, Korea, ASEAN, Australia, New Zealand and all other Asian sub-regions.

The future weight and success of Asia is the sum of the success of each of these national and regional components and the tenacity of their inter-linkages. Long-term security and stability in Asia is dependent on the ability of Asian countries to build mutual stakes in one another. Every framework that can further this process should be encouraged and welcomed. A few caveats however would be in order:

1. No partnership architecture or process should be exclusive or exclusionary. It should seek to bring into the fold as many Asian nations as possible and articulate an inclusive, open and transparent process of community building.
2. Community building in Asia should not be a reflection of the emerging redistribution of global or regional power nor should it be a platform for projection of narrow economic and political interests of a nation or group of nations.
3. Soft regionalism based on informal dialogue and consultation mechanisms, consensus building and open structures is a better alternative to hard regionalism based on rigid and definitive institutional structures, inflexible mechanisms and formal dialogue.
4. A multitude of formal cooperation structures could lead to a pick-and-choose policy for 'forum shopping'. The "noodle bowl" of free trade agreements and comprehensive partnership agreements is overflowing and the impact of these numerous bilateral and multilateral agreements on trade efficiency is an open question. Eventually, there would be no alternative to effective and functioning global multilateral institutions such as the United Nations, IMF, the World Bank and the WTO to ensure that there is a fair, transparent, open and rules-based global political and economic order.

Before I conclude, and in a gathering of strategic thinkers and analysts, it is relevant to recall the words of a master of statecraft of the 19th century. Nations, he observed, travel on the stream of time which they neither create nor direct but upon which they can "steer with more or less skill and experience." I am confident that this conference would make a contribution

to this compendium of skill and also come forth with some practical suggestions about how trans-Asian connectivity can be achieved in an early time frame.

I thank the Indian Council of World Affairs and the Association of Asia Scholars for inviting me to inaugurate this Conference and wish your deliberations all success.





**464. Valedictory Address by Minister of State Dr Shashi Tharoor at the International Conference on the theme of "Emerging China: Prospects for Partnership in Asia" organized by the Indian Council of World Affairs.**

**New Delhi, November 22, 2009.**

It is an honour to be invited to deliver the valedictory address to this distinguished audience brought together here today under the auspices of the Indian Council of World Affairs and the Association of Asia Scholars. I understand that over the last two days, many insightful and well-informed ideas on the shape of Asia and the world at large, consequent upon the phenomenon of China's rapid emergence have been discussed. It is a theme that has captured the attention of the world, be it Governments and policymakers, or scholars, intellectuals and strategic thinkers like yourselves.

As witnesses to history in the making, it is important for all of us to share our ideas and understandings in order to deal with the new challenges and to take advantage of the enormous opportunities brought about by the changes taking place in Asia. A conference dedicated to the theme of "Emerging China: Prospects for Partnership in Asia" is therefore timely. I must compliment the organizers for their prescience and initiative.

I also appreciate the fact that the ICWA and AAS have jointly taken the initiative to organize a Series of Conferences on Asian Relations, starting with this very Conference. It is befitting that the ICWA should steer this process. Way back in 1947, even before India and several nations in Asia were yet to throw off the colonial yoke, when China was still in the throes of an uncertain civil war, and when Asia got no more than a footnote in any chapter on global politics and economics, this distinguished institute, under the inspiration of Shri Jawaharlal Nehru, organized a visionary "Asian Relations Conference". Many of the tenets of that endeavour are closer to being a reality today, with the process of Asia's economic integration and interdependence already in motion and the alignments for an inclusive Asian Community beginning to shape up. Meanwhile, the centre of gravity of the world economy has begun to shift eastwards to Asia, propelled first by the Asian Tigers and now, if I am permitted to continue the metaphor, increasingly by the Dragon and the Elephant. In these exciting times, it is once again the ICWA that attempts to nurture an Asian understanding of the changing Asia through this commendable series of conferences.

Returning to the theme of this conference, let me point out that China's emergence, much like the emergence of the rest of Asia, including India, is not an altogether new phenomenon. As ancient civilizations, China and India have remained constants in the long course of history. Economic historians tell us that before the Industrial Revolution in the West, China, together with India, accounted for over half of the world GDP. Autarky in China and feudal infighting in India prevented the two countries from maintaining this lead and reaping the fruits of industrialization and global commerce. After two centuries of colonial or semi-colonial rule, both China and India, uncertain of the global environment in a Cold War world, initially experimented with planned growth that focused on acquiring self-reliance. But both of us realized the limitations of this approach ---- China in the late 1970s and we in the early 1990s ---- and opened up our respective economies for foreign trade and investment. At the same time, the enabling domestic infrastructure and the institutions that both our countries had evolved before embarking on economic reforms created the symbiotic attractions for foreign investors. We were also benefitted by the forces of globalization in our return to the global stage.

I am speaking about India and China together, not because I accept the glib idea of "Chindia", but because our growth stories and growth trajectories are similar. China and India are two countries whose development will have a significant impact on the global system, and on the world's sense of where international economic and political power will shift in the decades to come. We are the most populous nations on the earth, with the arduous task of uplifting millions of our citizens and realizing social harmony and inclusive growth. Given the scale of our economies and the scale of the 'catching-up' required, this is likely to be a long-drawn out process, in which China is clearly well ahead. Both of us, though, require sustained international cooperation and a peaceful security environment around us in order to fulfill this task. Currently, in a world faced with a rare economic and financial crisis and tenacious new threats and challenges, our job has become all the more difficult. Therefore, as responsible nations with a stake in peace, stability and prosperity of the world, both India and China must strive to tackle the new challenges together while helping the global economy out of a recession that had nothing to do with us. The continued growth of our two economies have proved vital to the health of the world economy, and that in itself is a most eloquent proof of the prospects for the world and Asia of an emerging China, and may I add, an emerging India.

The Government of India does not view China or China's development as a

threat. We have always tried to develop a friendly and cooperative relationship with China, which is our largest neighbor and with which we cannot afford to have a relationship of antagonism. Long before the India-China growth story attracted global attention, we drew upon our civilizational wisdom to enunciate the principles of Panchsheel that demonstrated our interest in building peace and friendship. Our relationship has since evolved to a point where we now have a Strategic and Cooperative Partnership for Peace and Prosperity and a Shared Vision for the 21st Century with China. Indeed, our relationships have become so multifaceted, strategic and intricate that the nature of stakeholders in our relations have changed and broadened to include the wider civil society in both nations.

We do have differences in some areas, notably over the border between our countries. I believe dialogue and diplomacy hold the key to resolving these differences. We decided more than two decades ago not to let such issues come in the way of cooperation in functional areas, even as we try to find solutions to our differences. This has helped our two sides in our common quest for peace and prosperity. The border has been largely peaceful and tranquil, while China has emerged as our largest trading partner, at over \$50 billion in annual trade, and the biggest overseas project contractor. Tourism, particularly of Indian pilgrims to the major Hindu holy sites in Tibet, Mount Kailash and Lake Mansarovar, is thriving. Indian information technology firms have opened offices in Shanghai and Hangzhou, and Infosys recruited nine Chinese this year for their headquarters in Bangalore. There are dozens of Chinese engineers working in (and learning from) Indian computer firms and engineering companies from Gurgaon to Bangalore, while Indian software engineers in Chennai and Bangalore support the Chinese telecoms equipment manufacturer Huawei. Seven thousand Indian students are currently studying in China.

It should be our endeavour to consolidate these gains. There is a lot that India and China can achieve by joining hands together, and it will not only be for their interest, but for the common good in Asia and the developing world. India is not an obstacle to China's aspirations, far less an instrument for its "containment", as was wrongly suggested by some.

It would certainly help if Chinese scholars and commentators broadened and deepened their understanding of India. Equally, knowledge and scholarship of China in our country needs to be augmented: we need to understand China better. Scholars present here today have an important

role to provide a compass to the Government and the public and help us pursue our 'enlightened self-interest' with an emerging China. It would help if the media, which has not always been constructive on this issue, plays a more responsible role. I hope a solid beginning has been made through this Conference.

Our Prime Minister has often said that the world is big enough for both India and China to realize their developmental aspirations. I would like to submit that the world is big enough for the whole of Asia to join in aspirations to make the 21st century an Asian Century. We need to look for opportunities, and I like to think that both China and India today present some of these opportunities, for each other as well for others around us. On that note, I would like to once again congratulate the organizers for this successful Conference.



**465. Press Release issued by the Ministry of Defence on the meeting between the Defence Minister A. K. Antony and Chinese Deputy Chief of General Staff Gen. Ge Zhen-Feng.**

**New Delhi, December 4, 2009.**

The Deputy Chief of General Staff of the Peoples' Liberation Army, China, General Ge Zhen-Feng called on the Defence Minister Shri AK Antony here today.

During the meeting the visiting dignitary said that China is interested in building cordial relations with India on all fronts. Gen Ge also stated that the present generation of political leadership in both countries would solve the border dispute through political negotiations and dialogue. Outlining his Government's position, he said that the border dispute is a remnant of history. Shri Antony said that India did not want to escalate differences and would work together to strengthen cooperation in various areas to the benefit of both countries.

Gen Ge, heading a Peoples' Liberation Army delegation on a six-day visit to India from December 01, 2009, said that the Chinese Government would observe the 60th Anniversary of the establishment of diplomatic ties between the two countries in 2010 as an important occasion to strengthen people to people contacts. He conveyed to Shri Antony an invitation on behalf of the Defence Minister of China to visit Beijing at an early date.

General Ge also called on Defence Secretary Shri Pradeep Kumar and discussed matters of mutual interest.



**466. Speech of External Affairs Minister S. M. Krishna replying to the discussion in the Lok Sabha on India - China Relations.**

**New Delhi, December 9, 2009.**

**The Minister of External Affairs (Shri S.M. Krishna):** Mr. Chairman, Sir, I am grateful to the hon. Members who have participated in this very important debate which was initiated by one of our senior leaders, Dr. Murli Manohar Joshi; and a number of friends have added to the content of this debate. It has shed light on a number of issues and it has pointed out to the areas of our strength and to the areas of our weaknesses. The Government will certainly take note - and I say particular note - of where we have shortcomings. In the course of the coming months, we will be in a position to address ourselves to these concerns which, I would say, are rather compelling. Dr. Joshi did provide a historical peep into the relation between these two countries. These are two countries which have had civilizational links. We have had our trade links and we have had our spiritual links. The cumulative impact of these links will point out to only one course and that is that we should strive for deepening of our cordial relations, our trade relations. Economists have been predicting that the 21st century will certainly belong to these two Asian giants. China and India will emerge in the next 25 years, if not earlier, as the economic superpowers of the world. We also can make our useful contributions for stabler global conditions between the two countries: India and China. I think we have shown to the rest of the world how even though there is a global slowdown in the economy, but it has not impacted China and it has not impacted much in India. Let me make a distinction here that China has been able to continue their trajectory of seven to eight per cent growth whereas India has not been able to match that. But we are lingering around six-and-a-half per cent hoping that we will be reaching seven per cent next year.

This is only to prove the point that these emerging Asian economies are going to dictate the pace of the global economic growth in the coming years. Sir, this is no mean compliment to our own achievement. We have done exceedingly well and we should be happy about it. This should give us the necessary self-confidence for the country to surge forward in the years to come. India and China have had good relations and at times we have had strained relationship. Many of my friends did draw our attention to the developments of the 1960s and to the developments of the 1980s. Sir, I for one feel that history has something to convey to us. If it has something to

convey to us we should humbly take note of that fact and then try to learn from whatever shortcomings or mistakes. You might call them as mistakes and I might say that they were shortcomings. Nonetheless, as a matured country we should take due note of whatever had happened in the last five decades and more. Sir, in the next year we are celebrating the Sixtieth year of the starting of the diplomatic relationship with China. We would like to celebrate it in a befitting manner because these two Asian giants have got to celebrate this. The way we are looking forward to celebrating this is that in the whole year we will be celebrating India's year in China and the China's year in India. These are reciprocal symbolic gestures which we make to our neighbours. We value China's friendship, association and we would like to further take it to certain strategic levels. I am sure that China is willing to reciprocate. There have been a number of high level meetings which have taken place in the recent past. Our relations with China get very high priority in our strategic thinking. We would like to develop this cooperative partnership based on equality in which each side should be sensitive enough to the concerns, aspirations and sentiments of the other nation.

As part of our practice of maintaining regular high level political exchanges, the Prime Minister has met the Chinese Premier very recently in Thailand. I had the pleasure of having a meeting with the Chinese Foreign Minister in Bangalore in the month of October. We had very frank and constructive exchanges with the Chinese Foreign Minister. Adding to this, the hon. President of India is scheduled to visit China next year. I have also been also invited to visit China for bilateral talks; and I intend to go to China next year. Leadership in both the countries agree on the importance of strengthening cooperation and maintaining forward looking approach to bilateral relations. This can be done only when an atmosphere of trust, an atmosphere of mutual respect and understanding of each other's positions on various issues can take place. We are also continuing with our Defence cooperation with China. Our Defence exchanges are also increasing. The Deputy Chief of General Staff of the Chinese Army visited Delhi in the first week of December. We will be holding the Third Defence Dialogue with China next month. This will build better understanding between our Armed Forces. Most importantly, the bilateral trade between our two countries has touched a new high of 52 billion US dollars this year, and we have jointly set a target to take it to 60 billion US dollars by next year. Even though the trade deficit has been growing, and this obviously is a matter of concern to India, the Prime Minister himself has flagged this issue with the Premier during his meeting in Thailand and I have taken it up with the Foreign Minister of China in Bangalore. We are pressing them for greater market access for

Indian goods and services. The Chinese side has promised to take measures to address our concerns.

There are other areas where the two countries can gainfully, for mutual benefit, work together including in the field of energy, tourism, education, culture, science and technology, civil aviation, water resources, etc. We are diversifying our exchanges and cooperation.

Well, this is the plus side of our relationship. But there are outstanding issues of which the boundary question is an important area where we have not been able to come to an amicable understanding between ourselves. Well, this is being discussed by a mechanism which has been created between the two countries by mutual acceptance that the Special Representatives, who are addressed, to sort out these boundary differences. I am sure the hon. House, more particularly, a seasoned Parliamentarian like Dr. Murli Manohar Joshi will appreciate the fact that this is a very complex issue and this is also time consuming issue because of the fact that the boundary has not been demarcated. We have only a Line of Actual Control between the two countries. Our perception and their perception may not find convergence, and in those areas we will have to argue with them and then try to find an acceptable solution to those issues. We have had 13 meetings at the level of Special Representatives, and I am sure more meetings are in the pipeline. Both the Prime Minister and myself have conveyed to the Chinese leadership that our differences over the boundary question should not be allowed to affect our functional cooperation in other areas. The importance of both sides maintaining peace and tranquillity in our border areas has also been underscored. It goes without saying that we will remain vigilant on our borders. Our Armed Forces are regularly patrolling all areas along the border with China.

A mention was made about the infrastructure development all along the borders between India and China. Well, without trying to sound alarmistic, I would like to submit to this House with all humility that within the constraints of our resource that we have been trying to develop our infrastructure over the border line of India and China, and in the months to come, it is bound to increase. The momentum is going to be much higher than what I and you have been seeing of late. After going through very carefully our boundary issues and the concerns of the people, we will have to keep reporting to you because we are a democracy. We are answerable to the people of this country, and this Government is answerable to this hon. Parliament. Hence, we will have to keep reporting to you as whatever steps we take to strengthen our borders, to strengthen our infrastructure in our border areas. I think I



would like to give an assurance to this House that we will continue to do so with all the might that is at our command. Now, having made these general points, I would like to go through some of the observations that the hon. Members have made. Due to the paucity of time, I will not be able to dwell at length some of the points which have been made, though important. I will have to be brief in my attempt to meet those concerns. Dr. Murli Manohar Joshi himself made the point that there were 200 incursions or more. Yes, there were incursions. It is in the public domain that we have said it in answer to a number of questions that there have been incursions. But there is also a mechanism. Whenever such incursions take place on our boundary between China and India; between India and China, there is a mechanism which we have created that it gets sorted out there itself. Because it is not a demarcated boundary line and it is only a line of control, their perceptions and our perceptions can certainly differ. As a result of that, we have brought in a mechanism where we try to settle these issues at the local level, at the boundary level, and at the field level itself.

**Dr. Murli Manohar Joshi:** I agree that you say that there is a mechanism. But what we find is that this mechanism has been violated more by China. That is, when you say that between this range of the line of actual control on our side and their side there will be no such activity, they have violated even that area and they have come to us. We have not gone to them. The whole point is that if there is a 10 km. or 5 km. or 8 km. border where there should be no such activity, neither we will go nor they will come. But they are coming within this area. I would like to know whether they recognize their actual line of control or not.

**Shri S.M. Krishna:** I do not think that there could be such selective solutions to the boundary problem. I think whatever China does or whatever India does, it has to be on a basis which is acceptable to both India and China. So, if there are some incursions either by China or by India, then certainly we have to deal with it. The short point that I am trying to make is, Mr. Chairman, that we have tried to defuse these incursions, defuse these differences, so that it does not get enlarged into some kind of a major difference between these two big countries. It is the approach and hope of the Government of India that we will be able to contain these boundary incursions. I would like to commend the speech made by Shri Sandeep Dikshit. He was able to pin-point the strength of our country. He conveyed to this House that let us not be diffident. Well, 1960 was something, but 2009 is totally different. There is a sea-change which has come about. India has become strong in every sense of the term and we cannot be brow-beaten

by anybody. So, when we have that kind of a confidence within ourselves, then I think we will be in a position to face regardless of who or how powerful the adversary is. But, this is not a bravado because I for one believe after talking to the Foreign Minister of China on a very serious note that China is willing to reciprocate. In fact, I was very pleasantly surprised when the Chinese Foreign Minister himself reminded me - I did not but he reminded me - about the five principles, Mrs. Chakravarty, of peaceful co-existence. ... (Interruptions)

**Shrimati Bijoya Chakravarty:** But they never practice what they say. ... (Interruptions)

**Shri S.M. Krishna:** Sir, I was surprised and I was impressed also. I had forgotten about the five principles of co-existence. But my counterpart in China reminded me of that and he assured me that China will adhere to those principles of co-existence. If that is done, then most of our problems which have been aired by certain Members of this hon. House will get automatically resolved and then, perhaps, we can happily live thereafter, each growing in his own right. Shri Vijay Bahadur Singh, hon. Member and Shri Shailendra Kumar, another hon. Member wanted to evaluate our shortcomings. Shri Vijay Bahadur Singh talked about a crisis of confidence. I think we do not have a crisis of confidence from our side. We are fully secure and we feel quite confident in what we are saying and how we are dealing with China and we know that China would understand our concerns and China will respect those concerns of ours. Shri Vijay Bahadur Singh also mentioned about stapled visa. Well, this is something which has come up very recently. I think we have reacted to it, the only way that a strong India can react to that. We have said - anything which is not stamped on the Indian passport will not be treated as a valid visa either to go out or to come into this country. So, how can you say that our policy towards China is weakening? How can you say that our policy towards China is soft? Well, we have not been hard; but we have been very correct. China must understand this and they will have to respect the way we are dealing with our visas in the last sixty years. Suddenly, they cannot introduce a new system where they would staple on a white paper and then attach it to our passports. We certainly are not going to compromise with the visa policy which has been laid down by the Ministry of External Affairs.

Shri Jagdish Sharma drew our attention to the menace of duplicate drugs which are making their way into Indian territory. Well, duplicate currency and duplicate medicines - all these are menaces and we are keeping a

close eye on how these come and where to checkmate it and where to prevent it. ...

(Interruptions)

I think Shri Mahtab also did refer to the visa problem and the border problem. Shri Anant Geete mentioned that we are becoming a soft State. Well, I would reject that kind of a contention with the contempt that it deserves. We are not a soft State; we are a State which has earned the respect of the entire world today. You should just go out of India to understand how you are looked upon. I did study in the USA and I have seen how I was treated some 40 years ago and today, even when we go as an ordinary citizen, we are looked with awe, we are looked with admiration and we are looked with, shall I say, some subterranean jealousies also. That is the kind of the new found stature that our country has acquired today. It is largely because of the efforts of a billion people - it is their effort - it is largely because of our intellectuals and it is largely because of the service sector of our industry that today we have been able to succeed. Now Shri Sanjoy Takam coming from Itanagar of Arunachal Pradesh, which has figured very much in this debate, also participated. Where were we weak-kneed? We were told that His Holiness Dalai Lama should not go to Arunachal Pradesh. We were told that our Prime Minister should not go to Arunachal Pradesh. Did the Prime Minister not go to Arunachal Pradesh? Did His Holiness Dalai Lama not go to Arunachal Pradesh? Did my predecessor, Shri Pranab Mukherjee not go to Arunachal Pradesh? Let me reiterate the resolve of this country, the resolve of the people, that Arunachal Pradesh is part and parcel of this great country of ours. ... (Interruptions)

**Shri Vijay Bahadur Singh:** Why are they objecting?

The Minister of State in the Ministry of Planning and Minister of State in the Ministry of Parliamentary Affairs (Shri V. Narayanasamy): If they are objecting, you have to ask China. Why are you asking the hon. Minister? ... (Interruptions)

**Shri S.M. Krishna:** One point made by one hon. Member from Kashmir is why construction of a road in Jammu and Kashmir was stopped. Let me convey to

this House that Government of India had no role to play either in the starting of that road project or in the halting of that road project. It was purely a decision which the State Government of Jammu and Kashmir has taken, with which the

Government of India was neither consulted nor was it brought to our notice. Only we came to know through the media reports about that road. ...

(Interruptions)

With reference to other Members who have raised certain issues, I will seek the indulgence of the Chair that I will be able to communicate to them as to what the Government of India's feeling is. But before concluding, Mr. Chairman, ... (Interruptions) Let me conclude, then you can ask. ... (Interruptions) We are fully cognizant of the need to protect and safeguard our borders and ensure that there is no erosion of our sovereignty. The situation in the India-China border areas is being constantly monitored. As I submitted earlier, we are strengthening the infrastructure in the border areas, and our defence system is well established and highly efficient. There is also excellent coordination between the various Departments. One point was made by a solitary Member that there is no coordination between the Ministry of Home and the Ministry of External Affairs and various other things. But let me assure that there has been perfect coordination between our Ministries in this regard. The resolution of differences on the border with China must be and can only be resolved peacefully. The history of the last 60 years of our relations with China cannot be simply brushed aside. We must learn from the experience, which has taught us that conflict is not a solution, and dialogue and negotiation provide the best way forward. Thank you very much, Mr. Chairman, Sir.



**467. Remarks by External Affairs Minister S. M. Krishna at the inauguration of an Exhibition of Chinese Paintings and Calligraphy.**

**New Delhi, December 12, 2009.**

**Mrs. Nirupama Rao, Foreign Secretary,**

**H.E. Mr. Zhang Yan, Ambassador of China,**

**Mr. Long Yuxiang, Executive Chairman, China International Cultural & Communication Center,**

**Dr. Dana Schuppert, Chairman, 21st Century China India Center for Culture & Communication,**

**Ladies & Gentlemen,**

It gives me great pleasure to inaugurate this very important and timely Exhibition of Chinese paintings and calligraphy in New Delhi. I would like to express my deep appreciation for the 21st Century China India Centre for Culture and Communication and the TATA group for organizing this event. I understand that works of more than 30 outstanding artists from China are on display at the Exhibition today. I am also happy that many traditional Chinese performing artists are also with us today.

2. Next year 2010, will mark the 60th anniversary of the establishment of diplomatic relations. Both countries are planning commemorative activities including the Festival of India in China and Festival of China in India. This would again highlight the intimate cultural ties shared by the two countries. This exhibition serves as an excellent precursor for the various celebration activities planned for next year.

3. As two ancient civilizations and close neighbors, both countries have a long history of cultural contacts and exchanges. In the last 60 years, exchanges in the fields of culture and arts have continued to play a vital role in increasing the mutual understanding between our peoples. An event like this, gives a further push to the people-to-people contacts between the two countries, which has been emphasized as a key component of our relations by leaders from both sides. The great Chinese scholar and one of the foremost Indologists, the late Professor Ji Xianlin, has rightly said: "The two great cultural circles - China and India - have always learned from and influenced each other, and this process greatly speeded the development

of the two cultures, which is both history and reality".

4. Talking about our overall bilateral relationship, I am very happy to see the tremendous progress being made. Leaders of both countries continue to have frequent contacts and our trade and economic relations also have seen rapid development. The bilateral trade crossed US\$ 50 billion last year and China has become one of India's largest trading partners. I am very optimistic about the future of our relationship and we should continue to work to further enhance cooperation in all fields and strengthen our strategic and cooperative partnership.

5. This event is an excellent example of people's participation in our relationship. We encourage and support such initiatives. I congratulate Dr. Dana Schuppert, Founder and Chairman of the 21st Century China-India Center for Culture and Communication for this initiative.

Thank you for giving me this honor to inaugurate this exhibition and I wish it complete success.



**468. Press Release issued by the Ministry of External Affairs on the Telephonic conversation between External Affairs Minister S. M Krishna and the Chinese Foreign Minister Yang Jiechi.**

**New Delhi, December 22,2009.**

The Foreign Minister of China Mr. Yang Jiechi telephoned External Affairs Minister earlier today. The two Ministers discussed India-China cooperation on climate change including possible follow-on measures flowing from the recent Copenhagen Summit.

2. EAM observed that India and China had worked closely and effectively together at Copenhagen thereby safeguarding the interests of developing countries. He stressed that the developing world, including India and China, needs to evaluate the results of the Copenhagen Conference and then decide on a strategy for the post-Copenhagen process.

3. The Ministers noted that India and China would be marking the 60th Anniversary of the establishment of diplomatic relations between the two countries in 2010. The Chinese Foreign Minister reiterated his invitation to External Affairs Minister to visit China in the first half of next year. EAM accepted the invitation. Mutually convenient dates will be fixed through diplomatic channels.



**JAPAN****469. Remarks by External Affairs Minister S. M. Krishna and the Japanese Foreign Minister Hirofumi Nakasone at the Joint Press Interaction.****Tokyo, July 3, 2009.****Remarks by Japanese Foreign Minister Hirofumi Nakasone**

I just concluded the 3rd Japan-India Strategic Dialogue between our two Foreign Ministers with His Excellency Mr. S.M. Krishna, Minister of External Affairs of India. We had a very fruitful exchange of views on bilateral issues as well as various regional & international challenges.

**On the bilateral front, both sides affirmed the following points:**

- (1) The Minister and I agreed to enhance bilateral exchange of views between Japan & India, on the regional situation in South Asia, such as Sri Lanka.
- (2) The Minister & I affirmed that we will work together actively towards the realization of the DFC project, or India's Dedicated Freight Corridor, and also towards an early realization of Delhi Mumbai Industrial Corridor Project.
- (3) Furthermore, we confirmed our collaboration with each other regarding the Indian Institute of Technology (IIT), Hyderabad, which is a project that symbolizes Japan-India collaboration.

We also exchanged views concerning international challenges and regional situations.

- (1) With respect to the issue of climate change, I pointed out the significance of the Major Economies Forum - COP15 - and expressed my hope and expectation for India to exercise leadership even more positively and from a broader perspective. The Minister and I shared the view that we should step up our bilateral dialogue on this issue.
- (2) With respect to the issue of disarmament & non-proliferation, I introduced to the Indian side my '11 benchmarks' which were announced by me in April this year, and we shared the view that we should work together so that negotiations on the Fissile Material Cut-Off treaty will be commenced as soon as possible.



- (3) On the issue of piracy, the Minister and I agreed that Japan & India will commence bilateral dialogue on maritime security include the issue of piracy.
- (4) And furthermore, the Minister and I shared the view that the nuclear & missile development by North Korea is a threat to the international community, and that we need to steadfastly implement the measures set out in the UN Security resolution 1874 and make North Korea to take this very seriously.

#### **Remarks by External Affairs Minister**

I am very pleased to be in Japan at the invitation of His Excellency Foreign Minister Nakasone. On behalf of my delegation and on my own behalf, I wish to thank him for his warm hospitality during my visit.

My visit to Japan is taking place soon after the new Government has assumed office in India. This indicates the high importance that my Government attaches to our bilateral relations.

Foreign Minister Nakasone and I held the 3rd Strategic Dialogue. We thoroughly reviewed our bilateral relations since my Prime Minister's visit to Tokyo in October 2008. We agreed that the Strategic & Global Partnership between us is an important factor in furthering our ties, as well as in promoting peace, stability and prosperity in Asia and the world. We also discussed how our two Foreign Ministries will carry forward the process of implementing the agreements and understandings contained in the two joint documents that were signed when my Prime Minister visited Japan last year.

We are making progress in our negotiations on a Comprehensive Economic Partnership Agreement. Foreign Minister Nakasone and I agreed on the necessity of concluding a high quality and mutually beneficial agreement. We have also agreed to expedite the work on the Dedicated Freight Corridor and Delhi-Mumbai Industrial Corridor projects. I am confident that these will become important symbols of our partnership.

We appreciate the Official Development Assistance given by the Japanese people. It has contributed to our economic development in important ways.

Foreign Minister Nakasone and I also reviewed the follow-up on the implementation of the Joint Declaration on Security Cooperation.

We discussed regional and multilateral issues including UN Reform and multilateral economic arrangements in Asia. We consider it important that both of us regularly share assessments on such issues.

We agreed that climate change is an important global challenge. We hope that all countries will participate constructively in the framework of the UNFCCC and the Kyoto Protocol, in order to have an ambitious and, at the same time, an equitable and fair outcome at Copenhagen in 2009 which ensures that developing countries are able to continue their economic growth at an accelerated pace to give our people a better quality of life.

I have assured Foreign Minister Nakasone that we will participate constructively in negotiations on nuclear disarmament. Our consistent policy is to support a universal, non-discriminatory and verifiable regime for a nuclear weapon-free world. We also discussed recent developments in the Korean peninsula.

I will be calling on Prime Minister Taro Aso later today. I will also be meeting other political leaders from Japan during my visit. (the meeting with the Prime Minister took place as scheduled).

I am fully satisfied with my discussions today. I have invited Foreign Minister Nakasone to visit India for the 4th Strategic Dialogue in 2010. We also have an annual summit with Japan. We are looking forward to the Japanese Prime Minister's visit to India at a mutually convenient time. The two Foreign Ministries will continue to discuss matters of mutual interest through the dialogue architecture that we have established between us in the last five years\*.



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\* While it was agreed to expand the frontiers of engagement on key international challenges, Japanese spokesman Kazuo Kodama confirmed that no new initiative or mechanism was decided upon. Mr. Kodama told *The Hindu* correspondent in Singapore on the telephone there was "a meeting of minds" on the issue of worldwide nuclear disarmament and non-proliferation. Mr. Nakasone appreciated India's ongoing observance of a voluntary moratorium on nuclear-weapon tests. At the same time, he expressed the "hope" that India would sign the Comprehensive Test Ban Treaty and ratify it. Referring to Japan's "benchmarks" for disarmament and non-proliferation, he was "hopeful" of cooperation with India for an early start of multilateral negotiations on a fissile material cut-off treaty.

External Affairs Minister Mr. Krishna told newsmen after the talks, that he assured Japan of India's "constructive" participation in nuclear disarmament talks. He reaffirmed India's commitment to "a universal, non-discriminatory, and verifiable regime for a nuclear weapons-free world." On whether India had now sought Japan's cooperation in the civil nuclear sector, External Affairs Ministry spokesman said Tokyo was already informed that "we are ready when they are ready for it." On the global challenge of climate change, Mr. Nakasone said, after his talks with Mr. Krishna, that they "shared the view that we should step up our bilateral dialogue on this issue." India emphasised the need for an "ambitious" but also an "equitable and fair" solution.

**470. Remarks by External Affairs Minister S. M. Krishna at Inauguration of New Chancery Building of the Indian Embassy in Tokyo.**

**Tokyo, July 4, 2009.**

Distinguished members of India-Japan Parliamentary Friendship League and Japan India Association;

Ambassador H. K. Singh;

Distinguished Japanese guests;

Members of the Indian community in Japan;

Ladies and Gentlemen,

On my very first visit to Japan as the Minister of External Affairs, it is my pleasant duty to inaugurate this newly constructed Chancery building of the Embassy of India in Tokyo.

2. Japan is a major partner in Asia, a country with which we share civilizational affinities, common values and interests. As a new Asia unfolds in the 21st Century, we stand together in the determination to bring peace, progress and prosperity to our respective peoples and to our region and the world.
3. It has long been the vision of Prime Minister Dr. Manmohan Singh to transform the India-Japan Partnership and realize its true potential. In the last three years, we have established a Strategic and Global Partnership and given concrete shape to that vision. In my fruitful discussions with the Foreign Minister and Prime Minister yesterday, we have agreed to work for the steady implementation of the established Roadmap for enhancing our bilateral relations across the board.
4. This new building, located in the sylvan surroundings of Tokyo's most famous cherry blossom boulevard, is a fitting symbol of the expanding partnership between our two countries and a reflection of India as a modern and great nation.
5. The Ministry of External Affairs has given priority attention to augmenting the infrastructure of our diplomatic missions abroad, in keeping with the changing global environment and the great

transformations which are taking place in India. The Tokyo Construction Project was among the first to be completed. It sets high benchmarks which I hope will be emulated in the Ministry's projects in other capitals.

6. During my brief tour of the excellent facilities offered by this new Chancery, I have been struck me most by the care and attention that has gone into ensuring the highest standards of design and execution. The functional requirements of an Embassy have been ensured in an ambience of architectural elegance using some of the most advanced building technologies extant.
7. To our Japanese friends and members of the Indian community, I would like to address a special word of welcome to this abode of India. This building and its Cultural Center will henceforth be your base for strengthening the bonds between our countries which you have long and steadfastly supported.
8. I wish to congratulate Plants Associates Inc. for their exemplary work as Architects and Consultants for the Tokyo Construction Project. I would also like to thank the constructors Shimizu Corporation for their outstanding work in building this Embassy.
9. Finally, I wish to congratulate Ambassador Hemant Krishan Singh for his stewardship in making this Project an admirable success. The Ministry values your contributions highly and commends your efforts to realize the Tokyo Construction Project.

Thank you.



**471. Remarks by External Affairs Minister S. M. Krishna at the Reception hosted by the Indian Ambassador with the Indian Community.**

**Tokyo, July 4, 2009.**

Please see Document No.249.



**472. Keynote Address by Minister of State Dr. Shashi Tharoor at the Research and Information System–Japan Economic Foundation Symposium: ' Under economic crisis, how should Asia promote further economic integration'.**

**New Delhi, September 24, 2009.**

I would like to thank you, Dr. Sengupta, for inviting me to deliver the keynote address at the inaugural session of the International Symposium on the theme 'under economic crisis, how should Asia promote further economic integration'. I take this opportunity to compliment RIS and the Japan Economic Foundation for organising this symposium. Over the years, RIS has played a significant role in exploring the future directions of our foreign economic policy and today's Symposium is yet another significant contribution to this effort. I welcome the collaboration of our Japanese friends in this RIS endeavour. The Japan Economic Foundation, since 1981, has done admirable work in building cooperation with their counterparts in Asia and elsewhere. The partnership of RIS and Japan Economic Foundation for this Symposium is both timely and important.

Even as we meet in New Delhi today for this Symposium, the Summit of G-20 will begin later today in Pittsburgh. Prime Minister Dr. Manmohan Singh in a statement yesterday prior to his departure to attend the G-20 Summit mentioned, inter alia, that he was looking forward to exchanging views with several of the leaders who will be present including the new Prime Minister of Japan H.E. Yukio Hatoyama.

Developing a perspective on the future of Asia during and after the current global financial and economic crisis is a daunting task. "The future is never what it used to be". However I believe that, given the professional background of both the RIS & the Japan Economic Foundation, the two organisations are eminently qualified to do so. In a way, the current crisis has questioned the very assumptions underlying the global economic order as we have known it since the end of the Second World War. Not only was this evident in the failure of analysts to understand the genesis and the nature of the gathering crisis but also in the realisation that the path to global recovery would be quite different from the recovery from earlier recessions. Even before the current crisis burst upon us, the non-sustainability of the global macro-economic imbalances was looming larger by the day. The pressure on the dollar, the low savings and high consumption in the western markets, shift of the manufacturing sector

and some services to developing economies especially Asian, and the high agriculture subsidies in the western economies were the underlying causes for these growing imbalances. In addition, volatile food and oil prices, and mitigation and adaptation challenges created by global warming ensured that the dimensions of this crisis were different. The challenge of coping with the diverse manifestations of this crisis is compounded by that of a perceived need to strengthen international financial institutions and make them more effective. It may be recalled that the G-20 Summit in London agreed to mobilize additional financial resources for these financial institutions largely to sustain growth in emerging markets. So, in a manner of speaking, we are - practically - having to rewrite our textbooks.

The sudden financial and economic meltdown in the west was the result of the failure of global regulatory and supervisory mechanisms; excessive speculation and greed ("casino capitalism"); and ideological preconceptions of the most powerful actors and policy makers ('market fundamentalism') mainly in the developed countries. Originating in the US sub-prime housing sector meltdown, the toxic assets were exported to Europe and the rest of the world.

The crisis spread to emerging economies through capital and current account routes of the balance of payments (BoP). The effect of the financial crisis on emerging economies thereafter was mainly through reversal of portfolio flows due to unwinding of stock positions by Foreign Institutional Investors (FIIs) to replenish cash balances at home. Withdrawal of FII investment led to stock market crash in many emerging economies and decline in the value of local currency vis-à-vis US dollar, as a result of supply-demand imbalances in domestic markets. Together with slackening global demand and declining commodity prices, it led to fall in exports, thereby transmitting the financial sector crisis to the real economy. Countries with export-led models of growth and those dependent on commodity exports were more severely affected. The direct impact of the financial crisis on the Asian financial market has been limited because Japan, Korea, Taiwan, China, and Singapore have relatively less toxic assets in the US financial market. However, indirect impacts have been significant, with large GDP contractions witnessed in Japan, Korea, Malaysia, Thailand, and Singapore, whereas countries such as India, Indonesia, and Vietnam are facing smaller GDP contractions. Job losses in Asia have been enormous.

The crisis brought to an abrupt end the surge in private capital flows to

developing countries that had occurred during 2003-07. In 2008, total net international flows of private capital to the developing world fell to \$707 billion (4.4 percent of developing-country GDP) from the record high level of \$1.2 trillion). The downturn affected all developing regions in various degrees, with the exception of the Middle East and North Africa, where flows increased slightly. Emerging Europe and Central Asia were the hardest hit, accounting for half of the \$451 billion decline in capital flows.

The Indian economy was not significantly affected by the global financial crisis in the initial stages, which had set in around August 2007. In fact, the initial effect of the global financial crisis was positive, as India received huge FII investment inflows of US\$ 22.5 billion during September 2007 to January 2008, as against US\$ 11.8 billion during April-July 2007. In its more intense phase, the global financial crisis spread to India through capital and current account routes of the balance of payments (BoP). The extent of reversal of capital flows from India was US\$ 15.8 billion during five months following the end of "positive shock" period in January 2008 and the monthly export growth became negative after July 2008 and import growth became negative after August 2008.

Yet, the overall Balance of Payment situation remained resilient despite signs of strain in the capital account. India's GDP growth was 6.7 per cent in 2008-09. The first half of 2008-09 saw the Indian economy recording a growth of 7.8 per cent in GDP, despite the build-up of uncertainty in the international commodity and financial markets. Among the domestic growth drivers, gross fixed capital formation (GFCF) retained some of its momentum from the preceding years with a growth of nearly 11 per cent. In the second half of 2008-09, GDP growth declined to 5.8 per cent, with a further decline in private consumption growth to 2.5 per cent and a significant moderation in growth rate of GFCF to about 6 per cent over the corresponding period of 2007-08. However, the Government of India adopted a pro-active fiscal policy with the roll-out of two rounds of fiscal stimulus packages. As a result, the growth in government final consumption expenditure shot up to nearly 36 per cent, partly making-up for the shortfall in other components of the domestic aggregate demand. The overall GDP growth for the fiscal 2008-09 at 6.7 per cent surpassed all estimates and forecasts, made by international agencies and analysts, mostly ranging from 5.5 per cent to 6.5 per cent.

The crisis is abating somewhat but the prospects remain uncertain. On the positive side, emerging and developing economies are projected to regain growth momentum during the second half of 2009, albeit with notable regional differences. Growth projections in emerging Asia have been revised upward to 5.5 percent in 2009 and 7.0 percent in 2010. The upgrade is the result of improved prospects in China and India, in part reflecting substantial macroeconomic stimulus; and a faster-than-expected turnaround in capital flows. There are signs of the crisis bottoming out: industrial production has either stabilized or is expanding, global trade is picking up, and financial market stress has reduced.

However, let me emphasize that despite the positive trends I have talked about, significant downside risks remain. The consensus in the recent G20 Finance Ministers meet was that unless the recovery is secured, the measures need to be continued. The path and timing of exit strategies will be crucial. Nationally contextualized and yet globally concerted exit strategies will determine the recovery path in the medium term. Cohesive and well-coordinated international action is an urgent requirement. The massive stimuli packages also have the potential of building steam for inflationary pressures, if not handled properly.

The other set of challenges lies in the financial sector. The pace of recovery is crucially dependent on the repair of the balance sheet of impaired financial institutions in the developed world - especially the issue of cleaning up the toxic assets. Structural reforms in the financial sector, financial inclusion and completing the set of financial reforms outlined in the London G20 Summit declaration will be crucial. Being capable of monitoring the global economy and having forward looking forecast tools to give early warnings of any build-up of crisis will be essential.

The continuing resilience of Asia would depend on how well it manages the regional integration process. Asia's export-led growth model, centred on US and European markets in recent decades, can no longer be relied upon to sustain the region's economic growth beyond the crisis. Consumer spending in US will remain sluggish over many years to come and this will be a structural phenomenon, not a temporary one. Asia will need to shift the current export-led production structure away from the advanced economies to the regional market in the medium to long-term; it certainly means calibrated and synchronized decision-making in Asia about reorientation of its export destination with production decisions. A fundamental rebalancing towards domestic demand is needed if Asia wants to preserve the high growth rate that has characterised its recent past.



How is this rebalancing to be carried out in Asia? This is an important but a complex question for the reasons stated above. It requires forethought, considerable planning and technical expertise and - if I may say so - enlightened self-interest. Asia, today, has the intellectual and financial wherewithal to carry out this rebalancing - having learned the right lessons from the Asian financial crisis of 1997-98. As I can see, the Asian leaders are alive to both the opportunity and the challenge.

In order to promote further economic integration, Asia clearly needs to go beyond the ASEAN Free Trade and Investment Area. In this connection, India has recently concluded FTAs with ASEAN and Korea and similar arrangements are being negotiated with other East Asian countries: India is, also, negotiating with ASEAN an agreement on services and investments which it hopes to conclude in the near future. Currently, there is an array of overlapping bilateral and plurilateral free trade agreements in the region which could be taken to a higher level of economic integration. These include the South Asian Association for Regional Cooperation (SAARC) which now has 8 member countries and which, we believe, can effectively promote regional economic cooperation and integration in the South Asian region. Even while re-starting the Doha round, the Asian leaders envisage an Asia-wide economic partnership agreement. At the forthcoming East Asia Summit in Thailand in October, 2009, the leaders of the participating countries would be presented a blueprint for realizing a Comprehensive Economic Partnership in East Asia (CEPEA); an important decision has been taken by the East Asia Summit Economic Ministers' meeting, in August this year, in Bangkok to discuss the recommendations on this at the Senior Officials level.

Financial cooperation and integration is another area for swift action; the Chiang Mai Initiative has been welcomed as it creates a framework for multilateralised currency swaps between ASEAN Plus Three grouping (ASEAN, ROK, Japan and China). Cooperation in the banking sector is a focus of East Asia Summit member countries. Trade integration and facilitation, especially encouragement for the small and medium-sized firms, is again another area whose potential is being recognized. Sustained economic growth, with national emphasis on poverty alleviation, needs to be the priority for all Asian countries and our collective endeavour should never lose focus on it; this is also necessary for creating national demand in our times of weak external demand. We need to make considerable collective effort for skills development, especially involving the less advantaged sections of the local community in both urban and rural areas. Infrastructure

development is again a major area for pan-Asian co-operation and the work carried out presently needs to be considerably scaled up; an example coming straight to mind is the proposed Delhi-Mumbai Corridor where Japan is playing such a crucial role. India, too, needs to play a more active role than hitherto. It goes without saying that our collective pan-Asian effort should be to ensure that the competitiveness of Asian products and services remains strong.

If I may say so, given the magnitude of the problems, the Asian countries need to fast-track these processes. The leaders have welcomed the decision of the Economic Research Institute for ASEAN and East Asia (ERIA), ADB and the ASEAN Secretariat to work together to prepare, as soon as possible, a coherent master plan for upgradation of sub-regional development initiatives.

Prof. Sengupta,  
Mr. Hatakeyama,  
Distinguished participants.

With these words, I will conclude by saying that in the Ministry of External Affairs we look forward to the deliberations of this symposium and their outcomes. I wish you all success in these very important discussions you will hold in the next two days.

Thank you!



**473. Salient Points made by Secretary East of the Ministry of External Affairs N. Ravi on the Prime Minister Dr. Manmohan Singh's meeting with the Japanese Prime Minister.**

**Hua Hin (Thailand), October 24, 2009.**

- Prime Minister had a very good meeting with the Japanese PM today. This is their second face-to-face meeting within one month.
- The two Prime Ministers reiterated their commitment to furthering the India-Japan Strategic & Global Partnership. PM Hatoyama said that he welcomed PM's initiative to send National Security Adviser, Shri M.K. Narayanan to Japan as his Special Envoy earlier this week.
- PM reiterated that our relations with Japan are a matter of the highest priority for India. PM conveyed our desire to build upon this positive momentum through close cooperation with PM Hatoyama and his new Government. PM Hatoyama reiterated that his Government supports the development of bilateral relations in both the economic and defence and security fields. His Government is ready to work to further strengthen our Partnership.
- PM underscored the importance of an early finalization of major economic initiatives that the two sides have jointly begun, in particular, the Dedicated Freight Corridor Project, the Delhi-Mumbai Industrial Corridor Project and the Comprehensive Economic Partnership Agreement. PM Hatoyama said that he attaches particular importance to the realisation of the Dedicated Freight Corridor Project and the Delhi-Mumbai Industrial Corridor Project as symbols of cooperation between Japan and India.
- The two Prime Ministers also discussed the regional and international matters, including the issues of Climate Change and the forthcoming Nuclear Security Summit. The two Prime Ministers have agreed to work together in a positive and constructive way on the climate change issue. PM reiterated that the solution must be based on the principles of equity and the overriding imperative of economic development and poverty reduction. PM also referred to our National Action Plan for Climate Change and reiterated India's intention to keep our per capita GHG emissions lower than global average.

- The two Prime Ministers had a good discussion on the future of the East Asia Summit process and on the importance of evolving an open and transparent regional economic arrangement that will be most beneficial to our region. They agreed that this regional architecture needs to be based on the new opportunities that India and Japan, as important economies, present to the region as a whole. The Japanese Prime Minister said that India is an important country in the EAS process, and that both sides should collaborate in the EAS in order to develop the concepts of the regional economic architecture.
- PM has also reiterated his invitation to the Japanese Prime Minister to make an early visit to India. PM Hatoyama conveyed that he is looking forward to visiting India to further develop our relations. Dates will be worked out through diplomatic channels.



**474. Press Release issued by the Ministry of Defence on the visit of Defence Minister A. K. Antony to Japan.**

**New Delhi, November 9, 2009.**

India and Japan today expressed their firm determination "to take forward bilateral defence exchanges and cooperation in a meaningful way". In a Joint Press Statement issued at the end of a comprehensive review of Defence Cooperation issues at a meeting between the visiting Defence Minister Shri AK Antony and his Japanese counterpart Mr. Toshimi Kitazawa in Tokyo, the two sides expressed their commitment to 'contribute to bilateral and regional cooperation', such as, ASEAN Regional Forum (ARF) in the field of peace-keeping, peace-building and disaster relief. The two Ministers held in-depth discussion on Defence Exchanges and Cooperation. Regional and International Security situation also came up for discussion at the meeting.

The two Ministers condemned terrorist activities and expressed their determination to enhance cooperation in the fight against terrorism. The two countries also recognized their mutual interest in the safety of sea-lines of communications and welcomed recent reinforcement of cooperation in the field of Maritime Security between the two Defence

authorities as well as the inauguration of Japan-India Maritime Security Dialogue which was held in India last month. The two Ministers shared international concerns on piracy off the Coast of Somalia and in the Gulf of Aden and expressed their support for international efforts of anti-piracy.

They also expressed their determination to accelerate bilateral discussions on various measures to further promote Defence Exchanges and cooperation through a Defence Action Plan, as envisaged between the Prime Ministers of the two countries in October last year. The two sides will develop such an action plan and hoped that the same would be signed during the visit of Prime Minister Hatoyama to India for the Annual Summit.

The two Ministers expressed their desire to hold annual meetings and expressed their expectation that the Second Defence Policy Dialogue will be held at the earliest mutually convenient time in India next year.

The two sides also reiterated the importance of strengthening Service-to-Service exchanges such as Staff Talks including Navy-to-Navy and Ground-to-Ground Staff Talks, as well as bilateral exercises between Japan Self Defence Forces and the Indian Armed Forces to enhance cooperation and core ability for maritime security operation and disaster relief.

Shri Antony was accompanied by a high-level delegation including the Defence Secretary Shri Pradeep Kumar, Scientific Advisor to Raksha Mantri Dr VK Saraswat and the Vice Chief of Naval Staff Vice Admiral DK Dewan.



**475. Media Briefing by Official Spokesperson on the visit of Japanese Prime Minister.****New Delhi, December 26, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good evening to you all. I am delighted to see you. I have also the pleasure of introducing a dear friend and colleague, who recently took over as Joint Secretary (East Asia), Mr. Gautam Bambawale.

We would like to brief you on a very important visit of His Excellency the Prime Minister of Japan who is coming at the invitation of our Prime Minister on an official visit from 27th to 29th of December. This is for the Annual Summit meeting. Prime Minister Hatoyama will be accompanied by his spouse Madam Miyuki Hatoyama and a high-level delegation.

Let me take you through the programme. Prime Minister Hatoyama arrives tomorrow at Mumbai. He would be paying tributes to the victims of 26/11 terror attack. He would be signing the Condolence Book at Hotel Trident. He then goes to meet with the Governor of Maharashtra who would also be hosting a dinner in his honour. On Monday the 28th, he meets with some of the captains of Indian industry including Mr. Ratan Tata and other business leaders. Thereafter he arrives in Delhi. In the second half he has a meeting with Dr. R.K. Pachauri, Director-General, TERI and also with the Chairperson UPA. Later on he meets with the Prime Minister of India, who would be hosting a private dinner in the honour of the visiting dignitary and his spouse. On the 29th, there would be delegation level talks followed by a brief Joint Press Interaction around 1150. Prime Minister would also be hosting a lunch where after Mr. Hatoyama departs for Tokyo.

As you are aware, during the visit of our Prime Minister to Japan in December 2006 both sides had decided to elevate our relations to the level of Strategic and Global partnership. It was also agreed to hold Annual Summit level meetings, and this would be fourth such summit. You would also recall the Prime Minister of India had visited Tokyo in October last year for the Annual Summit.

This Summit is particularly significant as it is the first after the elections in Japan in August 2009 when the Democratic Party of Japan came to power. Prime Minister Hatoyama was sworn in on the 16th of September, 2009. It is particularly noteworthy that this would be the first standalone visit by Prime Minister Hatoyama to any country. It obviously reflects the continuing commitment of the two sides to strengthening and broadening our bilateral relations.

In the last three months, Prime Minister Dr. Manmohan Singh and Prime Minister Hatoyama have already met twice. They met at Pittsburgh in September during the G20 Summit, again at Hua Hin in October during the East Asia Summit. This would be their third bilateral meeting and interaction. During their last interactions both sides reiterated the resolve to strengthen and enhance our Strategic and Global partnership, and deepen our bilateral political, economic, cultural and educational cooperation. We attach the highest importance and priority to our bilateral relations with Japan and to the Annual Summit mechanism.

Soon after the new Government assumed office in Japan, the National Security Advisor visited Japan as Prime Minister's Special Envoy and also called on Prime Minister Hatoyama. In fact, I would like to note that the high-level exchanges between our two countries have become quite a norm. In July this year, External Affairs Minister had visited Japan for the third Strategic Dialogue at the Foreign Ministers' level. Raksha Mantri visited Japan in November 2009, when the two sides agreed to have annual visits of the two Defence Ministers and to have exchanges at other levels in the Ministry of Defence. The Japanese Minister for Environment Mr. Sakihito Ozawa was in India in October. Shrimati Nirupama Rao, Foreign Secretary was in Tokyo in December for discussions with her counterpart the Vice-Foreign Minister of Japan.

As important, we have held meetings within the framework of comprehensive official dialogue mechanisms including the Strategic Economic Dialogue, the Comprehensive Security Dialogue, and so on. That is the backdrop in which Prime Minister Hatoyama's visit takes place when there has been all-round progress in our relationship and a steady and qualitative upgradation in India-Japan Strategic and Global partnership, reflective of growing congruence of interests.

There has been a steady growth in trade, economic relations and investments. As per the Japanese statistics, during 2008-09, bilateral trade crossed 12 billion dollars despite the global economic slowdown. We have, as you are aware, a trade target of 20 billion dollars by 2010. Japan already is the sixth largest investor in India with actual investments, already exceeding three billion dollars. The pace of investments has picked up in recent years. In the preceding eight or nine years alone, actual investments from Japan have been over 2.5 billion dollars.

The two sides, encouraged by the trend of growing economic and commercial relations and wanting to consolidate that trend, are in the process of concluding discussing a Comprehensive Economic Partnership Agreement (CEPA). You

would know that twelve rounds of discussions have already been held which shows the importance that we are attaching to this agreement. The last round was in Tokyo in September-October this year.

Japan has been extending assistance, very valuable assistance to us, which we are greatly appreciative of, in large infrastructure development projects including the dedicated freight corridors and Delhi-Mumbai Industrial Corridor. Since 2004, India has been the largest recipient of Official Development Assistance (ODA) from Japan. In 2008-09 we received ODA of 2.5 billion dollars which was almost 30 per cent of Japan's global ODA.

We have also, in recent months and years, witnessed greater people-to-people contacts, cultural and educational exchanges. In September this year the India Cultural Centre was set up in Tokyo. Also the first ever Chair on India in the prestigious Tokyo University has been set up. Japan is also extending assistance in the establishment of a green-field project, an IIT in Hyderabad.

The India-Japan Joint Declaration on Security Cooperation, as you are aware, was signed in October 2008 during the visit of our Prime Minister. We have witnessed a number of defence exchanges during this year including the trilateral Malabar Exercise in April-May and also the visit of three Japan Maritime Self-Defence Force ships to Goa in May.

These are some of the areas that I highlighted but I would like to add that our multifaceted ties also cover a number of other important areas including energy. For us, as you know, energy security is very important and Japan has offered substantial assistance for training and capacity-building in the field of energy. Other important areas are high-technology trade, science and technology cooperation, urban development and so on. That is the broad and rich canvas of the bilateral relations.

During the visit, Prime Minister Hatoyama and Prime Minister Dr. Manmohan Singh would be covering all aspects of bilateral relations as well as regional and global issues of common interest. The two Prime Ministers will review progress on all substantive issues and give political direction, to carry forward and accelerate the process wherever required.

In sum, as two major democracies in Asia the partnership between India and Japan is an essential pillar for peace, progress and development in the entire region. It is expected that the visit would provide further momentum to our comprehensive engagement as well as impart more depth to our Strategic and Global partnership.



Thank you. JS(EA) and I will be happy to take questions, if any.

**Question:** Any agreements to be signed?

**Official Spokesperson:** We will let you know. At the moment we cannot prejudge the outcome. As I have already mentioned, we have a very broad canvas of relations. I have already taken you through so many aspects of that. We will let you know as things evolve.

**Question:** As you know, two American Fortune 500 companies - Westinghouse and GE - are owned by two Japanese companies. There is a perception, and a justifiable one, that the 123 Agreement with the US cannot be operative till India signs a Nuclear Energy Agreement with Japan too. Considering the strident stand of Japan on such issues, is it being actively pursued? Can we see the light at the end of the tunnel during the visit?

**Official Spokesperson:** As I said, energy security is a very important area for us. We are appreciative of Japan's support at Vienna last year during the discussions which were held at IAEA and at the NSG, which makes it possible for us to engage in civil nuclear commerce with all countries including Japan. Both sides are in agreement that nuclear energy is a safe, sustainable and non-polluting source of energy. Both sides have also exchanged views on our respective nuclear energy policies. That is where the matter is. We would be happy to take the process forward at a pace and in a manner convenient to Japan\*.

**Question:** Will the Prime Minister raise this issue during the current visit, the possibility of civil nuclear energy cooperation?

**Official Spokesperson:** I have already said that the entire gamut of bilateral relations will be discussed, and energy is an important area. With Japan please understand that it is not just nuclear energy but a whole range of energy cooperation - renewable sources of energy, clean coal energy and so on - and Japan has been extending valuable assistance in capacity development and capacity building and so on. I did note that the whole range of bilateral issues are expected to be discussed.

**Question:** Can you tell us more about the evolving security and defence cooperation between India and Japan?

**Joint Secretary (East Asia) (Shri Gautam Bambawale):** Thank you for that question. I think all of you know about the Joint Declaration which was signed in October of 2008 between India and Japan during the visit of our Prime Minister there. Things have moved forward. In fact in November 2009, just a month ago, our Raksha Mantri visited Japan and has had very good

consultations with his counterpart there. We are pushing the envelope, we are moving things forward in this area, and you will see hopefully some more coming out after these negotiations and discussions between the two Prime Ministers here in Delhi.

**Question:** Strategic observers in China have been raising concerns about the growing Naval cooperation between India and Japan. How do you view this?

**Joint Secretary (East Asia):** I think it is very clear that India-Japan relations stand on their own. There is a logic and momentum about the relationship which is moving it forward. I can reiterate that India-Japan relations, defence and security relations are not aimed or directed at any third country.

**Official Spokesperson:** Thank you. I would just like to add that each country has relationship with the others. Japan has its relationship with China. Look at our own relationship with China. We have strategic partnership and cooperative partnership with China. Our own relations are moving forward with China very rapidly. We have growing defence cooperation with China. We have had joint defence exercises with China. So, what is important to note is that each relationship stands on its own merit. As large countries, as key players in the world, we are in the process of developing, deepening our ties with other key countries in the world.

Thank you very much.



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\* On high technology dual use trade with India Japan continues to have reservations. It still hopes that India will sign the CTBT and enter into negotiations for the FMCT. Already the two countries have held four rounds of talks to conduct high technology trade, including nuclear commerce. "We are conducting bilateral consultations and we need to exchange more information..." said Kazuo Kodama, Director-General for Press and Public Relations and spokesman for the Japan Prime Minister on December 28. Mr. Kodama however conceded the role of nuclear energy in climate control. He said Japan would want to translate the strategic partnership into more "concrete action oriented" and build upon the shared values. He spoke of the possibility to set up a framework of 2+2 dialogue to include representatives of the Ministers of External Affairs and Defence at junior level in order to deepen the dialogue. Describing trade as the engine of promoting deeper relations. Japanese investment in India stood at \$5.22 billion surpassing its investment in China that was \$3.65 billion in 2008. The two-way trade was worth \$13 billion in 2008. He did not agree with a questioner that promotion of partnership between India and Japan was to counter China, and said that bilateral relationship could not be at the expense of any other country, and that New Delhi too held a similar position.

#### **476. Joint Press Interaction by Prime Minister of India and Prime Minister of Japan.**

**New Delhi, December 29, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good afternoon to you all and welcome to the Joint Press Interaction. First, the Prime Minister of India Dr. Manmohan Singh will be making an opening statement. Next, the Prime Minister of Japan His Excellency Mr. Yukio Hatoyama would be making a statement.

Sir, may I invite you to make your statement?

Prime Minister:

Your Excellency Prime Minister Hatoyama,

Ladies and Gentlemen of the media.

I am delighted to welcome His Excellency Prime Minister Hatoyama to India. We are particularly honoured that the Prime Minister decided to visit India so soon after his historic victory in the elections in Japan.

Our relations with Japan enjoy a strong national consensus in our country. They are based on shared values and shared interests in the Asia-Pacific region and beyond. We welcome Japan's leadership on global issues which will contribute to world peace and prosperity.

In our discussions today, we undertook a comprehensive review of our bilateral cooperation, as well as of major regional and international issues. These discussions have given me renewed confidence about the future of our relations and of the enduring nature of the Strategic and Global Partnership that we established in December 2006.

The economic partnership between India and Japan is the bedrock of our relations. But over the last few years, we have significantly diversified our relations in the areas of defence, security and counter-terrorism. There is closer cooperation on international issues. As agreed upon at the last India-Japan Summit in October 2008, we have finalized an Action Plan to advance our security cooperation.

I conveyed to Prime Minister Hatoyama that India welcomes Japanese investments into India, and that the growth of our economy offers huge opportunities to substantially increase our trade and economic cooperation. In particular, there is great scope for expansion of cooperation in the areas of urban infrastructure, high technology, and renewable and energy efficient technologies.

We have decided to expedite our negotiations on the Comprehensive Economic Partnership Agreement in order to conclude a high quality and balanced agreement. We are hopeful that this can be completed in time for the next Annual Summit meeting.

We agreed on the early implementation of the Dedicated Freight Corridor Project between Mumbai and New Delhi. We have decided to finalise all details for Phase I within the next few months, so that actual implementation can begin in 2010 itself. We also endorsed the plan to take the Delhi-Mumbai Industrial Corridor Project forward. Both these projects will have a significant positive impact on the Indian economy and on the scale of our economic cooperation with Japan.

Prime Minister Hatoyama and I endorsed the importance of enhancing educational, cultural and scientific and technological exchanges. We are grateful to Japan for its assistance and collaboration in the development of the Indian Institute of Technology at Hyderabad, on which there has been concrete progress.

Prime Minister Hatoyama and I also discussed global and regional issues, including the G-20 process, the Copenhagen Climate Change Conference, energy security, terrorism, reform of the United Nations Security Council and nuclear disarmament and non-proliferation. We reviewed developments in the Asia-Pacific region, and agreed that the cause of peace and stability would best be served by creating an open and inclusive architecture in this region. I welcome Prime Minister Hatoyama's initiatives on the Asian Economic Community.

Prime Minister Hatoyama's visit has succeeded in taking our partnership to a new stage. This is reflected in the Joint Statement that we have just signed. I look forward to working with the Prime Minister in years ahead to consolidate the gains of our partnership.

I thank you ladies and gentlemen.

**Official Spokesperson:** Can I now invite His Excellency the Prime Minister of Japan to make his statement?

**Prime Minister of Japan:** ...(Inaudible)...I believe that making sure we implement these annual mutual agreements ...(Inaudible)... in advancing our bilateral relations. On security, we issued a Joint Statement last year. We have further deepened that security relationship by coming up with an Action Plan, and I welcome this very much. We shall be realising a

Subcommittee level, the 2+2 dialogue. Also with regard to cooperation in the defence of the sea lanes of communication, I believe that stepped up cooperation between our two countries would be very meaningful. I think it is indeed very good that we have been able to agree on these.

Turning to the economic sphere, bilateral Japan-India trade still remains far below the level of Japan-China trade, only 1/20th of Japan-China trade. However last year, Japan's direct investment to India for the first time surpassed Japan's investment to China. In that respect it was a dramatic year. I think it is important that we further speed up or encourage such investment. One of the things that will be conducive to do that would be early realisation of a Bilateral Economic Partnership Agreement (EPA) on both sides. There still remain concerns that need to be negotiated. But both of us will be instructing our officials to expedite their talks so that we shall be able to conclude the bilateral EPA as soon as possible.

On specifics, there is the Dedicated Freight Corridor (DFC) project. Japanese Railway system - the Shinkansen or the bullet train - is extremely safe. Since its inauguration, there has not been any fatal accident. We would like to see this technology utilised in the construction of railways in India. I think this is a project that will be beneficial to both sides. Also there is the Delhi-Mumbai Industrial Corridor (DMIC) project which we have managed to advance from the planning stage to the implementation stage. With Japan Bank for International Cooperation (JBIC) and Japan External Trade Organisation (JETRO), Japan would like to help improve the climate and more investment in infrastructure development because I believe that infrastructure development brings benefits to both sides, enabling Japanese businesses to invest in India.

As part of this we have also discussed specific issues related to visa and asked for cooperation on the Indian side with regard to the procedures for visa issuance. I believe that these major projects will bring benefits not only to our two countries but to the entire world by providing traction to the world economy. We would also like to encourage people-to-people exchanges especially among youth. One project that would be useful in this regard is the cooperation on the establishment of Indian Institute of Technology, Hyderabad. Through this sort of cooperation, the youth of our two countries can build greater confidence in each other and serve to improve the level of skills. That will contribute to people in Asia and also to people around the world.

We also had discussions on global issues. With regard to East Asian Community, an initiative that I have been advocating, I am grateful to Prime Minister Singh for showing his strong interest. In the East Asian Community initiative, needless to say, India would be an essential element, a country that could play a very important role. By advancing this initiative for East

Asian Community, I am convinced that it will ...(Inaudible)...

I also commented on Copenhagen meeting and the initiative on climate change. It is unfortunate that we failed to come up with a legally-binding framework. But I said that with the participation and cooperation of the all countries, we need to make that agreement advance into a legally-binding agreement with specific time limits.

Also we discussed that Japan and India have common interests in advancing nuclear disarmament and non-proliferation around the world. I suggested that we cooperate for the total elimination of nuclear weapons. Prime Minister Singh responded by saying that India would do its best for disarmament and non-proliferation as a matter of course.

We also discussed cooperation in the nuclear energy area because I believe this will become a very important agenda in the future. We have also discussed the reform of the UN Security Council. As members of the G4 and also as members of the Asian Community, Japan and India, by stepping up our bilateral cooperation, can contribute to promoting the reform of the Executive Council and contribute to becoming permanent members mutually. By doing that we will be able to contribute for world peace.

I had the fortune of visiting India at a very busy time of the year end and have had this opportunity to meet with Prime Minister Manmohan Singh and the members of the Cabinet of India. I am truly delighted about this opportunity ...(Inaudible)... very fruitful dialogue. I very much hope that this visit of mine will serve but as an important step to further advance the bilateral relations.

Thank you very much.

**Official Spokesperson:** Thank you, Sir. The leaders will be very happy to take one question each.

**Question (Mr. Ajay Kaul, PTI):** My question is addressed to both the Prime Ministers. First, to the Japanese Prime Minister. I understand the Japanese business community is keen on having civil nuclear cooperation with India. How do you see the prospects of such cooperation in the near future and what is the progress in relaxing the restricted regime on high-tech trade? In a related question to Prime Minister of India, Sir, there are concerns about restriction or their tightening of visa norms. Your comment on that please.

**Prime Minister of Japan:** Allow me to respond first. The question was about the outlook for cooperation with India by Japanese business. In recent years, Japanese companies are showing very high-level of interest to cooperate with India. Japanese companies would surely, I believe, expand their trade

and investment with India. Not merely for the interest of these companies themselves but this will actually contribute significantly to the society and to the regions where these Japanese companies would establish themselves.

The core in all these endeavours I believe would be the Delhi-Mumbai Industrial Corridor (DMIC) project. Centering on the DMIC project, many of the Japanese companies should be able to cooperate with India. I believe it proves that both the Japanese and Indian Governments can create the climate that will facilitate their entry and cooperation.

With regard to high-tech trade deregulation, regulations still remain today. This is a matter that Prime Minister Singh pointed to and he expressed his hope that there will be a major move towards liberalisation. Needless to say, since both countries have a high level of high technology, increasing level of mutual cooperation in a high technology area, I believe, will significantly contribute to the development of our two countries and not just that of the entire world. Prime Minister Singh mentioned that Indian companies will not divert the imports from Japan for weapons purposes and they will not divert these imports someday to other third-party countries. With strong determination, I should like to, as soon as possible, see to it that we would be able to act on this matter of regulation while making sure that on individual cases there is nothing wrong by accurately confirming the information provided. So, we would like to make efforts for a positive conclusion.

**Prime Minister:** With regard to the visa system, both in India and Japan there was a fairly extensive discussion. I requested Prime Minister Hatoyama to ensure that the Japanese visa system becomes more liberal to enable faster growth of trade, investment and people-to-people contacts. I also pointed out that as a special case India has introduced the system of granting visas on arrival in the case of Japanese citizens. But the Prime Minister still maintained that there were some restrictive features of our system, and I promised him that I will have it looked into. The same way I raised the issue of Japanese visa system and requested the Prime Minister to have this looked into as a means of promoting the increased cooperation in trade, investment, and in particular in high technology areas.

**Question (Mr. Fujita, NHK, Japan):** I would like to ask the two Prime Ministers a question with regard to the abolition of nuclear weapons. I think it was explained that both the Prime Ministers have the same feeling and the same objective. I think the realistic approach is different. But overcoming differences, how can Japan and India cooperate together for the elimination of nuclear weapons? If you could refer to the discussions you had today, I would like to ask the views of both the Prime Ministers.

**Prime Minister:** We had fairly extensive discussion on cooperation in civil nuclear energy areas. I explained to the Prime Minister the circumstances in which India had to go the nuclear weapon route. But I also mentioned to him that India has unilaterally declared a moratorium on nuclear explosive testing, and that is a commitment we will honour. I have also mentioned that India has an impeccable record with regard to non-proliferation, that the Nuclear Suppliers Group had already given India access to trade in nuclear material and nuclear technologies, and that further India is deeply interested in working together with Japan and other like-minded countries to promote the cause of universal, verifiable, non-discriminatory nuclear disarmament.

**Prime Minister of Japan:** Essentially this is a discussion we had yesterday. I said we share the thoughts because both India and Japan strive for the ultimate goal of total elimination of nuclear weapons. At least we have been able to confirm that point. There is an ... (Inaudible) ... response to NPT and we have to recognise that there is a difference. As for CTBT, globally I think there is a rising momentum towards early entry into force of the treaty. I expressed my hope that together with the US and China, India will also sign and ratify CTBT at an earlier time. In response, Prime Minister Singh said that with regard to CTBT, should US and China sign the CTBT that will create a new situation. He stated that as a matter of fact. I believe we probably have to engage in these endeavours. I also referred to the Fissile Material Cut-off Treaty and I suggested that negotiations for that treaty should be launched as soon as possible and that Japan and India should cooperate for its early conclusion. That suggestion was welcomed by Prime Minister. So, towards the ultimate goal of total elimination of nuclear weapons I myself would like to continue to seek cooperation firmly and I shall cooperate with India in that respect.

**Official Spokesperson:** Thank you, Sir. The Joint Press Interaction now draws to a close. Copies of the Joint Statement and the Action Plan are available here which can be collected. Thanks for your presence.





**477. Joint Statement by Prime Minister Dr. Manmohan Singh and Prime Minister Dr. Yukio Hatoyama: New Stage of India-Japan Strategic and Global Partnership.**

**New Delhi, December 29, 2009.**

Prime Minister of India, H.E. Dr. Manmohan Singh and Prime Minister of Japan, H.E. Dr. Yukio Hatoyama held the Annual Bilateral Summit in New Delhi on 29 December 2009. They discussed bilateral as well as regional and global issues.

2. The two Prime Ministers reaffirmed that India and Japan as partners which share common values and strategic interests, will develop the Strategic and Global Partnership further for the deepening of their bilateral relations as well as peace and prosperity of the region and the world.

3. The two Prime Ministers reiterated the importance of Annual Summits between them. They also expressed satisfaction at the deepening of the Annual Strategic Dialogue between the Foreign Ministers, as well as other policy dialogues at Ministerial level. They welcomed the desire expressed by the two Defence Ministers in Tokyo in November 2009 to hold Annual Defence Ministerial Meetings to enhance dialogue and exchanges in the defence field.

4. The two Prime Ministers expressed their satisfaction at the finalization of the Action Plan with specific measures to advance security cooperation based on the Joint Declaration on Security Cooperation between India and Japan issued in October 2008. The two Prime Ministers committed to enhancing the security cooperation between India and Japan according to the Action Plan, and to deepen their discussion through the newly-established framework at the Sub-cabinet / Senior Official - level 2 plus 2 dialogue, which was endorsed in the Action Plan.

5. The two Prime Ministers took note of the current status of the Economic Partnership Agreement (EPA) / Comprehensive Economic Partnership Agreement (CEPA) negotiations and instructed their relevant officials to accelerate the negotiations by energetically working towards resolving the remaining issues with a view to concluding a mutually beneficial agreement at the earliest. The two Prime Ministers shared the view that economic relations between India and Japan would develop even further as a result of the conclusion of the EPA/CEPA.

6. The two Prime Ministers shared the view that Japanese Official Development Assistance (ODA) should continue to play a significant role in India's poverty reduction, economic and social infrastructure development,

tackling environmental issues and human resource development. The Prime Minister of India expressed his appreciation to the Japanese people for their generous role in India's development.

7. The two Prime Ministers welcomed the commencement of India-Japan cooperation on the Western Dedicated Freight Corridor (DFC) Project with the signing of the Exchange of Notes for the Engineering Services Loan for the first phase (Rewari - Vadodara sector) in October 2009 in New Delhi, and reaffirmed their commitment to the early realization of the entire Western corridor utilizing Japan's Special Terms for Economic Partnership (STEP) scheme, which is expected to contribute to the further enhancement of India-Japan economic relations. Both sides also welcomed the commencement of the preliminary survey for the second phase, and will make utmost efforts for early completion of both phases of the corridor in a parallel manner. The two leaders will also work together for conclusion of the agreement for the Main Loan for the first phase by March 2010 and for commencement of the assistance for the second phase at the earliest in 2010. Both sides will strive for early finalization of a funding and implementation schedule for the whole Western Corridor.

8. The two Prime Ministers expressed their satisfaction with the steady development of the collaboration in the establishment of Indian Institute of Technology, Hyderabad (IITH) and reiterated their commitment to collaborate through various contributions from Japan including through Official Development Assistance. They noted with satisfaction that the Japanese side has established the IITH Consortium consisting of government, academia and industry.

9. The two Prime Ministers shared the view that the Delhi-Mumbai Industrial Corridor (DMIC) Project is moving forward from the planning stage to the implementation stage and reaffirmed their resolve to realize the DMIC Project, which plays an important role in promoting investment by Japanese companies, and has a potential to facilitate the development of the entire Asian region. In this regard, they expressed their satisfaction with the joint establishment of the Project Development Fund (PDF) with support of Japan Bank for International Cooperation (JBIC), which is jointly initiated by India and Japan. They welcomed substantive progress on DMIC Project including the completion of the Perspective plan and advancement of Early Bird Projects. The two Prime Ministers took note of the Memorandum of Understanding between DMICDC and JETRO on "Smart Communities and Eco-friendly Townships."

10. The two leaders welcomed the decision to establish a JETRO Chennai office which would accelerate further investment by small and medium-sized Japanese enterprises to India.

11. The two Prime Ministers welcomed the enhanced bilateral cooperation on energy under the India-Japan Ministerial-level Energy Dialogue, particularly in energy efficiency and conservation sectors as well as the coal and power sectors. The two Prime Ministers stressed the need for accelerating bilateral cooperation in these vital areas and expressed strong expectations for the progress to be achieved in the next Ministerial-level Energy Dialogue in New Delhi. The two Prime Ministers shared the view that nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting the rising global energy demands. They also noted that under the Energy Dialogue the Energy Ministers will exchange views and information on their respective nuclear energy policies.

The two Prime Ministers also recognized the importance of promoting cooperation between the two countries' industries in order to expand bilateral energy cooperation on a commercial basis. In this regard, they welcomed progress achieved under the India-Japan Energy Forum held by The Energy and Resources Institute (TERI) of India and the New Energy and Industrial Technology Development Organization (NEDO) of Japan.

12. Recognizing the role of technology cooperation in the bilateral partnership, the two Prime Ministers took note of the progress made by the bilateral consultative mechanism on high technology trade, and decided to step up efforts to facilitate such trade by addressing respective concerns, including export controls.

13. The two Prime Ministers expressed satisfaction on the achievements made at the third meeting of the India-Japan Joint Working Group on Urban Development in June 2009 and reaffirmed their intention to continue concrete cooperative efforts in the field of Urban Development based on this outcome.

14. The two Prime Ministers welcomed the launch of India-Japan ICT Seminar and shared the view that they will enhance cooperation in the field of Information and Communication Technology through bilateral consultations including at the ministerial level.

15. The two Prime Ministers noted with satisfaction that the waiver of visa requirements for holders of Diplomatic Passports began on 1 January, 2008. They expressed hope that the number of Japanese tourists visiting India will increase as a result of the recent decision by the Government of India to

introduce a visa on arrival scheme for tourists from five countries including Japan on an experimental basis. In order to facilitate two-way travel, they directed the concerned authorities to accelerate the consultation on simplification of visa procedures and to complete it in a year.

16. The two Prime Ministers welcomed the renewed international attention to and confirmed their commitment to the total elimination of nuclear weapons. Prime Minister Hatoyama stressed the importance of bringing into force the Comprehensive Nuclear Test Ban Treaty (CTBT) at an early date. Prime Minister Singh reiterated India's commitment to a unilateral and voluntary moratorium on nuclear explosive testing. The two Prime Ministers supported the immediate commencement of negotiations in the Conference on Disarmament and an early conclusion of a Fissile Material Cut-off Treaty (FMCT). They also supported the strengthening of international cooperation with a view to addressing the challenges of nuclear terrorism and clandestine proliferation.

17. The two Prime Ministers welcomed the Copenhagen Accord. They reaffirmed their determination to work closely together in the negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) towards an Agreed Outcome, to be adopted at the 16th session of the Conference of the Parties. Prime Minister Singh welcomed the announcement of the "Hatoyama Initiative".

18. The two Prime Ministers reaffirmed their resolve to realize a comprehensive reform of the United Nations (UN) Security Council, especially its expansion in both permanent and non-permanent categories. They welcomed the progress so far achieved in the intergovernmental negotiations in the UN General Assembly, in which an expansion in both categories has commanded the most support from Member States. The Prime Ministers decided to accelerate their efforts, in close cooperation with the G4 and other like-minded countries, with a view to achieving a meaningful result during the 64th Session of the General Assembly, so as to make the Security Council more representative, credible and effective for meeting the challenges of the new century.

19. The two Prime Ministers reaffirmed that an ambitious and balanced conclusion of the WTO Doha Round in 2010 will play an important role in responding to the global economic crisis and committed to working together towards this end.

20. The two Prime Ministers valued the G-20 as the premier forum for our

international economic cooperation and commended its timely and strong policy response in the crisis. They welcomed the Framework for Strong, Sustainable and Balanced Growth launched at Pittsburgh and looked forward to its implementation. They reiterated the importance of the comprehensive package of regulatory measures to prevent recurrence of the crisis. Both sides welcomed the Pittsburgh Summit's focus to address reforms of the international financial institutions (IFIs) in order to improve their credibility, governance and effectiveness, and looked forward to its implementation within the agreed timelines. Both sides reaffirmed their commitment to eschewing protectionism in all its forms covering trade in goods and services as well as investment and financial flows. In a spirit of friendship and cooperation, they looked forward to further working closely together, as well as with others.

21. The two Prime Ministers reiterated the condemnation of terrorism in all its forms and manifestations, committed by whomever, wherever and for whatever purpose. They reaffirmed the importance both countries attach to counter-terrorism cooperation in the United Nations, and affirmed to continue working towards the finalization of the Comprehensive Convention on International Terrorism. Prime Minister Hatoyama expressed strong condemnation of the terror attacks in Mumbai last year. The two Prime Ministers emphasized the utmost importance of bringing the perpetrators of the terrorist attack to justice. Japan expressed its support for India's efforts to become a member of the Financial Action Task Force (FATF). At the bilateral level, they underlined their determination to strengthen co-operation through the Joint Working Group on Counter-Terrorism.

22. The two Prime Ministers reaffirmed their support for the East Asia Summit as an open, inclusive, transparent and forward looking forum. The two Prime Ministers welcomed the decision of the EAS Economic Ministers to task the Senior Economic Officials to discuss and consider the recommendations in the Phase I and II reports on Comprehensive Economic Partnership in East Asia (CEPEA). The two Prime Ministers welcomed the efforts by Economic Research Institute of ASEAN and East Asia (ERIA) for promoting economic growth in East Asia, focusing on such areas as facilitating sub-regional development, expanding the middle class and stimulating consumer market, and for working with the ADB and the ASEAN Secretariat to accelerate the completion of a "Comprehensive Asian Development Plan" in order to enhance the connectivity of the region.

23. The two Prime Ministers re-affirmed their commitment to work together

in the framework of regional cooperation. Prime Minister Singh noted with appreciation Prime Minister Hatoyama's initiative for an East Asian community.

24. Prime Minister Hatoyama welcomed India's initiative in the East Asia Summit process to establish the Nalanda University as a non-State, non-profit, secular and self-governing international institution with a continental focus to enable students from all countries of Asia to acquire liberal and human education. They acknowledged that this initiative will strengthen the cultural and civilizational bonds between the countries of Asia.

25. Prime Minister Hatoyama expressed his appreciation for the warm welcome by Prime Minister Singh. Prime Minister Hatoyama extended his invitation to Prime Minister Singh for their next Annual Bilateral Summit in Japan next year at a mutually convenient date to be decided through diplomatic channels. Prime Minister Singh accepted the invitation with pleasure.



**478. Action Plan to advance Security Cooperation based on the Joint Declaration on Security Cooperation between Japan and India.**

**29.12.2009**

**1. Strengthening Cooperation on Issues of Common Strategic Interest**

- Consolidate the Global and Strategic Partnership
- Enhance information exchange and policy coordination on security issues in the Asia Pacific region and on long term strategic and global issues on the basis of the Joint Declaration on Security Cooperation
- Promote open, transparent and inclusive regional cooperation in Asia, in both economic and security fields
- Pursue bilateral cooperation in existing multilateral frameworks in Asia, in particular the East Asia Summit, ASEAN Regional Forum (ARF) and Regional Cooperation Agreement on combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) processes

**2. Strategic Cooperation Mechanisms**

- Annual Strategic dialogue at Foreign Minister-level
- Regular Consultations between National Security Advisor of India and Japanese Counterpart
- Annual Subcabinet/Senior Officials 2+2 dialogue (Ministry of Foreign Affairs and Ministry of Defence of Japan / Ministry of External Affairs and Ministry of Defence of India)
- Foreign Secretary / Vice Minister level Dialogue (Basically twice a year)
- Foreign Office Consultations (Basically once a year)
- Annual Comprehensive Security Dialogue at the level of Joint Secretary, Ministry of External Affairs (MEA) and Ministry of Defence (MOD) of India / Director General, Ministry of Foreign Affairs (MOFA) and Ministry of Defence (MOD) of Japan

- Maritime Security Dialogue
- Annual Track 1.5 Strategic Dialogue
- Consultation on regional issues between Foreign Office and Embassy at Capital Basis

### **3. Defence Cooperation**

- Regular meetings between the Ministers of Defence
- Annual Defence Policy Dialogue at the level of Defence Secretary / Administrative Vice-Minister of Defence
- Annual Military-to-Military Talks between Joint Secretary, MOD of India and Deputy Director General, MOD of Japan
- Regular reciprocal visits between Service Chiefs of both sides
- Regular Ground-to-Ground Staff Talks
- Navy-to-Navy Staff Talks (basically once a year)
- Developing of Annual Calendar of Defence Cooperation and Exchanges

#### **(1) Exercises**

- Annual bilateral naval exercises, alternately off India and Japan, to enhance cooperation and core capabilities for maritime operation and disaster relief
- Multilateral Naval Exercises, when possible
- Passing Exercise (PASSEX) during ship visits
- Participation as observers in major army and air force exercises

#### **(2) Non traditional security threats**

- Exercise, exchanges and training on issues such as anti-piracy and transnational crimes
- Cooperation in anti-piracy operations between the Indian Navy and the Japanese Self Defense Force



**(3) Exchanges/Seminars**

- Student / researchers exchange for respective defence institutions (including National Defence College, Defence Services Staff College and Institute for Defence Studies and Analysis of India , National Institute for Defense Studies, Japan Ground Self Defense Force Staff College and Japan Maritime Self Defense Force Staff College)
- Participation in major defence seminars/fora/training courses/shows
- Exchange of cadets/young officers through ship rider programmes and training seminars/interactions

**4. Coast Guard Cooperation**

- The two Coast Guards will continue to promote cooperation to ensure maritime safety, maritime security and to protect marine environment through joint exercise and meeting between the two Coast Guards according to the Memorandum on Cooperation between the Japan Coast Guard and the Indian Coast Guard. The two Coast Guards will implement concrete measures based on the bilateral coordination and agreement on subjects such as the content and timing of such cooperation.

**5. Safety of Transport**

- Shipping Policy Forum to be conducted between Ministry of Land, Infrastructure, Transport and Tourism (MLIT) of Japan and Ministry of Shipping of India, with participation from the private sector
- Consultation between Railway authorities of MLIT of Japan and Ministry of Railways of India

**6. Information Exchange and cooperation in fight against terrorism and other transnational crimes**

- Mechanism for intelligence exchange and technical cooperation on counter terrorism such as Joint Working Group on Counter terrorism, including intelligence exchange and technical cooperation, led by MEA of India and MOFA of Japan, with participation from concerned Government Agencies
- Establishment of information exchange framework between the two Financial Intelligence Unites (FIUs) on money laundering and terrorist financing

- Workshops/training

#### **7. Cooperation at the United Nations**

- Regular dialogue and cooperation on UN reform, including early realization of permanent membership of the UN Security Council of India and Japan, at the level of Deputy Vice Minister, MOFA/ Additional Secretary, MEA
- Mutual dispatch of lecturers / participants to UN peacekeeping operation related-seminars hosted by each side and exchange of experiences / information related to staff training
- Regular Dialogue and cooperation on UN peacekeeping operations, including exchanges between Japanese Central Readiness Force / International Peace Cooperation Activities Training Unit and Centre for UN Peacekeeping (CUNPK) / Units experienced in peacekeeping operations from India, training of Japanese officers at the CUNPK, and sharing experience in and information on UN Peacekeeping operations and peace building.

#### **8. Disaster Management**

- Cooperation to develop Tsunami Disaster Map of India between MLIT of Japan and Ministry of Home Affairs (MHA) of India
- Cooperation to expand the capability of Asian countries to advance their ability to provide a rapid, coordinated and effective Disaster response through an active participation in the next ARF Field Exercise to be held in Indonesia in 2011
- Capacity Building through the Workshop on Water-related Disaster management conducted by the International Center for Water Hazard and Risk Management (ICHARM) of Japan
- Sharing experience in landslide disaster prevention between National Institute of Land and Infrastructure Management (NILIM) , Public Works Research Institute (PWRI) of Japan and National Institute of Disaster Management (NIDM) of India
- Capacity Building for disaster management and sharing Japanese experience on disaster relief through training programmes conducted by Japan International Cooperation Agency (JICA)

- Dialogue between National Disaster Management Authorities (NDMA) of India and Cabinet Office of Japan through Asian Disaster Reducing Centre (ADRC) for sharing information on disaster prevention and preparedness
- Participation as observers in Japan's nationwide disaster management drill
- Sharing of disaster-related information between Japan Aerospace Exploration Agency (JAXA) and Indian Space Research Organisation (ISRO) through "Sentinel Asia" process.

**9. Cooperation on disarmament and non-proliferation**

- Annual Dialogue on disarmament and non-proliferation at the level of Joint Secretary, MEA/Director General of MOFA



**KOREA, DPR**

**479. Statement by the Counsellor at the Permanent Mission at the UN Dr. Anupam Ray on Agenda Item 3-First regular session 2009 of the Executive Board of UNDP/UNFPA: Resumption of UNDP Country Programme in Democratic People's Republic of Korea.**

**New York, January 21, 2009.**

Please see Document No.719.

**480. Response of Official Spokesperson to a question on the satellite launched by the DPRK.****New Delhi, April 6, 2009.**

We have seen reports that variously describe the missile launch by the Democratic People's Republic of Korea as a satellite launch or a ballistic missile test. The issue is presently under consideration in the UN Security Council. We are concerned at the possible destabilizing effect of these events in a volatile region.

While it is for the Security Council to come to a conclusion on the nature of the event and its relationship to its earlier resolutions, we hope that responses by all concerned will be restrained and proportionate\*.



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\* The Democratic People's Republic of Korea had on April 5 announced the "successful" launch of an indigenous communications satellite while the scepticism about DPRK's "claim" lingered for hours after the satellite was "placed in orbit." An official spokesman in Tokyo described the event as the launch of a "flying object." It may be recalled that Japan, South Korea, and the United States were already in a state of military alert against the possibility of such a launch. The DPRK's state news agency, as monitored in Seoul, said a home-made three-stage rocket, Unha-2 (Milky Way), carrying the satellite, lifted off the launch pad at 11.20 a.m. local time. And, the satellite, with an unspecified profile, was safely put in orbit, nine minutes and two seconds thereafter. The controversial launch, however, set the stage for an emergency session of the United Nations Security Council. Led by the United States, several countries denounced North Korea for its implicit action of testing a dual-use rocket with potential military applications. South Korea pledged to take "concrete counter-measures." Japan took the initiative for the emergency U.N. debate. Japanese spokesman Yasuhisa Kawamura described the action in "clear violation of the [relevant] U.N. Security Council Resolutions." Regardless of Pyongyang's latest versions, Mr. Kawamura said, the Resolutions, passed after its earlier missile and nuclear-weapon tests, "clearly prohibit North Korea from developing ballistic missile technology." The Japanese maintained that it was likely to negatively impact the peace and stability in East Asia. So, the focus now was to ensure "appropriate action by the Security Council."

**481. Media Report on the Indian reaction to the conduct of a nuclear test by the Democratic People's Republic of Korea.**

**New Delhi, May 25, 2009.**

External Affairs Minister S.M. Krishna in a statement said: "Like others in the international community we are concerned at the adverse effect on peace and security in that region of such tests. We continue to monitor the situation."

Defence Minister A.K. Antony on May 25 described the nuclear test by North Korea as a "development of serious concern" not just for India but the entire world. "This is a development of serious concern. India is very much against nuclear proliferation. It is a matter of serious concern not only to India but also to the entire world," Mr. Antony said in response to a question on North Korea conducting the nuclear test. Mr. Antony said the security scenario around India was becoming more and more challenging. "Developments around us are a cause for serious concern. So eternal vigilance is a must."



**KOREA, REPUBLIC OF**

**482. Response of the Official Spokesperson to a question on bail to Indian sailors by the Supreme Court of the Republic of Korea.**

**New Delhi, January 15, 2009.**

In response to a question about bail to two Indian nationals by the Supreme Court of the Republic of Korea, the Official Spokesperson said:

We were informed by our Embassy in the Republic of Korea earlier today that the request for bail for the two Indian nationals, Captain J. S. Chawla and Chief Officer Chetan Syam, has been granted today by the Supreme Court. The process for release of the two Indian nationals from the detention centre is complete. The Government of India welcomes this decision and hopes that the Supreme Court will conduct an expeditious hearing of the Appeal against the verdict of the Daejon High Court, and that all aspects of the case will be carefully considered in order to have an early and fair conclusion of this case.

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\* For background to the case please see India's Foreign Relations - 2008 - Documents. Document No. 392 page 1632-33.

The Government of India will continue to pursue the matter further with the Government of the Republic of Korea in the backdrop of the close and cordial relations that exist between the two countries.



**483. Reaction of the Government of India to the Indian seafarers being cleared by South Korean High Court.**

**New Delhi, June 11, 2009.**

Government of India welcomes the verdict of the Daejon High Court, Republic of Korea, delivered on 11 June 2009 in which the two Indian seafarers - Captain J. S. Chawla and Chief Officer Chetan Syam of the marine vessel "Hebei Spirit" have been held "not guilty" on the charge of criminal negligence leading to destruction of property. This verdict once again vindicates the position of the two Indian seafarers that there was no criminal negligence on their part in the accident involving their ship.

Government of India understands that the lawyers of the Indian seafarers have already approached the Prosecution for lifting the exit ban on them.

It is hoped that the exit ban on the two seafarers will be lifted and that they will be able to return home soon.



**484. Press Release issued by the Ministry of Commerce and Industry on the signing of the Comprehensive Economic Partnership Agreement with the Republic of Korea.**

**New Delhi, August 7, 2009**

India today signed a Comprehensive Economic Partnership Agreement (CEPA) with Republic of Korea. The Agreement on behalf of Government of India was signed by Shri Anand Sharma, Commerce and Industry Minister, in Seoul. Mr. Kim Jong-hoon, Korean Trade Minister signed the Agreement on behalf of Republic of Korea. This is India's second comprehensive deal with any country, first being with Singapore in 2005. This is also India's first Free Trade Agreement with an OECD country. CEPA is more than Free Trade Agreement as it covers not only Trade in Goods but also Investments, Services and Bilateral Cooperation in other areas of common interest.

Under the CEPA Agreement, tariffs will be reduced or eliminated on 93% of Korea's tariff lines and 85% of India's tariff lines. It will facilitate Trade in Services through additional commitments made by both countries to ease movement of Independent Professional and Contractual Service Suppliers. Both countries have committed to provide national treatment and protect each other's investments to give a boost to bilateral investments in all sectors except these specifically exempted from it.

The CEPA will come into force after it is ratified by the Korean National Assembly and the notifications to bring it into effect are made by the two countries.



**485. Press Release issued by the Indian Ministry of External Affairs on the visit of Foreign Minister of the Republic of Korea.**

**New Delhi, June 23, 2009.**

The Minister of Foreign Affairs and Trade of the Republic of Korea, His Excellency Mr. Yu Myung-hwan, paid an official visit to India on 23rd June 2009. He held delegation level talks with the External Affairs Minister. He also called on the Prime Minister and had a separate meeting with the Minister of Commerce and Industry.

2. During the official talks, the External Affairs Minister and the Minister of Foreign Affairs and Trade of the ROK reviewed the state of bilateral relations in a warm and cordial atmosphere. The two sides also reiterated their commitment to further strengthening the Long-term Cooperative Partnership for Peace and Prosperity that was established between the two countries in 2004.

3. They agreed on the importance of having regular high level political level contacts and exchanges, and discussed proposals in this regard. The two Ministers also emphasized that the official dialogue mechanisms established by the two sides should continue to meet on a regular basis. They also discussed economic and commercial relations between India and the ROK, and expressed their happiness that the two sides are close to concluding a bilateral Comprehensive Economic Partnership Agreement, which will give a further boost to the expanding economic partnership between the two countries.

4. The ROK Foreign Minister expressed happiness at the steady expansion of bilateral trade (US\$ 15 billion according to Korean Customs Statistics), and also said that a growing number of Korean companies are looking at investing in India. The External Affairs Minister welcomed Korean investment in India. He conveyed that Government attaches priority to ensuring that Korean companies have a conducive investment environment. He also expressed the hope that other agreements that are under negotiation between the two sides, including a revised Double Taxation Avoidance Convention, can be concluded as soon as possible. The two Ministers also discussed ways of enhancing functional cooperation between India and ROK, including in civil aviation, shipping, energy and culture.

5. The two sides exchanged views on regional and international issues of mutual concern and importance. The Korean Foreign Minister briefed External Affairs Minister about the situation in the Korean peninsula. The two Ministers shared the view that it is important for the DPRK to return to the Six-Party Talks. The External Affairs Minister also briefed the ROK Foreign Minister on the situation in India's neighbourhood.

6. H.E. Mr. Yu Myung-hwan has extended an invitation to External Affairs Minister to visit Republic of Korea at a mutually convenient time. The External Affairs Minister has accepted the invitation. The dates will be worked out through the normal diplomatic channels.



## **MALAYSIA**

### **486. Extract relevant to Malaysia from the Media Briefing by Foreign Secretary Shivshankar Menon on the conclusion of the NAM Summit.**

**Sharm El-Sheikh, July 15, 2009.**

..... Prime Minister met with the Prime Minister of Malaysia where again they reviewed the bilateral relationship. We have a very active bilateral relationship. As you know, we have finalized a Free Trade Agreement with ASEAN. It is now just a question of a formal signing to bring it into force. There are several joint projects of Malaysian investments in India and Indian investments in Malaysia as well. There is a large Indian community in



Malaysia. So, they discussed those issues of how we encourage that. He also spoke of Malaysian companies thinking of investing in power production in India to serve the Indian market. There were several other ideas like that which were discussed. Prime Minister was also invited to visit Malaysia, an invitation that he accepted. But we will have to set dates through diplomatic channels.

(For full text of the briefing please see Document No.232.)



## **MONGOLIA**

### **487. Statement of Prime Minister Dr. Manmohan Singh to the Media on the State Visit of the Mongolian President.**

**New Delhi, September 14, 2009.**

It is an honour for me to welcome the President of Mongolia, His Excellency President Elbegdorj to India. This is not only President's first visit to India, but also his first visit overseas after his election as the President of Mongolia in June 2009. This is a clear testimony to the great importance that both sides attach to our bilateral relations.

Our relations with Mongolia have strong historical and spiritual roots. They are characterized by warmth and deep friendship. The 1994 Treaty of Friendly Relations and Cooperation provides the guiding principles for developing our relations.

I have had extremely productive discussions with President Elbegdorj. We reviewed the entire gamut of our bilateral relations, and discussed regional and international issues of mutual interest. I conveyed to the President that relations with Mongolia are an important pillar of our policy in the Asia-Pacific region.

We have today decided to update our bilateral ties to the level of a "Comprehensive Partnership". The Joint Declaration that will be issued charts out the future course of our relations.

We have signed Agreements in the field of peaceful uses of radioactive minerals and nuclear energy, health, culture and statistics. India will provide Mongolia a soft loan of 25 million US dollars to help it to stabilise its economy in the wake of the global financial crisis.

In the area of human resources development and capacity building, we will double the number of annual slots for Mongolia under our ITEC programme from 60 to 120. I have assured the President of our readiness to assist Mongolia in the field of education, particularly in the teaching of English language, and information technology. We will assist Mongolia in the establishment of an Information Technology Centre. We see great potential for deeper cooperation in the areas of mining and agriculture.

We have agreed to increase our trade, investment and economic exchanges, building upon the Bilateral Investment Protection and Double Taxation Avoidance Agreements that are already in place.

We also attach importance to our expanding defence exchanges and cooperation with Mongolia, including regular joint exercises between our armies. We have agreed to strengthen our cooperation in this area.

We have agreed to continue to work together closely on regional and international issues, including combating terrorism and reform of the United Nations Security Council, to advance our shared interests.

The President has invited me to visit Mongolia. I am most grateful for this invitation and accept it with pleasure.

President Elbegdorj's visit to India has opened a new chapter in our relations.



**488. Joint Declaration on the Comprehensive Partnership between India and Mongolia issued on the occasion of the visit of the Mongolian President Tsakhiagiin Elbegdorj.**

**New Delhi, September 14, 2009.**

1. The President of Mongolia, His Excellency Mr. Tsakhiagiin Elbegdorj is presently on a State Visit to India from September 13 to 16 2009 at the invitation of the President of the Republic of India, Her Excellency Shrimati Pratibha Patil.
2. The President of Mongolia was accorded a ceremonial welcome at the Rashtrapati Bhawan on 14 September 2009, and also had a meeting with the President of India. The Presidents of India and Mongolia reviewed bilateral relations and exchanged views on recent regional and international developments of mutual interest.
3. The Vice President of India and the Minister of External Affairs called on the President of Mongolia.
4. The President of Mongolia held delegation level discussions with the Prime Minister of India. Both sides agreed that the Treaty of Friendly Relations and Cooperation between the Republic of India and Mongolia signed in 1994 constitutes the firm foundation for bilateral relations. They noted with satisfaction the all-round progress in the bilateral relationship since the visit of the Prime Minister of Mongolia to India in January 2004. They were in complete agreement that the decision to elevate bilateral relations to a new level of partnership, which was decided during that visit, has strengthened bilateral relations.
5. The two sides acknowledged the excellent state of political relations based on historical and cultural ties, common democratic traditions and a shared desire for regional peace and stability.
6. Both parties agreed to upgrade the level of bilateral relations to a Comprehensive Partnership and shared a broad consensus on the future direction of India-Mongolia relations. They have reached the following understandings:
  - (1) Regular exchange of high level visits between the two countries.
  - (2) Regular consultations between the Foreign Ministries of the two countries. The Foreign Affairs and Trade Minister of Mongolia will visit India at a mutually convenient time in 2010. The two sides will

also hold the next meeting of the Joint Committee on Cooperation in New Delhi at an early date.

- (3) Development of defence exchanges and cooperation on the basis of the Agreement on Cooperation in Defence Matters signed in 2001. The 5th joint military exercise will be held in Mongolia later this month. The 3rd meeting of the Joint Working Group on Defence Cooperation will be held in Ulaanbaatar at a mutually convenient time in 2010.
- (4) Regular consultations between the National Security Councils of India and Mongolia on issues of mutual interest in regional and multilateral affairs, including on the subject of cooperation against terrorism.
- (5) Promotion of greater trade and economic activity between the two countries.
- (6) Participation of Indian companies through joint venture and investment in the mining sector in Mongolia. A delegation from India has been invited to Mongolia to discuss the prospects for such cooperation.
- (7) Exploring cooperation in the area of agriculture, including through the deputation of Indian experts to assist Mongolia in enhancing output through high yield crops.
- (8) To double the number of slots to 120 in recognition of the importance that the Government of Mongolia attaches to the training of their students in India under the Indian Technical & Economic Cooperation (ITEC) Programme. The Ministry of External Affairs will also provide 3 slots annually to the Foreign Ministry of Mongolia in the Professional Courses for Foreign Diplomats at the Foreign Service Institute of India.

7. The Government of Mongolia has requested the Government of India for economic assistance to mitigate the adverse impact of the global financial crisis. The Government of India has agreed to the request of the Government of Mongolia for a soft loan of US\$ 25 million to assist in the stabilization of the economy.

8. The two sides attach importance to cooperation with Mongolia in the field of education on the basis of the Memorandum of Understanding signed in 2003. They agree that the teaching assistance provided by India has contributed to the development of cooperation in this area. In pursuance of this cooperation, the Government of India has agreed to consider the request of the Mongolian side for financial assistance for the construction of a school building in Ulaanbaatar for the India-Mongolia Joint School after the Mongolian side makes a specific proposal. The Government of India also

agrees to give positive consideration to the request of the Mongolian side for the provision of additional teaching staff by India when the necessary infrastructure has been established.

9. The two parties have agreed to cooperate in information and communications technology sector through exchanges between businesses, research and educational institutions, government agencies and other organizations. The Mongolian side requested India to assist in launching an IT education and outsourcing centre and a national monitoring centre for detection and prevention of intrusion. The Indian side expressed its willingness to consider these proposals, including assistance through a Line of Credit, at the next meeting of the India-Mongolia Joint Committee.

10. The two sides also agreed that the historical, cultural and spiritual links between India and Mongolia are important and need to be nurtured through the promotion of tourism and culture. They welcomed the signing of a new Cultural Exchange Programme for the years 2009 to 2012. They welcomed the establishment of a Mongolian Monastery in Bodhgaya, and decided to strengthen exchanges in the field of Buddhism, including Buddhist studies, in order to preserve this common heritage. The Indian side welcomed the growing number of Mongolian students who are coming to India for educational purposes.

11. The two sides share a complete identity of views on regional and multilateral matters. Both sides reiterated their readiness to enhance their cooperation on issues related to peace and stability in the Asia-Pacific region, including through enhanced interaction at multilateral forums such as the ASEAN Regional Forum (ARF) and the Asia Europe Meeting (ASEM).

12. The Government of Mongolia reiterated its complete support to India's candidature for permanent membership of the UN Security Council when the expansion takes place. The Government of India expressed its appreciation to the Government of Mongolia for this expression of support and for the expression of support to India's candidature for election to the non-permanent seat for 2011-2012.

13. Both India and Mongolia strongly condemn the menace of international terrorism and its devastating effect on democratic societies and on human civilization itself. They affirmed that there can be no justification for terrorism, and reiterated their resolve to work towards strengthening of the global consensus and legal regimes against terrorism, including early finalization of a Comprehensive Convention on International Terrorism.

14. The following agreements were signed during the visit:
- (1) Agreement on Cooperation in the Field of Health
  - (2) Agreement on Stabilization Loan Assistance
  - (3) Memorandum of Understanding on Cooperation in the Field of Statistics
  - (4) Memorandum of Understanding on Cooperation in the Field of Peaceful Use of Radioactive Minerals & Nuclear Energy\*
  - (5) Cultural Exchange Programme for 2009-2012
15. The two sides agreed that the State Visit of the President of Mongolia has strengthened the traditionally friendly and cooperative relations between the two countries, and will provide impetus for the further development of the bilateral partnership. The President of Mongolia has invited the President, Vice President and Prime Minister of the Republic of India to visit Mongolia at a mutually convenient time. The invitations were accepted with appreciation. The timing of these visits will be decided through diplomatic channels.



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\* The agreement for peaceful uses of radioactive minerals and nuclear energy with Mongolia makes Mongolia the sixth country after the U.S., Russia, France, Kazakhstan, and Namibia to sign the civil nuclear pact with India after the 45-member Nuclear Suppliers Group lifted the ban. "We have today decided to update our bilateral ties to the level of a 'Comprehensive Partnership.' We have signed agreements in the field of peaceful uses of radioactive minerals and nuclear energy, health, culture, and statistics. India will provide Mongolia a soft loan of \$25 million to help it stabilise its economy in the wake of the global financial crisis," Prime Minister said. He said India attached importance to its expanding defence exchanges and cooperation with Mongolia, including regular joint exercises between their armies, and agreed to strengthen cooperation in this area. Dr. Singh said Mr. Elbegdorj's visit to India, his first overseas tour after elections in June this year, opened a new chapter in India-Mongolia relations.

**489. Speech by President Smt. Pratibha Devisingh Patil at the Banquet in honour of Mongolian President Tsakhiagiin Elbegdorj.**

**New Delhi, September 14, 2009.**

Your Excellency President Elbegdorj,

Madam Bolormaa,

Excellencies,

Ladies and Gentlemen,

It gives me immense pleasure to welcome you and your delegation to India. We are honoured that India is the first country that Your Excellency is visiting after assuming the office of the President of Mongolia in June 2009. You represent a nation and a people with whom India has interacted since time immemorial.

The history of Mongolia fascinates people all around the world, as it shaped the course of history in large parts of Asia and Europe. The cultural and spiritual contacts between India and Mongolia are deep-rooted and go back to ancient times. The message of Lord Buddha was carried from India to your country and adopted with reverence. Buddhism acquired a unique Mongolian identity and continues to provide a close link between our two cultures. As we forge ahead, this enduring cultural relationship provides us with a solid foundation for economic, scientific and technological cooperation between our two countries.

Harmony and tolerance are ingrained in the Indian ethos and tradition. These values are at the root of our pluralistic society and our secular way of life. Also our ancient culture, our humanistic traditions and a long history of indigenous local institutions have enabled us to successfully conduct a democratic system of governance.

We appreciate and welcome the evolution and flourishing of democracy in Mongolia. Your leadership, statesmanship and grass-roots work in strengthening the civil society movement, human rights, freedom of speech and democratic aspirations, are indeed commendable.

Within the framework of democracy, both India and Mongolia are undergoing rapid economic and technological development and social transformation. In this atmosphere both our countries are engaged in mutually beneficial

economic, political and cultural cooperation. We would like to further broaden and deepen people- to-people contacts especially at the level of parliamentarians, scholars, students, artists, scientists and businessmen of our two countries.

India is committed to development and inclusive growth. Our effort is to harness science and technology, in particular Information Technology, to empower people, especially women. The Government has taken a decision to set up a National Mission on the Socio-Economic Empowerment of Women. I understand Mongolia is equally committed to fast economic growth and bringing about all-round development of the country. India stands committed to assist Mongolia in these endeavours and to share with you our experiences and achievements in these areas.

Excellency, I am glad to know that during your visit a number of agreements have been signed between our two countries for cooperation in various fields. I am confident that these Agreements will further strengthen and broaden our friendly cooperation.

India and Mongolia share common views on international peace, security and development. We are both against the menace of international terrorism that is afflicting our region. We are committed to cooperating to build a just and peaceful world order and for that purpose, to restructure the United Nations in order to reflect the interests and aspirations of the developing countries. We deeply appreciate your support for our aspirations to be represented in a reformed Security Council of the United Nations.

Excellency, we look forward to cooperating with Mongolia for the benefit of our two countries and for the resurgence of our continent, Asia, so that the 21st Century is the Century of Asia.

Excellencies, Ladies and Gentlemen, I now invite you to join me in a toast to:-

- the good health, well-being and success of His Excellency the President of Mongolia, Mr. Tsakhiagiin Elbegdorj and Madam Bolormaa;
- the continued progress and prosperity of the people of Mongolia; and
- the everlasting friendship and cooperation between our two countries and peoples.





**MYANMAR****490. Speech by Vice President M. Hamid Ansari at the Banquet hosted in his honour by Vice Senior General Maung Aye, Vice Chairman of the State Peace and Development Council of Myanmar.****Nay Pai Taw (Myanmar), February 5, 2009.**

Allow me, at the outset to thank you and your gracious wife for the generosity of your hospitality. My wife and I, and indeed my entire delegation, deem it a privilege to visit this great country - a neighbour with which we share our heritage, culture and history.

Excellency

In recent years we have made great strides in our bilateral relations that have truly become multi-faceted. The agreements, whose signing we witnessed today, are a symbol of the immense potential that exists in our bilateral engagement. And in this effort, I place on record our appreciation of the important role that you have personally played in nurturing it.

Your visit to India in 2000 marked the beginning of a series of initiatives designed to bring our peoples closer. Your landmark visit last year signaled the desire of our two countries to build on the commonalities and synergies, promote peace and security on our borders and undertake developmental projects and initiatives.

It is but natural that when friends meet, the talks are permeated with a spirit of friendship and mutual understanding. This was indeed so this afternoon. We have pledged to work together to strengthen our bilateral relations in the months and years to come. We share with you a vision of a partnership based on friendship and mutually beneficial cooperation.

The Kaladan Multi-modal project, which was signed during Your Excellency's visit to India, promises to be the cornerstone in our efforts to develop infrastructure projects for cross-border benefits. The importance of enhancing interaction between North East States of India and Myanmar cannot be overemphasized and you occupy a central place in our "Look East Policy".

Tomorrow, we shall witness the launching of yet another landmark project - the Myanmar-India Entrepreneurship Development Centre in Yangon. We believe that this Centre, along with the proposed Centre for English Language Training and the Centre for Enhancement of IT Skills, will become centres of excellence and enable the people of Myanmar to share in, and benefit from, India's developmental experience.

Excellency

Our economic engagement has expanded to embrace both our public and private sectors. Several positive developments have taken place recently in

the areas of trade, investment, power, oil and natural gas, manufacturing, IT and the vocational training sectors. It was in recognition of this growing engagement that I have brought with me a high level business delegation. I am confident that their presence will lead to opening up of new opportunities in our investment and trade relations.

Excellencies, ladies and gentlemen, may I now request you all to join me in a toast:

- to the health and happiness of Vice Senior General Maung Aye and his gracious wife, Madame Mya Mya San;
- to the friendly people of the Union of Myanmar;
- to the continuing friendship, prosperity and cooperation between India and Myanmar.



**491. Address by Vice President M. Hamid Ansari at the inauguration of the Myanmar-India Entrepreneurship Development Centre.**

**Yangon, February 6, 2009.**

Distinguished Guests

Ladies and gentlemen

Entrepreneurship was indeed an ancient theme in Indian history. The great Indian political philosopher Kautilya wrote in the Arthashastra: "The king shall ever be active and discharge his duties; the root of wealth is activity, and of evil its reverse."

Today, a young India sees opportunity all around. The 21st century has come to be defined by the dynamism of its entrepreneurs and enterprises. They have created opportunities where none existed earlier. Their activities have cut across boundaries, encompassing an ever widening global arena. To seize these opportunities, countries need adequate entrepreneurial capacity, beginning with small and micro enterprises and eventually leading on to bigger and stronger enterprises. The growth of entrepreneurs is being seen as a more sustainable approach towards addressing some of the more intractable problems of a developing economy, including unemployment and poverty.

We are here today to mark the launch of an important initiative towards the creation of such an entrepreneurial base in this country. The Myanmar-India Entrepreneurship Development Centre is intended to share our developmental experience - with all the problems faced and successes achieved - with the people of Myanmar.

Myanmar abounds in natural resources, such as gas, minerals, forest products and agro-products. This Centre aims at creating a pool of entrepreneurs who can transform these resources into marketable commodities, thus enriching themselves and the country as a whole. I have no doubt that this Centre will spearhead the entrepreneurship development movement in Myanmar and facilitate the creation of viable and competitive new enterprises and new job opportunities. This Centre will also help existing enterprises to face new challenges of global competition.

It is our hope that the MIEDC, together with the recently established Centre for Enhancement of IT Skills and the soon-to-be established Centre for English Language Training would provide a comprehensive infrastructure for training of Myanmar's youth and equip them with essential skills for participating in the global economy.

I would like to compliment the Entrepreneurship Development Institute of India, entrusted with setting up this Centre, for its professionalism and for a job well done. I would also like to thank the Government of Myanmar for its help and cooperation in realising this project.

It is with much happiness that I declare this Centre open.



**492. Response of the Official Spokesperson of the Ministry of External Affairs on sentencing of Daw Aung San Suu Kyi. New Delhi, August 11, 2009.**

We have seen reports of the sentencing of Daw Aung San Suu Kyi in Myanmar for a period of eighteen months.

India has emphasised to the Government of Myanmar the need to expedite their political reform and national reconciliation process and have noted the various steps taken so far by the Government of Myanmar in this direction.

We have maintained that this process should be broad based, including the various ethnic groups. In this context, the issue of release of political prisoners will no doubt receive due attention\*.



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\* Ms. Suu Kyi has already served nearly 14 years of house arrest since she was prevented by the military rulers from forming and leading a government after her National League for Democracy's big win in the 1990 election. The last phase of her house arrest ended on May 27; but before that day itself, she was put on trial for an alleged violation of the restrictions that were imposed on her. She was accused of extending hospitality to American John Yettaw, who swam to her lakeside residence and stayed at her place for two days, when she was still under house arrest.

**NEW ZEALAND****493. Press Release of the Ministry of Commerce on the talks between the Commerce and Industry Minister Kamal Nath and New Zealand Trade Minister Tim Groser.****New Delhi, February 2, 2009.**

Shri Kamal Nath, Union Minister for Commerce and Industry, and Mr. Tim Groser, Trade Minister of New Zealand, during the bilateral meeting here today, agreed for an early commencement of Free Trade Agreement (FTA) negotiations between India and New Zealand, subject to the approval process of both the countries. Both the Ministers noted that the Joint Study Group (JSG) Report demonstrates considerable potential that exists to substantially develop the bilateral trade and economic relationship further, and that this would be significantly enhanced by a bilateral Free Trade Agreement.

During the interaction, Shri Kamal Nath informed the visiting New Zealand Minister that during 2007-08, India's exports to New Zealand was valued at US \$ 159 million and imports from New Zealand were US \$ 336 million taking the total trade to around US \$ 0.5 billion and added that in the current financial year, the bilateral trade has already reached US \$ 394 million in the first 7 months at a growth rate of 40%. Major items of India's exports to New Zealand are gems & jewellery, medicines, textiles, iron & steel products tyres and parts of aeroplanes/helicopters. Major items of New Zealand's exports are coal, wool, wood, metal waste/scrap, and raw skins/hides.

Speaking on the WTO Doha Round Negotiations, Shri Nath emphasised that India has been engaging constructively and actively with other fellow member countries for an early conclusion, provided the developed countries are willing to show necessary flexibility and added "it is expected that based on these negotiations, further revised texts would be brought out during March/April 2009."

FDI inflows from New Zealand to India have been US \$ 16.8 million. This investment has been mainly in power, food processing industries and computer software/hardware sectors. Presently, CMC, Mahindra and HCL Technologies have a presence in New Zealand market. Dr Reddy's Laboratories are also in the process of making an investment in New Zealand.



**THAILAND****494. Press Release issued by the Ministry of External Affairs on the visit of Thai Foreign Affairs Minister.****New Delhi, December 23, 2009.**

The Foreign Minister of Thailand H.E. Mr. Kasit Piromya is currently visiting India from December 22-27, 2009. The visiting Foreign Minister held a bilateral meeting along with his delegation with the External Affairs Minister on December 23, 2009. EAM also hosted a lunch in his honour.

During the discussions, the two leaders exchanged views on various issues of bilateral and multilateral interests. FM Piromya sought briefings on the recent foreign policy initiatives taken by India. EAM briefed FM Piromya about the successful visits of Prime Minister to the US and Russia. He also touched upon India's bilateral relations with the neighbouring countries and countries in the South East Asian region. FM Piromya made suggestions for increasing tourism prospects and Buddhist pilgrimage by improving connectivity between India's North Eastern region and South East Asia. He also sought details about the ASEAN Development Fund announced recently by the Prime Minister. The talks were held in a very warm and cordial atmosphere.

(FM Piromya is meeting the Commerce and Industry Minister tomorrow. He shall be leaving for Bodh Gaya and Rajgir on December 25, 2009. After visiting the site for Nalanda University, FM Piromya will return to Bangkok from Bodh Gaya on December 27, 2009.)



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - VI**

**(iii) WEST AND CENTRAL ASIA**

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**495. Inaugural Address by Minister of State Dr Shashi Tharoor at International Seminar on "New Dimensions of Indo-Arab Relations".**

**Ernakulam (Kerala), August 11, 2009.**

Dr V A Mohandas, Principal, Maharaja's College

H.E. Dr Nouredine Bardad-Daidj, Ambassador of Algeria to India

H.E Mr Khidir Haroon Ahmed, Ambassador of Sudan to India

H.E. Dr Ahmed Salem Saleh Al-Washishi, the Chief Representative of the League of Arab States Mission in India

Dr Ebraheem Mohammad Al Batshan of the Royal Embassy of Saudi Arabia

Dr Jameela Beevi, Vice Principal

Prof VN Chandramohan, Syndicate Member of MG University

Prof Jayakumar, Syndicate Member, MG University

Dr Liaqath Ali, Head of Arabic department

Faculty Members, Ladies and Gentlemen

And my dear Students,

I am honoured and delighted to be here to inaugurate this international seminar on "New Dimensions of Indo-Arab Relations" in this prestigious college in my home State, which is also a seat of excellence of learning in India. It gives me immense pleasure to further note that this Seminar is being organized in the Maharaja's college with the support of the Policy Planning and Research Division of the Ministry of External Affairs. As some of you are no doubt aware, the Policy Planning Division of the Ministry of External Affairs undertakes studies on general foreign policy issues. For this purpose, it maintains interaction and liaison with the Area Studies Centres of the University Grants Commission. The Division also extends financial assistance to various academic institutions and think tanks located in different parts of the country for holding conferences, seminars and for research. Kerala has a long history of openness to the rest of the world and that is why we are particularly happy to be associated for this event with the Maharaja's College.



2. I am happy to see the presence of many eminent personalities here including Ambassadors and diplomats from many Arab states. This will certainly provide this Seminar an added profile. The deliberations as well as recommendations of the Seminar will carry greater weight and reach the appropriate audiences. I would like to compliment the organizers of the Seminar for their initiative and their efforts to make this a memorable event.

3. India-Arab relations is a subject close to my heart. Personally, not only have I travelled to several Arab countries in the course of my international career, but after I left my job at the UN, I was temporarily resident in Dubai in my bid to work with various institutions to bring, amongst other things, quality and affordable education to my home state of Kerala. This put me in direct contact with Arab people and I have come away very impressed not only with their intrinsic abilities and entrepreneurial skills but also with their deep sense of appreciation of the historic, cultural and civilizational ties that bind India and the Arab countries. As a student of history as well as an ardent believer in the importance of history in shaping our destiny I propose to deal today with some aspects of our historical relations with Arab countries. This will show all of us how our relations cannot be anything but excellent.

4. Our ties predate our emergence as nation states. Not only did Arabs and Indians know each other before the advent of Islam but it is said that the Arabs even played a crucial role in the emergence of the very notion of "Hindustan" and even in giving a name to the religion of Hinduism. We can argue whether it is to the Arabs, Persians or Greeks that we owe the concept of the Hindu - the people who live across the river Sindhu or Indus - but there is no doubt that the people of India were referred to as Hindus by the Arabs long before the Hindus themselves called themselves Hindus.

5. The Arabian Sea, which washes the shores of both our regions, has played a crucial role in the cultivation of our relations. India's cultural links with West Asia can be traced to the early years of recorded history. There is evidence, for instance, of trade links between the Harappan civilization and that of Dilmun in the Gulf. In pre-Islamic times, Arab traders acted as middlemen in trade between Bharuch in Gujarat and Puduchery and the Mediterranean through Alexandria and even through the Palakkad gap as evidenced in archaeological finds of Roman coins and artefacts in southern India. On-going excavations in the Red Sea coast continually produce

fresh evidence of perhaps even older links. And it is no accident that so many distinguished Arab families in many different Arab countries bear the surname al-Hindi, or that Hind is still a desirable name used by many Arab women.

6. Some scholars trace Indian studies on the hadith to the early days of the arrival of Islam in India in the South in the 7th century and in the north in the 8th century AD. Islamic scholars from the turn of the 8th Century AD to al- Baruni (d.1048 AD) have, in their writings, documented Indo-Arab cultural links, including Indian contributions to Arab thought and culture. Translations of Indian works were sponsored by the Abbasid Caliphate in Baghdad where, especially under Harun al-Rashid, Indian concepts in secular subjects ranging from medicine to mathematics and astronomy were absorbed into the corpus of Arab scientific writing. Scholars have also documented the compilation of a large number of Indian works in Quranic studies over the last 500 years as also in Islamic jurisprudence over a slightly longer period. Perhaps less remembered today is the contribution of Indians to Islamic scholarship in the medieval period. Amongst notable scholars was Shah Waliullah of Delhi and his descendants. Indeed, so important were these contributions that in an article in *West Asia and the Region* brought out last year by the Center for West Asian Studies of Jamia Millia Islamia, the following tribute from the Lebanese scholar Rasheed Rada is to be found:

*If our brothers, Indian Ulama had not taken care of the science of hadith in this period, the same would have disappeared from the Eastern countries, because that branch of knowledge had become weak in Egypt, Sham (Syria Lebanon, Jordan and Palestine), Iraq and Hijaz since the 16th century A.D and it reached its weakest point at the beginning of the 20th century A.D.*

7. Travellers between India and the Arab world were the vehicles not only for scholarly exchanges but also for cultural interaction at a popular level. Much of the Sufi tradition is the result of Indo-Arab interaction and Khwaja Moinuddin Chisti, whose shrine at Ajmer is visited by people of many faiths, was himself an Arab. Over centuries, stories from the *Panchatantra* have blended with the Fables of Aesop and stories from *Alf Laila wa Laila* or the Arabian Nights. Some Arab travellers, such as the Moroccan Ibn Batuta occasionally found themselves elevated to positions of power by their hosts; Ibn Batuta was, for a while, made the Qazi of Delhi, even though he was unfamiliar with the school of Islamic jurisprudence used in India. As Dr Liaqath Ali has reminded us, many

Arabic words can be found in several languages particularly in Hindi and Urdu.

8. The adventures of seafarers who have ridden the waves and tides of the Arabian Sea on their dhows are the stuff of legend. I have even heard that story that it was an Indian seafarer who regularly traveled between Kerala and the Arab settlements on the east coast of the African continent who might have guided Vasco da Gama to the Indian coast at Kozhikode. It is for scholars of history to debate on the accuracy of this tale, but what is not debatable is that these ties have hundreds if not thousands of years of antiquity and are responsible for the civilizational melting pots that all of us have inherited and thrived in. Another compelling example would be enough to illustrate my point and this is the worldwide use of what are known in the West as Arabic numerals, but which the Arabs themselves acknowledge they learned from India.

9. The early years of the 20th century, marked as they were by the beginning of the end of Western colonialism, witnessed much interest in the fortunes of the Arab and Islamic world within our own freedom movement. The Khilafat struggle perhaps best exemplified this. And one of our great nationalist leaders, Maulana Abul Kalam Azad, was born in Mecca and studied at the famous al-Azhar University of Egypt. The leaders of our freedom movement closely monitored developments in Egypt and other countries, a trend that was also noticeable after we gained freedom. The struggle of the FLN in Algeria and President Nasser's nationalization of the Suez Canal and the Suez Crisis of 1956 were but two important historical developments that found resonance in India's support for our fraternal Arab peoples.

10. Having said that, let me now move to our contemporary relations. Just because we have had centuries-old relations does not mean that we do not have to endeavour to sustain and nurture our present day relations. If anything, it needs more hard work by all concerned so that we are not lulled into complacency. The bedrock of goodwill between our two regions allows us to build a strong edifice of substantial contemporary relations. India considers the Arab region very important role in shaping our political, economic, defence and security policies at both the regional and global level. Let me make it very clear. Our approach on issues affecting the Arab world is based on principles, not expediency. India has endeavored to follow the spirit of South-South solidarity and cooperation in its dealings with the Gulf and Arab world. In this context, it is not surprising to note that that the number of flights to the Gulf region, for instance, is more than the total

number of flights from India to the rest of the world.

11. Whereas the world has heard of our "Look East" policy in South-East Asia, as far as the Arab world is concerned, we are proud that we have a "Look West" policy too, and "West" here does not refer to Europe or America. In keeping with our desire to strengthen our relations with the countries of the region we are trying to put in place a structure of multifaceted cooperation covering all sectors. It is a matter of satisfaction that our efforts are being matched in equal measure by the countries of the Arab world. 2008 witnessed several high-level visits, bilaterally manifesting the importance of the region in our relationship, peaking with our Prime Minister's visit to Qatar and Oman in November 2008. The visit of the Vice President of India to Kuwait in April 2009 opened up new facets for cooperation.

12. Let me take this opportunity to address one important aspect of India-Arab relations i.e. the issue of Palestine. India's solidarity with the Palestinian people and its attitude to the Palestinian question reflects, perhaps more than any other issue, the enduring nature of Indo-Arab ties. It was as early as in 1936 that the Congress Working Committee sent greetings to Palestine and on 27 September 1936 Palestine Day was first observed in India. The 1939 Session of the Indian National Congress adopted a Resolution on Palestine and looked forward to the emergence of an independent democratic state in Palestine in which Jewish rights would be protected. India was a member of the United Nations Special Committee on Palestine. In 1974, it became the first non-Arab country to recognise the Palestine Liberation Organization as the sole and legitimate representative of the Palestinian people. In March 1980, the Government of India announced in Parliament India's decision to accord full diplomatic recognition to the PLO office in New Delhi. It was after this that the late Yasser Arafat paid a three-day official visit to India in March 1980. It was during this visit that Mr. Arafat described India as "an eternal friend". In 1988, India recognised Palestine as a State. Construction of the Palestine Embassy building in New Delhi, a gift of the people and Government of India, is nearing completion. The continuing tradition of exchange of high level visits, which saw us welcoming President Bashar al-Assad of Syria in June 2008 and President Mubarak of Egypt in November 2008, also witnessed a State visit by President Mahmoud Abbas to New Delhi in October 2008.

13. India has had a consistent and unwavering record of support for the Palestinian cause since the days of our freedom struggle. Our policy is in line with United Nations Security Council Resolutions 242 of 1967 and 338

of 1973, the Quartet Roadmap and the Arab Peace Initiative. India supports a united, independent, viable, sovereign state of Palestine with East Jerusalem as its capital, living within secure and recognised borders side by side at peace with Israel. We have expressed concern for the continuing expansion of Israeli settlements in occupied Palestinian territories. India also supports Palestine in a variety of tangible ways. In March 2009, \$10 million were contributed as budget support for the Palestine National Authority. We also assist Palestine in developing its human resources through the ITEC programme.

14. Reverting to the broad nature of India-Arab relations, Arab countries, as vital sources of oil and gas whether from the Gulf or more recently from Egypt, Sudan and the Maghreb, have become essential to India's energy security needs. Indian companies have secured concessions or have otherwise invested in the oil sector significantly in Sudan, Egypt and Libya. Less publicized, perhaps, is the enormous importance to India's food security of countries such as Jordan, Morocco, Tunisia and Algeria as providers of rock phosphate and phosphoric acid and potash, all of which translate into fertilizer for our farmers.

15. Egypt has emerged as a significant Indian investment destination with Indian investments estimated at over US \$500 million. Some Indian companies are also exploring possibilities of setting up plants to manufacture phosphoric intermediates in Morocco, Algeria, Tunisia and Jordan. We are also examining the possibilities of working together with Syria in this regard.

16. Besides the hydrocarbon and fertilizers sectors, Indian companies have executed or are in the process of completing a variety of projects including those financed by concessional lines of credit. Examples include a thermal power plant in Sudan, a cement plant in Djibouti, an architecturally complex bridge in Jordan and a variety of projects in Libya.

17. Our trade with Arab countries is booming. A look at our figures of trade with the Arab world is illuminating. For instance the Gulf region has emerged as a major trading partner of India. During 2006-2007 the total two-way trade was US \$ 47 billion and in the year 2007-08 it reached more than US\$ 76 billion. Trade with the non-Gulf Arab countries totaled more than US\$ 13 billion in 2007-08. Total trade with Arab countries was about US\$ 90 billion in 2007-08.

18. I am happy to inform you that to give a boost to trade relations, we are negotiating with the Gulf Cooperation Council (GCC) to conclude an India-GCC Free Trade Agreement (FTA). This would complement our ongoing and rapidly expanding bilateral economic engagement with individual member countries of GCC. The third GCC-India Industrial Conference, which was held in Mumbai in 2007, was a success and it has further consolidated our economic interaction. We are working to hold the fourth GCC-India Industrial Conference later this year.

19. India has always shown its willingness to share with our Arab brethren our experience and expertise in institution and capacity building, governance, science and technology including Information Technology and biotechnology, healthcare and higher education including training of Arab officials, diplomats, soldiers and scholars. ISRO/Antrix Corporation was awarded a contract in July 2008 for launch of the Algerian satellites. Antrix has completed a remote sensing project involving setting up of an earth station in Algeria using Indian CARTOSAT imagery. India and Egypt concluded an agreement on the peaceful use of outer space during President Mubarak's 2008 visit. Cooperation in Information & Communication Technology is another area worth mentioning. Recently, Memoranda of Understanding and agreements relating to this area have been signed with Tunisia and Syria.

20. The Secretary General of the League of Arab States and my good friend, H.E. Mr. Amre Moussa, visited India in November-December 2008. I am happy to inform you that during this visit the Memorandum of Cooperation between India and the League of Arab States on the establishment of an Arab-Indian Cooperation Forum was signed in New Delhi. This is a very comprehensive document that looks at deepening our relations in many sectors including energy, education, human resources development and trade and investment. We are looking forward to the spirited implementation of the Memorandum which we are sure will take our relations to new heights. I look forward to cooperation from all to carry this ambitious agenda forward. In this context, I am happy to note that last December, the Ministry of External Affairs worked with the Indian Council of Cultural Relations and the Federation of Indian Chambers of Commerce and Industry to organise the first Indo-Arab Cultural Festival in New Delhi with the support of various Arab Missions and governments. The Government of the UAE has recently selected Indian books for translation into Arabic to enhance understanding of our country's history and literature. We too study Arabic here, as the presence of so many Indian scholars of Arabic here today testifies.

21. Ladies and Gentlemen, the Arab world has always figured very high in India's foreign policy priorities. India considers the Arab world a key part of its strategic neighbourhood. The Arab world is the only region for which the Government of India has appointed a Special Envoy. India has worked with its Arab friends in a variety of multilateral forums including the United Nations, the Non-aligned Movement and the G-77. India is a major troop contributor to UNIFIL and provides elements to UNDOF. Indian peacekeepers also serve with the UN Mission in Sudan, UNMIS, which acts in support of the Comprehensive Peace Accord of January 2005.

22. Allow me to turn to a subject which is close to the hearts of people of Kerala - the welfare of the Indian community in the Arab countries in general and the Gulf region in particular. The people of India in the Gulf and the Arab world have contributed immensely to the economic development of both India and the countries they reside and work in. The remittances that India receives from the 4.5 million expatriates in Gulf, many of them from Kerala, in the order of more than US\$ 10 billion annually, make a significant contribution to India's economic development. In view of the large Indian population in the region, a number of issues come up from time to time in our relations with these countries which relate to our people-to-people contacts and to consular matters. Active steps have been taken and are continually being taken, in cooperation with the countries of the region, to promote the welfare of the Indian community, particularly expatriate workers. Memoranda of Understanding on manpower have been signed with some countries and are under negotiation with others. These and similar arrangements will enable us to jointly deal with issues relating to the welfare of the expatriate Indian communities in the region. I would like to take this opportunity to assure the people of Kerala that our Government gives high priority to the welfare of Indians in the Gulf and if anybody needs any help or assistance in this regard, my Ministry together with that of the Ministry of Overseas Indian Affairs will always be at your service.

23. India desires to strengthen cooperation to explore opportunities across the entire spectrum of potentialities that exist. We wish to work together today with an eye on tomorrow: to consolidate our ties in emerging sectors of the economy so that we can develop a framework for future generations. Our economies are complementary. In many areas, countries in the Arab world have the capital, while India offers the opportunities, especially for the development of infrastructure. The more the long-term linkages that India and the Arab world develop, the greater will be our mutual stakes and interests in each other's success and prosperity. I want to assure our Arab

friends that it is not only financial investments that we are thinking of: we are invested in the future of our relationship.

24. To summarize, I would like to underline that we have in place a framework for cooperation, which is constantly deepening and widening. While its pace could be faster, a critical mass has already developed to take us into a qualitatively upgraded relationship. There are many dimensions to Indo-Arab relations, some very old and some very new. I am sure the deliberations of this seminar will examine these relations from all perspectives and offer recommendations for augmenting our multi-dimensional cooperation. I look forward to reading and acting upon the recommendations of the seminar.

25. I would like to add another word on a broader theme. I believe strongly that foreign policy is too important a subject to be left to the Foreign Ministry alone. Discussion of international relations should not be confined to the seminar rooms of Delhi. That is why I am delighted by the initiative of Maharaja's college because I believe all Indians, even 2000 km away from our nation's capital, have a vital stake in the development of our international relations. I am sure there will be many more such occasions in the future to discuss our country's external affairs in different parts of India and that we will have the privilege, as we do today, of seeing distinguished diplomats travelling out of Delhi to attend them. I call upon other educational institutions in this state and across India to emulate this example. I wish you well in your deliberations today.

Thank you.





**496. Address by Minister of State Shashi Tharoor on "Expanding Horizons of Cooperation between India and the Gulf Cooperation Council (GCC) at the Bahrain - India Society.**

**Bahrain, October 4, 2009.**

**Excellencies, distinguished colleagues and friends,**

I am extremely happy and indeed delighted to be with you here today addressing this august gathering. I am particularly honoured by the presence of H.E Sheikh Khalid bin Ahmed bin Mohammad Al Khalifa, the Foreign Minister of the Kingdom of Bahrain here today. I also immensely satisfied to see amidst you many of my friends and colleagues, people I have come to know and admire over the years. As many of you know, Bahrain is not new to me as I have been here earlier on couple of occasions and always enjoyed my interactions. However, this is my first visit to a Gulf country in my new capacity as Minister of State for External Affairs of the Government of India. As such this undoubtedly is a special occasion for me.

2. I start by expressing my gratitude to His Excellency Mr. Abdulnabi Alsho'ala, Chairman of Bahrain-India Society, Advisor to the Prime Minister and former Minister of Labour for the Government of Bahrain for his support and leadership towards building Bahrain-India relations. He is one of our great friends and we appreciate and admire his contribution. I also take this opportunity to appreciate the efforts of Bahrain-India Society which has acted as a pillar of strength in the relations between our two countries and our peoples.

3. I have been asked to talk on the expanding horizons of cooperation between India and the GCC. Let me start by saying that this is a subject which I have come to view as one which holds the greatest potential for development as we already possess a strong base to work with. It is also area of work which is close to my heart and I propose to dedicate my energies to see it prosper and grow.

4. India's ties with the Gulf region go back 5000 years. Archaeological excavations across the region regularly yield evidence of the Gulf's intimate maritime and commercial links with our civilizations in Harappa and Mohenjodaro. There is evidence of relations between the Harappan civilisation and the Dilmun society. These ties, which have continued and flourished over centuries, are a testimony to the proximity of the Gulf region

to India not only in geographical terms but also in a civilizational and cultural sense. For several hundred years, India provided foodstuffs, textiles and jewellery to the Gulf and, in turn, imported dates and pearls. Indian traders have lived in the Gulf for several centuries, just as Gulf merchants made Kerala and Mumbai their home.

5. Over the last 40 years India has been in the forefront in providing human resources for the development of the Gulf countries: today, Indians are the number one expatriate community in every member country of the GCC. The presence of Indian professionals across the Gulf is also increasing. This is a very healthy and encouraging development that adds a new dimension to our relationship. I am aware that this trend is also very strong in Bahrain with some 300,000 Indians and the presence of large number of Indian professionals in Bahrain.

6. I am convinced about the oneness of our peoples and anything but close and friendly relations would be an aberration. The Gulf region has a special place in India's external interactions as well as our internal dynamics. For India, the Gulf region is an important source of energy and is home to over 4.5 million Indians. The Gulf's rich resources and the growing demands of India's rapidly expanding economy make us partners for our mutual benefit. The Gulf region is a major trading partner and the emergence of Bahrain and the GCC countries as a major investment partner of India is but a matter of time. I deeply appreciate the manner in which Bahrain has emerged as a financial hub and nerve centre. Bahrain has great potential to partner financial cooperation with Indian financial institutions and we should strive towards building more such linkages.

7. I believe most experts agree that India has faced one of the greatest economic challenges of recent times, namely the global financial crisis, admirably. Although our economy also did face considerable stress, it was able to withstand the recessionary trends and emerged as one of the few bright spots in the generally bleak world economic landscape of the past one and half year or so. This reflects the resilience of the Indian economy and its strengths. It is a widely held belief that the Indian economy in the post-financial crisis years will be better placed to accelerate its growth. Our average growth rate during 2004 to 2008 remained 8% plus. Even in the midst of the financial crisis India attained a nearly 6% growth rate and I believe that in the next fiscal year we will again enter a near 8% growth rate. The principal challenge before us is to ensure that we re-attain a high economic growth rate every year for the coming two decades to bring

prosperity to the masses at large. Two most important pre-requisites in this regard for us are energy security and development of infrastructure. We also need to expand electric-power production 6 to 7 times between now and 2032 to energize our growth requirements. These challenges call for a robust national effort to obtain the resources required to meet these targets. It is here we see the foundation of India's new terms of engagement with the Gulf region.

8. As a result of high oil prices and prudent fiscal policies, the countries of the GCC have generated a very high level of investible surpluses. India is held as one of the safest investment destinations in the world, giving some of the best returns on investments. I am happy to note that GCC countries see India as an important investment partner and destination. I personally believe that investments will constitute a new, abiding and mutually beneficial framework for the future growth of our ties.

9. For several years, India has obtained the bulk of its crude requirements from the Gulf. In view of the Gulf's vast oil reserves and our geographical proximity, I am confident that India and the Gulf region will remain long-term partners in the energy sector. We would like to transform the present buyer-seller relationship into something more substantial and enduring. We would like to encourage mutual investments in each other's energy sectors. Indian companies could participate in exploration and development projects in the Gulf while companies from GCC countries could invest in India's downstream and petro-chemicals sector. An early meeting of our officials and entrepreneurs to discuss cooperation in this sector is desirable.

10. Trade in goods and services between India and the Gulf is expanding rapidly and it exceeded US\$ 87 billion in the last fiscal year. The export of foodstuff constitutes an important part of India's export basket. Today, India is a reliable supplier of food products to the Gulf countries. I thus see India's requirement for energy security and that of the GCC countries for food security, as opportunities that can work to mutual advantage. We could even think of third country agro-projects where Indian expertise in agriculture could be used to ensure food security for GCC countries.

11. To achieve these goals and to enhance our economic and commercial relationship we now have in place the necessary institutional arrangements. I would like, in this regard, to refer to the India-GCC Framework Agreement for enhancing and developing economic cooperation which was signed in 2004. To liberalize trade relations and to hold discussions on a Free Trade Agreement between India and GCC countries, we have established

negotiating teams that have held three rounds of discussions so far. A Free Trade Agreement between us would complement our ongoing and rapidly expanding bilateral economic engagement with individual member countries of the GCC.

12. The India-GCC industrial conference has been playing an important role in strengthening the economic relationship between us. The 3rd India-GCC industrial conference held in 2007 has recommended that an India-GCC FTA should be concluded expeditiously. We are contributing our part to see it materialise and I am happy to see that the 4th India-GCC Industrial Conference will take place in February 2010 in Riyadh, which will further pave the way for our growing cooperation. In a somewhat larger context we shall be organising the 2nd Indo-Arab Investment Conclave in February 2010 in New Delhi and I hope you all will find it convenient to attend and benefit from the cross sectoral mutually beneficial investment opportunities on offer there.

13. We consider that an exchange of visits at the political level is very important to strengthen our relationship with GCC countries. In this regard, I am happy to note that the exchange of visits at the highest level has increased between India and GCC countries. India's Prime Minister Dr. Manmohan Singh visited Qatar and Oman in November 2008 and our Vice President Mr. M. Hamid Ansari visited Kuwait, reflecting the close relations between India and the Gulf region. We also have had the honour of receiving a large number of dignitaries from the Gulf region in recent years. These visits have further strengthened our relationship and have led to very fruitful discussions.

14. From the strategic point of view, India and the GCC share the need for stability and security in the region. The common political and security concerns of India and the GCC translate into efforts for peace, security and stability in the Gulf region and South Asia. The emerging common threat perceptions create further opportunities for GCC-India cooperation in the future. The anti-piracy drive in the region is symbolic of an extensive and functional multilateral cooperation. The critical space for India to play an increasingly pro-active role is widening. It is in this context that India and the GCC States can create many opportunities for mutual benefit.

15. There are newer opportunities and potentials which need to be built upon between the Gulf region and India. Although GCC-India cooperation has expanded, I have a personal conviction that this is not enough. We have to work jointly to expand our cooperation further. Our potential to

cooperate is infinite - just like the horizon we can see from your country's beautiful shores. For this framework we are thankful to Bahrain for its contribution and I hope that it will continue in the future. Bahrain has been one of our greatest supporters and well-wishers in the GCC and India appreciates and honours this support.

Thank you.



**497. Address by Minister of State Dr Shashi Tharoor on "Doing Business with India - The Next Wave."  
Abu Dhabi, October 7, 2009.**

PI. See Document No.60.



**498. Statement by Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri on the Situation in the Middle East at the 64th Session of the UNGA.  
New York, December 1, 2009.**

Please see Document No.819.



**IRAN****499. Question in the Lok Sabha: "Tri-Nation Gas pipeline project".****New Delhi, February 25, 2009.**Will the **Minister of External Affairs** be pleased to state:

- (a) the current status of the negotiations on the Iran-Pakistan-India (IPI) gas pipeline project;
- (b) whether Iran has offered to host a meeting of the Energy Ministers of these countries to negotiate the outstanding issues;
- (c) if so, the details thereof;
- (d) whether Pakistan has offered to Iran to buy Indian share of gas from the proposed pipeline;
- (e) if so, the details thereof; and
- (f) the steps taken by the Government in this regard?

**The Minister of External Affairs (Shri Pranab Mukherjee):**

**(a) to (c)** The Project was last discussed by India and Iran during the 15th Joint Commission Meeting held in Tehran in November 2008 and during the 6th Foreign Office Consultations between India and Iran held in New Delhi in December 2008. India had proposed a trilateral discussion of the project between India, Iran and Pakistan. A response is awaited.

**(d) & (e)** Government has not received intimation of this.

**(f)** Government is committed to a gas pipeline project which is financially viable, secure and in which continuous supply is assured.



**500. Press Release issued by the Ministry of External Affairs on the visit of the Secretary of the Supreme National Security Council of Iran.**

**New Delhi, March 28, 2009.**

The Secretary of the Supreme National Security Council of the Islamic Republic of Iran, Dr Saeed Jalili, visited India on 28th March 2009 at the invitation of Shri M K Narayanan, National Security Advisor.

The visit was in keeping with the tradition of high level exchanges between the two countries and followed the visit of Shri M K Narayanan to Iran in July 2008.

The two sides conducted a strategic review of India Iran relations and prospects for their further expansion. Their wide ranging discussions also covered regional and international issues including terrorism, the situation in Afghanistan and energy security.

During his stay in New Delhi Dr Saeed Jalili called on the Prime Minister, Dr Manmohan Singh.



**501. Press Release issued by the Ministry of External Affairs on the visit of Iranian Foreign Affairs Minister.**

**New Delhi, November 16, 2009.**

Mr. Manouchehr Mottaki, Minister of Foreign Affairs of the Islamic Republic of Iran is on a two day visit to India (November 16-17). During his visit he called on the Hon'ble Vice President and the Prime Minister. He met with External Affairs Minister and held delegation level talks covering a wide range of issues. The discussions continued over lunch hosted by the External Affairs Minister. The Iranian Foreign Minister reiterated an invitation to Prime Minister from President Ahmedinejad to visit Iran.

The two sides underlined the need for the early convening of the next session of the Joint Commission and discussed various projects including in the fields of oil and gas, power, surface transport and infrastructure projects like the Chabahar Port and the International North-South Corridor. It was agreed that an Indian Cultural Centre would be set up in Tehran and an Indian cultural week would be held in Tehran and Shiraz in 2010. Both sides also discussed trade facilitation mechanisms and the need for an early conclusion of a Bilateral Investment Promotion and Protection Agreement, an agreement for Avoidance of Double Taxation, as also discussions on a Preferential Trade Agreement. The two sides also took the opportunity for detailed exchange of views on important regional and international issues, including the threat of terrorism confronting the two countries.



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Media report elaborating said that the two countries also discussed prospects of trilateral dialogue between India, Iran and Afghanistan on transit routes to central Asia, with the Iranian port of Chabar to be the staging point for goods. In four hours of talks with the External Affairs Minister Mr. Krishna which included a luncheon meeting, issues relating to security, pricing and guaranteed supply, and resolved to convene a meeting of the Joint Working Group to discuss the finer details of gas pipeline and other energy related projects were discussed. "Our interest in having a trilateral agreement was underlined," media quoted informed sources to say, about the transit route beginning from the Chabar port. It was planned to construct a railway line from Chabar to Bam. From there, goods would be taken from the Afghan border town of Zaranj to Delaram on an Indian-built road to the Afghan garland highways, which provide access to several central Asian republics. The need to add greater economic content was also recognised during delegation-level talks between the two Foreign Ministers. Both sides touched upon increasing contacts in the banking sector, civil aviation cooperation, double taxation avoidance agreement, bilateral investment protection agreement and civil aviation cooperation. Mr. Mottaki in his meeting with the Prime Minister renewed to him the invitation to visit Tehran, and it was agreed to work out the details through diplomatic channels. The liquefied gas deal between the two countries too came up for discussion. New Delhi reportedly maintained that as far as it was concerned, the agreement was signed in 2005 and reopening it to accommodate Tehran's desire for higher rates was difficult to accept.



**502. Resolution adopted by the Board of Governors of the International Atomic Energy Agency to implement the NPT Safeguards Agreement and Relevant provisions of Security Council Resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1835 (2008) in the Islamic Republic of Iran.**

**Vienna, November 27, 2009.**

The Board of Governors,

- (a) Recalling the Resolutions adopted by the Board and the UNSC,
- (b) Commending the Director General for his professional and impartial efforts to implement the Safeguards Agreement in Iran, to resolve outstanding safeguards issues in Iran and to verify the implementation by Iran of the suspension,
- (c) Stressing the important role played by the IAEA in resolving the Iranian nuclear issue and reaffirming the Board's resolve to continue to work for a diplomatic solution to the Iranian nuclear issue,
- (d) Reaffirming the inalienable rights of all the parties to the Non-Proliferation Treaty to develop research, production and use of nuclear energy for peaceful purposes in accordance with Article IV of the NPT,
- (e) Commending the Director General for his proposal of an Agreement between the International Atomic Energy Agency and the Governments of the Republic of France, the Islamic Republic of Iran and the Russian Federation for Assistance in Securing Nuclear Fuel for a Research Reactor in Iran for the Supply of Nuclear Fuel to the Tehran Research Reactor; appreciating the intensive efforts of the Director General to achieve an agreement on his proposal,
- (f) Noting with serious concern that Iran continues to defy the requirements and obligations contained in the relevant IAEA Board of Governors and UN Security Council Resolutions,
- (g) Also noting with serious concern that Iran has constructed an enrichment facility at Qom in breach of its obligation to suspend all enrichment related activities and that Iran's failure to notify the Agency of the new facility until September 2009 is inconsistent with its obligations under the Subsidiary Arrangements to its Safeguards Agreement,

**(h)** Affirming that Iran's failure to inform the Agency, in accordance with the provisions of the revised Code 3.1, of the decision to construct, or to authorize construction of, a new facility as soon as such a decision is taken, and to submit information as the design is developed, does not contribute to the building of confidence,

**(i)** Underlining that Iran's declaration of the new facility reduces the level of confidence in the absence of other nuclear facilities and gives rise to questions about whether there are any other nuclear facilities under construction in Iran which have not been declared to the Agency,

**(j)** Noting with serious concern that, contrary to the request of the Board of Governors and the requirements of the Security Council, Iran has neither implemented the Additional Protocol nor cooperated with the Agency in connection with the remaining issues of concern, which need to be clarified to exclude the possibility of military dimensions to Iran's nuclear programme,

**(k)** Emphasizing the Director General's assertion that unless Iran implements the Additional Protocol and, through substantive dialogue, clarifies the outstanding issues to the satisfaction of the Agency, the Agency will not be in a position to provide credible assurance about the absence of undeclared nuclear material and activities in Iran, and

**(l)** Noting that the Director General has repeatedly declared that he is unable to verify that Iran's programme is for exclusively peaceful purposes,

1. Urges Iran to comply fully and without delay with its obligations under the above mentioned resolutions of the Security Council, and to meet the requirements of the Board of Governors, including by suspending immediately construction at Qom;

2. Urges Iran to engage with the Agency on the resolution of all outstanding issues concerning Iran's nuclear programme and, to this end, to cooperate fully with the IAEA by providing such access and information that the Agency requests to resolve these issues;

3. Urges Iran to comply fully and without qualification with its safeguards obligations, to apply the modified Code 3.1 and implement and ratify promptly the Additional Protocol;

4. Urges Iran specifically to provide the Agency with the requested clarifications regarding the purpose of the enrichment plant at Qom and the chronology of its design and construction;

5. Calls on Iran to confirm, as requested by the Agency, that Iran has not taken a decision to construct, or authorize construction of, any other nuclear facility which has as yet not been declared to the Agency;
6. Requests the Director General to continue his efforts to implement the Safeguards Agreement in Iran, resolve the outstanding issues which give rise to concerns, and which need to be clarified to exclude the existence of possible military dimensions to Iran's nuclear programme, and to implement the relevant provisions of UNSC resolutions;
7. Further requests the Director General to report this resolution to the UNSC; and
8. Decides to remain seized of the matter.



**503. Press Release issued by the Ministry of External Affairs explaining India's Vote at the meeting of the Board of Governors of the International Atomic Energy Agency, Vienna.**

**New Delhi, November 27, 2009.**

The Board of Governors of the International Atomic Energy Agency (IAEA) met on November 26-27, 2009 in Vienna. Reproduced below is the text of the Explanation of Vote by India on the resolution on the issue of implementation of safeguards in the Islamic Republic of Iran, which was adopted by the Board on November 27, 2009.

**Explanation of Vote**

The Indian delegation has taken careful note of the report of the DG on Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions in the Islamic Republic of Iran. In his Report the DG has noted that while the Agency has continued to verify the non-diversion of declared nuclear material in Iran, there has however, been no movement on remaining issues of concern which need to be clarified for the Agency to verify the exclusively peaceful nature of Iran's nuclear programme.

The DG concluded that 'Iran's failure to notify the Agency of the existence of this facility until September 2009, rather than as soon as the decision to construct it or to authorize construction was taken, was inconsistent with its obligations under the Subsidiary Arrangements to its Safeguards Agreement and that Iran's late declaration of the new facility reduces confidence in the absence of other nuclear facilities under construction in Iran which have not been declared to the Agency.'

India has consistently supported the right of all states to the peaceful uses of nuclear energy consistent with the respective obligations that they have undertaken. In Iran's case which is a signatory to the NPT, it has all the rights and obligations that go with its membership of the NPT pertaining to the use of nuclear energy for peaceful purposes. We also underline the importance of the full and effective implementation of all safeguards obligations under taken by member states of the IAEA.

Our support for the resolution is based on the key points contained in the Report of the DG. During previous Board meetings we had underlined the critical importance of continued cooperation and dialogue between the

Agency and Iran. The Agency's safeguards system is the bedrock of the international community's confidence that peaceful uses of nuclear energy and non-proliferation objectives can be pursued in a balanced manner. The integrity of this system should be preserved.

India has considered the role of the DG has having a vital bearing on the consideration of all issues by the Board of Governors. The conclusions he has drawn in his report are therefore difficult to ignore.

In recent months we were encouraged by the new pathways of engagement that had opened up with Iran, including the recent meetings in Geneva and Vienna which gave rise to hopes of constructive and productive results. As such we do not believe that the adoption of this resolution should divert the parties away from dialogue. This resolution cannot be the basis of a renewed punitive approach or new sanctions. In fact, the coming weeks should be used by all concerned to expand the diplomatic space to satisfactorily address all outstanding issues. India firmly supports keeping the door open for dialogue and avoidance of confrontation.



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Media reports quoted official sources in the Prime Minister's entourage in Port of Spain where he was attending the CHOGM Conference to suggest that this resolution should not be the basis of a "renewed punitive approach or new sanctions" against Iran. They said 'India's support for the resolution was based on the key points contained in the report of the Director-General of the IAEA, Mohamed ElBaradei. At earlier Board meetings, India had consistently underlined the critical importance of dialogue between the Agency and Iran. India, however, found the conclusions drawn in Mr. ElBaradei's report difficult to ignore.' It was felt that the Agency's safeguard system was the bedrock of the international community's "confidence" that peaceful uses of nuclear energy and nonproliferation objectives can be pursued together and that the "integrity of the system" should be preserved. It was suggested that the coming weeks should be used to expand the diplomatic space to address the issues. The door must be kept open for dialogue and avoidance of confrontation.

**Earlier the question of Iran acquiring nuclear weapons also figured at the press conference of Prime Minister in Washington on November 25 and he then said:**

"India enjoys good relations with both the United States and with Iran. With regard to the nuclear weapon ambitions of Iran I have stated India's position on a number of occasions, and that is well known. But in my meetings with the leaders of the US I did mention that a few days before we came to Washington the Foreign Minister of Iran was in Delhi and he called on me; that I asked him about the state of play with regard to the negotiations on the nuclear programme of Iran; that he said to me that they have been getting very good messages from the new Obama Administration; and that he was hopeful that engagement with P5 powers will succeed. If that comes about, as neighbours of Iran living in that region where five million citizens of our country work and earn their livelihood, given our dependence on energy imports from Iran, we would welcome an outcome of engagement between Iran and P5. I sincerely hope that this engagement will be productive of results."

**504. The Information given to the Lok Sabha on economic cooperation with Iran.**

**New Delhi, December 16, 2009.**

During the visit to India by Foreign Minister of Iran Mr. Manouchehr Mottaki on November 16-17, 2009, the two sides discussed, inter alia, the issue of bilateral energy cooperation, the development of Chabahar Port and Railway Project, and the International North South Corridor. A delegation led by Mr. Seifollah Jashnsaz, Deputy Minister in the Iranian Ministry of Oil and President of National Iran Oil Company visited India from November 30-December 3, 2009. The two sides held discussions on various aspects of bilateral cooperation between India and Iran in the oil and gas sector.

India is pursuing the import of natural gas from Iran through the said project. Issues such as pricing, delivery point, project structure, etc., are being focused on. Such multilateral projects involve protracted discussions and as such no time frame can be indicated for completion of discussions.

30 million standard cubic meter per day (mmscmd) of gas is estimated to be supplied in phase-I of the Project.

(This information was given by Shri S.M.Krishna, Union Minister of External Affairs in reply to a question by Shri Umashankar Singh & Shri Ghanshyam Anuragi in Lok Sabha.)



**KAZAKHSTAN****505. Speech by President Smt. Pratibha Devisingh Patil at the Banquet in honour of the President of Kazakhstan Nursultan Nazarbayev.****New Delhi, 24th January 2009.**

Your Excellency President Nazarbayev,

Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure in welcoming Your Excellency and members of your delegation, to India on this historic visit. I say historic, because this is the first time, that a leader from a Central Asian country is gracing our Republic Day celebrations, as our honoured Chief Guest. This is indicative of the importance India attaches to the Central Asian region, which is our extended neighbourhood, and to the Republic of Kazakhstan, in particular.

Our countries figure on the fabled Silk Route of ancient days. Buddha's images in the etchings found on the banks of the Ili River in Kazakhstan stand testimony to the historic linkages that existed between our two nations. The dynasties of the Sakas and the Kushanas took the legacy of our linkages forward. Our multi-ethnic and diverse societies today are based on pluralism, mutual respect and tolerance. Our countries are secular and firmly believe in inclusiveness. We are committed to take forward our historical linkages into the future, by developing a multi-faceted and a mutually beneficial bilateral relationship. Your visit, Excellency, will further consolidate our dynamic relations.

We are deeply touched by the words of condemnation expressed by Kazakhstan, on the terrorist attacks that took place in November last year. Your words of support reinforced our resolve to firmly deal with the menace of terrorism, which requires coordinated efforts globally. We regard Kazakhstan as a valuable partner in this fight against terrorism.

We, in India, admire the remarkable progress achieved by Kazakhstan in a short period of time. This progress is not merely economic growth, but overall development of Kazakhstan as a nation. We congratulate Your Excellency,

for the far-sighted vision and exemplary leadership with which you have steered Kazakhstan.

Kazakhstan is fortunate to be endowed with a variety of natural resources, which have contributed to its economic growth. It gives me satisfaction to know, that our two countries are cooperating in the critical area of energy security - hydrocarbons and civilian nuclear energy - to mutual advantage.

Education has figured high in India's national priorities and, as a result, we have very good educational institutions and a vast qualified human resource capability. Cooperation in education, therefore, holds promise. I am delighted to learn that there are academic exchanges between our two countries, under the Indian Technical and Economic Cooperation and other scholarship programmes. There are many Kazakh ( ) nationals who have trained in Indian educational establishments. I believe that impressions about a country, as a student and the friends that one makes at that impressionable age, remain for a lifetime. Education builds long-term bonds and, as friendly countries, we should foster and nurture these bonds, which bring us closer.

During the successful visit of Vice President Hamid Ansari to Kazakhstan last year, I understand that cooperation in agriculture was discussed and our two Governments are pursuing the idea further, to develop institutional linkages. Such cooperation addresses the critical area of food security and has a human dimension. I feel that it is in the interest of our two countries, to ensure that we capitalize on this opportunity.

Excellency,

Allow me also to wholeheartedly commend your initiatives on promoting world peace and harmony. Kazakhstan is uniquely placed on the crossroads of Europe and Asia and Kazakhstan's elevation to chair the Organization of Security and Cooperation in Europe in 2010 is truly deserved. The Conference on Interaction and Confidence Building Measures in Asia initiative has now matured into an important multi-lateral forum and the agenda has expanded to include areas such as transport and tourism. India is committed to the CICA process and looks forward to contribute to other such initiatives of Kazakhstan.



Excellency, your presence at our Republic Day celebrations is a major milestone in our relationship. The agreements and understanding concluded during this visit strengthen our bonds of friendship. As we continue on this journey, let us weave a strong fabric of friendship.

Excellencies, Ladies and Gentlemen, may I request you to join me in a toast to:

- the good health and long life of His Excellency President Nazarbayev;
- the prosperity of the friendly people of Kazakhstan; and
- the everlasting friendship and cooperation between our two countries and peoples.



**506. Joint Declaration on Strategic Partnership between India and Kazakhstan issued at the end of the visit of the President of the Republic of Kazakhstan Nursultan Nazarbayev .**

**New Delhi, January 24, 2009.**

His Excellency Mr. Nursultan Nazarbayev, the President of the Republic of Kazakhstan, paid a State Visit to India from 23rd to 26th January 2009 at the invitation of Smt. Pratibha Devisingh Patil, President of the Republic of India. He is participating as the Guest of Honour at the Republic Day Parade. He is accompanied by a high level delegation and a group of businessmen and industrialists.

2. During the State Visit, the President of India held talks with His Excellency President of Kazakhstan and hosted a State Banquet at Rashtrapati Bhavan. The Vice President of India, the External Affairs Minister, the Leader of Opposition in Lok Sabha and the Chairperson of United Progressive Alliance called on the President of Kazakhstan.

3. The State Visit provided an opportunity to reaffirm bilateral ties at the highest political level and to exchange views on regional and global issues of mutual interest. The two Sides noted with satisfaction the excellent state of friendly relations and cooperation between India and Kazakhstan and expressed their firm commitment to further strengthen bilateral relations and diversify areas of cooperation.

4. His Excellency President Nursultan Nazarbayev strongly condemned the terrorist attacks in Mumbai and reiterated the need for intensifying global cooperation in combating international terrorism. He also conveyed assurance that Kazakhstan stood firmly with India in dealing with the scourge of global terrorism. The two Sides expressed hope that the perpetrators of the heinous crime are brought to justice at the earliest. Both Sides also called for early conclusion of the Comprehensive Convention on International Terrorism within the UN framework.

5. The Indian Side appreciated the support extended by Government of Kazakhstan in the meeting of the Nuclear Suppliers Group which took the decision to enable India to resume full civil nuclear cooperation with the international community. Both Sides noted that this opened immense possibilities of cooperation in nuclear civil energy sector including in the mining of uranium. The two Governments welcomed the signing of

Memorandum of Understanding between Nuclear Power Corporation of India and National Atomic Company Kazatomprom JSC and recommended early conclusion of an Inter Governmental Agreement for Cooperation in Peaceful Uses of Nuclear Energy.

6. The Governments expressed satisfaction on the successful completion of negotiations and signing of the Heads of Agreement between ONGC Mittal Energy Ltd. and National Company KazMunaiGaz JSC in respect of Satpayev Block and underlined the need for expeditious conclusion of the contract in accordance with the existing law. The Indian Side conveyed that Kazakhstan ranks high in securing India's energy security and hoped that the conclusion of the Agreement is the beginning of a long term mutually beneficial cooperation in the hydrocarbon sector.

7. The two Sides agreed that the trade volume between the two countries is far below potential and urged that the Governments and business enterprises of the two countries should address the issue. A joint study by designated agencies of the two Governments and apex business chambers was recommended with a view to identify products and projects, which would deepen economic engagement. His Excellency President Nursultan Nazarbayev welcomed signing of Bilateral Protocol of Accession of Kazakhstan to the World Trade Organization and thanked the Government of India for their support on this issue.

8. The two Sides noted that relations between India and Kazakhstan had its roots in history. Both Sides expressed confidence that concluding of Agreements under consideration, highlighting the historical and cultural legacy that the two nations share, would facilitate exchange of artistes, intellectuals and philosophers, academics and students and build vibrant relations at people to people level. The two Sides also decided to organize Days of India in Kazakhstan and Days of Kazakhstan in India in the near future.

9. With a view to foster and nurture cultural and civilisational linkages, both Sides expressed interest in joint study of common historical heritage and developing the sites existing in India and Kazakhstan to attract tourists.

10. Recalling the discussions that were held during the visit of the Vice President of India to Kazakhstan in April 2008 wherein agriculture was identified as a promising area of cooperation, the two Sides recommended signing of Agreement on Cooperation in Agriculture and Allied Sectors between the relevant Ministries as an important step in this direction. The

two Sides would explore the possibility of collaboration in research and development activities and the setting up of a Regional Research and Training facility in Kazakhstan catering to the Central Asian region under the framework of the proposed Agreement.

11. The two Sides also welcomed the signing of the Extradition Treaty which underlined the commitment of the Governments' law enforcement agencies to develop mutually beneficial cooperation, render required assistance and support to each other.

12. The Sides expressed satisfaction at the diversification of areas of cooperation and noted that cooperation in the fields of Health and Medicine, Science and Technology, Space Activities, Information Technology and Education are actively being pursued.

13. With a view to intensify economic engagement and extend cooperation in areas in which India had gained considerable expertise, the Indian side proposed setting up of a gas based fertilizer plant and establishment of an Entrepreneurship Development Centre in Kazakhstan. It was recommended that feasibility studies on the two projects by Indian agencies should be undertaken immediately and considered by the two Sides for implementation.

14. The Governments expressed satisfaction at the functioning of the institutional mechanism which have steered bilateral cooperation to desired levels and identify new areas of cooperation. The two Sides appreciated the role of the India-Kazakhstan Inter-Governmental Commission on Trade, Economic, Scientific, Technical, Industrial and Cultural Cooperation in establishing and enhancing trade and economic cooperation as well as cultural cooperation. It was emphasised that the meetings of Commission and established Joint Working Groups should be held regularly.

15. The two Sides shared the view that relations between the two countries had entered a new phase and a qualitatively higher level. Recognizing the vast array of existing areas of cooperation, including the critical areas of energy and food security and the immense possibilities that existed for their expansion, the two Sides agreed to establish and develop a strategic partnership based on the principles of sovereignty and equality. The strategic partnership foresees comprehensive cooperation in all spheres, including political, economic, science and technology, military and technical cooperation, counter-terrorism mechanism, education and human resources development.

16. The Indian side conveyed that India holds Kazakhstan in high esteem and appreciates the overall development of Kazakhstan in relatively short period of time. The Indian side noted the far-sighted vision and unflinching commitment of His Excellency President Nursultan Nazarbayev in nation-building was largely responsible for the high status of Kazakhstan in the world today.

17. The President of Kazakhstan conveyed that Kazakhstan values highly impressive achievements of the Republic of India in its socio-economic development, active policy in the international arena, facilitating strengthening of peace, stability and mutual understanding between peoples, and its ever-increasing political, economic and scientific potential.

18. The Indian side conveyed appreciation for the Conference on Interaction and Confidence Building Measures in Asia (CICA) initiative of His Excellency President Nursultan Nazarbayev which is emerging as an important multilateral forum fostering peace and stability in Asia. The Indian side reiterated India's commitment to the CICA process. The Kazakh side acknowledged and appreciated the contribution of India in the CICA process.

19. The Indian Side also appreciated other initiatives of Kazakhstan aimed at reinforcing peace, stability and mutual understanding on the Asian Continent. In this context, it was befitting to the status of Kazakhstan to have been elected the Chair the Organisation of Security and Cooperation in Europe (OSCE) in 2010.

20. The two Sides reiterated their call for strengthening of the UN role in international affairs utilizing the UN framework in maintaining equitable relations among the members of the international community and ensuring stability and security in the world. President Nursultan Nazarbayev reiterated support of Kazakhstan for India's candidature as Permanent Member of the UN Security Council. The two Sides agreed to mutually support each other's candidatures in the UN and other multi-lateral fora.

21. India conveyed its support to Kazakhstan candidature for the membership of ASEAN Regional Forum as and when the expansion of membership of the Forum is considered by the member states.

22. The Indian side welcomed the decision of member states of the Shanghai Cooperation Organisation (SCO) for an enhanced role for Observers and conveyed that India looked forward to greater participation

in the activities of the SCO. In particular, India expressed interest in participating in the activities of the Regional Anti Terrorist Structure (RATS), SCO Contact Group on Afghanistan and SCO Business Council.

23. The two Sides expressed concern over the deterioration of the global financial and economic situation adversely affecting development of national economies. The two Sides agreed that only through coordinated actions of all the members of the international community would it be possible to overcome the world economic crisis.

24. The need for shaping a new global political and economic order based on the mutual respect for interests, display of tolerance for national, religious and cultural traditions of all members of the international community was underlined. It was stressed that a new global order would contribute to enhancing stability and security, achieving universal equality and cooperation in the world.

25. The two Sides expressed satisfaction with the results of the State Visit and concluded that it had contributed positively to the strengthening of the friendly ties between the two countries. The President of India expressed deep appreciation for presence of His Excellency President Nursultan Nazarbayev at the Republic Day celebrations which underlined importance India attached to Kazakhstan, and the Central Asian region. This was truly befitting as India enters the 60th year as a Republic.

26. His Excellency Mr. Nursultan Nazarbayev, President of the Republic of Kazakhstan, expressed deep gratitude to Smt. Pratibha Devisingh Patil, President of Republic of India, for the kind reception and warm hospitality extended to him and accompanying delegation.

27. His Excellency President Nursultan Nazarbayev invited the President of India to visit Kazakhstan at a mutually convenient time. The invitation was accepted with pleasure.



**KUWAIT****507. Media Briefing by Secretary (East) N. Ravi on Vice-President's visit to Kuwait.****New Delhi, April 2, 2009.**

**Director (XP) (Shri Gopal Baglay):** Good afternoon friends. Welcome to the External Publicity Division of the Ministry of External Affairs for this briefing in connection with the visit of the Hon'ble Vice-President of India to Kuwait. We have with us today Shri N. Ravi, Secretary in the Ministry of External Affairs of India. Kuwait is amongst his vast and onerous responsibilities. We also have, on the Secretary's right, Shri Anil Trigunayat, the Joint Secretary dealing, with among other countries, Kuwait; and also the Joint Secretary to the Vice-President of India, Shri P. Harish. Many of you would know him from his previous responsibility as Director (XP).

May I now request Secretary (East) to make his opening remarks.

**Secretary (East) (Shri N. Ravi):** Thank you Gopal. Let me also extend a very warm welcome to all our friends from the media. Today we are gathered to hear a little about the forthcoming visit of Hon'ble Mohammad Hamid Ansari, Vice-President of India to Kuwait. There is a Press Release that will be given to you after the meeting is over.

The visit of the Vice-President is at the invitation of the Crown Prince His Highness Sheikh Nawas. During the visit the Vice-President would be calling on His Highness the Amir of Kuwait and will have substantive discussions with the Kuwaiti leadership. He will also be addressing the captains of Kuwaiti industry and business at the Kuwait Chamber of Commerce and Industry.

The visit commences on the 6th (April). On the day of the arrival, the Vice-President would be calling on His Highness the Amir following which the Vice-President would be hosted at lunch by his host the Crown Prince. The meetings with Ministers will take place half on the first day and the other half on the 7th (April). The Ministers that the Vice-President would be receiving are the First Deputy Prime Minister and Minister of Defence, the Minister of Foreign Affairs, and then the Minister of Oil, followed by the Minister of Finance. Subsequently the Vice-President would be addressing the Kuwaiti Chamber of Commerce and Industry.

The last high-level visit from Kuwait to India was in June 2006 when the Amir of Kuwait His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah

was in India. This was the first visit by the Amir, since he assumed his position, to any foreign country. And since the visit of the Amir we have had two sessions of the Joint Commission between India and Kuwait - one in November 2006 followed by another in July 2008. In addition to these two sessions of the Joint Commission we have had various exchanges at the Ministerial and official levels which have sustained the momentum in our bilateral relations across many sectors.

Needless to add, the meetings that have been scheduled for the Vice-President during his stay in Kuwait would cover all bilateral and other regional issues. And, of course, mutual cooperation in all possible fields would also be discussed.

Friends, as you know, Kuwait is a part of our extended neighbourhood. Our relations with Kuwait have been very close, friendly; and most important of all, they go back many centuries. In fact, trade between Kuwait and India goes back a few hundred years. This today translates itself in a very large number of Indians who are resident in Kuwait who are contributing across all sectors of labour in different areas inside Kuwait. At last count we have just under 600,000 people of Indian origin working and living in Kuwait contributing to the economic development of Kuwait.

Kuwait is also an important member in the Gulf Cooperation Council. Among the subjects that will be discussed, apart from trade and investment of course, security in the Gulf, maritime lanes, anti-terrorism, defence, science and technology would be the main areas of focus of our cooperation. As most of you are aware, the Gulf really forms the major source for the purchase of our energy products meaning crude oil and certain other petroleum-refined products.

The energy security for India in its present economic development story is a very important element. This visit would contribute to enhancing this aspect in our bilateral relations and also in our relations with Kuwait. According to one of the records that we have, the very first Consulate ever opened by Kuwait was in Bombay, or Mumbai, after they achieved Independence. Many Kuwaitis, especially members of the royal family, have got very close linkages with India through trade and through visits, and they maintain these links even today.

Kuwait is an important trading partner. We have a bilateral trade of about \$ 8.4 billion in 2007-08. It accounts for about 12 per cent of our crude oil imports. Recently the Indian Oil Corporation has renewed its contract for



purchase of about nine million metric tonnes of crude and about 351 trillion cubic metres of gas from Kuwait. This gives you an idea about the importance that Kuwait has in our energy security framework. The effort during the visit would be to convert this relationship into a mutually beneficial one where the two partners can look to new areas where they can cooperate.

As I had mentioned a while back, Kuwait hosts about 580,000 Indians who work in Kuwait. Our visit is further aimed at intensifying this trade and economic cooperation through seeking more investments from Kuwait in the infrastructure. As most of you are aware, in the coming decade India can, according to one calculation, absorb as much as 500 billion dollars worth of investment from abroad.

During the forthcoming visit we hope to sign two agreements - one in the field of science and technology cooperation and another would be an educational exchange programme for the years 2009-11. This is expected to initiate functional cooperation in these areas between the respective agencies including in research and development, research projects for application, potential in medium and long term, as well as turnkey projects based on the science and technology capabilities of both countries.

Some of the areas of mutual interest that have been identified are: information and communication technology, biotechnology, small and medium enterprises entrepreneurship, alternative energy sources, and so on.

I think I will stop here and perhaps take a couple of question.

**Question:** You have mentioned that there are nearly six lakh Indians in Kuwait. Is there any meeting scheduled with representatives of Indian community there of the Vice-President to discuss their problems?

**Secretary (East):** One interaction is under consideration. During that, representatives of the Indian community would have an opportunity to meet with the Vice-President.

**Question:** Sir, in the context of recession, are there are concrete proposals on the table when we go there or otherwise? Are we looking for more investments from Kuwait especially in the context of global recession? Also, when we talk about security cooperation, could you amplify on terrorism and maritime security?

**Secretary (East):** First, in the current scenario of world recession, Kuwait happens to be a country which has got a lot of capital which can be invested and this would be one point of interest for us to encourage Kuwaiti investment

into India, particularly in infrastructure sector which can absorb a lot of capital from that country. Needless to add, we have to sort of discuss the framework among officials who are concerned with this. But this point would be touched upon in the meetings. The security cooperation I am specifically referring to is basically the maritime security because a lot of India's energy imports are entirely from the Gulf into India, and it is our intention to make sure that these supplies arrive on time and at places where we desire them to without being disturbed. In this the exporting countries which are in the Gulf also have a role to play, and both sides would be discussing it at the appropriate levels to make sure that this energy security aspect is addressed in all its angles by both countries.

**Question:** Will the issue of terrorism also figure in the meetings Vice-President will have with the Ministers there?

**Secretary (East):** Terrorism is a very important element in our discussions with all world leaders because it is a matter that affects all countries of the world. Without doubt it would be discussed at the appropriate meetings by the Vice-President.

**Question:** Sir, with this global recession there have been reports of Indian workers being laid off in the Gulf countries. Is this problem also there in Kuwait? If it is, will it be taken up during the meetings?

**Secretary (East):** So far we have not got any report of any major lay-offs from Kuwait back to India or any other place.

**Question:** You said that the Defence Minister of Kuwait would also be meeting the Vice-President. Any defence cooperation being discussed between the two countries?

**Secretary (East):** Training exchanges between the two countries is an ongoing feature. In fact, there was a delegation from Kuwait which was in Delhi about a week or ten days back. The general cooperation between the two countries would be discussed during that meeting.

**Question:** Sir, you mentioned about the importance of Kuwait to India ... (Inaudible)... crude oil and other things also you have talked about. But we are told that a visit of any VVIP from India is taking place after 28 years. Why have there been no high-level visits from India in these many years?

**Secretary (East):** This visit is taking place within three years of the visit of His Highness the Amir of Kuwait. So, we are looking at it in the modern context as the various opportunities that exist to tighten the cooperation and to diversify

it between the two countries. So, we are looking at it purely as a return visit for the visit of His Highness's high-level visit. Of course, more visits are planned in the future as and when it is convenient for both sides.

**Question:** When did the last visit take place?

**Secretary (East):** The one visit that did take place from India was in the 1980s when the then Prime Minister Mrs Indira Gandhi visited Kuwait.

**Question:** Since our relations with Kuwait are historical and very long, do you anticipate any cultural exchange between the two countries in the near future?

**Secretary (East):** You may recall that in early December we had an Indo-Arab Cultural Festival in which representatives from all Arab countries took part. I think FICCI organized the festival. The next round would be due in Arab countries. It is a part of the Arab League-India Exchange. So, this would form a part of our ongoing cooperation in the cultural field without doubt.

**Director (XP):** Thank you friends.



**508. Address of Vice President M. Hamid Ansari at the Indian Community Meeting.**

**Kuwait, April 6, 2009.**

Please see Document No.245.



**509. Address of Vice President M. Hamid Ansari at the Kuwait Chamber of Commerce and Industry.**

**Kuwait, April 7, 2009.**

Excellency, Mr. Ali Mohammed Thunayan Al-Ghanim, Chairman of the Kuwait Chamber of Commerce and Industry

Distinguished Members of the KCCI

Ladies and gentlemen

I thank you for your warm words of welcome. I thank the Government of the State of Kuwait, and the Kuwait Chamber of Commerce and Industry, for the opportunity to share my thoughts with this distinguished gathering of captains of trade and industry.

Let me say at the outset that an Indian does not come to Kuwait as a stranger. The same holds for a Kuwaiti in India. Our two people have known each other for centuries and trade was the central element in their relationship. In the process, we familiarised ourselves with each other's cultures, manners and customs.

Nor is there a mystery about this relationship. We live in each other's extended neighbourhood. Mumbai to Kuwait is a distance of about 1500 nautical miles. The air distance is 2890 kilometres and the flying time is 4 hours and 15 minutes. For us in India, this is a little less than the flying time from Kashmir to Kerala.

So I come here today to continue an ongoing dialogue with friends, rather than initiate a new one with strangers. The contents of the dialogue, then and now, relate to each other's interests and requirements, capabilities and capacities, aspirations and achievements.

The centrality of the Gulf region to the economic wellbeing of the world is evident. Peace and stability are essential pre-requisites to economic activity. This translates into four propositions:

- Friendly relations and good cooperation with the states of the region
- Access to the energy resources
- Freedom of navigation and safety of sea lanes
- Access to markets for trade, technology, investments and workforce.

The states of the region, as responsible members of the international community, subscribe this approach. So does India.

Two additional factors are relevant in the case of India. The governments and the people of the region are India-friendly and Indian-friendly.

These general and specific principles form the basis of Indo-Kuwaiti bilateral cooperation.

As leaders of business and industry, you are aware of the economic transformation of India in the past decade. Our economic reforms have been premised on a calibrated, stable and sustainable process of growth that has contributed to the economic empowerment of millions of citizens, paving their way out of poverty. We look not merely at growth rates and per capita incomes, but at durable indicators of human capital.

The challenge before us is to sustain this growth in the coming two decades to eradicate poverty and bring about inclusive socio-economic development for citizens. Despite the current global crisis, we are determined to make the economy expand at a healthy rate. During the last five years our rate of growth was at an average of around 9 percent; this year it will be about 6 per cent, still one of the highest registered globally. Winds of global recession should not mean erection of new walls and protectionist barriers for trade, investments and free movement of service-providers and professionals.

From an Indian perspective, the two most important prerequisites for growth are energy security and development of infrastructure. We need to increase our primary energy supply by 3 to 4 times and electricity generation capacity and supply by five to six times to sustain a growth rate of 8 percent till the year 2030.

India is in a position to absorb US\$ 500 billion investment in the next decade or so to meet the growing infrastructural needs. It is here that we see the new horizon of our engagement with the Gulf region.

Economic growth in India represents an opportunity for economies in our neighbourhood, including this region, and indeed for the global economy. The biggest opportunity is in infrastructure development where public-private partnerships are being encouraged, as the public sector alone would not be able to deliver on its own. Our rural areas have become the target areas for a massive investment in infrastructure development and connectivity enhancement. This approach also creates an employment safety-net. The government is equally committed to renewal of urban areas through a nation-wide programme of development of urban infrastructure and service delivery mechanisms.

The emergence of India has been accompanied by indigenous development and harnessing of new scientific and technological capabilities. Many of these can be fruitfully utilised by our partners and friends. These relate, in the first instance, to the knowledge based industries. Indian Information Technology companies have played a critical role in the growing e-economy and e-business across the globe and have given India a new global image. Likewise, our proven capabilities in bio-technology, pharmaceuticals and health sectors and in environmental protection and conservation could be tapped by our partners to the benefit of our peoples.

### **Friends**

12 percent of the crude oil imported by India comes from Kuwait. The Gulf region as a whole accounts for two-third of our crude imports. We consider this critical to our energy security framework. Even with a very low per capita energy consumption amounting to a quarter of the world average, India is today the world's fifth largest energy consumer. If our economy continues to grow at 8 per cent, we would be the third largest energy consumer by 2030. The relevance of the Gulf region as a whole and of Kuwait in particular, for our energy security would thus increase considerably.

India's relations with Kuwait and the GCC countries are based on the fundamental premise that the Gulf region is part of our natural area of economic interaction. In recent years, we have crafted and implemented a new Look East Policy relating principally to the ASEAN group. This is to be supplemented with a "Look-West" policy reflecting our commitment to strengthen our relations with the Gulf countries. We have had intensive negotiations for achieving an India-GCC Free Trade Agreement. It is our hope that this would be concluded at the earliest to mutual benefit.

### **Friends**

High level exchanges between our countries provide a platform for renewing relations and exploring new avenues for mutual cooperation. The official visit to India in June 2006 by the Amir, His Highness Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, provided a fresh impetus to our bilateral relationship.

An important outcome of this has been the impressive growth in bilateral trade that has reached US\$ 8.4 billion in 2007-2008. In the wider regional context, GCC is the largest single origin of imports into India and the second largest destination for exports from India. There is nevertheless considerable scope for further expansion in trade.

Over the years India has become a major source of professionals, skilled and semi-skilled workers to Kuwait and other GCC countries. Currently, more than 4.5 million Indians are contributing to the economic development process in the GCC countries. Within Kuwait, the presence of a large Indian community constitutes a vital aspect of our bilateral ties. It is particularly satisfying that they have acquired a reputation for hard work, efficiency, and being disciplined and law-abiding.

A significant untapped area for cooperation pertains to foreign direct and portfolio investments. Fertiliser production, for instance, offers opportunity for Kuwaiti businessmen and investors wanting to safeguard their investments in these troubled times and earn a profitable return on such investments. Fertilisers and sources of energy such as oil and LNG are inseparably linked. We are encouraging joint venture projects for production of urea near the source of gas/LNG so that cost of feedstock is minimal. Thereafter, long term buy back arrangements with India ensure the financial profitability of such joint ventures. The success of the Oman India Fertiliser Company is a vindication of this approach. Such Indian investments in Kuwait would further strengthen our relations, and promote investments, economic and employment opportunities for Kuwaiti citizens.

I therefore urge Kuwaiti investors to explore opportunities in the production of fertilisers for dedicated supply to India.

#### **Friends,**

One objective friends should be cooperation for mutual prosperity. I am confident that the India-Kuwait relationship would blossom in the years to come and there would be more intensive commercial and trade engagement and more investments made by businessmen and industrialists\*.

Thank you once again for the warm welcome that you have extended to me and my delegation.



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\* *The Hindu* correspondent based in West Asia quoting Diplomatic sources said that India and Kuwait aligned their perceptions on the global economic slowdown and the regional tensions generated in the Gulf nation's volatile neighbourhood during the Vice President's visit. Kuwait was of the view that a return to the surging oil prices of the past would deepen the global recession, and that was not in the long-term interest of the oil-producing nations. It said Iran, Gulf security and terrorism featured prominently in the talks. On Iran, Kuwait was of the view that it was better to engage with Iran rather than pursue a path of confrontation. Consequently, Kuwait is supporting the recent attempt by U.S. President Barack Obama to reach out to Iran. Kuwait hoped that the situation in

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neighbouring Iraq would stabilise, despite the declaration by the Americans that they would exit from Iraq and step up their force strength in Afghanistan. Through its high-capacity port facilities, Kuwait could help in transiting Indian goods into Iraq. Both sides expressed concern over the destabilising impact of terrorism. The paper quoting official sources said the two countries were ready to consider all aspects related to counter-terrorism, including intelligence-sharing. The report further added the discussions were held on ensuring maritime security that would allow unimpeded transit of oil tankers carrying crude from the Gulf towards India. The same diplomatic sources said these talks were held in the larger context of Gulf security that would involve all the six countries of the Gulf Cooperation Council (GCC): Saudi Arabia, Kuwait, Qatar, Bahrain, the United Arab Emirates (UAE) and Oman. During the Vice President's visit, Kuwait expressed its commitment to invest in India's infrastructure, especially in power distribution, airport and port development projects.

Kuwait's Finance Minister and the head of the Kuwait Investment Authority (KIA) told Mr. Ansari that Kuwait had already made modest portfolio investments in India. *The Hindu* report further quoting sources said Kuwait has shown greater inclination to invest in India after Kuwaiti investors lost heavily on their real estate investments, especially in the neighbouring recession-hit Gulf countries.



**PALESTINE****510. Statement by Official Spokesperson of the Ministry of External Affairs on Gaza situation.****New Delhi, January 9, 2009.**

The deteriorating situation in Gaza has drawn the attention of the Government of India and the plight of the population has become heart rending. The daily time table of a three hour cease fire does not appear to be producing any favourable change in the situation. The situation on the energy front appears extremely grim as nearly three-fourths of the Gaza population is now without any electricity and the prospects with no fuel oil available appear even more serious. The situation on the food front in Gaza is no better. Some 750,000 people are without access to food.

It is indeed strange that while talks are going on in Cairo among representatives of all concerned under the guidance of the French and the Egyptian officials, there is no sign of sorrow or concern about the plight of the million and half Gazan civilians living in a permanent state of fright.

The Government of India looks forward to an early end to the suffering of the people of Gaza and a return to a dialogue and resumption of the peace process



\* The statement was referring to the deteriorating situation in the Gaza as a result of the Israel attack and it's rejection of the call by the United Nations Security Council for an immediate ceasefire. Israeli Prime Minister Ehud Olmert said at the end of a security Cabinet meeting on January 9 that the U.N. plan was "unworkable." He said the military would continue with its operations, citing the fresh salvo of Palestinian rockets that were fired into Israel from Gaza on same day. "The firing of rockets this morning only goes to show that the U.N. decision is unworkable and will not be adhered to by the murderous Palestinian organisations," he said in a statement. Mr. Olmert's office said Israel "has never agreed to let an external body decide its right to protect the security of its citizens." Israeli air raids and ground assaults on January 9 killed at least 12 Palestinians. Palestinian doctors said six Gaza residents of the same family were killed when tanks shelled a house in Beit Lahiya, north of the Strip. An Israeli military spokesman said the air force attacked 50 targets overnight. The Palestinian group Hamas, which has been battling the Israelis in Gaza since December 27, too rejected the Security Council's ceasefire resolution. Osama Hamdan, representative of Hamas in Lebanon, said the resolution did not affect Hamas as it had been drafted without consultations with the group contrary to the U.N. resolution, and another plan being drafted by Egypt and France, Hamas supports an alternative proposal authored jointly by Syria and Turkey, the London based Palestinian daily, *Al Quds Al Arabi* said.

Meanwhile another peace effort by Turkey and Syria was afoot which was said to feature the following points: The joint cessation of fire by Israel and Hamas, and

**511. Intervention by External Affairs Minister S. M. Krishna at the Ministerial Meeting of the NAM Committee on Palestine.**

**Sharm El Sheikh (Egypt), July 13, 2009.**

Mr. Chairman,

Thank you for this opportunity to address this important committee. Although this is the first occasion I do so, I carry with me the happy thought that we began our work following the decision to constitute the Committee on Palestine at the 7th Summit of the Non-aligned Movement held in New Delhi in 1983.

When the Committee last met in Havana in April 2009, India renewed its commitment to the just cause of the Palestinian people and, indeed, to seeking progress in all tracks of the Middle East Peace Process.

The world has witnessed the Israeli incursion into Gaza, with all its attendant casualties, mainly of innocent civilians, including a large number of children and women, destruction of civilian infrastructure and further misery for a population already under occupation.

India condemned those developments. We are disappointed, also, at the lack of progress in the peace process and the encouragement that stalemate provides to the expansion of Israeli settlements on occupied Palestinian territories, including in Jerusalem.

Allow me, Mr. Chairman, to express our appreciation to the Government of Egypt for inviting India to the donors' conference held here in Sharm el-Sheikh on 2 March, 2009. I am pleased to announce that in keeping with India's response at Tehran to the presentation of the distinguished Foreign Minister of Palestine to this Committee, regarding the need for additional budgetary support, which were taken forward in discussions

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the immediate withdrawal of the Israeli Army from the Gaza Strip. It also called upon both sides to reaffirm their commitment to the truce agreement that they had signed in June 2008. Besides, it advocated the formation of a special international committee to monitor the Gaza Strip's border crossing points. The initiative also supported the convening of an international donors conference, so that adequate funds were available for Gaza's reconstruction. It supported Turkey's prominent role as a mediator between Hamas and Israel in future negotiations; a role that Egypt was performing till then.

between His Excellency, President Mahmoud Abbas and Prime Minister, Dr. Manmohan Singh in New Delhi in October, 2008, India has since concretized its pledges. In this regard, a sum equivalent to \$ 10 million was transferred in March, 2009 as budget support to the Palestine National Authority.

I am equally pleased that the Palestine Embassy in New Delhi built as a gift of the Government and people of India is almost complete.

These exemplify India's continuing commitment to Palestine.

Mr. Chairman, I avail myself of this opportunity to renew India's commitment to the work of this Committee, confident that under your guidance, we would contribute in ever-larger measure to the work of the Movement in support of the Palestinian people.

Thank you.



**512. Extract relevant to Palestine from the Media Briefing by Foreign Secretary Shivshankar Menon on the conclusion of the NAM Summit.**

**Sharm El-Sheikh, July 15, 2009.**

He (Prime Minister) met with President of the Palestinian National Authority Mahmoud Abbas for quite sometime. They discussed the situation in Palestine, in the Middle-East; and also talked of India's longstanding ties with the Palestinian people, what we have done, what we hope to do with them in the years to come. It was a very warm and friendly conversation. They have known each other for sometime. One of the things that was mentioned was the need, which President Abbas had picked up from Prime Minister's speech, to impart skills to young people, giving them the ability to go out and get jobs, work in today's world. He was very keen that we build on that idea. So, we will be working with the PNA to try and do that. President Abbas was still hoping that there would be progress in terms of the peace process itself, but he was not underestimating the difficulties. The Prime Minister reiterated our traditional position of support and commitment to the Palestinian cause, to the two States living side by side in peace and in security.

For full text of the briefing please see Document No.232.



**513. Declaration on Palestine by the Heads of State/  
Governments at the NAM Summit.**

**Sharm El-Sheikh, July 16, 2009.**

Please see Document No.233.



**514. Press Release issued by the Ministry of External Affairs  
announcing increase in India's contribution to United Nations  
Relief and Work Agency for Palestine Refugees (UNRWA).**

**New Delhi, October 12, 2009.**

It has been decided to increase India's contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to \$1 million. UNRWA is marking its 60th Anniversary this year and the enhanced contribution is in keeping with India's consistent and principled support for the people of Palestine. Minister of State for External Affairs Dr. Shashi Tharoor has, in a letter to the Commissioner General of UNRWA, Ms. Karen AbuZayd, conveyed the decision regarding this enhanced contribution. In January 2009, in response to an UNRWA Flash Appeal, the Government of India had made a special assistance of \$1 million for relief work in Gaza Strip.



**515. Statement by the Acting Permanent Representative at  
the UN Ambassador Manjeev Singh Puri on the  
Question of Palestine at the 64th Session of the UNGA.**

**New York, December 1, 2009.**

Please see Document No.818.



**516. Speech of Minister of State Dr. Shashi Tharoor on the occasion of "International Day of Solidarity with the Palestinian People".**

**New Delhi, December 2, 2009.**

**Your Excellency, the Ambassador of Palestine in India, Mr. Adli Hassan Shaban Sadeq,**

**Chief Representative, League of Arab States Mission, Dr. Ahmed Salem Saleh Al-Wahishi**

**Director General of the Indian Council of World Affairs, Shri Sudhir Devare**

**Excellencies, distinguished invitees,**

**Ladies and Gentlemen,**

I am greatly honoured to be here today amidst this august gathering to mark the important occasion of the International Day of Solidarity with the Palestinian People. All of us present here, representing diverse nations, in our own ways are here to express solidarity with the people of Palestine in their struggle for their legitimate rights. Our gestures of support also convey that it is in the interest of the entire international community that a just and comprehensive solution can be achieved resulting in a sovereign, independent, viable and united State of Palestine living within secure and recognized borders with East Jerusalem as its Capital, side by side and at peace with the State of Israel, as endorsed in the Quartet Road Map and the United Nations Security Council Resolutions 1397 & 1515. India has also supported the Arab Peace Plan as outlined in the 2002 Arab Summit held in Beirut and the 2007 Arab Summit in Riyadh. In line with its backing of the UN Security Council Resolutions 242 and 338, India supports a negotiated solution to the West Asian conflict, which, it is convinced, is essentially political in nature and cannot be resolved by force.

As a responsible member of the international community and as a country with long-established ties with West Asia, India also desires to see a resolution to tensions in the region through dialogue. Continued expansion of settlements is not helpful to the resumption of the peace process. We hope to see early resumption of negotiations. We are concerned and welcome efforts to invigorate the peace process. Although we do not play a role as such in the peace process as we have not been requested to do so,

we have vital stakes in the process and in the West Asian region. India is closely monitoring the developments in the region which is also home to more than 4.5 million Indians and as Pandit Jawahar Lal Nehru said in 1958 in a speech in the Lok Sabha, our "approach is not inimical to any country there".

### **Excellencies,**

Palestine has always occupied a special place in the hearts of my countrymen. India's solidarity with the Palestinian people and its approach to the Palestinian question were guided by that apostle of peace, Mahatma Gandhi, and the struggle that he inspired for our independence. As early as in 1936, the Congress Working Committee sent greetings to Palestine and 27 September, 1936 was observed in India as Palestine Day. The 1939 Session of the Indian National Congress adopted a Resolution on Palestine and looked forward to the emergence of an independent democratic state in Palestine in which the rights of all communities would be protected. Our former Prime Minister Pandit Jawaharlal Nehru was a passionate advocate of the rights of the Palestinian people.

India was the first non-Arab State to recognize the PLO as the sole legitimate representative of the Palestinian people in 1975 and in 1988 became one of the first countries to recognize the State of Palestine. India opened its Representative Office in Palestine in 1996 in Ramallah following the establishment of the Palestinian National Authority.

India has always stood by the Palestinian people in pursuit of their legitimate goals and their efforts aimed at economic and social development with dignity and self reliance. Since the opening of the Representative Office in Ramallah, India has also extended material assistance to the Palestinian National Authority. Such assistance has been utilized for humanitarian relief, development projects, establishment of educational and training facilities, budgetary support and so on. India has been proud to be involved with training a large number of Palestinian officials from economic, industrial and financial sectors and special courses for Palestinian diplomats have been conducted at our Foreign Service Institute. As you may be aware, this year the United Nations Relief and Works Agency for Palestine Refugees in the Near East, UNRWA, is celebrating its 60th anniversary. India has increased its annual contribution from twenty thousand dollars to one million dollars. I am also happy to note that the Palestinian Embassy Building in New Delhi is nearing completion. The foundation stone of the Building was laid in the presence of Hon'ble Prime Minister Dr. Manmohan Singh and His

Excellency the President of the Palestinian National Authority Mr. Mahmoud Abbas during his visit to India in October 2008.

**Ladies and gentlemen,**

Before I conclude, I would like to commend the Indian Council for World Affairs for organizing this event to mark the International Day of Solidarity with the Palestinian People. In a message for the occasion organized at the United Nations in New York, the Prime Minister has said that India remains convinced that lasting peace in the region will contribute to global stability and prosperity. As Amb. Aziz has mentioned to us, no one quantifies the costs of the absence of peace in this vital region.

Thank you all also for being here today. I am looking forward to hearing the poetry of the late great Palestinian poet Mahmood Darwish of whom I am a great fan. But I will end with the words of another late Palestinian writer, my friend, Edward Said, who wrote in his essay "Overlapping Territories, Intertwined Histories", "Just as none of us is outside or beyond geography, none of us is completely free from the struggle over geography. That struggle is complex and interesting because it is not only about soldiers and cannons but also about ideas, about forms, about images and imaginings". Let us pay tribute to the idea of a free, secular, democratic Palestine that has featured in the "imaginings" of so many for the last six decades.

Thank you!





**QATAR****517. Press Release issued by the Ministry of External Affairs on the First Meeting of the High Level India-Qatar Monitoring Mechanism.****New Delhi, February 25, 2009.**

The first meeting of the high level India-Qatar Monitoring Mechanism established during the visit of Prime Minister Dr. Manmohan Singh to Qatar on November 9-10, 2008 to ensure speedy progress on decisions taken between the two countries to enhance bilateral cooperation, was held on 24 February, 2009 in New Delhi.

2. The Indian side was led by Shri T.K.A. Nair, Principal Secretary to the Prime Minister, who was assisted by a high-level inter-ministerial delegation. The Qatari delegation was led by H.E. Dr. Khalid bin Mohamed Al Attiyah, Minister of State for International Cooperation of the State of Qatar.

3. Leaders of the two delegations reaffirmed their commitment to the close and historical ties that exist between India and Qatar. They noted the broad ranging areas of cooperation between the two countries, and the vast potential that exists for further improvement. They reviewed the status of cooperation in the following key areas (i) hydrocarbons, (ii) education and human resource development, (iii) fertilizers, (iv) civil aviation, (v) investment from Qatar and cooperation in financial sector, (vi) chemicals and petrochemicals, (vii) labour related matters, and (viii) review of bilateral institutional mechanisms. An 'Agreement of Intention' to set up a fertilizer complex to primarily produce Urea and Ammonia with buy back by India was signed between IFFCO and QAFCO.

4. Both sides reaffirmed their desire to further strengthen India-Qatar relation for the mutual benefit of both countries.



**518. Press Release issued by the Ministry of Petroleum and Natural Gas regarding supply of LNG from Qatar.**

**New Delhi, December 16, 2009.**

Qatar has agreed to consider to meet Indian demand for supplying LNG on a long term basis. This emerged at a meeting between Shri Murli Deora, Minister of Petroleum & Natural Gas and Mr. Abdulla Bin hamad Al-Attiyah, Deputy Premier and Minister of Energy & Industry, Government of Qatar at Doha today. Shri Deora visited Doha, Qatar to discuss the LNG supplies to India. The Petroleum Minister is accompanied by Secretary, Ministry of Petroleum & Natural Gas, CMDs of ONGC, IOC, GAIL & MD, Petronet LNG Limited. Qatari Minister was joined by Chief Executives of Rasgas and other petroleum companies.

During the meeting India sought long term LNG supplies for Dahej and Kochi terminals of Petronet LNG Limited and Dabhol terminal of GAIL. Deputy Premier agreed to consider the request of Indian side for LNG supplies. Mr. Al-Attiyah also advised the CEOs of Rasgas and other petroleum companies of Qatar to have separate discussions with CEOs of ONGC, IOC, GAIL & Petronet LNG Limited to chalk out plans for the supply of upto 5 MMT of LNG to India on long term basis. It was agreed by both the sides to have further discussions. Mr. Al-Attiyah also hosted a lunch in honour of the visiting Petroleum Minister and expressed satisfaction over the talks. Mr. Al-Attiyah also expressed his desire to visit India and see the Dabhol and Hazira pipelines.



**SYRIA****519. Press Release issued by the Ministry of External Affairs on the signing of a Memorandum of Understanding between India and Syria for development of rock phosphate resources.****New Delhi, May 14, 2009.**

A Memorandum of Understanding was signed on 14th May, 2009 between Department of Fertilizer, Ministry of Chemicals and Fertilizers, Government of India and General Company for Phosphate and Mines, Ministry of Petroleum and Mineral Resources, Government of the Syrian Arab Republic for providing consultancy services for preparation of technical, economic and environmental study report for development of rock phosphate resources of Syria.

A consortium of Indian consultants (MECON, PDIL, and RITES) will prepare a study report for the proposed enhancement of production of rock phosphate, augmentation of associated infrastructure facilities such as power plant, strengthening and modernizing of rail network, port facilities etc. and setting up of Phosphatic fertilizer complex in Syria for producing Di Ammonium Phosphate, Triple Super Phosphate, Di Calcium Phosphate, Phosphoric Acid and Sulphuric Acid.

The Indian consortium will complete the study and prepare the report within 1-year. Cost of the feasibility study will be borne by the Government of India.



**TAJIKISTAN****520. Speech by President Smt. Pratibha Devisingh Patil at the inauguration of India - Tajikistan Business Forum.****Dushanbe, September 6, 2009.**

Your Excellency President Rahmon,

Excellencies,

Members of the Indian and Tajik Business Delegations,

I am delighted to be here along with my friend and gracious host, President Rahmon of Tajikistan, to jointly address the India-Tajikistan Business Forum. We are united in our wish to build a strong economic and trade partnership between India and Tajikistan. I especially thank the Tajik Chamber of Commerce and Industry and the Confederation of Indian Industries and our other trade organizations who have worked hard to realize this event.

It is a matter of satisfaction that our trade grew nearly 40% last year. However, we cannot overlook the fact that the total volume of direct trade is small at just around US \$ 30 million. There is greater potential and we need to increase our trade. I am pleased that a number of small and medium Indian companies have opened operations in Dushanbe and a few Indian investments have also been made in Tajikistan. It is a good beginning which needs to be built upon. We have a legal framework in place in the form of Bilateral Investment Promotion Agreement signed in December 1995 and the Double Taxation Avoidance Agreement signed in November 2008. Our two countries enjoy excellent political, cultural and defence relations. Our trade and economic relations should also reflect this reality. I would, therefore, call on the businessmen to explore opportunities and you can be confident that you have the support of both Governments in this regard.

Our steady economic growth, combined with an extremely diversified agriculture and industrial base makes us an ideal partner for Tajikistan. We have quality goods, innovative ideas and appropriate technology to trade and share with our friends in Tajikistan. India's large pool of trained and skilled manpower offers attractive possibilities for forging beneficial partnerships in diverse areas.

Indian businesses are increasingly investing around the globe. It is natural that they should also take a look at our neighbourhood. It is not without reason that Tajikistan sat on the cross roads of the fabled Silk Route. Tajikistan

offers some natural advantages as it is surrounded by neighbours with large populations and markets. Investors from India and Tajikistan can consider opportunities for bilateral investment in a number of promising areas and these include agriculture, mining, transport and infrastructure, hydropower as well as health and education. Agriculture, horticulture, fruits and vegetables, poultry and dairy are yet other areas where small and medium enterprises can flourish. Tajikistan's bilingual youth presents an opportunity for Indian IT companies which may be looking at new and emerging markets.

Tajikistan possesses a huge untapped hydropower potential. The challenge is to use this supply to cater to the demand for energy in South Asia, including India.

No doubt, establishment of direct air link is an urgent requirement for enabling greater people to people contacts, development of tourism and attracting investment. All of you have taken a circuitous route to reach Dushanbe even though the flying time from Delhi to Dushanbe is the same as Delhi to Kolkata. This lack of connectivity is a gap that needs to be filled quickly.

Our business leaders would be interacting over two days. I urge them to identify mutually beneficial areas for partnership. I am confident that given our combined will and your spirit of enterprise you would be successful in realizing our goals. I wish you success in your deliberations.

Thank you.



**521. Speech by President Smt. Pratibha Devisingh Patil at the reception to meet the Indian community.**

**Dushanbe, September 6, 2009.**

Please see Document No.251.



**522. Speech of President Smt. Pratibha Devisingh Patil at the State banquet hosted in her honour by the President of the Republic of Tajikistan Emomali Rahmon.**

**Dushanbe, September 7, 2009.**

Your Excellency President Rahmon,

Distinguished Guests,

It is indeed a great pleasure to be in the breathtakingly beautiful city of Dushanbe - a city so reminiscent of its linkages to the East and West, located not far from the famous Silk Road. The links between India and Tajikistan, I am sure, can be traced back to many centuries. In fact, in some ways the sights of Dushanbe remind us of our own homeland and it does not seem foreign. The affection and warmth of your people is so overwhelming and I am touched by the kindness and hospitality extended to me and to the Members of my delegation.

I am very happy to learn that Dushanbe is one of the rapidly growing commercial, cultural and industrial centers of Tajikistan. We are aware of the difficult times faced by your country in the 1990s. However, it is a matter of pride that the people of Tajikistan with their determination and dedication have brought about the resurgence and impressive economic progress of their nation. Mahatma Gandhi had said 'Strength does not come from winning. Your struggles develop your strengths. When you go through hardships and decide not to surrender, that is strength'. Having struggled for our own independence and, thereafter, embarking on the path of nation building, we understand your achievements are by no means small or meager. We congratulate the people of Tajikistan on the progress attained and Your Excellency for your vision and your stewardship.

India and the countries of Central Asia have always been close neighbours. Since remote antiquity the two regions have been connected by trade routes across the Himalayas and the Pamir mountains. This movement of peoples and ideas is the foundation of the cultural relations that exist even today. One of the most valuable contributions of Tajikistan to India in the medieval times is Sufi thought and philosophy. The shrine of Sayyid Ali Hamadani at Kulab in Southern Tajikistan is a testimony to this rich legacy and is frequented by Indians as pilgrimage. I will be visiting the shrine tomorrow and pay my homage. He was very influential and had a major contribution in shaping the culture of the Kashmir Valley. The sublime poetry of Mirza Abdul Qadir Bedil is revered in India as in Tajikistan. These influences find a reflection in our ethos of inclusiveness, pluralism and tolerance even today, as we blend the traditional with the modern and take pride in unity in diversity.

**Excellency,**

India since its independence has made tremendous progress. India is today the fourth largest economy in the world in terms of purchasing power parity.

Despite the global impact of the recent economic crisis, which affected India also, India remains among the fastest growing economies of the world. We will continue to work for higher growth rates. To achieve this, a peaceful extended neighbourhood and a supportive international environment remains our fundamental foreign policy objective. India, as a responsible power, does and will engage actively with the world, while pursuing an independent and non-aligned foreign policy of peace and development.

India has gained entrepreneurial experience over the years in many areas which could be of relevance to the development of Tajikistan. These include mining, metallurgy, engineering, automobiles and consumer goods. There have been some success stories of Indian investments in the region in the textile, metals and construction sectors, which could be replicated. Cooperation in such sectors as leather, chemicals, pharmaceuticals, finance, capital markets and services can be explored. Besides, India offers a large market for all our neighbours. We need to identify ways of enhancing trade flows, which depend on physical connectivities, banking linkages, governmental regulation and administrative procedures. It would be in our common interest to promote these connectivities and inter-linkages amongst us. It is heartening to note that steps are being taken by both India and Tajikistan to expand and strengthen economic cooperation.

The visit of Your Excellency to India in August 2006 provided an impetus to our bilateral ties. India and Tajikistan are friends foremost and this friendship knows no bounds. Both our nations have strived to preserve the essence and spirit of this bond. I am optimistic that the future holds great promise for our continued closeness and I end with a couplet by Tajik poet, Mirzo Tursunzoda, on friendship:-

To tavoni doostonro goom makoon,  
Doostoni mehrubonro goom makoon.

which can be translated as -

Do not lose friends that you have,  
Especially your affectionate and compassionate friends.

With this thought, Distinguished Guests, please join me in raising a toast to:

- the good health of his Excellency President Rahmon,
- a vibrant India-Tajikistan friendship; and
- peace and prosperity of the friendly people of Tajikistan.

Thank you.



**523. Speech by President Pratibha Devisingh Patil at the National Day celebrations of Tajikistan.**

**Dushanbe, September 8, 2009.**

H.E. President Emomali Rahmon

Excellencies,

Dear people of Tajikistan and fellow citizens of India.

I am delighted to be here today in beautiful Tajikistan. It is a matter of great pride and satisfaction to be celebrating the 18th Independence Day of Tajikistan with you all.

I bring to you all greetings and best wishes from the Government and more than one billion people of India. I also wish to extend to you the greetings for the holy month of Ramadan.

The close historical and cultural links between Tajikistan and India are well known to you. Since my arrival here two days ago, I have been struck by the extent of similarity between our two countries and its people. It feels like a homecoming.

I will describe my feelings in a couplet from a famous Indian poet:

All the houses look the same, the people too,

In an unknown city nothing appears unfamiliar

India and Tajikistan have shared the same political and cultural space in the past. These old links were frozen in time due to our respective histories. However, now both the Governments are working ceaselessly to re-establish these multifaceted links. We are happy that our bilateral relations are in an excellent state and we share mutual respect, trust, love and confidence.

At the same time by working together both our nations can be successful, just as yesterday when an Indian and Tajik joint mountaineering team scaled the Gulab Kangri Peak. I congratulate the team. I am all the more happy that this feat was achieved on the eve of Tajikistan's Independence Day.

I also wish to state that the book, "Tajikistan in the Mirror of History" (*Tajik Itihas Ke Darpan Mein*) written by President Rahmon, which has recently been translated will help in the understanding between our nations. I thank him for the efforts he has made.



Tajikistan is an old civilization, but a young nation. The process of nation building offers opportunities and challenges. I congratulate the people of Tajikistan for all their achievements in the last 18 years. Nation building involves joint effort of Governments and each child, woman and man, all of whom have to make a contribution.

The Tajik people have already shown their maturity and sagacity. You are an example of bringing to an end differences in society through peaceful negotiations and dialogue. I congratulate the people of Tajikistan, H.E. President Rahmon and the Government. Continuing peace is a pre-requisite for moving forward on the road to prosperity.

India wishes to see Tajikistan as a prosperous, progressive and peaceful country. We live in each others' extended neighbourhood. We rejoice in your success.

As I leave Tajikistan today, it will be the warmth of the friendship I have received from all of you that I will always cherish. I conclude with a verse written by the famous Tajik poet Rudaki:

"Hez shodi nest andar in zahon

Behtar az didori rui duston"

Translated as:

"Nothing is more joyful in the world than meeting with friends"

Long live India-Tajikistan friendship!

Salamat Boshed



**524. Statement of President Smt. Pratibha Devisingh Patil on her way back to New Delhi after completing her State Visits to Russia and Tajikistan.**

**On Board the Special Aircraft, September 8, 2009.**

We are returning to New Delhi at the completion of my State visits to Russia and Tajikistan. Our journeys to these friendly countries have been purposeful and productive, reflecting the deep rooted friendship we have with them.

When we left New Delhi, I had stated that we are visiting time tested friends. You too would have felt the warmth of hospitality and the affection that was displayed in the two countries.

My first State Visit to Russia was the second by an Indian President to that country. I visited both Moscow and St. Petersburg. I met President H.E. Mr. Dmitry Medvedev in the Kremlin in an atmosphere of trust and friendship, reflecting the Strategic Partnership between our two countries. We both acknowledged that the enduring relationship between India and Russian Federation has been marked by continuity, trust and mutual understanding. We reviewed ongoing bilateral cooperation in various fields and discussed ways and means to further diversifying and strengthening our engagement. We also exchanged views on regional and international issues of importance.

We noted with satisfaction the regular contacts between the political leadership of the two countries, particularly the practice of the Annual Summit meetings. My visit was thus a further consolidation of these contacts and a reiteration that links with Russia are special for India, which have strengthened across the twentieth into the twenty first century and across a generation.

On Wednesday 3rd September, we both attended the Gala Concert of Indian classical singing and folk and contemporary dances of India held under the auspices of the ongoing Year of India festival in Russia.

I also met Prime Minister H.E. Mr. Vladimir Putin. I conveyed to him that India really appreciated Russia's support in the economic, energy, defence and nuclear fields and that our relationship stood on its own, it had strong foundations and would not be affected by our relationship with other countries. He spoke in detail about the potential of co-operation, especially in energy.

The other leaders I met were the Chairman of the Federation Council and the Chairman of the State Duma. In St. Petersburg, I had meetings with President's Representative to the North-Western region and the Acting Governor of St. Petersburg. With these leaders too, my talks were invigorating and warm. Among the issues we discussed were the establishment of regular inter-Parliamentary exchanges and institutionalization of the mechanism of contacts between the executive and judicial bodies, and promoting co-operation across multiple fields. Our two countries are agreed that there is ample potential for expansion of cooperation in the fields of energy - including hydrocarbons and peaceful uses of nuclear energy, military technical cooperation, space and information technology.

The subject of bilateral trade came up on several occasions. We expressed satisfaction that the target of US\$ 10 billion by 2010 appeared achievable despite the ongoing global financial crisis. We agreed that the existing level of bilateral economic cooperation was much below its potential given the size of our two economies.

I was also delighted to meet the teachers and students of the Embassy of India School in Moscow as well as the Russian school teaching Hindi in St. Petersburg on the eve of and on Teachers' Day itself respectively. I believe that teachers play a very important role in shaping the future of the nation and their contribution needs to be acknowledged and appreciated. I must say that these schools are doing very good work in imparting education and teaching children about Indian culture and values. The manner in which Russian students sang Indian songs and performed Indian classical dances was, indeed, extremely commendable. It is important that all efforts are made to develop linkages between the youth of our two countries, so that ties between India and the Russian Federation which are special, enduring and founded on civilizational and historical ties are carried forward.

Tajikistan remains an important partner for us in the Central Asian region which is our extended neighbourhood. While Tajikistan is a young nation, it is an old civilization and we have a number of common strands in our centuries old ties. My visit, the first ever by an Indian President to Tajikistan, has only renewed these age old ties. We were received with exceptional warmth. It was a historic moment when I got the opportunity to address the people of Tajikistan on their National Day and convey to them the greetings and best wishes of the people and Government of India for their progress and prosperity.

I had fruitful exchange of views on global and regional issues with President Rahmon, whom I have had the pleasure of hosting in Jaipur in August 2006. While reiterating our commitment to build on our close and cooperative relations, we have identified new areas for further diversifying our cooperation. I stated our commitment to assist Tajikistan in its efforts at nation building through sharing our experiences in human resource development, in agriculture, science and technology, Information Technology, health and education and in the areas of youth and sports. We both agreed on the need for establishing direct air links between New Delhi and Dushanbe. In response to an invitation extended, Tajikistan agreed to participate in the India International Garment Fair to be held in New Delhi in January 2010.

I understand that the trade delegation that traveled with me had fruitful discussions with their counterparts in Tajikistan and this is expected to lead to concrete outcomes. We would like to see a strong and vibrant trade and economic relationship, which reflects the close relations we share with Tajikistan in other spheres.

I visited Kuliob today to pay homage at the shrine of Sufi Saint Syed Hamadoni. He represents the ethos of tolerance and harmony that our two countries and societies are based on. Our visit there and the genuine manner in which we were greeted by both the old and young of Kuliob was a moving experience and an affirmation that the ancient ties continue to find resonance in our relationship, while contributing to the strengthening of our emotional bonds.

The Park dedicated to Mahatma Gandhi in Dushanbe illustrates the universal appeal of his principle of non-violence for maintaining peace in the world. I visited the Park and got the opportunity to thank the Government of Tajikistan for maintaining the park. I also saw the reclining Buddha at the Antiquities Museum yet another reminder of the common heritage of our two countries.

Russia and Tajikistan share the firm resolve of India to fight extremism and terrorism in the region. I thanked my interlocutors for their messages of support and condemnation of the Mumbai terrorist attacks. Our cooperation in this area will only grow in the months ahead.

Both in Russia and Tajikistan the desire of the leadership to build close and cooperative relations with India were clearly manifested. I was delighted to meet the members of the Indian community and friends of India in both countries, particularly the sizeable group of Indian students. We are proud of our diaspora's achievements. I was also impressed by the local students

in both countries learning Hindi, Indian music and dance.

I had the pleasure of extending invitations to President Medvedev and President Rahmon to visit India. These invitations have been accepted and mutually convenient dates will be worked out through diplomatic channels. These visits would enable us to sustain the momentum of our ever increasing relations.

I return home satisfied with the visits and the outcomes. I also come back with the firm impression that there are many areas where there can be mutually beneficial co-operation. Given the immense possibilities, I am confident that existing sectors of co-operation would be strengthened further and new areas including energy needs, identified.

I express my deep gratitude to each one of you, members of the media, for accompanying me on my visit. I would like to say that you have been very good traveling companions and I hope you have enjoyed the visit as much as I have.

Thank you.



**TURKMENISTAN****525. Press Release issued by the Ministry of External Affairs on External Affairs Minister's visit to Turkmenistan.****Ashgabat, September 19, 2009.**

External Affairs Minister Shri S.M. Krishna, accompanied by a high-level delegation paid an official visit to Turkmenistan on 18-19 September 2009, during which a Programme of Cooperation was signed between the two Foreign Offices by EAM and his Turkmen counterpart.

EAM called on the Turkmen President and during the meeting, which lasted more than one hour, he offered India's assistance to Turkmenistan in hydrocarbon sector by way of using expertise of Indian companies in the sector. EAM also offered to set up a fertilizer plant in Turkmenistan. He also offered to establish an 'Urdu Chair' in a Turkmen University on the pattern of 'Hindi Chair' already established in Ashgabat. EAM also desired India's willingness to cooperate in areas of agriculture, tourism, railways, road construction, transport and IT. During the meeting, they discussed various issues of bilateral interest and regional importance. The Turkmen President was highly appreciative of India's historical relations with Turkmenistan and agreed to cooperate in mutually beneficial areas.

During official talks between EAM and his Turkmen counterpart, many issues were discussed, including bilateral agreements between the two countries on trade & economic cooperation, educational and cultural exchange programs, science and technology and relaxation in visa policy. EAM also handed over an MOU to Turkmen side for the establishment of a 'India-Turkmenistan Centre for Information Technology', in Ashgabat, by Government of India. Both the Ministers expressed satisfaction on growing relations and cooperation between the two countries. The Turkmen side also emphasized the need to further explore cultural exchange programs through visits by cultural troupes from both sides.

The delegation led by EAM, also had detailed discussions with Turkmen Deputy PM, in-Charge of Oil and Gas sectors, for enhancing cooperation and grater fruitful cooperation in gas and oil sector. The TAPI project was also discussed in detail with the President, Minister of Foreign Affairs and Deputy PM in-Charge of Oil and Gas of Turkmenistan.



**UAE****526. Press Release Issued by the Ministry of External Affairs on the visit of Minister of Foreign Affairs of UAE Sheikh Abdullah Bin Zayed Al Nahyan.****New Delhi, June 12, 2009.**

His Highness Sheikh Abdullah Bin Zayed Al Nahyan, Foreign Minister of UAE was on an official visit to India on 11 & 12 June 2009. During the visit, he had detailed discussions with Minister of External Affairs Shri S.M. Krishna on bilateral relations, regional and multilateral issues and on new avenues of cooperation, especially in the domain of trade and economy. The UAE Foreign Minister also met the Minister of New and Renewable Energy Dr. Farooq Abdullah after which he made a courtesy call on Hon'ble Vice President.

During the discussions, both sides underscored the excellent and wide ranging special bilateral relationship. The presence of over 1.5 million Indians in the UAE, contributing to the development of the two economies, was acknowledged as having further strengthened our ties. The visiting dignitary also conveyed that UAE was looking for more opportunities for investment in the infrastructure and other areas in India. Presently UAE has invested over US\$ 4.5 billion in India through FDI and FII routes and is among the top ten investors. During the discussions both sides agreed to enhance cooperation in energy sector especially in the renewable sources of energy.

The visiting dignitary reiterated the invitation to Hon'ble Vice President to pay a visit to UAE on mutually convenient dates later in the year. He has also extended an invitation to External Affairs Minister to visit UAE. The invitations were gratefully accepted.

His Highness Sheikh Abdullah bin Zayed Al Nahyan was the first Foreign Minister to visit India after the formation of new Government.



**527. Press Release issued by the Ministry of External Affairs on the Minister of State Dr Shashi Tharoor's meeting with Senior Ministers of UAE in Dubai.**

**New Delhi, June 23, 2009.**

Dr Shashi Tharoor, Minister of State for External Affairs was on a day visit to Dubai on 23 June 2009. During his stay in Dubai, Dr Tharoor had meetings with H.E. Sheikha Lubna, Minister for Foreign Trade as well as with H.E. Mr Mohammad Al Gergawi, Minister for Cabinet Affairs of the Government of the United Arab Emirates (UAE). During the meetings, the Ministers reviewed India-UAE bilateral relations and discussed opportunities to further intensify them. Dr Tharoor also attended a reception organized in his honour by the Consul General of India in Dubai. The function was attended by important Arab dignitaries, business leaders and representatives of the Indian community in the UAE. H.E Sheikh Nahyan, Minister of Higher Education and Science and Technology was the chief guest on the occasion.



**528. Press Release issued by the Ministry of External Affairs on the visit of Dr Shashi Tharoor to UAE.**

**New Delhi, June 23, 2009.**

Dr Shashi Tharoor, Minister of State for External Affairs was on a day visit to Dubai on 23 June 2009. During his stay in Dubai, Dr Tharoor had meetings with H.E. Sheikha Lubna, Minister for Foreign Trade as well as with H.E. Mr Mohammad Al Gergawi, Minister for Cabinet Affairs of the Government of the United Arab Emirates (UAE). During the meetings, the Ministers reviewed India-UAE bilateral relations and discussed opportunities to further intensify them. Dr Tharoor also attended a reception organized in his honour by the Consul General of India in Dubai. The function was attended by important Arab dignitaries, business leaders and representatives of the Indian community in the UAE. H.E Sheikh Nahyan, Minister of Higher Education and Science and Technology was the chief guest on the occasion.

[On 24 June, Dr Tharoor will proceed to Sana'a, Yemen to attend the Council of Ministers meeting of the Indian Ocean Rim Association for Regional Cooperation (IOR ARC)].





**529. Statement by External Affairs Minister S. M. Krishna on the detention of the UAE Air Force Aircraft at Kolkata.**

**New Delhi, September 8, 2009.**

The UAE Embassy had sought clearance for over flying and landing of their Air Force flight at Kolkata Airport en route to Xianyang, China. The flight arrived from Abu Dhabi at Kolkata Airport on 6th September 2009. The Captain of the flight Major Ibrahim Alshamsei filed a declaration to the Customs stating that the flight was carrying arms/ammunition/explosives. However, since at the time of initial application, no mention of the arms and ammunition was made, the authorities at Kolkata Airport detained the aircraft for further investigation. Accordingly, after the concurrence of the pilot-in-command of the aircraft, the Custom Officials entered the aircraft to inquire about the nature of cargo.

The UAE authorities both here and in Abu Dhabi have since formally regretted the omission in clearly indicating items carried by the aircraft and have described it as a 'technical error'. They have also provided details about the cargo which consists of Combat Missile.

In the light of the above, the matter will be resolved in the spirit of the close and friendly ties between India and the UAE, and we will facilitate early release of the aircraft.

(The flight was later allowed to leave after the verification of all the relevant facts.)



**UZBEKISTAN****530. Press Release issued by the Ministry of External Affairs on the visit of External Affairs Minister S. M. Krishna to Uzbekistan.****Tashkent, October 23, 2009.**

External Affairs Minister Shri S.M. Krishna paid an official visit to Uzbekistan on 22-23 October, 2009.

2. EAM called on the President of Uzbekistan His Excellency Mr. Islam Karimov on 23rd October 2009. Status of bilateral relations, after the successful visit of Prime Minister Dr Manmohan Singh to Tashkent in April 2006, was reviewed. It was noted with satisfaction that two meetings of the Inter-Governmental Commission had since been held, steering the bilateral relations forward. It was decided to give further impetus to agreed sectors of bilateral cooperation, including hydrocarbons and mining, as well as explore new areas of cooperation like health, IT and agriculture. It was noted that relations between India and Uzbekistan rested on strong historical and cultural foundations, and had developed into vibrant and mutually rewarding bilateral relations since 1991.

3. During talks between EAM and His Excellency Mr. Vladimir Norov, Foreign Minister of Uzbekistan, issues discussed included trade & economic cooperation, educational and cultural exchange programmes, science and technology and relaxation in visa policy. Both Ministers expressed satisfaction over growing bilateral cooperation, and discussed regional and global issues. Uzbekistan reiterated its support for India's candidature for permanent membership of the UNSC. The Uzbek side accepted the Indian side's proposal to set-up an India-Uzbekistan Round Table with government and non-governmental representatives, with a mandate to discuss new ideas to enhance bilateral relations. The Uzbek side welcomed the Indian proposal for gifting of medical equipment and supplies worth US\$ 1 million for hospitals in Uzbekistan. EAM offered additional developmental assistance to upgrade the Jawaharlal Nehru Centre for Information Technology established in Tashkent in 2006. EAM reiterated our commitment to provide assistance for establishing an Entrepreneurship Development Centre in Uzbekistan. EAM also inaugurated the India Centre at the Al-Beruni Institute of Oriental Studies.

4. During the visit, EAM placed a wreath at the memorial of former Prime Minister Late Shri Lal Bahadur Shastri in Tashkent, where he had breathed his last in 1966.



**YEMEN****531. Press Release issued by the Ministry of External Affairs on the visit of Minister of State Dr. Shashi Tharoor to Yemen.****New Delhi, June 27, 2009.**

Dr. Shashi Tharoor, Hon'ble Minister of State for External Affairs visited Republic of Yemen to participate in the 9th Ministerial meeting of the Indian Ocean Rim-Association of Regional Cooperation from June 24-25, 2009.

During his visit Dr. Tharoor called on His Excellency Ali Abdullah Saleh, President of the Republic of Yemen and handed over a letter from Her Excellency Smt. Pratibha Devisingh Patil, Hon'ble President of India, reiterating the excellent state of bilateral relations and the invitation to the President to visit India on mutually convenient dates. President Saleh expressed his gratitude for the invitation and said that he was looking forward to the visit and meeting the Indian leadership. He also expressed happiness at the deepening of the historic and civilizational relationship between India and Yemen. Dr. Tharoor assured of fullest support to Yemen in its developmental efforts and capacity building. He also conveyed the Indian interest in investing in the fertilizer, hydrocarbons, power, health, information, ICT and education sectors in Yemen where there was immense potential for a mutually beneficial relationship.

Dr. Tharoor also met with His Excellency Dr. Abubakr Al Qirbi, Minister of Foreign Affairs of Yemen and exchanged views on bilateral, regional and multilateral issues of mutual concern including increasing incidence of terrorism and piracy and urgent need to further bolster the joint efforts for safe and secure transit of trade and other exchanges which are so vital for the economic growth of the region. Both leaders also agreed for early holding of the 7th Session of the Joint Committee Meeting in Sana'a.

At a reception hosted by Ambassador, Hon'ble Minister met the large cross section of Indian community. Relevant to note that there are over 100,000 Yemenis of Indian origin and more than 20,000 Indians resident in Yemen. Similarly over a 100,000 Yemenese have been living in India for decades.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - VII**

**AFRICA**

BLANK

**532. Address by External Affairs Minister Pranab Mukherjee at India-Africa Business Partnership Summit.**

**New Delhi, January 19, 2009.**

Your Excellency, Hon'ble Mr. Paul Kagame, President of the Republic of Rwanda and Chairman of the East African Community

Distinguished Ministers from Cape Verde, Chad, Congo, Democratic Republic of Congo, Zambia, Mali, Gabon, Ivory Coast, Kenya, Mozambique, Senegal, Uganda and Eretria

My Colleague, Shri Jairam Ramesh

Shri Nalin Surie, Secretary(West), Ministry of External Affairs

Shri Hardeep Puri, Secretary(Economic Relations), Ministry of External Affairs

Dr. Amit Mitra, Secretary General, FICCI

Delegates from Africa, Captains of Industry

Distinguished Guests, Media representatives

Ladies & Gentlemen:

In any gathering with delegates from Africa, I cannot, but admit, the feeling that it is a meeting of old friends!

I extend a very warm welcome to you all and extend my very best wishes for 2009. May the New Year spread peace, prosperity and goodwill and fulfill all your aspirations.

Excellencies & Ladies and Gentlemen, it is less than a year since we had the privilege to host the India-Africa Forum Summit in New Delhi. It was an occasion to celebrate our friendship and renew our commitment to the great continent of Africa. The Delhi Declaration and the Africa- India Framework for Cooperation adopted at the Summit now serve as the contours for our systematic engagement in the coming years.

India's ties with Africa are historic. Trade across the Indian Ocean has linked us for hundreds of years. We were fellow victims of colonialism in the 19th and 20th century. We inspired each other in the resolve to resist and defeat the forces of imperialism. Our shared kinship rejoiced every time a blow was struck by the Afro-Asian liberation movement. We have seen and shared a difficult past. It is only natural if we now choose to consolidate national gains and work together towards a prosperous future.

Excellencies, India and Africa are old civilizations but young nations learning as we grow. Today the Indian economy is over a trillion dollars with key

strengths in the services, manufacturing and agricultural sectors. We have also made some advances in the core areas of health and education. Capacity building and human resources development in fact, have always been central to our cooperation with Africa since our independence. Success credited to us in economic growth and development areas is, as always, available for sharing with friends in Africa, within the limits of our capacities and capabilities. Our commitment to Africa is total and we look forward to a close partnership with Africa in its economic resurgence.

I would like to congratulate Dr. Mitra and his colleagues in FICCI for organizing this important Business Summit. Our appreciation also goes out to our distinguished guests and delegates from Africa for responding in fulsome measure to this event. I would also like to acknowledge the gracious presence of our very special guest, the President of Rwanda. Friends, a packed programme awaits you. I am pleased to see that sectors at the core of economic development and growth including - Railways, Road and Construction; Healthcare and Pharma; ICT; Power; Mining; and, Agriculture - have been carefully identified and selected for this summit.

For this to happen, trade, tariff and investment impediments will have to be vacated in a hurry. In this context, and as announced earlier, our "Duty-free preference scheme" for the Least Developed Countries, 34 of which are African countries, covers 94% of India's total tariff lines. It is also our commitment to more than double the amount on Lines of Credit to US\$ 5.4 billion for the five-year period beginning 2008-09. US\$ 500 million will also be provided over the next 5 to 6 years for projects in critical areas from the 'Aid to Africa' budget.

Ladies & Gentlemen, economic and commercial ties between India and Africa are not new. These exchanges have been ongoing for centuries across the Indian Ocean, and have benefited peoples from both sides. With positive changes and sustained economic development in both India and Africa, this economic and commercial interaction has diversified and deepened since the later part of the 20th century. Bilateral trade has grown from a small 5 billion dollars in 2001-02 to around 30 billion dollars presently, a six-fold growth. Investment levels have also increased across a wide range of sectors such as agriculture, small scale industry, mining, ICT, oil pipelines, automotive plants, chemical industry, power generation and transmission etc.. You will agree, however, that these existing trade and investment levels do not reflect the true potential. Less than 8% of India's exports are destined for Africa. Our imports from Africa are also around the same proportion of our global imports. After Asia, Africa is the second fastest growing region. We have signed trade agreements with almost 30 countries in Africa. I, therefore, call upon Indian and African business partners to step up their business engagements. Indian companies should accelerate their investments and technical tie-ups with African partners. Cost-effective and

intermediate Indian technologies and our large human capital base give us a unique advantage.

The infrastructure needs of Africa are enormous. These also present good opportunities for Indian businesses, as do the growing demands in Africa for new technologies, engineering services and manufacturing capabilities for local value addition. There are millions of young people in Africa who can be employed in the manufacturing and services sectors. The communities of Indian origin in many parts of Africa are also an added advantage.

An important area of cooperation between India and Africa has been agriculture and food security. The India Africa Forum Summit laid a special emphasis on this sector. The Declaration of the India-Africa Framework for Cooperation involves programmes for agriculture. These include irrigation projects, opening up new lands for cultivation, exchange of seeds, technology, food processing, live stock development, water management, measures to confront the growing threat of climate change, capacity building and fisheries. Some Indian companies have already begun to explore opportunities in Africa in the production of pulses, cereals and oilseeds. I am confident that more will do so in collaboration with African enterprises and Governments. A number of Lines of Credit have already been extended by us for the agriculture sector. These should provide opportunities to Indian and African partners to undertake projects which will be of direct benefit to farming communities.

We are also exploring possibilities of comprehensive economic cooperation agreements with the Common Market of Southern Africa (COMESA) and the East African Community (EAC). We are, therefore, specially delighted and honoured to have among us today, President Paul Kagame of Rwanda, who is also the current Chairperson of the East African Community.

A draft framework agreement was recently initialed in Delhi for a Preferential Trading Arrangement with the South African Customs Union (SACU). With the South African Development Community (SADC), we are developing projects in a number of sectors.

These are fast changing times. In less than six months, a severe global financial crisis has morphed into global economic meltdown which may not have fully unraveled as yet. The repercussions are undoubtedly severe. While the crisis began in the West, the developing countries cannot remain unscathed. Estimates are that global growth and trade may grow at the slowest in over two decades. The financial regulatory framework in many countries will change as will economic expectations. It is no surprise that the model of international financial governance has also come into question.

The current crisis brings out global interconnectedness. India has over the last few years grown at about 9 percent per year which gave us the distinction



of being the world's second fastest growing major economy of the world. Our economy is also exposed to the global market, and will therefore, not escape some slowdown. We are, however, better positioned to withstand the worst. Our economic fundamentals are principally domestic demand, domestic savings and investments. Indeed, India is one of the world's safest markets. We are confident that a 7 percent growth is not beyond us this year and that it shall not be long before we fully regain our growth momentum. We see our growth and development as an open opportunity for mutual gains with our African associates.

Friends, India-Africa relations have always been multi-focused, cutting across many international issues and challenges. It is our desire that on crucial global concerns like climate change, food and energy security, health, jihadist terrorism, marine piracy and democratization of international institutions we continue to enhance our cooperation and dialogue.

In conclusion, let me extend my very best wishes for a productive Summit. May the ensuing two-days of deliberations and business engagements give wing to our bilateral commercial ties.

I wish the India-Africa Business Partnership Summit all success. Jai Hind!



**533. Intervention by Deputy Secretary, Ministry of Environment & Forests Ms. Saheli Ghosh Roy during the Thematic Discussion on "Africa" during IPM to CSD-17.**

**New York, February 26, 2009.**

Please see Document No.729.



**534. Press Release of the Ministry of External Affairs on the inauguration of the Government of India's Pan-African e-Network Project by External Affairs Minister Pranab Mukherjee.**

**New Delhi, February 26, 2009.**

One more significant and shining chapter in the history of India-Africa relationship was added, when the Pan-African e-Network Project was inaugurated on 26th Feb 2009 by Hon'ble Shri Pranab Mukherjee, External Affairs Minister at the TCIL Bhawan in New Delhi, amidst the presence of High Commissioners and Ambassadors of African countries.

With the commissioning of the Pan-African e-Network Project, former president Dr. A P J Abdul Kalam's vision of connecting India with all 53 countries of the African Union with a satellite and fibre optic network for sharing India's expertise in education and health care, has been translated into reality.

Describing the Pan-African e-Network Project as a shining example of South-South Cooperation, the External Affairs Minister Shri Pranab Mukherjee said that under this project India has gifted a dedicated satellite for e-connectivity in sub-Saharan Africa to help bridge the digital divide. The Project aims to create significant linkages for tele-education and tele-medicine, making available the facilities and expertise of some of the best universities and super-specialty hospitals in India to the people of Africa.

The Minister added that the project is also equipped to support e-governance, e-commerce, infotainment, resource mapping and meteorological and other services in the African countries, besides providing VVIP connectivity among the Heads of State of the African countries through a highly secure closed satellite network.

He said that thirty three countries have already joined this Project and more are expected to join in the course of the coming months. Eleven countries have been covered in the first phase where both the Learning Centres for tele-education and Patient-end Hospitals for tele-medicine are ready. These include: Benin, Burkina Faso, Gabon, The Gambia, Ghana, Ethiopia, Mauritius, Nigeria, Rwanda, Senegal and Seychelles.

The External Affairs Minister assured that nine more countries namely Botswana, Burundi, Cameroon, Djibouti, Egypt, Malawi, Mozambique, Niger and Uganda would be covered in the second phase by March 2009. Another nine countries, namely Comoros, Cote D'Ivoire, Democratic Republic of Congo, Eritrea, Sierra Leone, Somalia, Tanzania, Togo and Zambia, would be covered by the network as part of Phase-III by 30th June 2009.

The External Affairs Minister had a brief online interaction on bilateral matters with each of the eleven ministers individually through the network. While addressing the ministers and other dignitaries online in eleven countries where the network was inaugurated today, Shri Mukherjee exhorted the countries to take advantage of the full range of services offered by India. He also asked the remaining countries to join the project early.

Citing the success of the Government of India's pilot project on tele-education and tele-medicine in Ethiopia, as a precursor to this mega project, the Minister said that 34 Ethiopian students are pursuing MBA course from IGNOU since 2007 and would be completing their final semester in June 2009 which would entitle them to get the MBA degree from IGNOU without having to move away from their country.

The Pan-African e-Network Project was approved by the Union Cabinet on 5th July 2007 at a budgeted cost of Rs. 542.90 crores which covers the cost of supply, installation, testing and commissioning of hardware and software, end-to-end connectivity, satellite bandwidth, O&M support, and providing the tele-education and tele-medicine services to 53 African countries for 5 years. The Ministry of External Affairs is the nodal ministry for the project while Telecommunications Consultants India Limited (TCIL) is implementing the project on a turnkey basis.

The Project aims at providing tele-education services to 10,000 African students to undertake Post-Graduate, Under-Graduate, PG Diploma and Diploma and skill enabling certification courses in subjects such as Business Administration, IT, International Business, Tourism and Finance. The following seven leading universities and educational institutions of India have been associated with the Project: Amity University, Noida; University of Madras, Chennai; Indira Gandhi National Open University (IGNOU), New Delhi; Birla Institute of Technology and Science (BITS), Pilani; University of Delhi; IIT Kanpur and Indian Institute of Science (IISc.) Bengaluru.

As part of the tele-medicine services, online medical consultation will be provided for one hour every day to each participating African country for a period of 5 years in various medical disciplines such as cardiology, neurology, urology, pathology, oncology, gynecology, infectious diseases/HIV-AIDS, ophthalmology, pediatrics etc. Twelve leading Indian Super Specialty Hospitals have been associated with the Project. These are: Apollo Hospital and Sri Ram Chandra Medical College and Research Institute in Chennai; AIIMS, Escorts Heart Institute and Moolchand Hospital in New Delhi, Fortis Hospital in Noida, KEM Hospital in Mumbai, Care Hospital in Hyderabad,

Amrita Institute of Medical Sciences, Kochi; Manipal Hospital and Narayan Hrudayaylaya, Bengaluru and Santosh Hospital, Ghaziabad. With the commencement of the tele-medicine services, some of the best medical specialists of India would be available for consultations online for the African patients.

Another important element of tele-medicine services is the Continuing Medical Education (CME) in various specialties which is intended to update the knowledge and upgrade the clinical skills of the practicing physicians and paramedical staff in the African countries.

TCIL has established the network with a data centre in TCIL Bhawan, which acts as a gateway to the hub station in Dakar for connectivity of Indian institutions to the African sites.



**535. Speech by the External Affairs Minister Pranab Mukherjee at the Special Plenary session of the 5th India-Africa Conclave.**

**New Delhi, March 23, 2009.**

Your Excellencies, Honourable Ministers and dignitaries from Africa, Ambassadors & High Commissioners,

Mr. Sanjay Kirloskar, Chairman, Kirloskar Brothers Ltd.,

Mr. Chandrajit Banerjee, Director General of Confederation of Indian Industry,

Distinguished Guests, Ladies and Gentlemen,

It is my great privilege to be present amidst you today at this special plenary session of the 5th CII-EXIM Bank Conclave on the India-Africa Project Partnership 2009. This event has become a most prestigious gathering of government and business representatives from Africa and India. It is a reflection of our common desire to share each other's capabilities and capacities for mutual benefit and for the socio-economic development of our peoples.

I have been informed that this year's Conclave has generated overwhelming response with more than 450 participants registering from Africa and nearly 315 from India. I congratulate the Confederation of Indian Industry and EXIM Bank for this.

Such periodical gatherings not only give us an occasion to renew our acquaintance, but also enable us to take stock of the progress made in the implementation of our mutual commitments and to address our future needs.

Friends, the theme of this year's Conclave is "India-Africa: Celebrating the Partnership". The India-Africa partnership has evolved over decades with mutual respect for each other's traditions, cultures and the desire to ensure that the benefits of development are spread evenly and reach all our peoples, particularly the most disadvantaged.

The long and historic relationship between India and Africa has now evolved into a sustainable partnership. During our march together, we have traversed similar paths, shared similar values and cherished the same dreams.

Today, both India and Africa have emerged as strong and dependable partners, who are well positioned to confront the growing challenges facing humanity, be it combating the scourge of international terrorism, eradicating

hunger and poverty, tackling global warming, or evolving new frameworks for international institutions.

Our time-tested and multifaceted relationship with Africa is based on the solid foundation of our steadfast commitment for the rapid growth and progress of Africa. The formalisation of an institutional mechanism for the India-Africa dialogue in the form of the India-Africa Forum Summit is a reflection of India's commitment to work with the continent to fulfil its aspirations.

International trade and market access are crucially important for development. Recognising this, Prime Minister Dr. Manmohan Singh unilaterally announced India's Duty Free Tariff Preference Scheme (DFTP) in April last year in New Delhi for 49 Least Developed Countries (LDCs) of which 33 are from the African continent including the Cotton-4 countries, i.e. Burkina Faso, Benin, Chad and Mali. This Scheme covers 94% of India's total tariff lines. I would urge all LDCs in Africa to fully utilize this scheme. We are happy to provide them greater market access to India.

Since the inception of the Indian Technical and Economic Cooperation (ITEC) Programme in 1964, capacity building and human resource development in Africa has been an area of high priority for the Government of India. The ITEC programme has benefited thousands of experts and students from Africa who came for training courses in professional institutions in India. These courses cover diverse fields such as agriculture and agro processing, entrepreneurship development, tool design, small business creation, promotion of rural industries and information technology. Our "Barefoot College" and the "Hole-in-the-Wall" programmes have received enthusiastic response from several countries. This year the Ministry of External Affairs has designed special courses for experts from Africa in the field of mining and new and renewable energy resources. We have increased the number of training slots for African countries from 1100 to 1600. I would like to urge all my friends from Africa to fully utilize these training courses.

I am happy to note that several thousand African students are currently studying in Indian universities and colleges. We have doubled the number of scholarships for the African countries to 500 this year.

Over the next five to six years India will also undertake in Africa, on a grant basis, projects in critical areas such as higher and vocational education, science, IT, agriculture and renewable energy. A sum of US\$500 million has been allocated for this.

Government of India's Pan-African e-Network Project is another shining example of the India-Africa partnership. Under this project, India has provided a dedicated satellite link for e-connectivity to help bridge the digital divide in Africa. The project aims at linking major universities in different regions of Africa with major Indian universities and centres of excellence on the one hand, as also major hospitals in Africa with super-specialty hospitals in India, on the other. I had the privilege of inaugurating the first phase of this project last month which covers eleven countries. We hope to extend this to another 22 countries by the middle of this year. I am confident that this project would be immensely useful to our friends in their effort to disseminate higher education and modern medicine.

It is a matter of satisfaction to note that our bilateral trade with Africa has grown manifold and reached a level of US\$36 billion in 2007-08, up from US\$3 billion in 2000-01. Given the concrete opportunities that exist between the two sides, India-Africa trade could easily be doubled to US\$70 billion over the next five years. I would urge this Conclave to accept this challenge and plan out strategies to achieve it.

Ladies and Gentlemen, it is important to supplement governmental efforts with those from industry, civil society and private institutions in order to widen and deepen the foundation of our growing partnership. I am confident that such empowered gatherings comprising of entrepreneurs, investors and business leaders would provide the necessary impetus to promote B2B interactions and public-private partnerships between the two sides.

I acknowledge, in this context, the pioneering role played by India's public and private sector in promoting joint ventures and investments in Africa in core sectors, particularly in the fields of agriculture, power generation, irrigation, pharmaceuticals, IT and health.

Of late, there have been further investments or plans for investment by both Indian public and private sector companies in the energy sector. These plans entail capacity development and value addition in a broader sense and are, therefore mutually beneficial and sustainable.

Ladies & Gentlemen, India is the world's largest importer of rough diamonds and exporter of cut and polished diamonds. Most of the raw diamonds for our cutting and polishing industry are sourced from Africa. As part of our philosophy of sharing our knowledge with others, and in pursuance of our policy to increase capacity building in Africa, our government has favourably considered the request of some African countries to set up Diamond Cutting and Polishing Institutes for training of their personnel in cutting/polishing skills.

The endeavours of the African Union towards regional economic integration and for building Pan-African institutions are truly commendable. We will continue our support for these efforts as well as those to meet the Millennium Development Goals, especially in the areas of human resource development and capacity building. We have an open mind on looking at new and innovative ideas and sectors in this regard. I would urge delegates here to give thought to this aspect.

Ladies and gentlemen, let me conclude by saying that the current global financial crisis and general economic downturn have impacted us all. However, it is our firm intention to continue to fulfil the commitments we announced towards Africa at the India-Africa Forum Summit last April.

Excellencies, in the post-colonial era, India and African countries have been together since their birth as independent nations. Our destinies and future remain closely intertwined. That is my message to you.

Thank you.



**536. Statement by Minister of State for Environment and Forests Namo Narain Meena at the Round Table on realizing Green Revolution in Africa during the high level segment of the 17th session of the Commission on Sustainable Development.**

**New York, May 14, 2009.**

Please see Document No.745.





**537. Press Release issued by the Ministry of External Affairs on the workshop organized by the Government of India on Pan-African E-Network Project.**

**New Delhi, August 11, 2009.**

The Ministry of External Affairs is organizing a 2-day Workshop on Government of India's Pan-African e-Network Project on 12-13 August 2009 at Hotel Le Meridien, Janpath, New Delhi-110001. The Workshop is being coordinated by the Telecommunications Consultants India Ltd. (TCIL), the implementing Agency of the Pan-African e-Network Project.

Two delegates from each of the African countries participating in the Project have been invited to attend the Workshop. There is overwhelming response to the Workshop as more than 66 delegates from 31 countries (out of 40 participating countries) are expected to attend the Workshop.

The broad objectives of the Workshop are:

1. To familiarize the participants with the salient aspects of Pan-African e-Network Project, e.g. network architecture, functions, features and facilities, provisions made in the project, role and responsibilities, training of manpower, and the intended benefits to the participating Member countries of African Union Commission;
2. To update the participants with the present status of implementation of the project in various countries, targets for commissioning of the network in the remaining countries, steps required to speed up the installations;
3. To discuss the operational issues with emphasis on action required by all concerned for making the best use of the tele-education and tele-medicine facilities available as part of the Project;
4. To share the experiences of experts from the Indian Universities and Super Specialty Hospitals associated with the Project;

Technical experts from TCIL, the participating Indian Universities and Super Specialty Hospitals and the African Union Commission would be sharing their experiences with the delegates.

As part of the Workshop, field visits would be organized to the TCIL Data Center and some of the Super Specialty Hospitals and the Universities in New Delhi/Noida and live interactions between India and Africa for tele-education and tele-medicine will take place.

The Pan-African e-Network project was inaugurated by the then External Affairs Minister, Hon'ble Shri Pranab Mukherjee, on 26th February, 2009 with 11 countries namely, Benin, Burkina Faso, Gabon, The Gambia, Ghana, Ethiopia, Mauritius, Nigeria, Rwanda, Senegal and Seychelles where the Learning Center for Tele-education and Patient-end Hospital for Tele-medicine were commissioned.

Subsequently, the network has been expanded to 9 more countries namely Botswana, Burundi, Cameroon, Djibouti, Egypt, Malawi, Mozambique, Niger and Uganda. Installation activity is in progress in Zambia, Eritrea, Ivory Coast, Tanzania, Sierra Leone, Comoros, Democratic Republic of Congo, Togo and Somalia. The network in these countries is likely to be commissioned progressively by September 2009. TCIL has initiated implementation activities in the remaining countries which are planned to be commissioned by December 2009 subject to readiness of sites.

The project aims at capacity building in Africa by way of education of 10,000 African students over a period of 5 years in Business administration, Information Technology, International Business and Tourism & Finance at different levels.

Tele-medicine component of the project covers on-line medical consultation from Indian medical specialists to the doctors in the Patient-end Hospitals in African countries for one hour every day to each country. In addition, Continuing Medical Education (CME) would be provided to the practising doctors and para-medical staff in the Patient-end Hospitals to update their medical knowledge and upgrade their clinical skills.

The project is also equipped to support e-governance, e-commerce, infotainment, resource mapping and meteorological and other services in the African countries, besides providing VVIP connectivity among the Heads of State of the African countries through a highly secure closed satellite network.

The Pan African e-Network Project is fully financed by the Government of India and has an approved budget allocation of over US\$ Rs 5.40 billion.



**538. Address by External Affairs Minister S. M. Krishna on the occasion of Launch of India-Africa Connect Website.**

**New Delhi, August 17, 2009.**

Hon'ble Shri Shashi Tharoor, Minister of State for External Affairs,

Shri Nalin Surie, Secretary (West), Ministry of External Affairs

Excellencies Ambassadors and High Commissioners of African countries in New Delhi,

Senior officials from the Government of India, ladies and gentlemen.

I am delighted to be present here to inaugurate the India Africa Connect Website, launched by my Ministry.

Excellencies, the Website is yet another indication of our commitment to further strengthen the relationship with Africa. Africa has always had an important position in our foreign policy. Our linkages with Africa go back centuries. We had interacted closely with each other across the Indian Ocean. Later we shared similar experiences when we were both struggling against the forces of imperialism, colonialism, racial discrimination and apartheid.

Our cooperation as independent nations deepened and diversified during the second half of the 20th Century. This cooperation was based on a similarity of challenges, problems and experiences as developing countries involved in nation building, poverty alleviation, human resource development and development of production capacities and infrastructure, food security and health. During this process of cooperation, India was ever willing to share its capacities and experiences with its partners in Africa. These included cost-effective and appropriate technologies, democratic model of development, capacity building programmes, and use of the knowledge sector. Over the years, a major portion of our technical assistance and capacity building programmes were directed towards Africa. In recent years this has been supplemented by greater trade and economic linkages, developed by both our public and private sectors.

The India Africa Forum Summit of April'08 took our relationship to a new level. It created a new architecture for our partnership in the 21st century. The new roadmap set out in this Summit seeks to bring greater depth and substance to our engagement with Africa. Through this Summit, India renewed its commitment to cooperate with Africa in its economic development process and to peace and security in the continent.

Our relationship with Africa is diversified, encompassing a wide range of sectors including political, economic, cultural, social and technological. Apart from the Government-to-Government contacts, we are happy to see growing people-to-people exchanges. There is now a greater movement of people including students, entrepreneurs and tourists on both sides.

The India-Africa Connect website that I am inaugurating today will be yet another link between the two sides, and will strengthen the existing relationship. It will help bridge the information gap that still unfortunately exists between us. It is our hope that this Website will emerge as a key portal for news, views and features on India and Africa covering subjects and areas of interest to both our sides, including on science and technology, agriculture, education, health, energy, tourism, besides fashion and culture. A section has also been provided for each African country, and we expect that we will receive inputs from each country to regularly update those pages. This should be a process of continuous interaction.

I am particularly pleased that general interest and success stories on 'Africa in India' and 'India in Africa' would feature in the Website.

I would like the site to become a vibrant and interactive vehicle for reaching out to each other.

Excellencies, through you, I would also like to request your respective Governments to collaborate in this pioneering venture and to make India-Africa Connect a success.



**539. Press Release issued by the Ministry of External Affairs on the Launch of India-Africa Connect Website by the External Affairs Minister S. M. Krishna.**

**New Delhi, August 17, 2009.**

External Affairs Minister Shri S. M. Krishna launched today in New Delhi the 'India-Africa Connect Website', which is devoted to India-Africa relations and hosts news, features and essential information on India and African countries, with special emphasis on development cooperation. Heads of diplomatic missions of African countries in India, senior political figures and officials as also Indian industrialists and leaders of apex industry and trade organisations engaged in cooperation with Africa were among those who attended the function for the launch of the website, which is developed and managed for the Ministry of External Affairs by Indo-Asian News Service (IANS).

Recalling the historically strong ties between India and the African nations, External Affairs Minister said that the development and the launch of the website represented the high importance which India attaches to developing its diversified relations with countries of the African continent. He pointed out that recent initiatives such as India Africa Forum Summit in April 2008 had taken this relationship to a new level, and added that the new roadmap seeks to bring greater depth and substance to India's engagement with Africa. EAM expressed the hope that by providing new avenues for exchange and dissemination of information, the site will become a vibrant and interactive vehicle for reaching out to each other and strengthen India-Africa relationship. Shri Nalin Surie, Secretary (West) in the Ministry of External Affairs, expressed the hope that the website will facilitate closer cooperation between India and Africa and thanked African diplomatic missions and IANS for extending valuable support to the project.

On behalf of the African diplomatic missions, the Ambassador of Zimbabwe HE Mr Jonathan Wutawunashe, who is also the Dean of African Diplomatic Corps in India, expressed his appreciation for the initiative, and assured continued contribution by these missions to the contents of the website.

The website can be accessed at <http://www.indiaafricaconnect.in>.



**540. Statement by Minister of State Shashi Tharoor on 'New Partnership for Africa's Development: progress in implementation and international support' at the 64th Session of the UN General Assembly.**

**New Delhi, October 20, 2009.**

Please see Document No.786.



**541. Address by Minister of State Dr Shashi Tharoor at the University of Mauritius on "India-Africa: Partners in Development".**

**Port Louis, November 3, 2009.**

**Your Excellency, Dr. The Hon'ble Vasant Kumar Bunwaree, Minister of Education, Culture and Human Resources of the Government of the Republic of Mauritius**

**Honourable Cabinet Ministers of the Government of Mauritius,**

**Sir Ramesh Jeewoolall, Chancellor of the University of Mauritius**

**Professor Sudarshan Jugessur, Pro-Chancellor and Chairman of the Council of the University of Mauritius**

**Professor Soonil Rughooputh, Pro-Vice Chancellor of the University of Mauritius**

**Excellencies,**

**Distinguished guests, Friends, Ladies and Gentlemen**

I am greatly honoured to be asked to visit this historic building of the University of Mauritius. It is indeed a privilege to address a distinguished audience such as this on a subject which is close to my heart and which forms a central plank in the foreign policy of India.

The buildings of the University of Mauritius are steeped in history and are as old as this place itself. It is also significant that some of the Indian Universities and the University of Mauritius have been linked through the bonds of academia, and more importantly have worked together to provide

a platform towards addressing issues of common concern and to providing guidance and direction to the future leaders of the 21st century.

I consider it a particular honour to be with you at a place where one of the highly respected Presidents of India, Professor A. P. J. Abdul Kalam had stood to address all of you when he had an inter-active session at this University in March 2006 during his State Visit to Mauritius.

I have been in Mauritius now for a little under two days. The purpose of my visit was to participate in the *Aapravasi Diwas* - a historic date which is steeped in poignant memory. The *Aapravasi Ghat* has a moving tale cast in each of its bricks and stones. History is unforgiving if we do not remember those forefathers of ours who sacrificed all to bequeath to us what we enjoy today. We should never forget their labour and toil lest we disconnect ourselves from something which should be cherished and recalled for the larger good of mankind. I congratulate Mauritius - its Government and the people - for retelling the world the memory of a set of people who converted what would have been a difficult environment for them in what today is a heavenly paradise. As for Mauritius, I am charmed by its beauty, delighted by the warmth of its people and touched by the generosity and hospitality of my hosts. It has been indeed a great pleasure being here.

This meeting with all you is perhaps my last official engagement during my brief stay in this wonderful country. And the subject of the address is very appropriate.

The India-Africa partnership has deep roots in history. Linked across the Indian Ocean, we have been neighbours and partners for thousands of years. There was regular interaction between communities and traders, especially from the West coast of Gujarat and parts of South India with Abyssinia, Somalia, Mombasa, Zanzibar and even Mozambique. These communities and groups played significant roles in the histories of both India and Africa. The advent of the Europeans and the colonial period disturbed these interactions but could not disrupt them. Later, both India and Africa shared the pain of subjugation and the joys of freedom and liberation. We worked shoulder to shoulder in the fight against apartheid and racial discrimination. Satyagraha, non-violence and active opposition to injustice and discrimination were first used by Mahatma Gandhi on the continent of Africa. Mahatma Gandhi always believed that so long as Africa was not free, India's own freedom would be incomplete. Our first Prime Minister, Pt. Jawahar Lal Nehru, was also a firm believer and practitioner of the principle of Afro-Asian solidarity and of support to the struggles of the people of Africa against discrimination and apartheid.

Therefore, after India achieved independence, we embarked on a path of close cooperation with the newly independent nations of Africa who shared similar

problems of under-development, poverty and disease. India's cooperation with Africa was based on the principle of South-South cooperation, on similarities of circumstances and experiences. India was always open to sharing our strengths, our democratic model of development and our appropriate technologies that are cheap, yet effective. Africa became the largest partner of India's technical assistance and capacity building programmes. Many of you present here today would have studied in some Indian university. We are proud that tens of thousands of African students studied in various Indian universities and then returned home to contribute to the economic and social development of their respective countries. Some of them rose to hold high positions. In the first few decades of our independence and also those of our African partners, India extended over US \$ 3 billion worth of concessional lines of credit to be used in those infrastructure and other development projects that were determined by our African partners.

There was also a continuous high level of interaction between the political leaderships of India and African nations. Indian leaders such as Mahatma Gandhi, Pandit Jawahar Lal Nehru, Smt. Indira Gandhi, Shri Rajiv Gandhi and other leaders are held in high esteem in Africa. So also were the leaders of Africa who always received a warm welcome in India. This continues even today.

These cooperation programmes and the guidance of our respective leaderships laid the foundation of a very strong political and economic partnership between India and Africa in the 20th century. On these foundations, a new architecture for structured engagement and cooperation for the 21st Century was designed at the first India Africa Forum Summit hosted by India in April 2008. The Summit provided an occasion for the leaderships of India and Africa to come together to chart out the roadmap for a systematic engagement. The India Africa Forum Summit adopted two historic documents, the Delhi Declaration and the India Africa Framework for Cooperation.

The Delhi Declaration which is a political document covers bilateral, regional and international issues. These include our common positions on UN reforms, climate change, WTO and international terrorism, etc. The India-Africa Framework for Cooperation spells out the agreed areas of cooperation. These areas span human resources and institutional capacity building, education, science & technology, agricultural productivity and food security, industrial growth, small & medium enterprises and minerals, health sector, development of infrastructure, and ICT.

Prime Minister, Dr. Manmohan Singh also announced at the Summit the Duty Free Tariff Preferential Scheme for the 50 least developed countries, 34 of whom are in Africa. This will cover 94% of India's total tariff lines and, more importantly provide preferential market access on tariff lines for 92.5%



of the global exports of all LDCs. We hope that by providing increased access to African products to Indian markets, the Duty Free Tariff Preferential Scheme will increase trade flows between India and Africa.

Prime Minister Dr. Manmohan Singh also announced our decision to double the amount for lines of credit to US\$ 5.4 billion for the next five-years i.e. over one billion each year. These lines of credit will be for projects prioritized by African nations and could include such crucial sectors as infrastructure, including agriculture and food security, IT, telecom, power-generation, physical connectivity and small, medium and micro enterprises, water-management, capacity-building in agriculture and building institutions dedicated to agricultural research.

At the India Africa Forum Summit, India also announced a grant of US\$ 500 million for the next five to six years to undertake projects in human resource development and capacity-building. Long-term scholarships for undergraduates, postgraduates and higher courses have been doubled and the number of slots under the Indian Technical and Economic Cooperation Programme (ITEC) increased from 1100 to 1600 every year. We have also offered to share with our African friends our experience in using remote-sensing and satellite-imagery for weather-forecasting, natural resources management, land use and land-cover mapping and a variety of other applications.

We are happy to see the Indian private sector increasingly engage in Africa. Indian companies have made large investments in Africa running into several billion dollars in industry, agriculture, infrastructure and human resource development. India's trade with Africa has been growing rapidly. Two-way trade has risen to over 36 billion dollars in 2008-09, which represents an almost six-fold increase in as many years. Even so, the true potential is much greater and the spread and composition of the trade has to be substantially diversified.

A successful partnership programme between India and Africa have been the CII-EXIM Bank Conclaves. These Conclaves are intended to create and provide platforms for decision makers from African countries and relevant multilateral, regional and national funding agencies to meet and interact with the entire range of Indian companies involved in engineering consultancy, turnkey projects, construction and supply of project goods.

So far, five Annual Conclaves in India (two in 2005, one each in 2006, 2008, 2009) have been held. Indian participation has grown from 200 industry members to 500 members. Participation has grown from 153 African delegates to 483. Eleven Regional Conclaves in Africa (in Zambia, Ethiopia, Ghana, two in South Africa, Uganda, Mozambique, Ivory Coast, Senegal, Tanzania and Nigeria) were held.

There is a growing demand in Africa for developing infrastructure, new technologies, engineering services and manufacturing capabilities for local value addition. These offer excellent opportunities to Indian businesses in Africa, and to millions of young people in Africa who can be employed in the manufacturing and services sectors.

The Pan African E-network project that seeks to bridge the 'digital divide' between Africa and the rest of the world is one of the most far-reaching initiatives undertaken by India. Already 42 countries have joined this programme which is intended to provide E-services with priority on tele-education and tele-medicine services and VVIP connectivity by satellite and fibre optic network amongst the Heads of State of all 53 countries. The Project would give major benefits to Africa in capacity building through skill and knowledge development of students, medical specialists and for medical consultation.

India has also been extensively involved in peacekeeping efforts in Africa over the past six decades. At present, India has over 7000 peacekeepers serving in Africa, including a 5000 strong contingent in the Democratic Republic of Congo. India's first full all-female formed police unit is currently deployed in Liberia. In addition to peacekeeping, this unit has been successful in reaching out to the most vulnerable sections of the society i.e. women and children and in inspiring women who have so often been victim of war to see themselves also as sources of succour and strength in this recently war torn society.

A vibrant India and a resurgent Africa are thus witnessing an intensification of relations and growing convergence of interests in their common quest for sustainable economic growth and development. Our partnership encompasses priority sectors integral to the developmental goals of Africa in the 21st century.

In conclusion, I would like to state that India envisions an Africa that is self-reliant, economically vibrant and at peace with itself and the world. While highlighting the vitality of African continent, the first Prime Minister of India, Pt. Jawaharlal Nehru, had said, "Of one thing there can be no doubt, and that is the vitality of the people of Africa. Therefore, with the vitality of her people and the great resources available in this great continent, there can be no doubt that the future holds a great promise for the people of Africa."

It is this promise that our Partnership with Africa seeks to fulfill. India will offer its fullest cooperation to harness the great potential of the African people for the cause of Africa's progress and development.



**542. Inaugural Address by External Affairs Minister S.M. Krishna at the Second India-Africa Hydrocarbon Conference.**

**New Delhi, December 7, 2009.**

**H.E. Dr. Emmanuel Egbogah, Presidential Adviser on Energy Matters,  
Federal Republic of Nigeria**

**Honourable Ministers and Delegates from Africa**

**Minister of Petroleum and Natural Gas, Shri Murli Deora**

**Minister of State for Petroleum and Natural Gas, Shri Jitin Prasada**

**Mr. Vivek Katju, Secretary (West), Ministry of External Affairs**

**President, FICCI, Shri Harsh Pati Singhanian**

**Secretary General, FICCI, Dr Amit Mitra,**

**Shri S. Sundareshan and Shri Sunil Jain of the Ministry of Petroleum  
and Natural Gas Delegates from India,**

**Excellencies, Distinguished Guests, Media representatives,**

**Ladies and Gentlemen:**

It is always a pleasure to be amongst friends from Africa. Ladies and Gentlemen, it is with pride that I say that our relations with Africa are sourced in history and that we are neighbours across the Indian Ocean. India acknowledges the role played by Africa in shaping the early outlook of a young Indian lawyer, Mohandas Karamchand Gandhi, who became the father of our nation. The solidarity we shared during the period of colonialism and the dark phase of racism is legendary. There is a strong emotive connect between us. I am here reminded of what Pandit Jawaharlal Nehru, our first Prime Minister, said at the Asian-Africa Conference at Bandung, Indonesia in 1954:

I quote "We have met here because of an irrepressible urge amongst the people of Asia and Africa. We have met because mighty forces are at work in these great continents, moving millions of people, creating in their minds urges and passions and desires for a change in their condition...We are determined not to fail. We are determined, in this new phase of Asia and Africa, to make good". Unquote

Friends, India continues to be inspired by the same irrepressible urge to make good with Africa and its peoples. Our common legacy nurtures a close alignment on major international issues and an abundance of socio-political goodwill gives our bilateral relations a strong foundation. The future beckons that we build on this solid foundation of goodwill and friendship, a superstructure of mutually beneficial economic and commercial cooperation.

To this effect, last year, you will recollect, we successfully hosted the India-Africa Forum Summit in New Delhi. The Delhi Declaration and the Africa-India Framework for Cooperation adopted at that Summit highlighted our shared political vision and worldview and signaled with full intent, a determination to build a new partnership, with Africa in the 21st century. The Prime Minister of India had then announced US\$ 5.4 billion in loans for the development of Africa, supported by US\$ 500 million in grants for capacity building processes, doubling of scholarships, increasing capacity building positions under our International Technical and Economic Programme and a Duty-Free Tariff Preferences Scheme. We are happy that many of these are already under successful implementation. I am also pleased to note that after two major business events earlier in the year, this Conference is the third event with African countries hosted in New Delhi in 2009.

Friends, we meet at a very crucial time. The global economy is yet to fully emerge from its biggest crisis which also caused considerable collateral damage to the global energy and food security. Emerging and developing countries were not the cause, but we were condemned to reap the repercussions of this crisis.

We in India are now past the worst of this global downturn. The fundamentals of the Indian economy are strong and our economic prospects are durable. Our growth is closing in on 7% and we are confident that before long our economy would scale the 9% growth trajectory achieved before the economic downturn.

Even as we meet here, the Conference of Parties to the UN Convention against Climate Change is kicking off in Copenhagen, an event which could influence global energy production and consumption patterns. We remain hopeful of success at Copenhagen in achieving an outcome, containing substantive and enforceable commitments which are equitable and supportive of economic growth, especially in developing countries. India has conceived its response to Climate Change, as part of a broader strategy for ensuring sustainable development. Our objective is to bring about changes in the kinds of energy we produce and consume, while remaining mindful of

our resources constraints, environmental concerns and imperatives of economic development.

Friends, global energy trends are already suggesting that the demand for oil has peaked in the developed world. The new global claimants for oil are now located in Asia, including India, where a rapidly growing economy is driving our demand for energy. India would need to depend upon 90% oil and 60% gas imports by 2030-31. Presently, about 15 percent of India's crude oil imports came from Africa, but we can do with more.

Apart from being an obvious long-term market for African hydrocarbons, India is also globally recognized as a hub for business opportunities spread across the entire hydrocarbon production cycle. India is a oil refining centre, exporter of petroleum products and home to competitive hydrocarbon multinationals, which have made their presence felt all over the world, including in Africa. As the fastest growing democracy we offer a complementary and mutually advantageous hand of partnership to our friends in Africa's hydrocarbon sector.

Ladies and Gentlemen, the spread of global hydrocarbon reserves is uneven. Most countries of the world are hydrocarbon deficit, including many in Africa. From the 20th century crude oil was increasingly seen as a strategic commodity and this vitiated international relations. The choice is in our hands and here I leave a thought with you. Do we continue to treat hydrocarbon assets as a zero-sum game or in the true spirit of globalization ensure that they become part of a truly global, integrated, open and competitive energy market for the mutual and long term benefit of producers and consumers?

Friends, this is a rich gathering of government leaders, policy makers, senior executives, energy consultants and investors. I would like to conclude by suggesting that during your interactions you may also address issues like - the volatility in the oil and gas markets; promoting energy trade and investments; the information gap between energy suppliers and consumers, and protecting the transportation and transit of oil and gas.

I congratulate my good friend Shri Murli Deora, the Minister for Petroleum and Natural Gas, his colleagues, our public sector companies and FICCI for organizing this important event. I wish the Second India-Africa Hydrocarbon Conference all success.



**543. Valedictory Address by Minister of State Dr. Shashi Tharoor at the 2nd India-Africa Hydrocarbon Conference.**

**New Delhi, December 8, 2009.**

- **Your Excellency, Ms. Angelina Jany Teng, Hon'ble Minister of State for Energy & Mining, Republic of Sudan**
- **Ministers and friends from Africa**
- **Dr. Amit Mitra, Secretary General, FICCI**
- **Shri S. Sundareshan, Additional Secretary, Ministry of Petroleum & Natural Gas; Shri Sunil Jain, Jt. Secretary**
- **Excellencies,**
- **Distinguished Guests,**
- **Members of the Media,**
- **Ladies and Gentlemen, friends:**

It is my pleasure and privilege to deliver the Valedictory Address at the conclusion of the second edition of the India-Africa Hydrocarbon Conference.

2. History, Ladies and Gentlemen, it has been said, is subject to Geology. The bounty of mother earth - in the form of its soil, water, metals and energy resources - has shaped civilizations depending on how these resources were owned and used. Our demand for and appropriation of these vital and finite inputs has, however, always had an unpredictable strategic impact, which has sometimes increased the divide between nations or even redrawn the shape of countries on the map.

3. This hunger for natural resources and its behavioral consequences, I am happy to note, has never cast a shadow on India-Africa relations. As Mr. Sundareshan reminded us with his quotes from Mahatma Gandhi, we have always stood for and we have stood with Africa, driven by a primordial and abiding commitment. Our links are civilizational yet contemporary. Indeed, one of the grandest narratives of the anti-colonial movement has been of the brotherly solidarity between India and Africa. The colonial days of extraneous and overt political domination are behind us. The calling now is for nation-building, economic growth, development and welfare.

4. However cordial and close state-to-state relations are, they are painted with a broad brush; the gaps and finer touches have to be filled in by civil society and increasingly by private business and economic interests. Agents of business and commerce play a particularly indispensable role in this process. I am pleased that this gathering has brought together government leaders, policy makers, entrepreneurs, corporate leaders and professionals from India and Africa on a common platform to further advance their cooperation in the energy sector. At this juncture of economic globalization, the role of the private sector and industry becomes more important than ever.

5. Yet, the forces of globalization cut both ways. After years of continuous and rapid growth, the global economy hit a speed breaker and lost momentum. Similarly, just over a year ago, when crude oil prices, the main reference driver for other energy sources, touched record highs of US\$ 147 a barrel, energy security was a worldwide and disturbing concern. Today, we derive some comfort as oil prices hover around US\$ 75 to 80 a barrel. But complacency on energy issues has a greater price.

6. Energy security concerns will continue to challenge us. As the international economy regains its full balance, oil demand will pick up and suck up the supply overhang. Global crude oil prices are condemned to be volatile until both the oil producers and oil consumers follow the same script. An oil consuming country wants low and assured prices; the oil producer seeks predictability of demand at attractive prices. The oil market is defined by this asymmetry. Strategic and market-unfriendly oil deals further muddy the waters by either over or under-valuing oil assets.

7. The collective good is best served by enlarging the size of the global energy market so that greater quantities of energy resources, like crude oil, are available through transparent and open transactions. The imperative of closer cooperation and interdependence between producers and consumers of oil and gas has never been more obvious. I am happy that this Conference serves this broad principle by bringing together the oil and gas producers of Africa and the Indian hydrocarbon market.

8. Ladies and Gentlemen, India is widely hailed as one of the engines of global growth. But India is, and is also likely to remain, an energy-deficit country for years to come. Friends and guests from Africa, let me emphasize that India is your long-term bet as a partner for cooperation in the energy sector. Consuming over 2.8 million barrels per day, India is the fourth biggest global consumer of crude oil. In the fiscal year 2008-09, India imported oil

worth about US\$ 75 billion. As a major consumer of crude oil and increasingly of gas, we guarantee demand in the buyer-seller equation.

9. But, as you would have discovered during this Conference, this is not the complete story of what India brings to the energy table. India is a globally recognized state-of-the art refining centre. Our energy companies, both in the private and public sectors, have proven expertise in the entire oil and natural gas value chain. We offer ourselves as both a huge market for energy products as also an investment and technology partner in the oil and gas sector.

10. Let me here also emphasize that our approach to African resources is not a one-way street. Over the last decade Africa has been seen in a new light by many because its oil yields have "out-produced the North Sea." But, constrained by the pace of its economic growth, Africa consumes only about 40% of the oil it produces. We will draw equal satisfaction when African oil fuels Africa's own development and growth. Our long standing priority is to serve as a partner in Africa's economic development. To this effect, capacity building and knowledge and skills enhancement have driven our bilateral assistance to Africa. We are proud to train, educate and broaden the horizons of African citizens.

11. Between the first and second India-Africa Conference the global oil market has gone through a crisis. It is exactly in such testing times that conferences like ours rebuild confidence in the global energy sector. Over the last two days, you have had an opportunity to share information, discuss and exchange notes on the whole gamut of issues in the oil and gas sector, including exploration and production, policy and regulations, as well as business opportunities and consultancy possibilities. I am confident that your deliberations have resulted in identifying mutually beneficial opportunities in a sector which in many ways is the force multiplier for economic growth and development. I, therefore, congratulate, in full measure, the Ministry of Petroleum and Natural Gas and FICCI for organizing this event. And the Ministry of External Affairs is pleased and honoured to have been associated with this Conference. I wish our foreign delegates a safe return home. Let us now focus on the concrete steps to be taken to act upon and give effect to the insights acquired during this Conference.





**544. Press Release issued by the Ministry of Petroleum and Natural Gas on the India - Africa Hydro-Carbon Conference.**

**New Delhi, December 8, 2009.**

The second India Africa Hydrocarbons Conference concluded here today with the signing of an umbrella MoU between India and Sudan for further expanding cooperation in the oil and gas sector. The MoU was signed by Shri Jitin Prasada, Minister of State for Petroleum & Natural Gas on behalf of India and by Ms. Angelina Jany Teny, Minister for Energy & Mining, Republic of Sudan which provides a broad framework to take forward the existing cooperation between the two countries. Speaking on the occasion Shri Prasada outlined the initiatives taken by Indian companies including an investment of 2.5 billion dollars in Sudan by OVL.

He also elaborated five thrust areas in the oil and gas sector for cooperation with the African countries. These include; buy more crude from Africa, invest more in upstream opportunities on bilateral basis in Africa as well as in third countries, explore opportunities to source more LNG from Africa, make available our skills, talent and technology in cost-effective manner for the benefit of Africa. While pursuing mutually beneficial projects in Africa, we will also take up community development programmes there for inclusive growth.

The Minister of State for External Affairs Shri Shashi Tharoor called for closer cooperation and inter-dependence between producers and consumers of oil and gas. Delivering his valedictory address he assured that India's approach to African resources is not a one way street. The Minister added, "We will draw equal satisfaction when African oil fuels Africa's own development and growth. Our long standing priority is to serve as a partner in Africa's development".

Shri S. Sundareshan, Addl. Secretary, Ministry of Petroleum & Natural Gas provided a Conference Review on the occasion. He identified six areas of opportunities for collaboration to the benefit of both India and the African countries. These are:

1. Investment by Indian Companies in E&P Opportunities in Africa. They should aggressively widely participate in the various rounds in African Countries which are rich in resources. The countries have evolved their own processes. Indian companies should in the first instance,

develop expertise in understanding the African procedures and dealing with the African processes.

2. In several countries there are opportunities in investment in the downstream sector. There could be an opportunity for setting up small refineries. From the African side, there should be a system of providing downstream marketing rights.
3. There exists openings for upgradation of facilities by the Indian companies particularly in the project management. Indian companies should participate in such opportunities for petroleum infrastructure upgradation.
4. The Government of India would like to offer facilities for upgradation of human resources. This could be for students, executives and training for trainers. This could be suited to the specific requirements of the countries. We welcome proposals in this regard.
5. There could be formation of joint ventures between India and African companies. This could be in the areas of E&P and downstream projects. Joint venture could also be formed for exploring specific assets and ventures. The African side should design this.
6. The service providing sector also offers significant opportunities. The African countries are welcome to let us know the areas of infrastructure development, services and any bundling of opportunities they would like in the oil & gas sector and Government of India would facilitate in activating the interest of the Indian companies.



**BENIN****545. Speech by President Shrimati Pratibha Devisingh Patil at the Banquet in honour of the President of Benin Republic Dr. Thomas Boni Yayi.****New Delhi, March 4, 2009.**

Your Excellency President Dr. Boni Yayi,

Madame Yayi,

Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure in welcoming Your Excellency and the distinguished members of your delegation to India. Your historic visit is a manifestation of our shared keenness to pursue a more substantive bilateral agenda.

As the world's largest democracy, India has been impressed by the emergence of the Republic of Benin over the past two decades as a functioning democracy in Africa, with a peaceful and orderly polity and freedom of the press.

Excellency,

We share the high importance you attach to India-Benin relations and rejoice at their steady growth. There are concrete opportunities for bilateral synergy in the sectors of agriculture, food-processing, small and medium enterprises, mining, pharmaceuticals, infrastructure, automobiles and others, which need to be utilized fully for mutual benefit. Our bilateral trade, which is in the range of US\$ 350 million, does not reflect the true potential existing between our countries. We are pleased to note that Benin has conveyed its letter of intent to avail of the benefits under the Duty Free Tariff Preference Scheme offered by India to African countries. This would certainly give a boost to Benin's exports to our country.

We look forward to further expansion and deepening of our bilateral engagement\*. The agreements signed today would help provide the enabling

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\* A multi-religious, multi-ethnic society and a multi-party democracy, Benin, home to 9.3 million people is located in West Africa and borders Nigeria, Togo, Burkina Faso and Niger. Members of NAM, India and Benin have traditionally enjoyed friendly relations. Both countries share a commonality of views on major international issues such as UN Reforms and combating international terrorism. Benin has supported India's candidature for permanent membership on an expanded UNSC. It outrightly condemned the terrorist attacks on Mumbai in November 2008.

framework for further growth and expansion of our political, trade and economic relations. We are also confident that your engagements with potential Indian stakeholders during this visit would open new vistas for bilateral co-operation through investments, joint ventures and transfer of technology.

India and Benin share commonality of views on major international issues. We appreciate your consistent support to India at various international fora. We value your strong support to India's candidature for permanent membership on an expanded UN Security Council. We welcome your forthright condemnation of the recent Mumbai terrorist attack. We join you, Excellency, in calling for cooperation and collaboration among all states to fight the scourge of international terrorism.

Excellency,

A cornerstone of India's policy on external relations is to help our friends in Africa with their socio-economic development and for the continent of Africa to emerge as a vibrant entity, well integrated with the world economy. India is committed to extending its support and cooperation to Africa within its capabilities and capacities.

In several countries in Africa, projects undertaken by India have started showing a visible impact in key economic and social sectors. We expect this impact to grow progressively in the years to come. The Delhi Declaration issued after the first India-Africa Forum Summit held in New Delhi in April 2008, serves as a road map for giving a new momentum and dynamism to relations between India and Africa.

The Government of India's Pan-Africa e-Network Project, the first phase of which was commissioned a few days ago, is our humble attempt to help Africa bridge the digital divide. The project aims to create linkages for tele-education and tele-medicine by making available the expertise of some of the best universities and hospitals in India to the people of Africa. We are particularly pleased that Benin has joined this prestigious Project in the first phase.

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India has in the past gifted 100 tractors and agricultural implements, as well as, extended a US\$18.8 million Line of Credit for rural electrification to Benin. The country regularly avails of training facilities under the ITEC programme in various fields. It has also subscribed to the Duty Free Tariff Preference (DFTP) Scheme announced by India in April 2008. India's bilateral trade with Benin is currently US\$350 million.

Benin was included in the first group of countries in the Government of India's Pan-African e-network project, which was officially inaugurated by the External Affairs Minister last week.

Excellency,

I am confident that your visit to India would open a new chapter in this saga of our friendship.

May I now request Your Excellencies, Distinguished Guests, Ladies and Gentlemen, to join me in raising a toast to:-

- the good health and happiness of President Dr. Boni Yayi and Madame Yayi;
- the continued growth in friendship and co-operation between India and Benin and;
- the success of this historic visit.

Thank you!



**546. Remarks of the Minister of State Dr. Shashi Tharoor to the press on arrival at the Cotonu airport.**

**Cotonou, (Benin), October 21, 2009.**

Ladies and Gentlemen, I am delighted to be here in your wonderful lovely scenic country for the first meeting of the Joint Commission between India and Benin. Republic of Benin is indeed a shining example of a tolerant, progressive multi-ethnic and multi-religious society with a multi-party democracy. India, world's largest democracy, rejoices at Benin success in this regard.

The forthcoming Joint Commission\* Meeting is an important platform for the two countries to accelerate the pace of good relations, not only in the political field, but also in trade and commercial matters, education and culture.

The recent historic State visit of His Excellency President Boni Yayi to India in March 2009 had laid the foundations for this Meeting, when India and Benin had signed the Agreement for the creation of the India-Benin Joint Committee for Political, Economic, Scientific, Technical and Cultural Cooperation. During this first session of the Joint Commission, we will work towards concretizing areas of cooperation and to build forward on our earlier initiatives taken.

The following development projects have already been agreed during the visit of the President which are under active implementation : (i) Projects proposed by Benin under \$ 15 million line of credit; (ii) setting up an Information Technology Centre of Excellence (CETI) in Benin, on grant basis; (iii) Setting up a centre for Technology Demonstration in Benin, on grant basis; (iv) Undertake two mutually agreed projects each for one million dollars in health and education sectors, on grant basis.

I am happy that MOU on Cultural cooperation would be signed on 23 October during the JCM, which would go a long way in building the bridges of cultural understanding and promoting people-to-people interaction between the two countries.

I would also like to mention that we had in the recent past donated 100

\* The Agreement to establish the India-Benin Joint Commission on political, economic, scientific, technical and cultural cooperation was signed during the first-ever State Visit to India (3-7 March 2009) by Dr. Boni Yayi, President of the Republic of Benin.

A Press Release issued by the Ministry of External Affairs on the visit on October 20 described India - Benin relations as friendly and characterized by democracy and secularism. The Press release recalling the visit of the Benin President in March 2009 said "close convergence of opinions at the highest political levels was noted" at that time. It gratefully accepted the unflinching support of Benin to India in its bid for a Permanent Seat at the UN Security Council as also for the non-permanent seat for the years 2011-12. President Boni Yayi had also "expressed solidarity with India in its efforts to tackle the scourge of terrorism, which has become the biggest threat to international

tractors, and a further donation of 100 tractors is in advanced stages of implementation.

India-Benin bilateral trade has been showing an upward trend during the past few years, and has shown a healthy increase from \$ 126 million in 2005 to \$ 310. million in 2007-08, which is a growth of 145%. We are sure that, with increased cooperation between the two nations, this figure will go even higher.

India on its part is ready to support the efforts of the Government of Benin in achieving this goal. India sees Benin as a partner in progress and is ready to offer her expertise in the field of agriculture, science and technology, ICT pharmaceuticals and infrastructure. I am sure that with institutional framework like the Joint Commission in place, and with regular interaction, the bilateral relations between the two countries will be further strengthened.

We also share high values such as democracy, tolerant pluralist society and adherence to the UN Charter and we deeply thank Excellency President Dr Boni Yavi and his government for his clear articulation of support of India's claim to the permanent membership of an expanded UN Security Council. We are particularly appreciated the Government of Benin for their commitment to support our candidature for the non-permanent seat for 2011-12 for which elections are to be held in 2010.

I would like to express India's profound appreciation and gratitude to Excellency President Dr Boni Yayi's patronage of Indo-Benin relations and I am looking forward to pay a courtesy call on the President. I have come here assure Government of India's continued support and cooperation to Benin in its quest for socio-economic development and to advance our shared interests.

My special gratitude and thanks to your dynamic Foreign Minister Excellency Mr. Jean Marie Ehouzou, Benin Foreign Minister who has been my close friend for the past years and we had the privilege of working together in UN fora

Thank You.



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peace and security in the current times". Benin has been the recipient of bilateral assistance from India in the form of agricultural equipment, water pumps for irrigation, tractors and essential medicines including anti-retroviral drugs. Prime Minister had during the visit of President Yayi "announced a US\$2 million grant" which Benin is utilizing to get medical equipment, buses and computers from India. Concessional Lines of Credit worth US\$33.80 million have been extended to Benin for rural electrification, purchase of railway equipment, agricultural equipment, and to undertake feasibility study for a cyber-city. Benin has also joined the Pan-African e-Network project of the Government of India and is availing the tele-medicine and tele-education facilities.

**547. Speech of Minister of State Dr. Shashi Tharoor at the meeting organised by the Benin Chambers of Commerce and Industry.**

**Cotonou, (Benin), October 22, 2009.**

**Your Excellency Mr. Jean-Marie Ehouzou, Minister of Foreign Affairs,**

**Your Excellency Mr. Ataou Soufiano, President, Benin Chamber of Commerce and Industry,**

**Distinguished Delegates,**

**Ladies and Gentlemen,**

At the outset, I would like to express my gratitude for arranging this important Business to business interaction during my current visit to Republic of Benin. Benin is our deeply valued bilateral partner and both official and business engagements and our interactions today not only complement the first session of the Joint Commission but also reinforces an important dimension of our country to country relations.

This interaction is also an significant follow up of the recent State visit to my country by His Excellency Dr Boni Yayi, President of the Republic of Benin which had a very strong business to business component. I understand that a large delegation of Benin Chamber participated in the visit. Indeed, through his visit, President had strongly encouraged Indian businessmen to come to Benin for a day of India" in Cotonou and I am glad that my business colleagues from India have responded to this high call. I am very glad to have a multi-sectoral large business delegation comprising of not less than 16 members representing such diversified sectors as construction, IT, transportation and agriculture. I believe that following the state visit, Benin's business community is also keen to discover India and to engage these and other Indian businesses in mutually rewarding endeavours.

While both India and Benin are developing countries, we do have strong sense of economic complimentarity. This manifests itself in mutual desire for working together to fulfil Benin's own national priorities in sectors such as infrastructure development, agriculture, healthcare, transportation, telecom and human resources development. While the two Governments are committed to support these B2B interactions, it should be our endeavour to go beyond the economic activity supported by the two governments. To this end, we should try to be innovative and explore bringing in the concepts



such as private public partnership raising funds from various private and public sources and acquiring criticality through joint action based on possible utilisation of current and future resources. As an overarching priority to this B2B cooperation we also need to also focus on human resources building, improvement of skill sets and other human capacity building avenues.

Benin's exports to India have been growing consistently to become third largest market abroad with more than 106 million dollar exports to India for the year ended on March 31 2009. The cashew nut export accounted for nearly 70% of Benin's exports to India followed by metal scraps and wood & wooden products. On the other hand, Indian exports to Benin have also been rising through the years and during the same period stood at 203 million dollars. These comprising of manufactured materials, pharmaceutical products and various textile items. While the bilateral trade affected by the regional and global downturn during the last year, the overall trend is showing growth and diversified. If trade through third destinations is to be taken into account the figure is to likely go up considerably.

The economic operators of both sides need to take encouragement from the bilateral trade and take steps to expand and consolidate. There is a good possibility of increasing the bilateral trade along the existing areas. There is also possibility of the trade in new areas such as transportation, pharmaceuticals, ICT, telecom, rural development, small and medium industries, agriculture and agro based industry and human resource development.

Benin is relatively new to Indian product exporters however the success of TCIL in the past has shown that considerable potential does exist in this direction. I also understand that possibility in infrastructure development, transportation, local assembly and human resource development are currently being discussed.

While Benin presents Indian operators as an excellent market in its own right, its strategic economic location at the cross road of both coastal West Africa and central African hinterland makes it a strategic base for supply and local manufacturing to such diversified markets as ECOWAS and Francophone Central Africa. I do believe that India is still unrepresented in this huge swath of market and our presence in Benin can tap ameliorate this gap.

Realising the unfulfilled trade and economic cooperation potential, the two Heads of Governments decided to set up various structures during the State visit to India by His Excellency Dr Boni Yayi. These include the Joint

Commission, Foreign Office Consultation and various projects in railways, agriculture, education and new technology sectors. In parallel, CII and Benin Chambers of Commerce and Industry have also signed a MoU on cooperation. We do hope that these instruments will help in expanding economic space to entrepreneurs of both countries to make a good beginning.

I would like to suggest that the potential provided by Benin's small but economically active Indian community be utilised to the full extent possible. They can act as a bridge for two entrepreneurs to work together.

In Conclusion, I would like to re-emphasise our interest in promoting bilateral economic synergy between the business communities on two sides and hope that interactions such as today would not only continue but become a more regular feature of the bilateral economic landscape.

Thank You!



**CONGO****548. Joint Statement issued on the visit of Minister of Foreign Affairs of the Democratic Republic of the Congo Alexis Thambwe Mwamba.****New Delhi, October 29, 2009.**

H.E. Mr. Alexis Thambwe Mwamba, Minister of Foreign Affairs, Democratic Republic of the Congo paid an official visit to India from 27 to 30 October, 2009. He was accompanied by a high-level delegation comprising of H.E. Mr. Oliver Kamitatu Etsu, Minister of Planning and H.E. Ms. Louise Munga Mesozi, Minister of Posts, Telephones and Telecommunications, besides senior advisors from key ministries.

The visiting Congolese Foreign Minister held extensive discussions with External Affairs Minister Shri S.M. Krishna, during which both the leaders reviewed the entire gamut of bilateral relations between the two countries, besides exchanging views on important international and regional issues of common interest such as expansion of UN Security Council, combating international terrorism, climate change, energy security and the Doha Development Round of the World Trade Organisation.

The visiting Foreign Minister conveyed the complete solidarity of the government and people of Democratic Republic of the Congo (DRC) with India and its people in their resolve to combat the scourge of terrorism. Democratic Republic of the Congo has pledged to work with India at the international, regional and bilateral levels to tackle the growing menace of terrorism. The two sides also agreed to collaborate within the framework of the United Nations for the early adoption of the Comprehensive Convention on International Terrorism.

While appreciating the leadership role played by India in promoting peace at regional and international levels, the DRC Foreign Minister reiterated the support of his government for India's bid for a Permanent Seat in the expanded UNSC as well as India's candidature for the Non-Permanent Seat for the term 2011-12 from the Asian Group, for which elections would be held in October 2010.

The DRC side recognised the pioneering and consistent support and cooperation extended by India to the African countries within the framework of South-South Cooperation, which has been enhanced significantly after the India-Africa Forum Summit held in April 2008.

Recalling India's significant contribution to international peace-keeping efforts in general and in the Democratic Republic of the Congo in particular since the early sixties, the DRC Foreign Minister lauded the services of the 5000-strong Indian contingent in MONUC, which has not only engaged in peace-keeping but also carried out significant humanitarian work for the Congolese people.

The two leaders noted with satisfaction that the bilateral relations between the two countries gained a new momentum and direction following the visit of President Joseph Kabila in April 2008. The two sides recognised the great potential for further expansion and strengthening of bilateral economic relations, particularly in the fields of agriculture, mining, energy, infrastructure, railways, ICT, food processing, health, education and SMEs. The Indian side proposed that technical delegations would visit DR Congo to identify specific areas of cooperation in the mining sector. Both the sides pledged to find ways and means of enhancing bilateral trade and promoting mutually beneficial joint ventures.

The Indian side gave an assurance of its continued support and cooperation to the Democratic Republic of the Congo in its quest for rapid economic development through technical cooperation and financial & material aid. EAM announced approval of fresh Lines of Credit to the tune of US\$263 million for three projects, viz:

- (i) US\$45 million Kakobola Hydro-electric power project;
- (ii) US\$168 million Katende Hydro-electric power (60MW) project; &
- (iii) US\$50 million Kinshasa City Urban Railway System Rehabilitation project.

EAM also announced further assistance in the form of grants in the following fields:-

1. Setting up an IT Centre of Excellence in Kinshasa
2. Setting up three learning stations under the Hole-in-the-Wall computer education project
3. Offer special slots to DR Congolese women for training in solar electrification and water harvesting courses in the Barefoot College, Rajasthan.

The two Foreign Ministers inked a Cultural Cooperation Agreement at the end of their official talks.



## GHANA

### 549. Press Release issued by the Ministry of External Affairs on the visit of Minister of State Dr. Shashi Tharoor to Ghana.

**Accra, September 19, 2009.**

Minister of State for External Affairs Dr. Shashi Tharoor made a brief visit to Accra on his way back to India from Liberia where he was on an official visit. On his arrival at Accra Airport he was received by the Deputy Minister for Foreign Affairs of Ghana Ambassador Chris Kpodo and the High Commissioner of India, Mrs. Ruchi Ghanashyam. Dr. Tharoor proceeded straight to the President's Office from the airport to meet President of Ghana H.E. Prof. John Evans Atta Mills.

Dr. Tharoor conveyed the good wishes of Prime Minister Dr. Manmohan Singh to President Atta Mills on centenary birthday celebrations\* of Dr. Kwame Nkrumah, the first President of Ghana. He also discussed with President Atta Mills matters of mutual interest, both bilateral and international.

President Mills warmly appreciated India's development, calling it a model country. He was deeply appreciative of the assistance provided by India for the economic development of Ghana and sought greater investment by Indian companies in agriculture, railways and the energy sector. President Mills also unequivocally condemned terrorism in all its forms.

Later in the afternoon, Vice President of Ghana, H.E. Mr. John Dramani Mahama, who was out of Accra, spoke on telephone with Dr. Tharoor and expressed his desire to increase cooperation between Ghana and India especially in the agriculture sector. Dr. Tharoor assured him that India desires to further strengthen friendly relations between our two countries through increased cooperation in multiple areas.



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\* The Minister visited Accra as the Special Envoy of Prime Minister Dr. Manmohan Singh to attend the birth centenary celebrations of late President Kwame Nkrumah who along with India's first Prime Minister Jawaharlal Nehru was the founder of Nonaligned Movement. MOS visit followed the special request of the President of Ghana Prof John Evans Atta Mills who sent a special envoy to Prime Minister Dr Manmohan Singh requesting Indian participation at a high level. India and Ghana have close and friendly relations. During the visit, the entire gamut of bilateral relations was discussed with the Ghanaian leadership.

**LIBERIA****550. Joint Statement issued at the end of the visit of Minister of State Dr. Shashi Taroor to Liberia.****Monrovia, September 18, 2009.**

Dr Shashi Tharoor, Minister of State for External Affairs of India led a twelve-member high-level official and business delegation to Liberia during 16-19 September 2009. President Ellen Johnson Sirleaf described the visit as a "landmark visit" because it is the first ministerial visit to Liberia from India in 38 years. The business delegation represented leading Indian companies in the sectors of agriculture, mining, IT education, telecommunication, transportation and small industries.

2. The visiting Indian Minister and his delegation were received in audience by H.E Mrs. Ellen Johnson Sirleaf, the President of the Republic of Liberia, during which they undertook a comprehensive review of bilateral relations and discussed measures to intensify the relations. The discussions with President Sirleaf covered a wide spectrum of issues ranging from India's support to Liberia's development, UN reforms to the situation in the sub region of West Africa. Dr Tharoor complimented the Liberian President on her leadership and vision for Liberia and expressed solidarity with the government and people of Liberia for their quest for peace, stability and development after a protracted and traumatic period of internal conflict.

3. Dr Tharoor also held extensive talks with his Liberian counterpart, H.E. Mr William V S Bull, Acting Minister of Foreign Affairs and with the Ministers of Justice, Agriculture, Education, Telecommunication, Commerce and Industry and the Chairman of the National Investment Commission. Mrs Olubanke King Akerele, Minister of Foreign Affairs of Liberia made a special gesture of receiving and meeting Dr Tharoor at the airport on his arrival while she was about to embark on her tour to New York. In another special gesture, President Sirleaf hosted a breakfast meeting for Dr Tharoor and the accompanying Indian delegation to review the results of the visit. Vice President H.E Mr Dr Joseph N Boakai hosted a dinner for the visiting Indian delegation. Acting Foreign Minister Bull organized a reception in honour of his Indian counterpart which was attended by representatives of the Liberian leadership, Indian community, diplomatic and international community of Liberia were invited. Both Ministers addressed the gathering and proposed toasts to the well being of the people and leadership of each other's country.

4. In the discussions with the Liberian leadership, India conveyed its commitment to become an active partner in Liberia's development and underlined that India's approach would be to respond to the needs of Liberia and participate in efforts and projects which are deemed to be priorities by the Liberian side. The Liberian leadership communicated to the Indian side the concept of the four pillars of development enunciated by President Sirleaf for Liberia's development and sought India's assistance in going forward on all four pillars. The four pillars are i) Peace and Security, ii) Rule of law and justice, iii) Economic development particularly agriculture, mining and forestry and iv) Infrastructure including roads and ICT. India agreed to participate in all the four pillars of Liberia's development.

5. In the context of the above, India has offered extensive assistance in the form of lines of credit on concessional terms. In addition, India offered development assistance to Liberia to the tune of US\$ 2 mn as grant-in-aid for projects in the education and health sectors. At the request of the Liberian side, India also offered to donate twenty five buses to augment the public transportation facilities of the Monrovia Transit Authority. India also agreed to set up in Liberia an Information Technology and Communication (ICT) Centre of Excellence as per a Memorandum of Understanding to be signed by both parties. To provide immediate impetus to IT education in Liberia, India will set up in the short term two "Hole-in-the-Wall" computer education centres at sites to be identified by the Liberian side.

6. India also committed to assist Liberia in capacity building and training, particularly Liberian diplomats and policemen. The Indian side agreed to consider the specific and special request to the Indian Ministry of External Affairs for capacity building by the Ministry of Foreign Affairs of Liberia. Both sides decided to strengthen utilization of the ongoing programmes of capacity building such as the ITEC programme of the Government of India. Liberia also agreed to send women to participate in the training programmes on solar energy development organized by India at the Barefoot College, Tilonia in Rajasthan.

7. India appreciated the accession of Liberia to the India-Pan African e-network. Both sides agreed to work closely to bring the benefits of tele-education and tele-medicine to Liberian educational and medical institutions.

8. Liberia acknowledged India's offer to share its experience of nation building and economic development and expressed appreciation of the offer of lines of credit and development assistance.

9. In order to institutionalize and further strengthen the framework of bilateral cooperation, the two sides signed the Protocol on Foreign Office Consultations during the visit.

10. Both countries recognized the need for comprehensive reform of the United Nations and the expansion of the UN Security Council to make it more representative of existing world realities. Liberia recognized the pioneering and substantive contribution of India towards UN activities particularly peace keeping. Liberia also appreciated the role of the Indian contingent of UNMIL, particularly the first ever Indian Female Formed Police Unit (FFPU). Liberia agreed to extend its support for India's candidature of the non permanent seat from the Asian Group for the period 2011-2012 for which elections are to be held in October 2010. India appreciated the Liberian gesture of supporting its candidature for the UN seat.

11. The Liberian leadership reaffirmed its strong condemnation of the terrorist attacks perpetrated in Mumbai last year and reiterated the need for intensifying global cooperation in combating international terrorism. Liberia agreed to support India's efforts towards the early conclusion of the Comprehensive Convention on International Terrorism within the UN framework.

12. H.E Dr Richard V Tolbert, Chairman of the National Investment Corporation and Dr Tharoor held discussions on Indian involvement in the economic development of Liberia and also addressed the businesspersons of both countries. The Indian business delegation also held intensive discussions with their Liberian counterparts. Concrete opportunities in mining, small enterprises development, IT education, agriculture and commercial farming were identified. The Liberian side offered substantial tracts of land for the development of commercial cropping for increasing Liberia's food security as well as for export purposes. Indian companies responded favourably to the offer. Liberia welcomed Indian investments in the small scale, mining and agricultural sector. The Indian side expressed optimism that as Liberia's credit rating improved in the coming months Liberia would be in a position to accept the concessional lines of credit being offered by India for undertaking projects in Liberia. Dr Tolbert also agreed to lead to India a delegation of Liberian ministers and businesspersons to hold road-shows on the opportunities for investment in Liberia. The Confederation of Indian Industry which organized the business delegation accompanying the Indian Minister agreed to organize the road shows in the near future.



13. During his visit to Liberia, Dr Tharoor toured the facilities of the Monrovia Transport Authority and Liberia Telecom Company. He also met with members of the Indian Female Formed Unit and with Ms Margrethe Loj, Special Representative of the UN Secretary General leading the UN Mission in Liberia (UNMIL). The visiting Indian minister also met and interacted with the members of the 1500 strong Indian community in Liberia.

14. Both sides expressed satisfaction at the outcome of the visit and agreed to have follow-up high level visits to maintain the momentum and intensify cooperation between the two countries.

15. Dr. Tharoor extended an invitation to Her Excellency Olubanke King Akerere, Minister of Foreign Affairs of Liberia, to visit India which invitation she accepted. The date and time will be arranged through diplomatic channels.



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It was Dr. Tharoor's maiden official tour to Africa after taking over as Minister of State for External Affairs. The visit to Liberia was the first bilateral visit in thirty-eight years from the Indian side. The last visit was by then Foreign Minister late Sardar Swaran Singh in 1971. After decades of internal conflict, Liberia is consolidating its democracy under the leadership of President Mrs. Ellen Johnson Sirleaf who is the first democratically elected woman President in Africa. A Press Release issued by the Ministry of External Affairs on September 16 said: "India and Liberia have close and cordial relations dating back to early seventies, both the countries being members of the Non Aligned Movement (NAM) and sharing democratic values. India has contributed in the UN peace keeping operations in Liberia in the form of a 125-member strong Female Armed Police Unit (FFPU) which is the first ever women contingent in the history of UN peace keeping". Dr Tharoor also visited the FFPU, which was helping maintain law and order in Liberia besides providing armed back up to the Liberian police and security to President Sirleaf.

A 15-member business delegation organised by the Confederation of Indian Industry (CII) representing diverse sectors accompanied Dr Tharoor on the visit. Liberia has rich mineral resources, particularly iron ore, gold, diamonds, copper and nickel. Rubber, Coffee and Cocoa are among its agricultural resources. Several Indian private sector companies are interested in participating in various economic sectors of Liberia and contribute to its economic development.

**MALI****551. Joint Statement issued at the end of the working visit of Minister of Foreign Affairs and International Cooperation of the Republic of Mali Moctar Ouane.****New Delhi, October 13, 2009.**

H.E. Mr Moctar Ouane, Minister of Foreign Affairs & International Cooperation, Republic of Mali paid a working visit to India from 8-13th October, 2009. He was accompanied by a high-level delegation comprising of Mr. Sanoussi Toure, Minister of Economy and Finance and Mr. Mamadou Diarra, Minister of Energy and Water.

The visiting Malian minister held extensive discussions with Dr Shashi Tharoor, Minister of State for External Affairs on October 9, 2009 during which both the leaders reviewed the entire gamut of bilateral relations between the two countries, besides exchanging views on important international and regional issues of common interest.

The visiting Malian Foreign Minister conveyed the **complete solidarity** of the government and people of Mali with India and its people in their resolve to **combat the scourge of terrorism**. Mali has pledged to work with India at the international levels to tackle the growing menace of terrorism. The two sides also agreed to collaborate and synchronise their efforts within the UN framework for the earliest adoption of the **Comprehensive Convention on International Terrorism** (CCIT). India expressed its support for the **Conference on Peace, Security and Development in the Sahelo Saharian region** organised by the Government of Mali.

While appreciating the leadership role played by India in promoting peace at regional and international levels, the Malian Foreign Minister offered the support of his government for India's candidature for the **Non-Permanent Seat for the term 2011-12**, for which elections would be held in October 2010. The two sides agreed to work together for the UN reform with an emphasis on the expansion of the UNSC.

The Indian side appreciated the **regional peace-keeping efforts** of Mali in Africa and reiterated its offer for providing training facilities to Mali to augment its peace-keeping capabilities.

The Malian side underlined the pioneering role played by India in consistently extending support and cooperation to African countries within the framework

of South-South Cooperation, which has been enhanced significantly after the first India-Africa Forum Summit meeting held in New Delhi in April 2008.

The Malian side expressed keenness to develop a **dynamic partnership** with India in various fields, particularly in the areas of mining, hydrocarbons, IT, agriculture, food processing, health, education, training and tourism. Both the sides pledged to find ways and means of **enhancing and further expanding** the **bilateral trade** and promoting mutually beneficial **joint ventures**.

The two leaders expressed their satisfaction at the **intensification of diplomatic contacts** between the two countries following the opening of the Embassy of India in Bamako in May 2009 and the decision taken by the Malian government to open its Embassy in New Delhi in the coming months.

At the end of the present working visit, the two sides inked the following agreements: (i) **Protocol on the Foreign Office Consultations (FOC)** at the level of Permanent Undersecretaries; (ii) **Agreement on Political, Economic, Scientific, Technical and Cultural Cooperation** between the two countries; and (iii) Agreements with the EXIM Bank for making the two Lines of Credit operational (i) US\$36 million for the electricity inter-connection project between Mali and Cote d'Ivoire; and (ii) US\$15 million in the field of agriculture.



**MAURITIUS****552. Press Release issued by the Ministry of External Affairs on the signing of the Memorandum of Understanding for the Supply of 'DHRUV' Helicopter to Mauritius.****New Delhi, February 27, 2009.**

An inter-governmental MoU was concluded today at Port Louis between Government of India (GOI) and Government of Mauritius (GOM) for the supply of the Dhruv Advanced Light Helicopter (ALH) to the Mauritius Police Force by Hindustan Aeronautics Limited (HAL). It was signed by High Commissioner of India M. Ganapathi and Permanent Secretary, Prime Minister's Office, K.O. Fong Weng-Poorun. It would be recalled that during the visit of Prime Minister of Mauritius Dr. Navinchandra Ramgoolam to India in October 2005, GOI had agreed to extend a line of credit of US\$ 100 million with a grant component of US\$ 25 million. At the tenth session of the India Mauritius Joint Commission meeting co-chaired by External Affairs Minister Pranab Mukherjee and Vice Prime Minister Rama Krishna Sithanen, held in Mauritius in December 2007, it was agreed to use part of the line of credit for the following purposes:

- (i) Supply of an Advanced Light Helicopter
- (ii) Setting up of a Coastal Radar Surveillance System and
- (iii) Supply of an Offshore Patrol Vessel

The ALH will be funded entirely under the grant element of the line of credit. The helicopter is likely to be made available to Mauritius Police Force by end of March 2009. Dhruv, meaning the pole star in Sanskrit, is a state-of-the-art helicopter, which is expected to strengthen Mauritius' air surveillance capabilities and add a definitive punch to the Police Helicopter Squadron. It is a multi-role, multi-mission new generation helicopter in the 5.5 tonnes weight class built to meet Federal Aviation Regulations (FAR).

The signing of the MOU is a significant step in furthering the bilateral defense co-operation between GOI and GOM. It reflects the firm commitment of both sides in further developing, consolidating and expanding the comprehensive multifaceted cooperation.



**553. Address of Minister of State Dr Shashi Tharoor at the event commemorating the 175th anniversary of the arrival of indentured labourers in Mauritius.**

**Port Louis, November 2, 2009.**

**Your Excellency, The Rt. Hon'ble Sir Anerood Jugnauth, President of the Republic of Mauritius and Lady Sarojni Jugnauth;**

**Your Excellency, Dr. The Hon'ble Navinchandra Ramgoolam, Prime Minister of the Republic of Mauritius and Mrs. Ramgoolam;**

**Your Excellency, Dr. the Hon'ble Rashid Beebeejaun, Deputy Prime Minister and Minister of Renewable Energy and Mrs. Beebeejaun;**

**Your Excellency, the Hon'ble Rajkeswur Purryag, Speaker of the National Assembly of the Republic of Mauritius,**

**Your Excellency, Dr. Vasant Kumar Bunwaree, Minister of Education, Culture and Human Resources, and Mrs. Bunwaree,**

**Your Excellency Mr. Paul Raymond Bérenger, Leader of the Opposition, Hon'ble Ministers, Hon'ble Members of the National Assembly,**

**Your Lordship, Mr. Mahendra Gondeea, Mayor of Port Louis,**

**The High Commissioner of India, High Commissioners, Ambassadors and members of the Diplomatic Corps,**

**Dr. Vijayalakshmi Teelock, Chairman of the Aapravasi Ghat Trust Fund, Vice Chairperson and Members of Aapravasi Ghat Trust Fund,**

**Distinguished Guests, Ladies and Gentlemen:**

It is indeed a great honour and privilege to be present with you today on this august and auspicious occasion. I bring to you the greetings and good wishes of the Government and the people of India.

As we commemorate the 175th anniversary of the day of arrival of the indentured labourers from India, I join you in paying homage to your forefathers who landed on this historic site 175 years ago. By celebrating this event, we emphasise that history never forgives those who forget it. By remembering the historic date of November 2, 1834 we offer homage to those forebears who through their sweat and sacrifice, toil and tears enabled

us in later generations to live in comfort and security.

A little under a century and three quarters ago a group of people was herded on board the M.V. Atlas to arrive in Mauritius on this day, in what was then a rocky land, inhospitable both from nature's fury and human cruelty, to face lives of unimaginable torment and drudgery, where providing for one's kith and kin was seen as an existential requirement but had to be undertaken in suffering, cruelty and despair. When they left the shores of India, the first group of indentured labourers was lost in the turbulence of the sea and consumed by fear of the unknown. And yet those who landed on these shores became the hardy forebears of a successful future. Their indomitable courage allowed them triumph over darkness, misery and uncertainty that enshrouded their arrival. They found the will to overcome.

The history of these Aapravasis is a story worth telling - one which encapsulates the spirit of humankind embodied in a dedicated, motivated and disciplined group of human beings. The Aapravasi Ghat, which today is inscribed among the list of World Heritage Sites is a living testimony of the legendary details of the legacy of that generation for all the generations that have followed and are yet to come.

Having served in the United Nations for many years as an Aapravasi, I can understand the significance and import of the inscription of the Aapravasi Ghat as a World Heritage Site. The Aapravasi Ghat brings out most poignantly the pain, anguish and sorrow of those resolute personalities and enshrines those first foot-falls which have led to the confident footprint of a resurgent Mauritius.

Mauritius today reflects a success every country -- not only in Africa but globally-- yearns for. We in India take great pride in your many successes and celebrate your many achievements. Your recent recognition by the Ibrahim Foundation as No. 1 for governance in Africa is merely the latest such accomplishment for which we are all thankful to those unheralded and unsung heroes of folklore who came to this Island 175 years ago.

Excellencies, Ladies and Gentlemen,

Mauritius had a role in India's struggle for freedom. The Father of the Indian Nation, Mahatma Gandhi visited Mauritius in 1901, which led to the later visit of Manilal Doctor and the impetus to address the conditions of the labourers and give importance to the need for education. The Father of the Mauritian Nation, Sir Seewoosagur Ramgoolam, was himself a contemporary in London of the leaders of India's national movement. Since then every

Indian Prime Minister, Indian Government and the people of India have enjoyed a special and unique relationship with Mauritius.

India and Mauritius enjoy traditional bonds of friendship and kinship founded on a historical and shared cultural heritage. We are both pluralistic societies where democratic values are cherished and where we give importance to the creative ability and entrepreneurial skills of our citizens. We have opened our doors and windows to the many winds of globalisation but have ensured that we are not swept off our feet by them. Both our countries have striven to promote equality, harmony and peaceful coexistence in our societies with respect for all creeds and faiths. The right of the ordinary citizen is recognised and opportunities are equally available to all. Unity in diversity is the hallmark of both our societies.

Excellencies, Ladies and Gentlemen, as we celebrate the successes of Mauritius, I would like to reflect very briefly on the affinities you share with India. India today is the world's largest democracy; it is a vibrant economy; a country with strong sense of social belonging, and with a deep sense of unity in purpose and thought. We have progressed economically and we are ready to share our many successes with our friends and partners to make the world a safe and secure place for future generations.

We in India are grateful to Mauritius for its strong support on issues of cardinal importance to us. We particularly appreciate the support we received from your leaders and your people nearly a year ago when Mumbai was the target of a heinous and dastardly terrorist attack, where one of your own was a victim.

India is ready to share its experience with Mauritius and move towards consolidation and expansion of its multi-dimensional partnership. We are committed to a comprehensive engagement which is mutually beneficial, guided by the thought that we too could leave the world we live in with greater security and prosperity for future generations as those who these shores 175 years ago today.

Vive l'amitié Indo-Mauricienne

Jai Hind! Jai Mauritius!



**554. Remarks by Minister of State Dr Shashi Tharoor during the dinner hosted by the Mauritian Minister for Foreign Affairs, Regional Integration and International Trade Dr. Arvin Boolell.**

**Port Louis, November 2, 2009.**

Your Excellency Dr. the Hon. Arvin Boolell, Minister for Foreign Affairs, Regional Integration and International Trade

Reputed Ministers of the Government of Mauritius

Excellencies,

Ladies and Gentlemen,

This has been my first visit to Mauritius and I am overwhelmed with the beauty of the place and the warmth and hospitality of the people. I am sure that every visitor to the island would carry the same impression as I do and it is not surprising that Mauritius is one of the most popular tourist destinations in the world. As your new logo rightly says, "c'est vraiment un plaisir". No wonder Mark Twain was bowled over. And as a fond lover of cricket, which I hope Mauritians will take a liking to, I would add that my delegation and I have been totally bowled over by your gracious and generous hospitality.

Diplomatic relations between India and Mauritius were established in 1948. We have come a long way, in fighting together against global challenges, in supporting each other in times of need and in the international forums, in marching hand in hand towards progress and in sharing our resources to ensure mutual safety, security and prosperity. This is not a small achievement given that the world around us has changed and problems have multiplied while solutions have halved. Maintaining a smooth and steady pace consistently in bilateral interactions without ups and downs is the most difficult task of all, given that people come and go and perspectives and priorities change over time. I am happy and I feel honoured to state that Mauritius has been a great and trusted friend of India throughout the years and I hope that you will continue to remain so in the future as well. In fact, even the events of the day which I had the privilege of attending today symbolised



the continuity in change in our ever expanding partnership. My day started with the visit to the Samadhi of the Father of your Nation, Sir Seewoosagar Ramgoolam. I was thereafter able to pay homage to your valiant forebears at the Aapravasi Ghat. I followed this by a visit to the Ganga Talao. I was indeed happy to visit Le Morne, the site where the spectrum of Mauritianness stands in full to embody the unity in diversity of your rainbow nation. And it is my pleasure to be with you tonight.

I understand that this year has seen important milestones in bilateral ties, inter alia, the signing of the Intergovernmental MOU and the Agreement between Hindustan Aeronautics Ltd. and the Government of the Republic of Mauritius for the supply of Advanced Light Helicopter Dhruv which will be handed over officially tomorrow. Tomorrow, the MOU and Agreement relating to the supply of Coastal Surveillance Radar System to Mauritius will be signed. I hope the Offshore Patrol Vessel will also be in Mauritius soon. On other issues of primordial concern to both of us, I would say that as mature democracies with pluralistic traditions and a rich history, we will be able to find our way forward. We will give considerable attention to providing scholarships to Mauritian students in our educational institutions and our assistance under ITEC has been enhanced. We will always give due attention to your needs and requirements.

We thank the Government of Mauritius for reiterating your support of India's candidature as a permanent member of the UN Security Council. In the meantime we are grateful for your vote for the non-permanent seat that India is contesting next year for the term 2011-2013. There is close cooperation in multilateral fora such as Indian Ocean Rim - Association for Regional Co-operation which we have to emergize - I am visiting the IOR-ARC Secretariat tomorrow. Terrorism, maritime piracy and climate change pose common challenges and it is important that as partners in development, India and Mauritius should arrive at a common platform at the international forums to address these issues. Reviving this Organisation is a shared interest for both of us. And on the subject of terrorism, may I say how grateful we are that Mauritius has stood with us all along and has been unwavering and unequivocal in condemning the 26/11 Mumbai attack where, Mr. Minister, you so tragically lost one of your own.

Excellencies, if might digress a bit to touch upon developments in India. We had a successful general election this year. The United Progressive Alliance of Prime Minister Manmohan Singh was returned back to office with a greater majority. This will allow us to focus on our primary objective of ensuring that

the fruits of the economic success percolate down towards the poor and those in the rural areas. We are also giving greater attention towards the youth in the country. The Government of Dr. Manmohan Singh is committed to the socio-economic upliftment of the broad masses of the people. On the economic front, even though not greatly affected by the global economic crisis, we have seen a drop in our growth rate. However, we have seen a turnaround and are confident that the next year will see us moving back to higher growth rates.

Our biggest challenge is confronting the hidden enemy from without and within. We have not been fully satisfied with the cooperation extended by Pakistan on the 26/11 inquiries. They have been stalling and this been a matter of concern. During his visit to Jammu & Kashmir, Prime Minister Manmohan Singh said that he was ready to discuss all issues with Pakistan - not because of weakness but from a position of strength. All the progress that we achieved has been repeatedly thwarted by acts of terrorism. We will press the Government of Pakistan to curb the activities of those elements that are engaging in terrorism in India. We hope that the Government of Pakistan will take the ongoing actions against the terrorist groups to their logical conclusion. PM Singh called upon the people and Government of Pakistan to show their sincerity and good faith and that India will not be found wanting in its response.

Our relations with China are making progress. The meeting between our Prime Ministers in Bangkok and between the Foreign Ministers in Bengaluru went off well. With the US our strategic partnership has moved significantly forward and PM Manmohan Singh will be on a State Visit to Washington later this month. Our all-encompassing relations with Russia continue to be strong.

India's relations with Africa are strong and consistent. We are partners in progress. India's commitment towards Africa is unbreakable. And in this regard, our partnership with Mauritius occupies a central role - it is pivotal.

I thank Your Excellency for the memorable evening. The tone for my calls on your leaders tomorrow has been well set and I look forward to these meetings and discussions.

Thank you!



**555. Remarks by Minister of State Dr Shashi Tharoor during the Handing Over/Commissioning function of the "Dhruv" Advanced Light Helicopter .**

**Port Louis, November 3, 2009.**

**Your Excellency Dr. the Hon. Navinchandra Ramgoolam, Prime Minister and Minister of Defence and Home Affairs of the Republic of Mauritius;**

**Your Excellency Dr. the Hon. Arvin Boolell, Minister of Foreign Affairs, Regional**

**Integration & International Trade of the Government of the Republic of Mauritius**

**Hon'ble Ministers,**

**Commissioner of Police,**

**Commanding Officer of the Special Mobile Force,**

**Commanding Officer of the Police Helicopter Squadron,**

**Friends from the Media,**

**Ladies and Gentlemen**

I am extremely happy to be here today to participate in the function relating to the handing over and commissioning of the "Dhruv" Advanced Light Helicopter into the Police Helicopter Squadron of the Mauritius Police Force. "Dhruv" in Sanskrit means the Pole Star. "Dhruv" in the contemporary context of the Advanced Light Helicopter symbolises the beacon light which will further guide the vast expanse of India-Mauritius relations.

Excellency, the commissioning of the "Dhruv" Advanced Light Helicopter today culminates in the fulfilment of the high level agreement in October 2005 during your State Visit to India. It characterises the very essence and content of our cooperation which is extensive in nature and comprehensive in scope. The induction of the "Dhruv" into the Police Helicopter Squadron will not only allow passive patrolling and active search and rescue operations but also will provide an eye in the sky for Mauritius. It would result in an extensive enhancement of the present search and rescue capability and provide strategic depth to policing your extensive Exclusive Economic Zone (EEZ).

The conception and manufacture of "Dhruv" was aimed at providing India with a multi-role, multi-mission, new generation helicopter which would meet International Aviation Regulations and at the same time respond to civil and military operational requirements. The "Dhruv" helicopter is designed both for utility and armed roles with a capability to land on ships in high sea conditions and also on small and restricted helipads. The helicopter is also ideally suited for VIP transport. It could also be associated with disaster relief, emergency medical missions. In the Mauritian context, I am told that the "Dhruv" would be able to fly to some of the islands of Mauritius territory including St. Brandon.

Excellency, Ladies and Gentlemen, the links between India and Mauritius stretch back in time. India takes genuine pride in the many achievements and advances made by Mauritius. India is happy to associate itself in a comprehensive engagement with Mauritius which provides for constant and continuous commitment as we move ahead in our multi dimensional cooperation. We had the pleasure of signing the agreement for providing the Coastal Surveillance Radar System today morning. Indian Naval and Coast Guard Ships have been actively associated in the surveillance of Mauritian waters and shores. Hydrographic surveys have been carried out by Indian Naval Ships. The Offshore Patrol Vessel should join the ranks of the Mauritius Coast Guard in the not too distant future. Today the "Dhruv" joins the ranks of the Dornier and the Chetaks in your Air Squadrons.

India is committed in reaching out to the friendly developing countries in Africa in which Mauritius holds a prominent position. We will work with Mauritius in providing for the security of her land, water and skies so as to ensure that our children and grandchildren are able to live a life which is safe, secure and stable and prosperous. And the "Dhruv" will be able to provide that additional strength in fulfilling this objective.

Vive l'amitié Indo-Mauricienne

Jai Hind! Jai Mauritius!

Thank you for your attention



**556. Press Release on the visit of Minister of State Dr. Shashi Tharoor to the Republic of Mauritius.**

**Port Louis, November 4, 2009.**

Dr. Shashi Tharoor, Minister of State for External Affairs was in Mauritius on an official visit from November 1-3, 2009. On his arrival (Nov 1), Dr. Tharoor was received by H.E. Dr. The Honourable Vasant Kumar Bunwaree, Minister of Education, Culture & Human Resources of the Republic of Mauritius.

Dr. Tharoor was the Chief Guest at the celebrations commemorating the 175th anniversary of the arrival of the indentured labourers from India in Mauritius (Nov 2). The annual function, Aapravasi Divas, is held at the historic Aapravasi Ghat where the first indentured India labourers landed on November 2, 1834. In his address, Dr. Tharoor recalled the difficulties which would have been encountered by the forebears of current Mauritians to make Mauritius what it is today. He noted that India and Mauritius enjoyed traditional bonds of friendship and kinship founded on a historical and shared cultural heritage and assured that India is ready to share its experience with Mauritius and move towards consolidation and expansion of its multi-dimensional partnership and remain committed to a mutually beneficial comprehensive engagement.

During his visit, Dr. Tharoor called on H.E. Sir Anerood Jugnauth, President of the Republic of Mauritius and H.E. Dr. Navinchandra Ramgoolam, Prime Minister of the Republic of Mauritius. He also met H.E. Dr. Arvin Boolell, Minister of Foreign Affairs, Regional Integration and International Trade. Bilateral, regional and international issues of mutual interest were discussed during these meetings. The strength and content of bilateral cooperation were reviewed during these meetings.

On Nov 3, Dr. Tharoor handed over the Dhruv Advanced Light Helicopter manufactured by the Hindustan Aeronautical Limited, Bengaluru to Prime Minister Navin Ramgoolam. The ALH was thereafter inducted into the Mauritius Police Force. The induction of the Dhruv ALH into the Mauritius Police Helicopter Squadron will allow patrolling and search and rescue operations and participation in disaster relief and emergency medical missions. It is ideally suited for VIP transport. Prime Navin Ramgoolam and Dr. Tharoor, accompanied by Foreign Minister Arvin Boolell also flew in the helicopter.

An Inter-Governmental Memorandum of Understanding between the Government of the Republic of India and the Government of the Republic of Mauritius for the supply of the Coastal Surveillance Radar System from India to Mauritius and an Agreement between the Government of the Republic of Mauritius and M/s Bharat Electronics Limited (BEL), India for the Supply, Installation and Commissioning of Coastal Surveillance Radar System were signed in the presence of Dr. Tharoor and Prime Minister Dr. Navinchandra Ramgoolam (Nov 3). This provides for the setting up of eight (8) Coastal Surveillance Radar Systems in the Republic of Mauritius. Five (5) of these systems will be set up on the main island of Mauritius besides one (1) each on the islands of Rodrigues, Agalega and St. Brandon Islands. Training and technical support will be offered by BEL to Mauritian personnel. An India-Mauritius Joint Monitoring Committee will be set up consisting of members from the Government of India, Government of Mauritius and BEL to facilitate the implementation of the project and review the progress of work.

During Prime Minister Navin Ramgoolam's State Visit to India in October 2005, the Government of India agreed to the request of the Government of Republic of Mauritius to provide a Line of Credit of US\$ 100 million with a grant component of US\$ 25 million. The ALH Dhruv costing US\$ 10.4 million and the Coastal Surveillance Radar System worth Euro 2.4 million are both covered under the grant element of the Line of Credit.

While in Mauritius, Dr. Tharoor delivered an address to a 800-member audience in the University of Mauritius on the subject "India-Africa: Partners in Development". The address was well received.

Dr. Tharoor also visited the Secretariat of the Indian Ocean Rim - Association for Regional Co-operation (IOR-ARC).

During the course of his visit, Dr. Tharoor visited SSR Botanic Garden, Pamplemousses and laid the wreath at the Samadhi of Sir Seewoosagur Ramgoolam, the Father of the Nation of Mauritius. He visited the Le Morne World Heritage Site, a site in memory of the slaves who arrived in Mauritius over two centuries ago. He also visited Ganga Talao, where he was received by His Excellency Mr. Anil Bachoo, Minister of Public Infrastructure, Land Transport and Shipping. He also interacted with various socio-cultural organisations in Mauritius. Dr. Tharoor also met members of the Mauritius Writers Association.



**MOZAMBIQUE****557. Joint Press Interaction of Minister of State for External Affairs Anand Sharma and Minister of Foreign Affairs of Republic of Mozambique Oldemiro Baloi.****New Delhi, February 19, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good evening to all of you and welcome to the Joint Press Interaction. Minister of State for External Affairs would be making an opening statement. Next, the Minister of Foreign Affairs of Republic of Mozambique would be making a statement.

Sir, the floor is yours.

**Minister of State for External Affairs (Shri Anand Sharma):** Mr. Oldemiro Baloi, the Hon. Minister of Foreign Affairs and Cooperation of Mozambique; distinguished members of the Mozambique Delegation; Secretary, Ministry of External Affairs Shri Nalin Surie; members of the Indian Delegation; and members of the media:

This is the second Joint Commission between India and Mozambique which has concluded today. The senior officials of the two Governments were engaged in discussing the cooperation and also to identify the priority sectors to further deepen and diversify an engagement which is strong, based on trust and friendship.

Our relationship in recent years goes back to the struggle for freedom in Mozambique. India's consistent support and solidarity and after that an abiding commitment to be a true friend and partner in fulfilling, or helping to fulfill the developmental aspirations of Mozambique and its people. We have good understanding between our two countries; and our working together is in the true spirit of South-South cooperation. The various areas of engagement are from agriculture to energy, to rail and coal sector, infrastructure and also, if I may add, what is of importance is capacity building, human resource development through the ITEC programme and the ICCR scholarships of India. We have also been extending lines of credit for specific projects in these sectors which I have mentioned.

We have so far, before this Joint Commission, extended lines of credit of US \$ 115 million. We have today made another offer of 25 million as additional line of credit; and another US \$ 1 million as a grant from the Government of the Republic of India. There is enormous potential of enhancing the

cooperation, which we view as important, in other sectors and expanding (it) when we talk of energy sector as also in oil and gas where Indian majors have evinced interest. Many of our public and private sector corporates have presence; and we do hope that their engagement will further increase. We will also be encouraging more investments in agriculture sector and value addition.

You would know that in April last year we had the first India-Africa Summit. At the Summit, a Framework Cooperation Agreement was adopted which opens new pathways of cooperation between India and Africa, particularly sub-Saharan Africa. At that Summit, Dr. Manmohan Singh, the Hon. Prime Minister of India, had made some major announcements. One of the announcements was on the duty-free and tariff preference access to Indian markets for fifty least-developed countries, which include Mozambique, giving access to the huge Indian market for the products manufactured in Mozambique. We hope that this will help in small and medium enterprises in your country. We would also like to reaffirm our commitment to share our developmental experiences, our technology, in these sectors which we have discussed and identified.

We have also had good cooperation between the two countries in the multilateral forums. We have shared views on the restructuring and the orderly transformation of the political and economic architecture in the world, including the expansion of the Security Council so that it reflects the contemporary realities and is truly representative and democratic.

The Foreign Minister of Mozambique, His Excellency Mr. Baloi has, during our discussions and the Joint Commission meeting, conveyed the sympathies and strong solidarity of the people and Government of Mozambique over the dastardly terrorist carnage in Mumbai; and we deeply appreciate the strong position which has been taken by the Government of Mozambique, by the Africa Union, and our friends throughout the world.

With these remarks, I would like now to invite the Foreign Minister of Mozambique Mr. Baloi to make his statement.

**Minister of Foreign Affairs of Republic of Mozambique (Mr. Oldemiro Baloi):** Your Excellency Minister Sharma, Minister of State of Foreign Affairs of India; distinguished Indian Delegation; the press; Mozambiquan Delegation; ladies and gentlemen:

Mr. Sharma made a very comprehensive statement that reflects accurately what has been going on during these days. For Mozambique, India is among



the strategic partners. We are used to learn from India how to liberate a country from the oppressors, how to move from poverty to development, how to extend friendship and solidarity towards friends, and openness towards the non-friends. So, all those experiences of India are a source of inspiration for Mozambique.

By coming here, we are just willing to give a boost to the excellent relationship that the two countries enjoy. The areas covered by this cooperation cover the whole spectrum of politics, economy, culture and you name it. So, we do not have any kind of hidden space when it comes to cooperation between our countries.

It is touching for Mozambique to see that in spite of the fact that India is facing some daunting challenges in terms of security, which is financially demanding, it still finds space, resources, to keep helping Mozambique. This is really touching for us and we are grateful indeed for the consistent way India has been assisting Mozambique.

But we are basically partners. We also have things to offer in several fields one of them being, for example, the energy sector. We have coal, we have gas; and if we would be lucky, we may have oil one of these days. So, these are resources to be shared with those who have been sharing with us many important things. You are experienced in railways. India is involved in one big project at this point in time. We, most of the time, call it the project due to the huge impact it is going to have on the economy of Mozambique and that of the region.

We are happy with the cooperation with India because it meets the four pillars that we are focusing on to address the issue of eliminating poverty, that is, infrastructure, human resource development. In this regard, particularly, vocational training, improving the skills of the people so that they can at grassroots level, in remote areas and rural areas uplift the standard of living of the poor population there. Third, is the development of the private sector. And fourth, last but not least, is the promotion and attraction of foreign investment. India is involved, heavily involved, in these four pillars. That is why we, among other things, consider India to be among our strategic partners. So, as I was saying, by coming here we want to boost, we want to consolidate this kind of relationship and move as fast as we can to a even better win-win situation.

We also play a joint role. Usually we share the points of view of the positions in the international arena. Now we have a big challenge of taking care or

moving on with the reform of the United Nations, particularly of Security Council. At this point in time, we have different groups of friends spread in different positions. We have the Group of 4; we have the Consensus Group; and we have the African Group as well and we usually abide by the African position. So, we think that there are a lot of things to be done yet so that we come closer to a position that is bound to win when we discuss with those who are already there because we have a double challenge here. One is to have a consensus among ourselves, and the other one, the most difficult, is to persuade those who are already there at Security Council that they have to open the space for others. So, this double challenge is something to be won for sure. And for that purpose we fully count on India, its experience, its commitment and determination to go ahead with this.

Once again, I would like to, on my behalf and on behalf of my delegation, thank you for your warm welcome and hospitality. I thank you all.

**Official Spokesperson:** Excellency, thank you very much for your remarks. The Ministers will now be taking a few questions. I would request you to please introduce yourself and your organization, and also indicate whom the question is addressed to.

**Question (Mr Manish Chand, Indo Asian News Service):** This question is addressed to Mozambique Foreign Minister. Excellency, what is your view of recent terror attacks in India; and when you speak about strategic partnership how can India and Mozambique and India and Africa as a whole solidify strategic partnership, security partnership, counter-terror cooperation between the two sides?

**Minister of Foreign Affairs of Republic of Mozambique:** For us, a tragedy in India is a tragedy for Mozambique. As you know, we had to fight hard for our Independence. It was bloodshed, war. A few years after Independence we started being attacked by the apartheid regime, by the Rhodesian regime; and later on we had 16 years of stabilization war. So, we know quite well what suffering is, what bloodshed is all about. This is one issue.

The other one is that the ties with India are so close that whatever happens to India of good, we celebrate; whatever sad we share the sorrow. So, we strongly condemn those attacked. I repeat we strongly condemn those attacks. To the victims and their families, we convey our message of courage and of successful efforts to prevent this from happening again.

Strategically what we have to do is to continue striving in international arena for a world safer and more stable. That is what we will keep doing. We did not address

specifically the measures to be taken. This is a very specific field of activity. But the Ambassadors of Mozambique worldwide have received instructions to take a strong position whenever this issue is brought to any table.

**Question (Mr Royden D'Souza, NewsX):** My first question is to Foreign Minister Baloi. Sir, now that the Bilateral Investment Promotion Agreement has been signed, you have touched upon various areas of joint cooperation and development. Could you point out the main sectors you now hope that India will help Mozambique in?

My second question is to Mr. Anand Sharma. Sir, now Pakistan has acknowledged the nationality of Kasab but there does remain the unanswered questions of their stand on the remaining nine terrorists whose bodies are lying in India. They have not got back to us with very much on that front. I would like to know your views on that, Sir. Thank you.

**Minister of Foreign Affairs of Republic of Mozambique:** We are in dire need of investments. So, the investment in whatever areas will be welcome. But taking into account the signs we have got from India, or our assessment of India's potential and capabilities, the mineral area, the mining is one area, the textile industry is another one. And very recently we have put forward additional incentives to attract people to that area. We are cotton producers. We export and some one else adds value and sells it back to us. This is ridiculous, while we have friends who have the ability to add value in our own country for common benefit. We would like also to see this kind of investment in areas related to micro, small and medium enterprises because what gives sustainability to an economy is to have an activity that promotes jobs and thus contribute to the fight against poverty.

**Minister of State of Ministry of External Affairs:** In response to your question, it is very clear from day one where the perpetrators came from. Kasab is the only one who was caught alive, thanks to the courage and sacrifice of Inspector Tukaram Omble. But all others have been identified and named. India has given a comprehensive dossier to Pakistan, the same dossier which Shri Pranab Mukherjee, the EAM had sent to his counterparts in all the countries. Besides India, there are other countries which had specific information. It is not for nothing that the United Nations Security Council identified and named the organization responsible, proscribing, that is banning, the terror outfits, and also identifying and naming the key conspirators who plotted and assisted in carrying out that barbaric attack. Pakistan has reverted to India; they have made admissions about the culpability also about the part of the conspiracy that was hatched in Pakistan.

There are ongoing investigations in India where the charge sheets will be filed. Pakistan has started its investigations. I have no doubt in my mind that once they sincerely implement what they have committed, the investigations would only confirm the painful truth about the identity, about the plotters and about the outfits.

**Question (Mr Srinjoy Choudhury, Times Now):** Question for Mr Sharma. Sir, just 80 days after the Mumbai attack which you spoke of, there appears to be a ceasefire between the Taliban and the Pakistani Government in the Swat area. The Taliban was held responsible for Benazir Bhutto's assassination, if you remember. First, how does India view this? Also there appears to be a Bangladeshi angle that is coming in the 26/11. Could you tell us a little about that; and if the FIA is actually going to be involved in investigations here, as Mr. Gilani has said yesterday?

**Minister of State for External Affairs:** As we have said, whatever information and details we can, we will be sharing. Whatever clarifications are sought, we shall give with the very clear expectation that there will be firm, sincere and demonstrated action by the Government and the State of Pakistan to dismantle the infrastructure of the terror outfits and to neutralize those which pose a threat to peace and stability in this region and are a menace to the entire world.

Regarding the Taliban and other outfits, which propagate a cult of violence and terror. The forces which represent religious intolerance and take away the most precious of all the human rights that is the right to life, have to be confronted and defeated because there is no cause which can justify terror and violence against innocent and defenceless people, nor there is any religion which gives sanction to such barbarism. They cannot be, in our view, any differentiation when it comes to such organizations. There cannot be a brutal Taliban and a benign Taliban. Terrorism in all its manifestations, forces of intolerance wherever they are, must be defeated.

**Official Spokesperson:** Thank you.



**NAMIBIA****558. Press Release issued by the Ministry of External Affairs on the State visit of President of Namibia Hifikepunye Pohamba.****New Delhi, August 31, 2009.**

At the invitation of the Hon'ble Smt. Pratibha Devisingh Patil, President of India, His Excellency Mr. Hifikepunye Pohamba, the President of the Republic of Namibia, accompanied by Madam Penehupifo Pohamba, is on a State Visit to India from 30 August - 3 September, 2009. His delegation includes the Ministers of Trade & Industry, Foreign Affairs, Agriculture, Water & Forestry, Mines & Energy, Defence and Director General of National Planning.

President Pohamba called on President Patil who also hosted a banquet in his honour. He met with the Hon'ble M. Hamid Ansari, Vice President of India and held official discussions with the Hon'ble Dr. Manmohan Singh, Prime Minister of India.

The Chairperson of the UPA, Smt. Sonia Gandhi and the Leader of the Opposition, Shri L.K. Advani, called on President Pohamba.

The discussions were held in an atmosphere reflective of the traditional friendship, warmth and close understanding that characterizes bilateral relations. The two sides expressed satisfaction at the state of bilateral relations, and the mutually beneficial cooperation and partnership that was developing between the two countries. They discussed a wide range of subjects of bilateral interest covering economic cooperation, trade and investment, SMEs, mining, energy, defence, agriculture, education, information and communication technology, health, railways, culture and arts.

The following MOUs/agreements were signed during the visit: (i) MOU on Cooperation in the Field of Geology and Mineral Resources, (ii) MOU on Cooperation in the Field of Defence; (iii) MOU on Pan-African e-Network; (iv) Agreement on Cooperation in Peaceful Uses of Nuclear Energy; and (v) MOU on Waiver of Visas for Diplomatic and Official Passports.

The two sides noted that the bilateral trade volume and investment, though small, have been steadily increasing and resolved to take measures to enhance such flows. They noted the many opportunities for investment available in Namibia in the uranium, diamond, agriculture, energy,

transportation, railways, mining, ICT and SMEs sectors and resolved to encourage Indian investments in these areas.

The Namibian side expressed its deep appreciation for the Human Resource Development and Capacity Building assistance extended by India under its ITEC and other programmes ever since Namibia's independence. The Indian side reiterated its commitment to further enhance its HRD and Capacity Building programme in Namibia with additional ITEC experts from one to five and augment the number of ITEC slots from 55 to 110.

The Namibian side thanked the Indian side for scholarships provided to Namibian nationals for bachelors, masters and doctoral programmes in India and requested for increase in the number of scholarships. The Indian side agreed to increase the number from 7 at present to 15.

Both sides expressed interest in exploring cooperation in the diamond sector and stated that the establishment of a cutting, polishing and training institute in Namibia by India would go a long way in beneficiation of this local resource.

The Indian side (i) informed the Namibian side of its decision to offer Lines of Credit of US \$ 100 million over the next five years to be used in projects and supplies of products from India; (ii) reaffirmed its decision to establish, at a cost of over US\$ 12 million, the Faculties of Mining Engineering and IT at the University of Namibia; and (iii) announced grants-in-aid of around US\$ 10 million for the education and health sectors over the next five years. The Namibian side expressed its deep appreciation for these offers.

Both sides noted that people-to-people contacts and tourism between the two countries needed to be encouraged further and resolved to take necessary measures to enhance tourism, culture and people-to-people contacts.

The Indian side expressed its deepest condolences and sympathies on the loss of life and property during the unprecedented floods in Namibia in 2008 and 2009 and expressed its support for Namibia to overcome these challenges. The Namibian side expressed its appreciation for the timely assistance of Rupees ten million each on both occasions extended by India.

The two leaders highlighted the importance of high level bilateral visits, including at the level of Heads of State and Government. They also decided to promote other high level ministerial visits. They reiterated the resolve to continue the bilateral dialogue and cooperation at various international fora.

The two sides reaffirmed their belief in the vitality and importance of the Non-Aligned Movement. As two developing Non-Aligned Nations both India and Namibia face many common challenges. They resolved to work together to win the war against poverty, hunger and disease.

The Indian side renewed its commitment to further strengthening and deepening its cooperation with Africa and referred in this connection to the successful India Africa Forum Summit of April 2008 which set out the roadmap for India-Africa relations in the early part of the 21st Century. The Namibian side affirmed its support to this initiative.

The Indian side thanked Namibia for its consistent support to various Indian candidatures in international and other multilateral organizations. Both sides expressed their staunch belief in the need for restructuring of the United Nations to make its functioning more representative, democratic and participatory. The Indian side expressed its deep appreciation to Namibia for its consistent support to India's candidature for a permanent seat on an expanded Security Council, and for its support to India's candidature for a non-permanent seat for 2011-12.

The President of Namibia invited the President of India and the Prime Minister to visit Namibia. The invitations were accepted with pleasure. Dates for the visits would be settled through diplomatic channels.

President Pohamba expressed deep appreciation for the reception and warm hospitality extended to him, Madam Pohamba and his delegation.

Both leaders expressed satisfaction with the results of the State Visit and concluded that it had contributed positively to the further strengthening of the warm and friendly ties between the two countries.

A large business delegation is accompanying the Namibian delegation. An extensive interaction between them and their Indian counterparts was held in New Delhi on 31 August, 2009. A similar interaction is to be held in Mumbai on 2 September, 2009.

[After concluding his official stay in Delhi, President Pohamba and his delegation visited Agra, Bangalore and Mumbai.]



**559. Statement by the Prime Minister Dr. Manmohan Singh to the media during visit of President of Namibia.**

**New Delhi, August 31, 2009.**

I am delighted to welcome His Excellency President Pohamba and his delegation to India. This is President Pohamba's first visit to India, and the first State visit to India in the second term of our Government.

Our relations with Namibia have strong historical roots, which predate Namibia's independence. They are warm, cooperative and based on profound understanding of each other's aspirations.

I have had detailed and forward-looking discussions with President Pohamba. We reviewed the current state of our relations and have set out the roadmap for the future. We have decided to inject fresh dynamism in our cooperation in areas such as human resource development, capacity building, trade and economic exchanges, agriculture, transportation, defence, information technology, health, energy and mining.

I renewed India's commitment to cooperate with Namibia within our capacities and capabilities in its economic, social, human and infrastructure development. I conveyed to the President that India stands ready to share its experience with Namibia as it implements its ambitious 'Vision 2030' policy document.

Our partnership with Namibia is an important component of our desire to revitalize our historical and civilizational ties with Africa in keeping with the requirements of the twenty first century. We will work with Namibia to implement the outcomes jointly arrived at the India-Africa Forum Summit held in Delhi in April, 2008.

Finally, I would like to pay a tribute to the vision and enlightened leadership of President Pohamba as he leads his great country towards a better future. I applaud his vision for strengthening India-Namibia friendship.

Based on our discussions and identity of views on major regional and international issues, and the bilateral agreements that have been signed, I have no hesitation to say that his visit constitutes a new milestone in our longstanding relations.





**560. Speech of President Shrimati Pratibha Devisingh Patial at the Banquet in honour of the President of Namibia Hifikepunye Pohamba.**

**New Delhi, August 31, 2009.**

Your Excellency President Hifikepunye Pohamba,

Madam Pohamba,

Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to welcome Your Excellency, Madam Pohamba, and other distinguished members of your delegation to India. Your historic visit is a manifestation of our shared keenness to build on our historic partnership and pursue a more substantive bilateral agenda.

As the world's largest democracy, we in India, have long viewed with admiration Namibia's continuous march as a standard bearer of unity, plural democracy, social cohesion and stability. Under your able leadership, Namibia is setting an example in securing justice and equity for its citizenry. We laud your efforts to ensure peace, promote development and above all, create opportunities for all to progress under Namibia's "Vision 2030" and the Millennium Development Goals.

Namibia and India enjoy very warm and mutually supportive ties. Our relations are based on a profound understanding and appreciation of each other's concerns and we rejoice at their steady growth. Our two countries have been working hard to broaden and deepen our bilateral engagements. The volume of trade and investment, though small, is growing steadily. It is our desire to continue building a stronger partnership with Namibia. I am confident that your visit to India would open up many more new opportunities for cooperation between our two countries. The MoUs and Agreements signed earlier in the day would contribute to building an enabling framework for further deepening of our political, economic and commercial relations.

India is committed to setting up a number of projects in education, health, agriculture, mining, infrastructure, industry and ITC in Namibia under the grants of the Government of India and Lines of Credit. We will further strengthen our cooperation in human resource development and capacity building under ITEC and other schemes.

Excellency,

Our bilateral relations have been further consolidated through our harmonious interaction at various international fora such as the UN, the Non-Aligned Movement, the Commonwealth and the World Trade Organization. India and Namibia share a commonality of views on major international issues and on combating international terrorism. We welcome your forthright condemnation of the Mumbai terrorist attack and the strong expression of solidarity with India. The fight against terrorism must be given priority and it should be recognized that there is no justification whatsoever for terrorism.

We sincerely appreciate Namibia's consistent and unequivocal support for India's candidature for permanent membership on an expanded UN Security Council. International institutions must reflect contemporary reality.

India greatly values the important regional role being played by Southern Africa Development Community and deeply appreciates Namibia hosting the inaugural India-SADC Forum in 2006. We attach importance to developing our relations with that Forum.

Excellency, a cornerstone of India's foreign policy is to help friends in Africa with their socio-economic development and for the continent of Africa to be at peace and gain its rightful place in the comity of nations. The Delhi Declaration issued after the India-Africa Forum Summit held in New Delhi in April 2008 provides a road map for giving new momentum and dynamism to relations between India and Africa.

Excellencies and Distinguished Guests may I now request you to join me in raising a toast to:-

- the good health of His Excellency President Pohamba and Madam Pohamba; and
- the further strengthening of the bonds of cooperation and friendship between India and Namibia.



**PAPUA NEW GUINEA****561. Press Release issued by the Ministry of External Affairs on the visit of Minister of Foreign Affairs, Trade and Immigration of Papua New Guinea.****New Delhi, July 24, 2009.**

H.E. Mr. Samuel T. Abal, Minister of Foreign Affairs, Trade and Immigration of Papua New Guinea is currently on a visit to India from July 23 - 28, 2009. This is the first ever ministerial visit to India from Papua New Guinea.

On the first day of his official engagement, H.E. Mr. Abal met Minister of State for Petroleum and Natural Gas Shri Jitendra Prasada and discussed bilateral issues relating to cooperation in oil and gas sector.

Shri Shashi Tharoor, Minister of State for External Affairs held extensive discussions with the visiting dignitary on bilateral, regional and international issues of mutual interest, and hosted a lunch in honour of H.E. Mr. Abal.

During the discussions, the PNG Minister expressed his government's decision to set up Community Colleges all across Papua New Guinea with the help of Indian Council for Research and Development in Community Education (ICRDCE) to provide vocational training and formal education to overcome acute shortage of skilled manpower. MoS (ST) agreed to extend India's assistance to these and other mutually agreed proposals. It was also agreed that assistance would be provided to Papua New Guinea to develop entrepreneurial skills in the country to set up small and medium scale businesses.

[During the visit, the Papua New Guinea Minister visited Community Colleges in and around Chennai. Before his departure, he also called on the External Affairs Minister S. M. Krishna and Minister of Commerce and Industry Anand Sharma and addressed the business community organized by FICCI.]



**SAO TOME & PRINCIPE****562. Joint Statement issued on the visit of the Foreign Minister Dr. Carlos Alberto Pires Tiny of the Democratic Republic of Sao Tome and Principe.****New Delhi, December 2, 2009.**

His Excellency Dr. Carlos Alberto Pires Tiny, Minister of Foreign Affairs, Cooperation & Communities of the Democratic Republic of Sao Tome and Principe paid an official visit to India from 29th November to 2nd December, 2009. This was the first high-level visit on either side, since the island nation got its independence from Portugal in 1975.

The Sao Tomean Foreign Minister held extensive discussions with Dr. Shashi Tharoor, Minister of State for External Affairs, which covered the entire gamut of bilateral relations. Both sides identified specific areas for expanding and strengthening bilateral cooperation.

India assured Sao Tome and Principe of its support in the form of official developmental assistance, technical cooperation and capacity building to facilitate the rapid economic & social development of its people. In this context, the Government of India announced a grant of US\$1 million for setting up a Technology Incubation-cum-Production Centre for development of SME sector and another grant of Rs.10 million for meeting immediate requirements in education and health sectors. In response to STP's request for benefiting from India's concessional Lines of Credit, the Indian side agreed to favourably consider a Line of Credit for US\$5 million for priority projects to be identified by the STP side in the fields of agriculture, capacity building and infrastructure.

Recognising the pioneering role played by India in promoting South-South Cooperation and its significant contribution in international peace-keeping, Sao Tome and Principe announced its support for India to become a Permanent Member of an expanded UN Security Council. It also assured India of its support for a Non-Permanent seat for the term 2011-2012.

Both the Ministers signed a Protocol on Foreign Office Consultations, enabling Senior officials of the respective Foreign Ministries to have regular interaction on bilateral, regional and international issues.

Earlier, the visiting Sao Tomean Foreign Minister held separate discussions with Senior officials of the Ministry of Petroleum and ONGC

Videsh Limited to discuss possibilities of bilateral cooperation in the hydrocarbons sector. The Sao Tomean Foreign Minister also visited the Indian PSUs, National Small Industries Corporation Limited (NSIC) and the Telecommunications Consultants India Limited (TCIL). Sao Tome and Principe became the 47th country to join the Government of India's Pan-African e-Network Project, when the Minister signed the MOU with TCIL.

The Confederation of Indian Industry (CII) organised an interactive session in honour of the visiting Sao Tomean Foreign Minister, which was chaired by Dr. Shashi Tharoor, Minister of State for External Affairs. Dr. Tiny made an impressive presentation on the investment opportunities available in Sao Tome & Principe for Indian investors, particularly in the development of a Free Trade Economic Zone in his country. He also highlighted Agriculture, Food production, Small and Medium Enterprises, Infrastructure and Tourism as sectors of interest for the Indian entrepreneurs.



## SIERRA LEONE

### **563. Press Release of the Ministry of External Affairs on the visit of Minister of State Anand Sharma to Sierra Leone and Ivory Coast.**

**New Delhi, January 15, 2009.**

Minister of State for External Affairs and Information & Broadcasting, Mr. Anand Sharma, paid successful and highly productive official visits to two West African countries, namely Sierra Leone and Ivory Coast, from January 12-15, 2009. The visits have lent the much-required political thrust to India's bilateral relations with these countries. The warmth and enthusiasm with which the Presidents of both the countries received the Minister is reflective of the significance they attach to their ties with India, as also the high esteem in which they hold our country. The President of Ivory Coast, Mr. Laurent Gbagbo's impromptu decision to confer upon the Minister their highest civilian award, namely the Commander of the National Order of Merit, is in recognition of his distinct role in strengthening India's relationship with Ivory Coast and the African continent.

The Minister's hectic schedule in both the countries was marked by his meetings with their Presidents, Foreign Ministers and other key Cabinet Ministers. Deliberations with them centered around India's growing economic ties, a broad congruence of views on multilateral issues, principally the UN reform and UNSC expansion, reshaping of global financial architecture, and above all, the vociferous condemnation of the Mumbai terror attack and the forces behind it and expression of solidarity with India in its combat against terror.

Recognition of India's leadership role, its economic strength, and above all, its willingness to share its expertise, technology and development experience was clearly evident during Minister's visit to the two West African countries. India's wide-ranging programmes of bilateral aid and assistance for them, encompassing areas like agriculture, education, health, capacity building, infrastructure and IT etc. have benefited large segments of their societies and have evoked a wide recognition of India's contribution to their socio-economic development. An IT & BT Park, being set up in Ivory Coast with India's assistance, and named after Mahatma Gandhi by the President of Ivory Coast, will likely emerge as a shining example of the Indo-Ivorian co-operation.

The signing of a Joint Technical and Economic Co-operation Agreement by the Minister and his Sierra Leonean counterpart, Mrs. Zainab Hawa Bangura; the handing over of the 200 military barracks (out of 400) to Sierra Leone as the Government of India's gift, and participation in the inauguration of the Ministry of External Affairs-funded Centre for Demonstration and Promotion of Technologies in Abidjan were some of the highlights of the Minister's visit to the two countries.



## **SOUTH AFRICA**

### **564. Media Briefing by Official Spokesperson on the visit of Vice President Hamid Ansari to South Africa.**

**New Delhi, May 6, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening. Welcome to the Media Hall.

First of all, let me introduce my colleague who is here, Joint Secretary P. Harish. He is with the Office of the Vice-President. I would brief you about the visit of Vice-President to South Africa.

Vice-President leaves on the 8th of May to attend the formal inauguration of His Excellency President Jacob Zuma who is the fourth elected President of South Africa. Vice-President would be accompanied by his spouse and also a number of senior officials including Secretary (West) Mr. Nalin Surie; Secretary to Vice-President Mr. Sheriff; and a number of other officials.

You are aware of the historical and multi-faceted ties between India and South Africa. I would particularly like to note that there is a large presence of people of Indian origin in South Africa currently estimated at 1.5 million, which is close to 2.5 per cent of the South African population.

Talking history for a moment, you are all aware that India had been at the forefront of the international community's efforts in supporting the struggle against apartheid. We were the first foreign country to impose an embargo, complete embargo, in 1946 against the then regime. I would like to recall that the African National Congress set up a Rep Office in New Delhi as early as in the 1960s.

Soon after the talks opened between ANC and the then Government of South Africa, in May 1993, the Indian Cultural Centre was set up at Johannesburg. In November 1993, full diplomatic and consular relations were restored between India and South Africa.

Relations have since gone from strength to strength. In 1997, a strategic partnership was initiated between India and South Africa which covers a whole gamut of areas. Some of these areas - I would touch upon them now or I could cover them in questions later - include trade and investments,

culture, health, human resource development, tourism, science and technology, sports. While talking sports, let us not forget cricket. I think this is a shared love between India and South Africa.

I am happy to note that India and South Africa enjoy common or similar perceptions on a number of major issues, international issues of interest to both our countries. South Africa, along with India and Brazil, is a member of IBSA. You would recall that the Third IBSA Summit was held in New Delhi in October last year when the then South African President had paid a visit.

South Africa is one of our largest trading partners in the African continent. In the Financial Year 2007-08 our trade had already crossed 6.25 billion dollars. While the figures are awaited, I understand that in the Financial Year 2008-09 the trade has gone up a further ten per cent. So, we are looking at something like seven billion dollars. India is also a significant investor in South Africa. South African companies are also present in India and investing. A number of Indian banks are present and operating in South Africa.

In broad terms this is the nature of cooperation that we have with South Africa which is multi-faceted. Both countries are constantly looking at opportunities of deepening this engagement which is a mutually beneficial engagement. The visit of Hon'ble Vice-President at this important occasion underlines the historic bonds and abiding friendship between our two countries as well as a common determination to add more content and depth to our strategic partnership.

I would walk you through very briefly the programme of the Vice-President. He leaves for Johannesburg on the 8th forenoon. In the evening, they are in Johannesburg. Next day, he leaves for Pretoria to participate in the formal inauguration ceremony. A number of Heads of State and Government are also coming to attend the inauguration. We are awaiting details. We have some details, more are coming in. There will be an informal interaction between the visiting Heads of State and Government. On Sunday the May 10th, the Vice-President leaves for New Delhi. Late in the night on the 10th, he is back in New Delhi. That in a nutshell is the programme.



If there are any questions on the visit, I would be happy to try and address them.

**Question:** Will there be any bilateral meetings other than the general programme?

**Official Spokesperson:** There will be a number of informal interactions. The programme will come to you as it is being finalized. As you can see, the window that is available is rather small. As we see it, there will be a number of informal interactions, pull-asides, meetings and so on. That is how it is being conceived at the moment. But, let us see. The programme is evolving. We will see how it plays out.

**Question:** Will the Vice-President be calling on the South African President?

**Official Spokesperson:** Let us see how it plays out. The programme is evolving. We see a number of informal interactions in particular happening. But the programme is evolving.



**565. Press Release issued by the Ministry of Commerce on the talks between Minister of Commerce Anand Sharma and South African Minister of International Relations and Cooperation Ms. Maite Nkoana-Mashabane.**

**New Delhi, November 13, 2009.**

Shri Anand Sharma, Union Minister of Commerce & Industry Minister and Ms. Maite Nkoana-Mashabane, Minister of International Relations and Cooperation of South Africa, during the course of their meeting here today, stressed that the trade basket is required to be expanded to tap the enormous potential. Both the Ministers agreed that early conclusion of India-SACU Preferential Trade Agreement (PTA) and Bilateral Investment Promotion and Protection Agreement (BIPA) will provide further impetus to trade in goods and investments. It was also agreed that the CEO Forum should be reconstituted at the earliest.

Both the Ministers expressed satisfaction at the level of bilateral trade which has touched US \$ 7,406.51 million during 2008-09. India's imports from South Africa was US \$ 5,440.36 million during this period and India's exports to South Africa was US \$ 1966.15 million. Both Ministers discussed the two way investments, and noted that Indian investments were about US \$ 3 Billion with many projects still under implementation. There is interest in South African companies to invest in India also and present inflows are about US \$ 100 million.

South African Minister informed that President Zuma has accepted the invitation to visit India, likely early next year.

Both the Ministers expressed happiness at the warm and close multifaceted relations between India and South Africa and exchanged views on a wide range of issues including bilateral and multilateral trade and investment related issues.



**TANZANIA****566. Press Release of the Ministry of External Affairs on the 7th India - Tanzania Joint Commission meeting on Economic, Technical and Scientific Cooperation.****New Delhi, January 15, 2009.**

The Seventh Session of India-Tanzania Joint Commission on Economic, Technical and Scientific Cooperation was held in New Delhi from 13-14 January 2009. The Indian delegation was led by Mr. Nalin Surie, Secretary (West), Ministry of External Affairs and the Tanzanian delegation by Hon. Prof. David H. Mwakyusa, MP, Minister of Health & Social Welfare of Tanzania.

The Joint Commission took note of the existing state of bilateral relations, which have grown from strength to strength, and charted out the course for coming years. Bilateral trade between the two countries has increased rapidly during the last few years and now stands at over US\$ 750 million. The Joint Commission set a target of doubling bilateral trade during the next five years. Tanzania has joined the Duty Free Tariff Preference Scheme announced by India at the India Africa Forum Summit in 2008. In the Agriculture Sector India has extended a Line of Credit of US\$ 40 million for export of Indian agricultural implements to that country.

The Joint Commission approved cooperation between the two countries in the sectors of Small & Medium Enterprises, Trade & Industries, Agriculture, Information Technology, Health, Education and Water Resources. The Indian side agreed to the Tanzanian request for continuing cooperation in these areas and to provide our expertise and technology. Tanzania is one of the largest recipients of scholarships under the ITEC and general scholarship scheme, and a large number of Tanzanian students also study in Indian universities. India has set up a Small Scale Industry Centre in Dar es Salaam recently, and IT Centre is expected to be ready by mid- 2009.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - VIII**

**AMERICAS**

**BLANK**

**567. Speech of Minister of State Dr. Shashi Tharoor at the Valedictory Function of the India-Latin American & Caribbean Conference on Cooperation for Sustainable Food Security. New Delhi, December 1, 2009.**

It gives me great pleasure to be present here for the valedictory session of this very timely and important Conference on Cooperation for Sustainable Food Security. At the outset, I would like to congratulate IFFCO for taking this extraordinary initiative. I believe this is IFFCO's third international conference on this most pertinent topic that is drawing global attention today.

2. The High Level Conference on World Food Security in June 2008 at FAO Rome has reiterated that the food situation is indeed deteriorating in the face of mounting challenges of high food prices and climate change variations. The Conference pledged to undertake immediate as well as long term measures to diffuse the situation. It also pledged to enhance food security as a matter of national policy.

3. India and Latin America are today faced with common prospects and challenges in their endeavour to achieve food security. Both the regions are largely agricultural economies where the people are dependent on land; both are endowed with rich bio-diversity, fertile lands, variable cropping patterns, and abundant rainfall. But equally, hunger, poverty, diminishing returns on land, erratic climate patterns and access to capital are common problems. It is, therefore, only natural that our two regions come together to cooperate and collaborate in fulfilling our long term objective of food security.

4. India is home to nearly 1/5th of the world's population. About two-thirds of India's population, nearly 700 million people are directly dependent on agriculture for their livelihood. But ironically the share of agriculture in our national GDP has declined to just around 18% while the share of other sectors such as manufacturing and services has appreciably increased. The Green Revolution of the sixties had tripled food production and had helped our country to achieve a food surplus. But after nearly three decades since its initial success, the fall in agricultural productivity levels seems to indicate that either the Green Revolution has run its course or we have failed in giving it the continued attention it deserved. Erratic monsoons, floods and cyclones in our part of the world as well as in Latin America & the Caribbean constantly threaten food production. The decline in farmers' income is adding to their misery and prompting them to abandon their agriculture practices and choose alternative livelihoods such as laborers and construction workers, resulting in migration, a growing urban-rural divide and disruption in family ties and community bonds. While paying tribute to

the father of the Green Revolution, Dr Normal Borlaug who passed away recently in September 2009, I recall here his prophetic words delivered in his 1970 Nobel Peace Prize acceptance speech, when he thanked the Nobel commendation Committee for their "perspicacity and wisdom to recognize the actual and potential contributions of agricultural production to prosperity and peace among the nations and peoples of the world." Even today, almost 40 years hence, this is a vital part of what we continue to seek to accomplish.

5. Therefore the challenge before us is immense. At the outset we need to refocus on the centrality of agriculture in the development process in order to tackle poverty and hunger once again. This demands that our governments make conscious efforts to introduce policies that incentivize agricultural production. It means greater public investments in agriculture, enhanced support and procurement prices, the provision of easy access to credit, including micro-credit, lab-to-land research and timely delivery mechanisms. These are not easy solutions and will require political will on the part of the governments and greater public awareness.

6. In the recent past, our government has made enormous efforts to alleviate the sufferings of small and marginal farmers who constitute more than 50% of the agricultural community. In an extraordinary effort in 2008, the government has waived nearly Rs.60,000 crores of farmers' loans - equivalent to over \$12 billion - held by small and marginal farmers. Although this is no small measure, it only provides temporary relief to our farmers. We need new agricultural strategies and technologies that ensure enhanced agriculture production against depleting water resources and shrinking cultivable land. India has only 4% of the world's available fresh water resources and 140 million hectares of cultivable land. The changing lifestyles of the vast majority of our middle classes, rapid urbanization and construction activities are eating up the land as well as depleting water resources. Unpredictable monsoons are drying up ponds, lakes and diminishing water flows in our rivers. Inter-state river disputes are becoming a common feature of our national political life because of the scarcity of water. Our two regions will need to cooperate and collaborate on ways and means to recharge ground water and at the same time to introduce drought-resistant crops.

7. There are bilateral mechanisms with individual countries that facilitate cooperation in agriculture and agricultural research. Some of the agricultural research and practices currently prevalent in Latin America and the Caribbean - relating to production, distribution and consumption - are widely acknowledged to be highly efficient, enabling some economies to achieve higher agricultural growth rates with a contribution to GDP as high as 30%. Our bilateral cooperation mechanisms should look into exchanging best practices for our mutual benefit. We should also encourage our entrepreneurs

to explore the possibility of joint farming in those regions where large surplus land-tracts are awaiting investments. India could be an important market for agricultural products from Latin America for cereals, pulses, vegetable oils, and other commodities. The demand will only grow with projected higher economic growth rates. Keeping this in view, it would be beneficial if governments in the region reoriented their investment policies so as to permit, indeed facilitate, greater Indian investments in agriculture in Latin America and the Caribbean.

8. The cornerstone of the WTO's Doha round is the agriculture sector where the developed and the developing countries are working to achieve common ground on agricultural subsidies. It is important to understand the linkages amongst poverty, hunger and market access. Market access for the agricultural products of the developing countries is directly proportional to income generation in the agricultural economies. This distortion needs to be corrected. Climate Change is another issue that calls for our continued collective engagement and cooperation, whatever be the outcome of the Copenhagen conference next week. While we will voluntarily introduce methods and measures to protect our environment and the rich bio-diversity of the region, we should insist on the principle of 'common but differentiated responsibilities' of the developed and developing countries on emissions. As the increase in food prices is linked to high fuel costs, we should also evolve a suitable integrated energy policy that involves the use of bio-fuels and renewable energy sources. In this regard our two regions could cooperate and collaborate in clean energy technologies.

Ladies and Gentlemen,

9. My Ministry, the Ministry of External Affairs, is fully supportive of the 'Focus Latin America' strategy. We will support all initiatives that will strengthen our linkages with this important region where there is enormous potential for cooperation between us. I am confident that this three-day Conference on food security has deliberated in depth on all the vital aspects of our long term strategy of ensuring food security for our two regions. I am also confident that the Action Plan drawn up by this Conference will be successfully implemented with the support of both industry and Government. I offer the full support of the Ministry of External Affairs, the Latin America and Caribbean Division of the Ministry and my own personal commitment towards achieving our goals of heightened cooperation between India and the Latin American and Caribbean countries in joint agricultural development. Mahatma Gandhi had said, "To a man with an empty stomach, food is god." Let us make this our mantra for action on food production.

Thank you.





**ARGENTINA****568. Joint Statement issued on the visit of the Argentinean President Dr. Cristina Fernandez de Kirchner.****New Delhi, October 14, 2009.****'Towards a Strategic Partnership'**

1. Her Excellency, Dr. Cristina Fernandez de Kirchner, President of Argentina paid a State Visit to India on 14 October 2009, at the invitation of the President of the Republic of India, Her Excellency, Smt. Pratibha Patil. The President of India hosted a ceremonial dinner in honour of the visiting dignitary. The President of Argentina and Prime Minister, Dr. Manmohan Singh, held official talks on bilateral, regional and global issues of mutual interest. H.E. Vice President of India, Shri Mohammad Hamid Ansari, Chairperson of United Progressive Alliance Smt. Sonia Gandhi, and Leader of Opposition Shri L.K. Advani called on the President of Argentina.

2. President of Argentina and Prime Minister of India noted that the visit of the Argentine President coincides with the 60th anniversary of the establishment of diplomatic relations between India and Argentina and expressed their desire to carry forward the bilateral relationship to a higher level. The talks were held in an atmosphere of friendship, warmth and mutual understanding. The two sides expressed satisfaction with the mutually beneficial cooperation and partnership between India and Argentina encompassing political, economic, scientific and technological cooperation including Antarctic research and cultural cooperation. They agreed to work together for further enhancement of their multifaceted relationship to a higher level based on a long term perspective and shared democratic values, respect for human rights, mutual understanding and cooperation and similarity of views on major international issues.

**I. Developing a Comprehensive Dialogue towards a Strategic Partnership**

3. Both sides highlighted the importance of further enhancing the exchange of high-level bilateral visits, including at the level of Head of State and Head of Government. The two sides reiterated their will to continue and expand bilateral dialogue and cooperation comprehensively. This comprehensive dialogue is based on common values and interests and will aim at mutually beneficiary cooperation in all spheres, including among others dialogue on political and strategic issues, economic and trade relations, consular issues, energy, investment, services and tourism as well as science and technology, culture and education.

4. Both the leaders have desired that this comprehensive dialogue should lead to a strategic partnership that will cover global issues of common concern including in the framework of the UN its specialised organisations and other fora and groups of countries in which both parties participate.

5. In order to achieve concrete results flowing from their dialogue the leaders directed their Foreign Ministries to energize their consultations and workout a plan of action. For this purpose, Foreign Office Consultations will be held in 2010 in India - The year of the Bicentennial of the May Revolution

## **II. Bilateral relations. Trade and Investment**

6. The Leaders decided to encourage regular interactions between the respective legislative bodies. They agreed to expand bilateral exchanges between civil society and foster people-to-people contacts, promote tourism and develop closer cultural and academic ties.

7. Both sides noted that the next Joint Commission meeting is to be held in Argentina in the first half of 2010. Dates for the meeting would be finalized through mutual consultations.

8. The two sides expressed satisfaction at the growing engagement between both sides in the trade and economic spheres. They noted that some Indian companies have made investments in Argentina and that bilateral trade increased from US\$ 694 million in 2003 to US\$ 1328 million in 2008 doubling in the last five years. The two sides agreed that the bilateral trade target should be US \$ 3 billion by 2012. Both leaders expressed keenness to expand and diversify trade and economic cooperation in areas in which Argentina and India have comparative advantages, and to utilize the untapped potential in this area.

9. In the context of encouraging greater trade between the two countries, both leaders agreed that efforts should be made to facilitate the entry of Argentine agricultural and agro-industrial products into India and the entry of Indian pharmaceutical products into Argentina.

10. In the context of deepening the ongoing bilateral cooperation in the agricultural sector, both leaders expressed satisfaction that the Memorandum of Understanding on Agriculture and Allied Sectors and the Memorandum of Understanding on Sanitary and Phytosanitary standards are at an advanced stage of finalization.

11. The leaders urged their competent authorities and technical teams to take the necessary measures to expand trade and investments They

agreed to work together for enhancing bilateral investments in various sectors, including in knowledge- based industries and agro-industries.

12. The Argentine President welcomed Indian entrepreneurs stating that they will find a conducive environment for productive investment and skilled human resources. The Indian Prime Minister acknowledged the growing importance of Argentine business in India. Both sides welcomed the increasing contacts among their entrepreneurs which stress the ample business opportunities that exist.

13. Both leaders have recognized that trade and economic relations underpin bilateral relations. In recognition of the need for fully realizing the untapped potential of bilateral trade and economic cooperation between India and Argentina, both countries have agreed, through exchange of formal communication between the Foreign Ministers of the two countries, to facilitate on reciprocity basis, five years multiple entry gratis visas for businessmen of each other's country. The Indian side welcomed the fact that the Argentine Consulate General and Trade Promotion Centre in Mumbai is already fully operational reflecting Argentina's decision to increase its presence in the Indian market and opening up new opportunities for entrepreneurs from both nations.

14. Both sides also noted the opportunities for bilateral cooperation in various sectors such as science and technology, agriculture, small and medium enterprises and agro-based industries, mining and hydrocarbons and civilian nuclear cooperation. They agreed to enhance direct contacts between the business circles of the two countries, including through participation in trade/commercial exhibitions in both countries as well as through contacts between regions and cities of the two countries.

15. Argentina and India, as active countries with a long tradition in the peaceful uses of nuclear energy, have reiterated their intention to develop, promote and cooperate in this field in accordance with their respective international obligations and commitments. They will make use of the synergies existing between the two countries and the vast experience of their nuclear scientists and technologists.

16. Underlining the importance of bilateral cooperation in culture and education for promoting greater understanding and closer friendship between India and Argentina, both sides agreed to explore possibilities for cooperation in this area including by the establishment of linkages between each other's Universities and think tanks.

17. The two Leaders expressed support for closer bilateral cooperation in the area of energy and for the utilization of renewable and alternative energy sources and respective technologies as a basis for sustainable development and as part of the global effort in addressing the challenges of Climate Change.

18. The two leaders shared the view that civil nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting rising global demands for energy. Taking into account their respective capabilities and experience in the peaceful uses of nuclear energy both India and Argentina have agreed to encourage and support scientific, technical and commercial cooperation for mutual benefit in this field.

19. Both sides took note that the India-MERCOSUR PTA has come into force with effect from June 2009. They agreed that the operationalization of the PTA will further facilitate trade and improve market access between India and MERCOSUR. The two sides reiterated the desire of India and Argentina to widen and deepen the PTA.

20. The Leaders welcomed the signature of several agreements in their presence as a testimony of the quality change observed in their mutual relations. They also encouraged ongoing negotiations in several fields to conclude successfully

### **III. The international system and multilateralism**

21. The two leaders exchanged views on a broad range of regional and international issues of mutual interest, as well as issues of global concern such as the current global financial crisis, human rights, countering terrorism, climate change, disarmament and non-proliferation of weapons of mass destruction and their means of delivery, promoting sustainable development, addressing the environmental challenges and strengthening the social dimension of globalization.

22. The Indian and Argentine sides emphasized the essential role of the UN for maintaining global peace and security, for promoting the economic and social advancement of all people and for meeting global threats and challenges. India and Argentina stressed the need to implement the process of UN reforms to make it more representative, legitimate and effective. Moreover, they agreed that any expansion and restructuring of the Security Council must reflect contemporary realities, increase transparency and democracy and include developing countries.

23. Both Parties agreed on the need to give a new impulse to multilateral negotiations in the area of disarmament, especially weapons of mass destruction.

24. H.E. President Cristina Fernandez de Kirchner expressed deep shock and anguish over the terrorist attacks in Mumbai and reiterated the need for intensifying global cooperation in combating international terrorism. The Argentine President reiterated the condolences of the people and government of Argentina on these terrorist attacks. The two leaders expressed the hope that the perpetrators of the heinous crime would be brought to justice. They strongly condemned terrorism in all its forms and manifestations, committed by whoever, wherever and for whatever purpose and stressed that there can be no justification, whatsoever, for any acts of terrorism.

25. Both countries urged the international community to adopt the draft Comprehensive Convention on International Terrorism which is before the UN General Assembly. They agreed to cooperate against international terrorism in the UN and abide by relevant UN conventions and resolutions in force in the fight against terrorism. They agreed to further expand the dialogue and cooperation in combating terrorism, organized crime and drug trafficking

26. The two sides expressed deep concern over the international economic and financial crisis and agreed that the current situation demands restructuring of the international financial and monetary system so that this can become a truly efficient tool for the promotion of sustainable development that would contribute to the reduction of inequalities and promote social inclusion. They underlined that the voice of emerging and developing economies, in the international financial and monetary system, should be heard in order to avoid new and potentially more calamitous crises in the future.

27. India and Argentina welcomed the Pittsburgh Summit Statement of September 2009 which recognizes the need for continued coordinated actions internationally for rebuilding confidence in the global economy. They will endeavor together with the other members to ensure the implementation of the decisions taken at the Washington, London and Pittsburgh Summits, particularly those referred to reduce poverty and implement the Millennium Development Goals. They reaffirmed commitment on improving the regulation, transparency and integrity of financial markets, strengthening the healthy functioning of the financial system and safeguarding stability.

They emphasized the importance of strong commitment to reform of international financial institutions (IFIs) and recognized that greater involvement of leading emerging economies in international financial institutions will be crucial for their ultimate success. Both sides recognized the strategic role played by the G-20 in promoting concerted and effective global actions towards sustainable recovery and expressed support of G-20's new role as the premier forum for international economic cooperation.

28. Both sides underlined the importance of successfully concluding multilateral negotiations at the WTO for an ambitious and balanced outcome, in line with the Doha Mandate and the principles guiding the negotiations with a thrust on addressing core developmental concerns. Both sides recognized that negotiations must respect core Ministerial mandates such as Special and Differential treatment for developing countries, less than Full Reciprocity (LTFR) in tariff reduction commitments and a comparable level of ambition in Agriculture and Non Agriculture Market Access (NAMA). Argentina and India remain committed to engage constructively for reaching a fair and balanced result in the Doha Round. They called on developed countries to show greater flexibility for resumption of negotiations to enable successful conclusion of the Round.

29. The two sides recognized that Climate Change is a global challenge with strong economic, environmental and social dimensions. It impacts all countries, but is particularly severe for developing countries, given their vulnerabilities, inadequate means and limited capacities to adapt to its effects.

30. They agreed that, in the fight against climate change, priority has to be given to mitigation and adaptation and this has to be supported by developed countries in terms of transfer of technology and finance to meet the incremental costs of adaptation and mitigation projects in developing countries.

31. Both sides reaffirmed their commitment to addressing Climate Change in accordance with the principle of common but differentiated responsibilities and respective capabilities of the UN Framework Convention on Climate Change [UNFCCC] and enhanced implementation of the Convention under the Bali Action Plan, so as to reach an agreed outcome at COP15 of the UNFCCC in Copenhagen.

32. India reiterated its support for negotiations to find a solution to the issue of the sovereignty of the Malvinas Islands in accordance with the resolutions of the UNGA and the Special Decolonization Committee.

33. The Argentine Republic reiterated its appreciation for the permanent and traditional support of the Republic of India to the United Nations resolutions in this issue, expressed on June 12, 2008, when the said Special Committee adopted a resolution on the subject. Also, Argentina thanked the outstanding work of India in that United Nations Committee

34. The President of the Republic of Argentina sincerely thanked the President of the Republic of India for the warm hospitality extended to her and the accompanying Argentine delegation in India. She invited the President and Prime Minister of India to pay State visits to Argentina.



**569. Speech by President Shrimati Pratibha Devisingh Patil at the Banquet in honour of the President of Argentina Dr. Cristina Fernandez de Kirchner.**

**New Delhi, October 14, 2009.**

Your Excellency President Cristina Fernandez de Kirchner,

Excellencies,

Ladies and Gentlemen,

We are privileged to have in our midst the President of the Argentine Republic, a country with which we have had traditionally warm and friendly relations. It is a country that Nobel Laureate Rabindranath Tagore visited in 1924-25 and which inspired him to write a number of poems which were published in his work "Purabi".

We are particularly pleased, Excellency, that you have chosen India for your first visit to Asia since you assumed the Presidency of your great country in December, 2007.

We have watched with admiration, your untiring efforts and that of your distinguished predecessor, President Nestor Kirchner, in the service of your people and the success you achieved in taking your great country forward. Argentina's achievements in agriculture and allied fields, in industry, in science and technology have been remarkable.

Your visit is taking place at a time when we also mark the 60th anniversary of the establishment of diplomatic relations between our two countries. It is an appropriate moment in our relations, therefore, to chart a new and substantive partnership between our two countries. I am confident that following your visit, our cooperation in trade, industry, investment, culture, agriculture, hydrocarbons, science & technology, and outer space will be strengthened. We are happy that our two sides have agreed to set a trade target of US\$ 3 billion to be achieved by 2012. It is our hope that the current international economic and financial crisis notwithstanding, we would, in fact, be able to exceed this target over the next three years.

For the effective development of our bilateral relations it is equally important that we enhance cultural, youth and parliamentary exchanges. Our film industries can collaborate more effectively and sporting exchanges enhanced. Argentine skills in football and polo are acknowledged all over the world. Your sports persons, especially in football, have large fan followings in India. I understand that India's ancient and rejuvenating practice of Yoga and Ayurveda has a good following among your people. Both countries could greatly benefit by intensifying cooperation in these spheres.



India and Argentina have a tradition of cooperation in international organizations - in the United Nations, WTO and the G-20. In the context of the current international financial and economic crisis, it is particularly necessary for us to ensure that the development prospects of developing countries are not adversely affected. It is also crucial that developing countries have an effective say in decision-making processes so that their developmental imperatives find strong support.

Terrorism is an international scourge. India has been a victim of terrorism for over two decades. The vibrant city of Mumbai was subjected to violent terrorist attacks last year which were masterminded from outside. We appreciate Argentina's condemnation of the Mumbai terrorist attacks and the expression of solidarity with India. Our Mission in Kabul has been attacked twice. The second attack occurred only a few days ago. Such terrorist incidents are now being indiscriminately perpetrated all over the world. The world community must work collectively to resolutely defeat the forces of terrorism and we look forward to jointly working with Argentina in combating international terrorism.

Excellency,

We are two democracies with shared values and principles. We have similar approaches to many global issues and are committed to the socio-economic development of our people and to social justice. We have clear commonalities and complementarities in our economic systems and a commitment to convert these into concrete cooperative activities. We must not lose any more time in grasping opportunities and strengthening our partnership.

Before I conclude, I would like to share with you the lines written by Rabindranath Tagore during his stay in Buenos Aires in the early 20th Century in his poem 'Bideshi Phul' or 'Alien Flower'.

"O alien flower, when I asked,  
What may be your name,  
You smiled and nodded, and I realized  
In a name what was there.  
In nothing else

But in your smile is all that we have need

To know you."

Excellencies, Ladies and Gentlemen,

I would now invite you to join me in a toast to:

- the health and well-being of President Cristina Fernandez de Kirchner;
- the prosperity and well-being of the friendly people of Argentina; and
- a strong and long-term partnership between India and Argentina.



**BRAZIL****570. Press Release issued by the Ministry of External Affairs on the External Affairs Minister's meeting with Business Community at Sao Paulo (Brazil).****New Delhi, August 31, 2009.**

During his ongoing visit to Brazil from August 30 - September 1, 2009, External Affairs Minister Shri S.M.Krishna had an hour-long interaction with representatives of Indian and Brazilian business community in Sao Paulo on 30 August 09.

Among the prominent members of the Brazilian business community present were the President of the India-Brazil Chamber of Commerce, Mr Roberto Paranhos do Rio Branco, as well as representatives of IT firm Stefanini and Banking automation firm ATP. Among the prominent Indian companies present were TCS, Reliance and Ranbaxy, besides representatives of trading, textile and hospitality sectors. The discussions included a broad overview of opportunities for Indian companies in Brazil including in the field of pharmaceuticals (Indian exports are currently US\$ 600 million), IT, engineering (L&T has received a major order from Petrobras), petroleum (OVL's stake in exploratory blocks) and agri-products. Investments by Brazilian companies in India include electrical sector (Weg), steel sector (Gerdau), bus building (Marcopolo) and IT (Stefanini).

Complementarities between India and Brazil were outlined. These are in the fields of agriculture - sugar and ethanol; automobiles and autoparts; electrical; iron and steel; cellulose; wood pulp; food processing and banking. Procedural bottlenecks hampering trade and investments were also mentioned by the participants, including credit availability and civil aviation links.

Summing up the discussion, External Affairs Minister noted Brazil's steady growth and the commonality between Indian and Brazilian growth models. He emphasized that both countries could learn from each others experiences. He noted the need for closer interaction between the CEOs of leading companies from both countries.



**CANADA****571. Remarks of Prime Minister Dr. Manmohan Singh at the Joint Press Interaction with the Canadian Prime Minister Stephen Harper.****New Delhi, November 17, 2009.**

His Excellency Prime Minister Stephen Harper,

Ladies and Gentlemen.

It is a great honour for me to extend a very warm welcome to Prime Minister Stephen Harper on his first visit to India as the Prime Minister of Canada. This had been a long overdue visit and we are extremely honoured that Prime Minister Harper has been able to accept our invitation.

Relations between India and Canada are of a long standing nature. They derive their strength from our shared values of democracy, respect for fundamental human rights and multiculturalism. Canada is host to a large Indian origin community of over one million. This reflects the strong people-to-people links that exist between us, and which have enriched our relationship.

Our bilateral relations have greatly strengthened since Prime Minister Harper assumed office. This is particularly true in the areas of trade and investment. A large number of Indian corporate entities have invested in Canada and several Canadian companies have entered the Indian market. There are however vast opportunities for doing much more.

There is significant scope for greater investments by Canadian companies in areas of high technology and infrastructure development, and enhancing cooperation in the areas of science and technology, agriculture, mining, natural resources, education, and energy. The Memorandum of Understanding we have signed on Energy will facilitate greater cooperation in this very wide area. We look forward to cooperation in the field of civil nuclear energy.

To further boost our trade, which is currently below 5 billion US dollars, we have decided to set up a Joint Study Group to examine the possibility of a bilateral Comprehensive Economic Partnership Agreement. We are also working to further strengthen the institutional mechanisms for cooperation such as a Bilateral Investment Protection and Promotion Agreement and a Social Security Agreement.

We have decided to organize a year-long Festival of India in Canada in 2011 to showcase India's culture and economic progress, and have invited Canada to organise a similar Festival in India.

We reviewed the process of global economic recovery and how we can prepare for the next G-20 Summit which Canada will host. We had a useful exchange of views on climate change, energy security, nuclear disarmament and regional issues.

I conveyed to Prime Minister Harper India's grave concern over the scourge of international terrorism and the threat posed to pluralistic societies like India from extremist ideologies. We reaffirmed our commitment to deepen our cooperation to counter these threats.

Prime Minister Harper's visit has imparted a fresh momentum to India-Canada relationship. We will take all the necessary steps to further intensify our interaction in all areas.

Thank you.



**572. Joint Statement issued on the occasion of the visit of Canadian Prime Minister Stephen Harper.**

**New Delhi, November 17, 2009.**

Prime Minister of Canada, Mr. Stephen Harper paid an official visit to India from November 15-18, 2009 at the invitation of the Prime Minister of India, Dr. Manmohan Singh. During his visit Prime Minister Harper called on the President of India, Smt. Pratibha Patil and the Vice President of India, Shri Mohammad Hamid Ansari. The Leader of Opposition, Shri L.K. Advani and External Affairs Minister, Shri S.M. Krishna called on Prime Minister Harper.

In their discussions, the two Prime Ministers reviewed bilateral relations between India and Canada and discussed regional and global issues of shared interest.

The Prime Ministers noted the depth and dynamism of the relationship between the two countries which is marked by common values, and shared traditions of democracy, rule of law and pluralism. The two leaders recognize the contribution of the Indian-origin community in Canada in further strengthening the bilateral bonds between the societies of India and Canada.

The Prime Ministers agreed on the importance of working collaboratively towards global economic recovery, building international efforts in advance of the G-20 meeting that Canada will host in 2010. Prime Minister Harper looks forward to welcoming Prime Minister Singh to Canada on this occasion in June 2010.

They also discussed approaches to address climate change with attention to the upcoming negotiations in Copenhagen. The two leaders agreed on the importance of moving forward constructively on the WTO Doha Round negotiations.

Prime Minister Harper strongly condemned the terrorist attacks in Mumbai in November 2008 and expressed the hope that those behind the attacks would be swiftly brought to justice. He also conveyed assurances that Canada stood firmly with India in dealing with global terrorism. Both leaders reiterated the need for intensifying global cooperation in combating international terrorism. They called for an early conclusion of the Comprehensive Convention on International Terrorism within the UN framework.

The Prime Ministers discussed issues of shared interest pertaining to the region, notably the stabilization and economic development of Afghanistan.

The Prime Ministers agreed on initiatives to strengthen and diversify bilateral relations and to collaborate on a shared international agenda. They also

agreed to intensify the economic and trade relationship by concluding bilateral economic agreements.

The two governments welcomed ongoing efforts to strengthen the institutional framework for bilateral relations, including working towards concluding negotiations on the Bilateral Investment Promotion and Protection Agreement, the Social Security Agreement, and the Civil Nuclear Cooperation Agreement.

The two leaders announced the setting up of a Joint Study Group that will explore the possibility of a Comprehensive Economic Partnership Agreement between India and Canada. They also welcomed the scheduling of the first meeting of the JSG in the first half of December 2009 in New Delhi, with the aim of concluding the joint study within six months.

The Prime Ministers welcomed the signing of the Memorandum of Understanding for Cooperation in the area of energy. The MoU will enable cooperation in the areas of renewable energy and energy efficiency, oil and natural gas, power generation, transmission, distribution and end-use, energy research and development.

The Prime Ministers recognize the important role played by the India-Canada Chief Executive Officers Forum, constituted by prominent companies from each country and encourage them to pursue means for expanding commercial relations between the two countries.

The Prime Ministers expressed satisfaction with the functioning of the institutional mechanisms which steer bilateral cooperation, and look forward to the launch of new mechanisms to reinforce the partnership. Both leaders expressed the hope that through concerted efforts, the institutional framework fostered by these initiatives would lead to an increase in bilateral trade from the current level to \$15 billion annually in the next five years.

Both sides recognized education as an area of new momentum, the need to facilitate mutually beneficial linkages in science, technology and innovation, as well as build synergies between institutions of higher learning in Canada and India.

Recognizing the vibrant people to people ties linking the two countries, the two Prime Ministers noted the importance of citizens becoming better acquainted with each other through culture, sports and tourism. They look forward to the Winter Olympics to be hosted by Canada in 2010, the

Commonwealth Games to be hosted by India in 2010, and the Year of India to be celebrated in locations across Canada in 2011.

To achieve the goals set out in this Statement, the two Leaders committed themselves to sustained political engagement, a structured exchange of high level visits and regular dialogues between their officials.



**573. Media report on the civil nuclear energy cooperation agreement with Canada.**

**Port of Spain, November 29, 2009.**

Media reports from the Port of Spain where the Prime Minister Dr. Manmohan Singh was attending the Commonwealth Heads of State/ Government Conference said that India and Canada 'have reached a landmark agreement on civil nuclear cooperation after months of hectic negotiations, paving the way for supply of Canadian atomic technology, equipment and uranium to India after a gap of 34 years'.

It further said that the negotiations between the Prime Minister and his Canadian counterpart Stephen Harper concluded on the margins of the Commonwealth Summit. They described the development as a "milestone" opening up "tremendous opportunity" for their countries. "The civil nuclear agreement is a very important step forward, a milestone for the development of our relationship," Dr. Manmohan Singh said.

(Canada, the world's largest producer of uranium, is the eighth country to have reached a civil nuclear agreement with India since the Nuclear Suppliers Group lifted the 34-year-old ban on India to join the global nuclear trade in September last year.)



**CHILE****574. Speech of President Shrimati Pratibha Devisingh Patil at the Banquet in honour of the President of the Republic of Chile Dr. Michelle Bachelet.****New Delhi, March 17, 2009.**

Your Excellency, President Michelle Bachelet, Distinguished Guests, Ladies and Gentlemen, It is a matter of personal satisfaction for me to receive you and your delegation today on your State Visit to India. I have very happy, warm and vivid recollections of my very fruitful visit to your beautiful country in April 2008. Your visit coincides with the 60th anniversary of the establishment of bilateral relations between our two countries - an anniversary, which we celebrated yesterday at a joint India-Chile Concert. We celebrated the democratic ethos, freedom and tolerance that govern the polity of our two societies. I am happy that since my visit to your country there has been forward movement in our bilateral relations. During your visit Excellency, we have agreed to further strengthen and diversify our partnership. We have decided to double our trade in the next five years and to establish institutional mechanisms to further facilitate trade and investment exchanges between our two countries. We will collaborate further in education and renewable energy. We intend to strengthen our collaboration in new areas of cooperation, such as agriculture, defence, mining, space applications and cooperation in the Antarctica. India and Chile have a tradition of cooperation in the United Nations. This is no accident. Not only do we share a democratic constitutional framework, our world views are also very similar. Our commitment to the principles and purposes of the UN Charter and to multilateralism, define our approaches. We seek reform of the international architecture, so as to make it reflective of contemporary realities, not just political but, also economic and social. Our collaboration on issues pertaining to UN reform, Climate Change, the Doha Development Round of the WTO and our responses to the international financial and economic crisis are well matched. We, in India, are thankful for Chile's firm support for India's permanent membership on an expanded United Nations Security Council. We greatly appreciate the unambiguous and categorical condemnation by Chile of the horrendous terrorist attacks in Mumbai on 26th November 2008. We seek to strengthen our cooperation with Chile and other responsible members of the international community in the fight against international terrorism which is amongst the most potent contemporary threats to international peace and



security and most importantly, to democratic societies. Excellency, Chile is one of India's principal partners in Latin America. We follow with great interest Chilean efforts to reform and yet, at the same time, ensure inclusive economic growth. Not only do we intend to strengthen and develop our natural partnership with Chile, we are also happy to learn from you how we can further strengthen our relationship with the whole of Latin America.

May I now request Your Excellency, Distinguished Guests, Ladies and Gentlemen to join me in a toast to:-

- the good health and well being of Her Excellency, President Michelle Bachelet,
- the ever growing friendship between India and Chile, and
- the further strengthening and deepening of our natural partnership.



**575. Joint Press Statement issued on the visit of the Chilean President Dr. Michelle Bachelet.**

**New Delhi, March 17, 2009.**

Her Excellency, Michelle Bachelet, President of the Republic of Chile paid a state visit to India from 16-20 March 2009, at the invitation of Her Excellency, the President of India, Smt. Pratibha Devisingh Patil.

2. The visit assumes special significance as it coincides with the 60th Anniversary of the establishment of diplomatic relations between India and Chile. The anniversary was marked by the holding of a special concert in New Delhi on 16th March 2009 at which both Indian and Chilean artists performed in the presence of the Presidents of both countries.

3. President Bachelet held fruitful discussions with President Patil and Prime Minister Dr. Manmohan Singh. Vice President of India, External Affairs Minister, the Leader of the Opposition and the Chairperson, UPA (United Progressive Alliance) called on her. Both sides reviewed the state of bilateral relations and expressed satisfaction at the pace at which mutually beneficial cooperation is progressing.

4. As democratic nations, Chile and India share values such as, respect for human rights and fundamental freedoms including religious, rule of law and tolerance.

5. Prime Minister Singh and President Bachelet underlined the importance of enhancing trade and economic relations. They noted that the Preferential Trade Agreement [PTA] between Chile and India, in force since August 2007, has facilitated the growth in bilateral trade which reached US\$ 2.3 billion in 2008. They welcomed the growing and dynamic trade relations and agreed that the PTA has opened new avenues for cooperation and investment for Chilean and Indian companies. Both Leaders evinced interest in exploring the feasibility of entering into a Free Trade Agreement and expressed satisfaction that the process of broadening and deepening of the existing PTA has already been initiated. It was also agreed to enhance the periodic exchanges of business missions and participation in each other's trade fairs to facilitate promotion of their respective countries' products and services. Both sides agreed to endeavour to double bilateral trade in the next five years.

6. The two Leaders expressed interest in strengthening cooperation in new areas such as Information Technology (IT) and bio-technology in which India is regarded as a pioneer amongst developing nations.

7. The two sides welcomed the growing interest of Chilean and Indian educational institutions in establishing stronger ties. This was reflected in the two Memorandum of Understanding signed by the Jawaharlal Nehru University with the Pontificia Universidad Católica de Chile and with the Universidad del Desarrollo, on 21st October 2008 and 22nd October 2008, respectively. In the same spirit they welcomed the Memorandum of Understanding between the University of Madrás and the Universidad de Talca, to be signed on 20th March 2009.

8. The Leaders noted with satisfaction that Defence Attachés had been posted in New Delhi and Santiago and that there were growing exchanges of high-level defence visits and prospects for stepping up training programs between the armed forces of both countries.

9. Both sides agreed to pursue cooperation in the Antarctica in accordance with the MoU of April 2008. In this context, the Chilean side invited India to join its 2009-2010 Scientific Antarctic Expedition by sending an expert scientist to participate in an Ice Coring research project. India proposes to host a joint scientific conference on Polar Science at a suitable date convenient to both the countries within the framework of the MOU.

10. With a view to further enhancing the mutually beneficial ties between India and Chile in different spheres of co-operation, the following documents were signed at the conclusion of the talks between the two sides:

- A Memorandum of Understanding on Cooperation in the field of new and renewable energy between the National Energy Commission of the Republic of Chile and the Ministry of New and Renewable Energy of the Republic of India.
- An Exchange Programme on Cooperation in the field of Education between the Ministry of Human Resource Development and the Ministry of Education of Chile.
- An Agreement between the Government of the Republic of India and the Government of the Republic of Chile on Cooperation in the Exploration and Utilization of Outer Space for Peaceful Purposes.
- Memorandum of Understanding between the Government of the Republic of India and the Government of the Republic of Chile on Cooperation in the Field of Geology and Mineral Resources. They also noted that the proposal for signing a Cooperation Agreement on Gender Equality between both countries is at an advanced stage of consideration.

11. The two sides noted with satisfaction the growing links between the private sectors and Non Governmental Organizations of their respective countries. In this regard, they welcomed the proposed signing during the visit of :
- A Memorandum of Understanding between the Confederation of Indian Industry and the Chilean–Indo Chamber of Commerce;
  - An Investment Agreement between University Adolfo Ibanez of Chile and Avesthagen India;
  - An Agreement between NASSCOM [National Association for Software and Service Companies of India] and ACTI [Chilean Association of Information and Technology Companies];
  - A Memorandum of Understanding between the Fondo de Innovación Agrícola (FIA) of Chile and the Swaminathan Research Foundation of India.
12. Chile strongly condemned the terrorist attacks on Mumbai on 26th November 2008. Pursuant to the attacks, the President of Chile had written to the Prime Minister of India condemning the “heinous and cowardly terrorist attacks as they constitute crimes against humanity and a threat to human safety on a global scale”. Chile voiced the hope that the intellectual and actual perpetrators would be identified soon and brought to justice. In this connection, both Leaders called for enhanced international cooperation and exchange of information through appropriate channels in order to enhance the ability of the governments to fight terrorism. In this regard, they reiterated that early conclusion of the Comprehensive Convention on International Terrorism is imperative to consolidation of counter terrorism efforts within the UN.
13. Both Leaders reiterated their continued commitment to multilateralism and the principles enshrined in the United Nations Charter. Chile and India reaffirmed their support for a comprehensive reform of the United Nations, including expansion of the Security Council to make this body more representative, legitimate and effective. Both nations stressed and acknowledged the need for continued efforts by the Member States to ensure meaningful and result-oriented intergovernmental negotiations. Chile reiterated its support for India’s permanent membership on an expanded UN Security Council. They also confirmed their reciprocal support for each other’s candidature for non-permanent membership of the UN Security Council for 2011-12 [India] and 2014-15 [Chile].

14. Both countries seek a development-oriented, ambitious and balanced outcome to the Doha Development Round at the earliest.

15. Both nations reaffirmed their commitment to continue negotiations within the framework of the Bali Plan of Action in order to reach an agreed outcome for the effective implementation of the United Nations Framework Convention on Climate Change (UNFCCC). This outcome must respect the provisions and principles of the UNFCCC, in particular, the principle of common but differentiated responsibilities and respective capabilities.

16. Chile and India agreed on the importance of the promotion of joint initiatives on R&D on advanced clean technologies with the objective of finding concrete and innovative solutions to the issue of climate change. In this regard, they urged developed countries to establish a global fund to promote renewable energy and clean technologies, both in terms of application of existing technologies as well as R&D into new and innovative technologies.

17. The two Leaders held in-depth discussions about the ongoing financial and economic crisis and agreed that it was important that the regulatory failure in developed countries leading to the crisis should be urgently addressed. They called on developed countries to ensure uninterrupted flow of development assistance and credit, as well as encouraged the flow of foreign direct investment into developing countries. Countries should not respond by taking recourse to protectionist measures. They further agreed that in the medium and long-term, there is need for far reaching and comprehensive reforms of the existing international financial institutions to craft a new international financial architecture for the future in order to reflect the contemporary realities.

18. President Michelle Bachelet expressed her appreciation for the hospitality and warmth extended to her and her delegation by the people and the Government of India during her state visit. She invited the President and the Prime Minister of India to pay state visits to Chile on mutually convenient dates. The invitations were accepted with thanks.



**COLOMBIA****576. Joint Statement issued during the visit of the Colombian Minister of External Relations Jaime Bermudez Merizalde.****New Delhi, November 10, 2009.**

The Minister of External Relations of the Republic of Colombia, Mr. Jaime Bermudez Merizalde made an official visit to India 10-11 November 2009 at the invitation of the Minister of External Affairs of the Republic of India, Shri S.M. Krishna. The Foreign Minister of Colombia was accompanied by the Minister of Commerce, Industry and Tourism of the Republic of Colombia, Mr. Luis Guillermo Plata.

2. The visit took place during the Golden Jubilee year of the establishment of bilateral relations between India and Colombia. The Ministers expressed satisfaction over the growing bilateral relations that have strengthened and diversified in the last 50 years.

3. The Ministers held extensive discussions covering bilateral, regional and global issues. They decided to encourage exchange of high-level visits between the countries and regularly hold Foreign Office Consultations, the last round of which was held in Delhi in April 2009.

4. The Ministers expressed satisfaction at the growing bilateral trade and economic linkages and the interest of the business community in both countries to initiate joint ventures in various sectors. Both sides acknowledged the significant role played by the apex chambers of commerce and industry, business federations, investment promotion agencies in both countries and business entities such as the Colombia-India Chamber of Commerce in Bogota and The TEQUENDAMA Group in India, in facilitating commercial and investment ties. The Ministers noted that leading Indian companies have undertaken significant investments in Colombia in various sectors such as oil & hydrocarbons, mining, engineering, chemicals, fertilizers, pharmaceuticals and information technology. They acknowledged the contribution of the MOUs signed between business Chambers and Federations of both countries and celebrate the signature during this visit of the MOU between ANDI and NASSCOM.

5. Bilateral Investment Promotion and Protection Agreement (BIPPA) and a Memorandum of Understanding on Cooperation in Bamboo were signed during the visit. The Ministers also stressed the need for early

finalization of agreements on Extradition; Mutual Legal Assistance; Mining; Energy, Health; Education, Agriculture, public services and other areas of mutual interest. Both sides also agreed to expedite talks for finalization of a Double Taxation Avoidance Agreement. With the signing of these agreements, economic and commercial ties will be further strengthened and ongoing bilateral engagement will be diversified.

6. Cooperation in the ICT sector is already being pursued under a bilateral MoU signed in 2002. Both sides underlined the importance of collaboration in new and renewable energy sources and on collaboration in outer space. The ratification of the Bilateral Agreement on cooperation in Science and Technology provides an important instrument for collaboration in these and other sectors.

7. Both countries welcomed prospects for strengthening ongoing bilateral technical cooperation under the Indian Technical & Economic Cooperation Programme [ITEC]. The number of Scholarships offered to Colombia under India's ITEC programme in 2009-10 was increased in mid-year from 25 to 30, which is a reflection of the Colombian interest in the programme and its continued success. In parallel the Ministers expressed satisfaction at the process of cooperation and MOUs signed between 10 (ten) Universities of both countries.

8. The two Ministers also held discussions on multilateral issues of mutual interest such as international financial and economic crisis; UN Reform; Climate Change in the context of UNFCCC in Copenhagen; Terrorism and Narco-trafficking and; exchanged views on regional developments in South Asia and Latin America and Caribbean.

9. The Ministers emphasized the essential role of the UN for maintaining global peace and security, for promoting the economic and social advancement of all people and for meeting global threats and challenges. India and Colombia stressed the need to implement the process of UN reforms to make it more representative, legitimate and effective. Moreover, they agreed that any expansion and restructuring of the Security Council must reflect contemporary realities, more representative, increase transparency, democracy and include developing countries. The Ministers thanked each other for the mutual support for the candidatures of India and Colombia for non-permanent membership of the UN Security Council for the period 2011-12.

10. Foreign Minister of Colombia H.E. Jaime Bermudez expressed deep shock and anguish over the terrorist attacks in Mumbai and reiterated the need for intensifying global cooperation in combating international terrorism. He reiterated the condolences of the people and government of Colombia on these terrorist attacks. He expressed the hope that the perpetrators of the heinous crime would be brought to justice. They strongly condemned terrorism in all its forms and manifestations, committed by whoever, wherever and for whatever purpose and stressed that there can be no justification, whatsoever, for any acts of terrorism. Colombia and India are convinced that the Comprehensive Convention on International Terrorism would become a vital law enforcement instrument in international joint counter-terrorism efforts.

11. The Foreign Minister of Colombia recalled that an invitation has been extended by India to H.E. Dr. Alvaro Uribe, President of the Republic of Colombia for undertaking a State Visit to India. Both countries agreed to work out mutually convenient dates through diplomatic channels for scheduling the State Visit.

12. The Ministers expressed appreciation over the cultural activities developed such as translation and edition of contemporary literature, exhibitions of Art, the gatherings of writers and organising Festivals of Colombia in India in October 2008 and 2009 and the proposal of organising Festival of India in Bogota in December 2009.

13. The Foreign Minister of Colombia thanked the Government of India and External Affairs Minister of India for the kind hospitality rendered to him and to his delegation during the visit and invited him to visit Colombia in near future.





**577. Press Release issued by the Ministry of Commerce on the signing of the India - Columbia Bilateral Investment and Protection Agreement.**

**New Delhi, November 10, 2009.**

The Bilateral Investment Promotion & Protection Agreement (BIPPA) between India and Colombia was signed here today by Shri Anand Sharma, Minister of Commerce & Industry and Mr. Luis Guillermo Plata, Minister of Commerce, Industry & Tourism of Colombia. Both the Ministers hoped that the Agreement would serve as a catalyst in boosting investment flows between the two countries.

The Agreement aims at enhancing Bilateral Investment and Technology flows between the two countries, by creating favourable conditions for investors. These include a mutually acceptable definition of investment as also IPR, besides National Treatment and Most Favoured Nation Treatment on post-establishment basis, protection against expropriation, except for a public purpose against a fair & equitable compensation, full reparability of investment and returns.

The Agreement provides elaborate dispute resolution mechanism to settle disputes between an investor and the host Government or between the two Governments. Dispute resolution mechanism includes recourse to negotiations, conciliation, domestic dispute resolution mechanism and to international arbitration.

The Agreement shall remain in force for a period of ten years and thereafter, it shall be deemed to have been automatically extended unless either country gives to the other country a written notice of its intention to terminate the Agreement. The Agreement may be amended at any time after its entry into force by mutual consent.



**CUBA**

**578. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dr. Girja Vyas on Agenda Item 19 - Necessity of ending the Economic, Commercial and financial Embargo imposed against Cuba at the 64th Session of the UNGA.**

**New York, October 28, 2009.**

Please see Document No.791.



**579. Special Declaration of the Heads of State and Government of the Non-Aligned Movement on the necessity of ending the Economic, Commercial and Financial Embargo imposed by the United States of America against Cuba.**

**Sharm El-Sheikh, July 16, 2009.**

Please See Document No.234.



**UNITED STATES OF AMERICA****580. Briefing points by Spokesperson of the Ministry of External Affairs on the Congratulatory letter from Prime Minister Dr. Manmohan Singh to U. S. President Barack Obama.****New Delhi, January 22, 2009.**

- Prime Minister Dr. Manmohan Singh conveyed his warm felicitations to President Barack H. Obama on his assumption of office, describing it as an historic occasion for the people of America and for all freedom loving people across the world.
- Prime Minister conveyed his best wishes, as well as that of the Government and people of India to President Obama, in achieving the goals that he has set for his people and for the role of the United States of America in the comity of nations.
- Referring to the multi-faceted relationship between India and the USA anchored in common values of democracy, pluralism and respect for diversity, Prime Minister stated that he looked forward to working with President Obama to further strengthen bilateral relations and to address regional and global issues of common concern.
- Prime Minister also reiterated his invitation to President and Mrs. Obama to visit India\*.



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\* In its perhaps first official remarks on the US relationship with India, after the assumption of office by President Obama, the Whitehouse Spokesperson Roberts Gibbs told the media in Washington on January 28 that "Without getting into a lot of specifics, I think that the President believes that, obviously, the U.S. and India are natural friends and natural allies."

"The President looks forward over the course of this term to deepen the partnership that's been built between the two countries over these past many years, to strengthen those ties," Mr. Gibbs said. Mr. Obama was looking forward to speak to Prime Minister Manmohan Singh as soon as he became well, Mr. Gibbs said. (Dr. Singh, who underwent a bypass surgery was at the time at the All-India Institute of Medical Sciences in New Delhi.)

**581. Press Release issued by the President's Secretariat on the congratulatory message of President Smt. Pratibha Devisingh Patil to the US President Barack Obama on the assumption of his office.**

**New Delhi, January 23, 2009.**

The President of India, Smt. Pratibha Devisingh Patil has congratulated the new President of the United States, Mr. Barack Obama on his assumption of office.

In her message, Smt. Patil has said, "It is with great pleasure that I convey to you warm congratulations as you assume office of the President of the United States of America.

I am confident that under your leadership the India-US partnership will be further strengthened and that we shall continue to work together for the many commonalities in our vision for our peoples and for international peace and stability.

We look forward to receiving you and Mrs. Michelle Obama in India.

As you lead your country into a new era, my good wishes and those of the Government and the people of India are with you."



**582. Press Release issued by the Ministry of External Affairs on the telephonic conversation between External Affairs Minister Pranab Mukherjee and the new US Secretary of State Hillary Rodham Clinton.**

**New Delhi, January 23, 2009.**

US Secretary of State, Mrs. Hillary Clinton, made a telephone call to External Affairs Minister Shri Pranab Mukherjee today.

The call, which was to take place yesterday, could not materialize as the External Affairs Minister was away to Kabul and took place at 8.00 p.m. on January 23, 2009 (9.30 a.m. Washington time).

External Affairs Minister congratulated Secretary Clinton on her assumption of the office of US Secretary of State.

Secretary Clinton expressed her desire to work together with EAM to take the relationship between India and the USA to a new level.

Both Ministers agreed that they would like to further strengthen the excellent bilateral relationship between India and the USA.

EAM conveyed his best wishes and invited Secretary Clinton to visit India at a mutually convenient date.



**583. Media Report on the visit of Foreign Secretary Shivshankar Menon to Washington.****Washington, March 11, 2009.**

The daily *Hindu* quoting the Press Trust of India from Washington, reported on March 12 that the new Obama administration on March 11 assured India that "it will proceed with the landmark India-U.S. nuclear deal, signed during George W. Bush's tenure, and said the two countries needed to ramp up cooperation in counter-terrorism and global issues such as climate change." Senior State Department officials gave the assurance to Foreign Secretary Shiv Shankar Menon, who was on a four-day official visit to Washington.

On March 9, Mr. Menon met Secretary of State Hillary Clinton and discussed the nuclear deal, counter-terrorism cooperation, bilateral issues, Sri Lankan conflict and bringing the situation under control in war-torn Afghanistan. During his talks with Under-Secretary for Political Affairs Nicolas Burns on March 11, Mr. Menon discussed the landmark civil nuclear deal and other bilateral issues.

Ms. Clinton told Mr. Menon that the two countries needed to ramp up their cooperation in bilateral and global issues. "The India-U.S. civilian nuclear deal, its current status and the way forward too were discussed during the meeting," State Department Acting Spokesman Robert Wood told reporters. "I think there was a bit of a discussion on the additional protocol that was just worked out with the IAEA [International Atomic Energy Agency]," Mr. Wood said.

"It was a very, very good meeting - very warm meeting," Mr. Wood said referring to the first high-level meeting between the two countries. The Mumbai terror attack also figured during Mr. Menon's talks with Ms. Clinton, Mr. Burns and National Security Adviser General James Jones. "I think the way they discussed the issue was the fact that we've got to do what we can to try to prevent these types of attacks from happening again."

"I think you can view it in the overall level of cooperation that both the United States and India are involved in," Wood said. The spokesman said there were a number of issues where the U.S. and India could work together. Ms. Clinton and Mr. Menon also talked a bit about Afghanistan and what needed to be done. "Secretary was very interested in hearing

Foreign Secretary Menon's views on this subject as well as a host of others," he said.

On Afghanistan, Ms. Clinton listened to the Indian viewpoint and did not ask India to do something specific. "It wasn't so much that we were asking India to do anything specifically. But the Secretary wanted to hear the Foreign Secretary's views on the best way forward in Afghanistan, from the Indian point of view. That was, in essence, the basis of the discussion," Mr. Wood said.

On climate change, Ms. Clinton and Mr. Menon talked in general about the importance of working together to try to deal with the issue of climate change and global warming, said Mr. Wood, who was present during the meeting. Mr. Menon met key Congressional leaders Jim McDermott, co-chair of the India caucus at the Congress; Howard L. Berman, Chairman of House Committee on Foreign Affairs; and Senator Richard Lugar.



**584. Address by Special Envoy of the Prime Minister Shyam Saran at the Brookings Institution: "Indo - US Civil Nuclear Agreement: Expectations and Consequences".  
Washington, March 23, 2009.**

Please see Document No.133



**585. Remarks by Prime Minister Dr. Manmohan Singh and US President Barack Obama during their press interaction.**

**London, April 2, 2009.**

**President Obama:** I just wanted to say a brief word about the importance of relationship between the United States and India. We are the world's two largest democracies. India, like America is full of diversity, full of energy and it is a complicated place like the United States is complicated.

But there are very few countries that have such a strong affection and affinity between the two as between India and the United States. What is also true is that, I think, the United States sees India as a global power, and a critical partner in helping deal with the challenges of twenty first century. Everything from climate change, to poverty, to trade, to science and innovation.

Much of the growth and rise of India I think can be attributed to the wisdom of its Prime Minister, who helped to unleash the economic power of India, and is now guiding it to a host of challenges, to a host of opportunities.

So I just wanted to express my admiration for Prime Minister Singh. I am grateful for the time that I have with him here in London. I hope that by the time the summit is over, I can call him a friend.

And I look forward to him visiting the United States, and I look forward to visiting India. Thank you.

**Prime Minister Dr. Manmohan Singh:** Mr. President, your wisdom and transformatory leadership has aroused hope and expectation all over the world. For young people in diverse lands, you are a role model. I mentioned to you that when I was coming here, my daughter said she wanted a favour from me and I said, what is that favour? She brought a book of yours and she said I would cherish if you could persuade President Obama to autograph this book. And you were gracious enough to do that.

Mr. President, there is enormous respect and admiration for you as an individual, for the values that you stand and the ray of hope you have imparted to oppressed people in all parts of the world. We in India respect you enormously, and I bring you greetings from our President, Mrs. Pratibha Patil, the Government and the people of our country and I have every reason to believe that under your distinguished and visionary leadership,



India's relationship with United States would grow from strength to strength. As you have said, we are two democracies. We have common value systems. We believe in individual freedom, we believe in respect of fundamental human rights, we believe in the rule of law. And over the year our two societies, the civil societies- have grown to like each other enormously.

Today Mr President, eighty thousand students of India are studying in the United States. There is hardly a middle-class family in India, which does not have a son, a brother or a brother-in-law working in the United States. These are permanent bonds which bind our countries together.

Our relations with the United States are very good and Sir, in the last five years that I have been the Prime Minister, it has been my top priority to work to strengthen our relationship with the United States in every possible area. I said our relations are very good, we are strategic partners, but we cannot be satisfied with the status quo. And under your distinguished leadership, we are going to chart out a new path of collaboration in diverse fields- in economics, in dealing with the challenges of climate change, in dealing with the challenges of energy security, in dealing with the challenges of terror, how to make this world secure from the menace of terror, to work together in bilateral fora, to work together in multilateral fora. We share your vision.

Mr President, you wrote a letter to me before you became the President on 23rd of September, and I think that's a beautiful agenda for our two countries to work together, to realise our dreams of closer and closer relationship with the United States under your distinguished leadership.

And I do look forward to- the people of India would love to have you with us, your gracious wife, your children, and I sincerely hope you can plan to visit India early enough. A very very warm welcome awaits you Sir.



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\* In reply to a question, the Prime Minister said he raised the issue of protectionism in general but did not go into specifics such as H1B visas for Indian software professionals. Mr. Obama replying to a question said that they discussed terrorism emanating not only from Pakistan but also from Afghanistan. Mr. Obama went on to suggest that "it may make sense to create an effective dialogue between India and Pakistan in this nuclear age and at a time when perhaps the greatest enemy" of the two countries should be poverty.

**586. Press Release issued by the Ministry of Human Resource Development on the need to set up of a Joint Indo-US Working Group in Education Sector.**

**New Delhi. June 11, 2009.**

India and USA will be setting up a Joint Working Group in education headed by the Union Minister of Human Resource Development of India and its equivalent from the USA. This was decided in the meeting between Shri Kapil Sibal, Hon'ble HRM and Mr. William J Burns, Under Secretary, Political Affairs, US State Development who had a meeting today. The Joint Working Group will meet once every year alternately in India and USA and will focus on institutional linkages in the field of Secondary Education, Higher Education and Vocational Education. The US side expressed keen interest in pursuing a Bilateral Education Dialogue with India for fruitful cooperation in the field of education.

Shri Kapil Sibal, while interacting with US delegation stated that the 21st Century will be a Knowledge Century and India with its young population, will be a major provider of trained workforce to the entire world. He was looking forward to cooperating with the US in the education sector. The HRD Minister underlined that one of his focus areas would be bringing up the gross enrolment ratio to even beyond 15 as envisaged in this plan. He also clearly stated that fly by night operators would not be tolerated in the education sector.

India tops the list of countries sending students to USA for studies. Nearly 90,000 students annually go to US from India for studies as per estimates available in recent years.



**587. Press Release issued by the Embassy of India in Washington on the talks on India - United States bilateral cooperation in the Civil Aviation Sector.**

**Washington, DC, June 12, 2009.**

Mr. Madhavan Nambiar, Secretary, Ministry of Civil Aviation, Government of India, accompanied by Director General of Civil Aviation, Dr. Nasim Zaidi; Chairman, Airports Authority of India, Mr. V.P. Agrawal and other officials, visited Washington DC during June 10-12, 2009. They held useful meetings with officials of the Federal Aviation Administration (FAA), the Department of Transportation (DoT) and the US Trade & Development Agency (USTDA). The delegation was the first foreign delegation to meet with Mr. Randolph Babbitt, who was appointed earlier this month as the Administrator of FAA.

The objective of the visit was to review the progress in implementation of the Open Skies Agreement signed in April 2005 and the Aviation Cooperation Programme (ACP) signed in June 2007 and to discuss issues of mutual concern.

In the meetings, Secretary Nambiar recalled the steady increase of air traffic between the two countries since the signing of the Open Skies Agreement stimulating the bilateral economic partnership and strengthening people to people contacts. The two sides discussed the future direction of the bilateral cooperation and agreed to work towards making ACP more productive for India in its efforts to modernize the civil aviation Industry and to meet the challenges of its rapid expansion in terms of safety, technology and communication support and air space management.

It was agreed that the next India - US Aviation Summit would be held in the US on mutually convenient dates in December 2009.

During the visit, an agreement was signed between the US Trade & Development Agency and Directorate General of Civil Aviation of India to fund a number of projects under the US - India Aviation Cooperation Programme.

This was the first senior-level official visit from India after the elections. This also reflects the leading role of the civil aviation sector in the commercial and economic relationship between the two countries. Over 2004-07, India imported more than \$11 billion worth of aviation-related products from the United States.



**588. Interview of External Affairs Minister S. M. Krishna with Karan Thapar in the programme Devil's Advocate for the 'CNN-IBN' T. V channel.**

**New Delhi, June 14, 2009.**

Please see Document No.355.



**589. Joint Statement after the meeting of the U.S.-India Counterterrorism Joint Working Group.**

**Washington, DC, June 17, 2009.**

Delegates from the United States and India held the 11th US-India Counterterrorism Joint Working Group today to discuss efforts to coordinate global counterterrorism initiatives. Ambassador Daniel Benjamin, the Secretary of State's Coordinator for Counterterrorism, hosted the event and the Indian delegation was led by Mr. Vivek Katju, Special Secretary for International Organizations at the Ministry of External Affairs.

India and the United States strongly condemned terrorism in all of its forms and manifestations, recognizing it as a major threat to democracy, international peace, and security. They reiterated that there can be no justification for any act of terrorism on any grounds. It is imperative for the international community to come together to combat terrorism in a long-term, sustained, and comprehensive manner. India and the United States also called upon all states to abide by their commitments under the UN Global Counter Terrorism Strategy adopted by the UN General Assembly in September 2006.

Sessions during this year's meeting focused on assessing the global terrorist threat, fighting terrorism through technological advancements, and counterterrorism cooperation between India and the United States. Other issues discussed included terrorist finance and money laundering, capacity building, and expanded information sharing. Both sides agreed to identify measures to strengthen institutional linkages leading to closer interaction and cooperation.

The Next Meeting of the Joint Working Group will take place in India on a mutually convenient date.



**590. Press Release issued by the Embassy of India in Washington on the visit of Commerce & Industry Minister Anand Sharma to US.**

**Washington, DC, June 17, 2009.**

Commerce and Industry Minister Mr. Anand Sharma met with Secretary of State Hillary Clinton today. She said that the Obama administration was keen to work on developing a more comprehensive and intensive bilateral relationship to build on the progress over the last fifteen years\*. The discussions covered the effect of the economic downturn on the two economies and the way ahead for WTO negotiations. The Minister said that while a perfect solution may be elusive, it should be possible to find a fair solution acceptable to all parties, while keeping in mind that development was central to the Doha Round. He also briefed Secretary Clinton about the programmes being undertaken by the Government to stimulate domestic demand while providing a social security net to the most vulnerable sections of the society, including through the successful implementation of the national Rural Employment Guarantee Programme. The Minister said that the Government was looking forward to the forthcoming visit of Secretary of State to India and expressed confidence that her leadership would give a special impetus to the relations between the two countries.

Speaking at the Annual Summit of the United States India Business Council, which was also addressed by Secretary of State Hillary Clinton, the Minister underlined that the existing level of trade and economic engagement was not commensurate with the potential which existed in the wake of India's far-reaching economic liberalization. Citing the findings of the study entitled "Contribution of the Indian industry to the US economy" prepared for the India Brand Equity Foundation which he

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\* Another press release of the Embassy issued a day earlier underlined the importance of the India-US economic relations and said: "Trade & economic relations are core elements of the India-US strategic partnership. Trade has grown rapidly since 2004. The Value of bilateral trade increased from \$ 21.7 billion [US exports -\$ 6.1 billion & Indian exports - \$ 15.6 billion] to \$ 41.7 billion in 2007 [US exports -\$ 17.6 billion & Indian exports \$ 24.1 billion]. Despite the economic crisis, trade continued to grow in 2008, though at a slower rate -the total value reached \$ 43.4 billion [US exports - \$17.7 billion & Indian exports -\$ 25.70 billion]. Major items of export from US include Machinery, Aviation & aircraft, Precious stones & metals, Electrical Machinery and Fertilizers. Major items of export from India include: Textiles, Precious stones & metals, Iron & Steel products, Organic Chemicals, Machinery (including Electrical Machinery) and Pharmaceutical products.

released at the Summit, the Minister mentioned that over 2004-07, Indian industry had contributed USD 105 billion to the US economy and created 300,000 jobs. This, he said, revealed a story of commitment to optimize and to invest in the future of the relationship. He underlined that India and the US were partners in progress and could together shape the 21st century.

Other senior US Government officials who participated in the Summit were the US Commerce Secretary Gary Locke and US Trade Representative Ambassador Ron Kirk.

The Minister interacted with key leaders of US and Indian industry during the Summit which attracted an attendance of over five hundred.

Later in the day, Minister met United States Trade Representative Ambassador Ron Kirk. This was his second meeting with Ambassador Kirk; the two had met on the sidelines of the Cairns Ministerial Group meeting in Bali. Both sides discussed bilateral issues of mutual interest and explored the ways and means for increasing bilateral trade and investment. They agreed to revive the dialogue on trade issues and to focus on resolving them to the extent feasible. The Minister emphasized that there were numerous opportunities that could be harnessed in the bilateral economic relationship even against the background of the global downturn. They welcomed the move towards resumption of Doha talks and agreed to work together towards resolving outstanding issues. Minister Sharma invited Ambassador Kirk to visit India for the meeting of the G 20 Trade Ministers as well as for bilateral discussions.

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Services trade in 2007 (latest data available), was \$19 billion in two-way trade which was fairly evenly balanced. U.S. exports of private commercial services (i.e., excluding military and government) to India were \$9.4 billion in 2007; an increase of 37.1 percent over 2006, other private services (education), and travel categories accounted for the largest proportion of U.S. exports in 2007. U.S. imports of private commercial services from India were \$9.6 billion in 2007, an increase of 25.6 percent over 2006. The other private services (business, professional, and technical services) and the travel categories accounted for most of U.S. services imports from India.

Investment has increased in both directions in recent years. U.S. is one of the largest foreign direct investors in India. Cumulative FDI inflows from USA till July 2008 were \$7.96 billion. FDI inflows from USA constitute about 8 percent of actual FDI inflows into India in rupee terms. The sectors attracting FDI from USA are: Fuels (Power & Oil Refinery), Telecommunications (radio paging, cellular mobile & basic telephone services), Electrical Equipment (including Computer Software & Electronics) Food Processing Industries (Food products & marine products), and Service Sector (Financial & Non-financial Services).

The Minister also had a meeting at the US Congress with the leadership of the Sub-Committee on Trade of the House Ways and Means Committee. In his meeting with Chairman of the Sub-Committee on Trade Representative Sander Levin and Ranking Member Kevin Brady, the focus was on the Doha Round. The Minister shared with the congressmen some details of the steady growth in Indian investments in the United States.

Ambassador Meera Shankar hosted a dinner reception in honour of the Commerce and Industry Minister in the evening, which was attended by a number of Congressmen, officials and business leaders from India and the U.S.

Tomorrow Minister Sharma is scheduled to have bilateral meeting with United States Commerce Secretary Mr. Gary Locke. He is also scheduled to deliver an address at the Peterson Institute for International Economics on "India in a Globalised World".



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Indian investments have grown rapidly in the last 5 years. Over 2004-08, Indian companies entered into investment deals amounting to over \$ 18 billion in diverse sectors such as steel, aluminum, oil, pharmaceutical, engineering, hotel and information technology sectors.

In recognition of the importance of the economic and commercial dimension of the relationship, a number of bilateral dialogues have been institutionalized between the two countries. These include inter-governmental forums like the Economic Dialogue, the Trade Policy Forum and the Commercial Dialogue as well as private sector initiatives like the India-US CEOs' Forum and the Private Sector Advisory Group."

**591. Press Conference by Commerce & Industry Minister Anand Sharma at Willard Inter Continental Centre, Washington, DC  
Washington, DC, June 18, 2009.**

**MODERATOR:** (Mr. Rahul Chhabra) - It's give me great pleasure to welcome Mr. Anand Sharma, Commerce & Industry Minister. He's been here in Washington for less than two days. As you're aware, he arrived the day before. He's had several bilateral meetings. He's met his counterpart; he's met Secretary Clinton and several others. He's attended several events in Washington. You saw the press release that was issued last night.

We also have Ambassador Meera Shankar here today with us. Welcome, ma'am. At this moment, just in case you haven't already turned your cell phones to silent, please do turn them off to silent. And the minister is leaving straight from here; in fact, he's leaving for New York. So without any further ado, may be we could go straight to questions. He's ready to take questions right off. Thank you. Please introduce yourselves and the organizations you represent before you pose questions. Yes, please.

**Q:** *Jim Berger from the Washington Trade Daily.* Your predecessor talked a lot about not jeopardizing the welfare of the rural poor in India, which you also discussed today. Yet you indicated that there's a possibility of a compromise in the Doha round. I just wonder if you can explain if there's any movement on the special safeguard mechanism, which was designed to protect rural poor farmers.

**ANAND SHARMA:** You see, there's a very clear position. The Doha round is dedicated to developing countries. So development is at the core of the Doha process. Why the need was felt, both by the developed and the developing countries, has to be put in a historical perspective. It was to correct accepted distortions in global trade, which denied access and a level playing field to the developing countries. There are many issues, which were involved, and as the discussions progressed, other areas got covered.

But when it comes to the issues pertaining to the weak, the poor, the vulnerable, especially in the least developed countries or the developing countries - where perhaps two-third of the population is dependent on agriculture for subsistence - it is subsistence agriculture, not commercial agriculture. That distinction was recognized as the round developed.



So that is where we stand and I'm sure that those sensitivities have been taken onboard by everyone. If those sensitivities had not registered, we would not have moved forward and reached the stage where we did. And let me add here that it is also important for the world to remember that three-fourths of the agricultural workforce of the world comes from the poor countries.

**Q:** Thank you. Mr. Minister, *Shobana Chandra from Bloomberg News*. With exports declining for the past seven months, the government has already announced a bunch of measures to help out exporters. Do you agree that more relief measures are needed now, on top of the ones that have been announced? And also, do you have an estimate for how many jobs may have already been lost in the whole process? Thank you.

**MR. SHARMA:** As I said, the present economic crisis has affected countries across continents - some more adversely, some less adversely. Without quantifying in specific details, India may be one of the countries which is less adversely affected because of the sound fundamentals of its economy. That is the reason, perhaps, that why we have the FDI flows, which are encouraging. In the month of May itself, we have 2 billion (dollars) of FII money coming into India. It's because of the stability and strength of the Indian economy, which is reassuring to the investors.

Having said that, it's also very clear that we have been affected adversely, our exports have been. And there has been average shortfall, or decline, of over 30 percent, which we need to correct. And for that, one has to make our exports attractive and competitive, both - price-wise, too, because many of the exports, which have been impacted, are directly connected to labor-intensive industry, leading to loss of jobs. This is the duty of the political leadership and the government to correct that. We will do everything that is possible.

We have had detailed consultations with all the stakeholders - the chamber of commerce and industry - and with our officials. Based on that, I have discussed this matter with the Finance Minister, Pranab Mukherjee, and his team, only this Monday. We have given our recommendations and suggestions. I hope much of that will get reflected in the budget.

There were two stimulus packages which were earlier given. We want the continuation of some, including interest intervention, easy availability of credits, rollover of credits, duty drawbacks, DEPBs. Plus we will see what more can be done. At the same time, we will be having a real re-look at the

foreign trade policy after the budget is presented. What more can be done beyond that will come in the foreign trade policy, which I will be unveiling in August.

**Q:** *Chidanand Rajghatta, the Times of India.* Minister, just to follow up on Jim's question, there's a sense that you and the current government are a little more flexible on Doha. I know your statement shows you intend to re-engage. So I'm wondering, is this because the government has returned with a stronger mandate and feels emboldened to re-engage? Or do you have any specific assurances, as you said, that you hope your sensitivities have registered with the developed countries - so, do you have assurances? Also, can you give us a sense - do you feel less burdened by being a Rajya Sabha member, whereas your predecessor -

**MR. SHARMA:** I think that's not a fair question at all.

**Q:** Can I finish the question, sir?

**MR. SHARMA:** Yes. You've made an observation.

**Q:** I was asking. It was a question.

**MR. SHARMA:** Okay. Now let me come to that. The last one - the first. As somebody who's been in public life for all his adult life, I'm rooted to Indian realities, sensitivities and national priorities no less, if not more. So it's not a question of individuals. Nation-states' policies are not determined by individuals, but by the leadership of the countries. Here, we have, in Prime Minister Dr. Manmohan Singh a leader with a vision, comprehension, understanding of what the global situation is, what India's own priorities are.

Second, when it comes to our statement about resumption of the Doha process, India had never said that it should collapse. Yes, it hit a logjam - that is part of history. Now, either we dissect that and keep on analyzing and reanalyzing, or try to pick up from where we had reached and move it forward. A practical and correct approach is not to let it go waste what was invested over the years, but to accept the progress, which is substantial and significant. It's like a marathon. It is a 25-miles marathon. The first 24 miles consumes a lot of energy. By the time you reach there, you are exhausted. And the last lap looks difficult and everybody wants to surge. But that's where we are. We would like, now, to shore up the energy reserves and cover the last lap. There's no change when it comes to issues and concerns.

When it comes to flexibility - your question - flexibility has to be there in the first place. If you are inflexible, you cannot walk and sit on a negotiating table for a global treaty, particularly this one, where three-fourths of the world was seeking correction of distortions, which were established and accepted.

So when you sit on that table, you have to be open. You have to be flexible. It's not a question of who's more flexible and who's less flexible. You must not lose sight that it is to correct the infirmities. And particularly, for the developing countries. I don't think that when positions are taken by nation-states, those positions are divorced from the larger picture. It would also be not fair to take governmental positions as individual positions. The logjam that we had hit is unfortunate. That was because of non-convergence on many issues.

And I would not like to go into specifics. Many of you who are sitting here are aware that non-convergence was not on one issue but on many issues. We hope that we'll find a common meeting ground. As I have said to my interlocutors - both in Bali, at the Cairns Group meeting, yesterday and today - that we must try and harmonize the respective positions. That is important. You must understand, when countries come as sovereign nations to a negotiating table (they come) with different perspectives, positions, different levels of development, different level of challenges and aspirations, each country - developed and developing. Why do the negotiations have to take place? When the countries come together, the leadership of the countries agree that there is a need to correct the distortions and to harmonize the respective positions. And that can only be done by give and take to find the middle ground. And I see that; that is what we intend to do; that is what is achievable. If you remain rooted and frozen in the pre-negotiating position then no negotiation for global treaties is possible, what is the need of the hour is a rule-based multilateral trading regime which takes on board the developmental aspirations of the poor countries at the same time ensuring better access for all and that's what we shall be striving for.

I've been speaking to my counterparts, ministers from other countries including USTR Ron Kirk whom I met in Bali and now again yesterday and ministers of other countries. We'll be meeting again, I'll be meeting with Peter Mandelson and the EU trade commissioner hopefully in London within a few days, and then we meet again by next week in Paris on the margins of the OECD ministerial. We must kick-start (the round). I would again make

another addition here. The present dismal global economic scenario is a challenge and an opportunity. The countries who can play a role, who can define the roadmap must work with sincerity and openness to give a hope to millions across the globe. When there is a tendency to raise protectionist barriers that we will allow free movement of people, free movement of trade and services.

**Q:** This is *Lalit Jha from Press Trust of India*. You are the first cabinet minister to come to the U.S. after the formation of the new government. And the last two days you had a series of meetings with the Obama administration, with congressmen too. What is the sense you are getting, what is the focus of the new administration towards Indo-U.S. relationship? And what will be the main focus for the next five years?

**MR. SHARMA:** Well, I have no doubt in my mind that President Obama and his administration attach enormous significance in engaging India. Not only I find that there is a healthy respect for India, the values that it espouses, but also the vision and the policies of Prime Minister Dr. Manmohan Singh. Especially when it comes to the global crisis, given his sound understanding of the international economics, his counsel is much sought. India and America are two largest democracies on this planet: multiracial, multicultural, in every sense pluralistic. Our two countries can contribute a lot because we are constitutional democracies. And even when it comes to the roles which nations play, though it cannot be compartmentalized purely on trade and economics, is the history, the respect, the economics, and much more is related to that. But I found not only respect but hope and commitment. And I'm sure that both countries have the shared wish and commitment to take it forward.

Well, in our opinion, protectionism is counterproductive for any country because protectionism at a time when we are talking of kick-starting the Doha development process would actually go against that spirit. Protectionism in any legal format would also subvert the multilateral processes. Protectionism, any protectionist barrier, would prolong the present economic recession and further delay any turnaround.

**Q: *Natasha Israni with Times Now.*** Moving ahead on the line of protectionism, again, was this a topic of discussion specifically in your talks here in Washington, D.C., and also are there any specific steps that the Indian government is thinking of taking to counteract any negative effects of protectionism?

**MR. SHARMA:** Well, all the countries do eventually take action in policy measures to uphold the supreme national interests. But at the same time, India is committed to multilateralism; we are against any protectionist barriers. There are some issues which are there, which we have raised it with my interlocutors. And I'm sure that has registered.

Some of the areas that I feel that there is lack of comprehension or information because, particularly when you look at the services sector, it's an important component when it forms a major component of the Indian exports. What is perhaps not fully appreciated, that our outflow of services is evenly matched by the inflow of services.

So that is what is important and through our friends in the media for me to communicate. Also when you have the Fortune 500 companies, a hundred of them have their R&D hubs in India, 220 of them source their software from India. And don't forget, if India has such a huge IT industry, where does the hardware come from?

So that's why any protectionist barrier is dangerous. Indian industry has brought, in five preceding years excluding the last one, over \$106 billion in economic activity and created 300,000 jobs. IT industry alone has created - Indian IT industry - 250,000 jobs in America. So when it comes to H1-B visas, it's only 24,000, one can stretch it to 30,000. But it is reciprocity which has to be acknowledged and appreciated. And that's why I said any kind of protectionism will not only be counterproductive but deepen the recession, delay the recovery.

**Q:** If I can just do a follow-up on that, you said at the beginning that there are steps that every government would take to counteract any negative effects. Can you talk specifically with what kind of steps can the Indian government -

**MR. SHARMA:** Like we are taking in the form of stimulus to our industry, particularly labor intensive industry by giving them loans at reduced rates or credit rollovers. So that's what any government would do; you have stimulus packages being rolled out by every country. But those are not protectionist. Those are protectionists in a different sense.

**MODERATOR:** The gentleman at the back.

**Q:** Mr. Minister, my name is *Brian Yang*, based at *Pharm Asia News*. I have two questions related to pharmaceutical companies in India. One is regarding the EU, one is regarding the U.S. The EU is seizing the Indian

generic drugs and the Indian government is thinking to take the issue to the World Trade Organization. What is your opinion on this?

**MR. SHARMA:** Can you expand more on that?

**Q:** On June the 12th, the Indian government is looking at the World Trade Organization, the WTO, to talk about the Europeans who are taking the Indian generic drugs, the shipment. You know, the Indian generic drugs, they are shipped to other countries including the European countries. And the EU has taken those drugs under control and the Indian government -

**MR. SHARMA:** So you are talking about the seizures in Netherlands.

**Q:** Yes, right. Thank you, exactly what I was talking about. Another question is about FDA, because FDA -

**MR. SHARMA:** No, let me first answer this. Now, when it comes to Indian generics, let me put this in a correct perspective. The arrival of Indian generics changed the pharmaceutical discourse globally. Before the arrival of the Indian generics, there was a suffocating stranglehold of multinational cartels particularly on anti-retrovirals and lifesaving drugs which were beyond the reach of poor countries.

This issue was ethical, not commercial. It was first fought on the soil of Africa, in South Africa. When the issue of Indian anti-retrovirals came up, and at that time the cost of ARVs per person per annum was between 13,000 to \$15,000. It was brought down in one stroke to \$1200; today it is in the vicinity of \$600. That is a huge contribution.

At that time, this was litigated, the multinational cartels went to the court in South Africa and they lost. So let's put in a proper perspective: We know that there have been many attempts to discredit Indian generics because they have posed a larger challenge. I put it more in the ethical perspective than the commercial one. But even if you have to look at the commerce, then commerce should be favoring the poor and the vulnerable.

I come from a country where the father of my country had said two things among the seven sins which he listed way back in 1929. And that was: science without humanity and commerce without morality. So you have to be very clear - this entire debate or the questions which are raised on the seizures are not on the validity or the authenticity; it's pure commercial considerations.

And let me go a step forward. I know that I am going to touch the hornet's nest. Recently, when there were appeals worldwide because of the pandemic - the swine flu having been upgraded, unfortunately, to category six - with those who have the vaccine, the Tamiflu, to make it available on concessional rate - without my naming it; you name them - these are the same forces, same multinationals who have refused to lower the price. It is as recent as day before yesterday. Now, let the world judge.

**Q:** *Sam Gilston* with *Washington Tariff and Trade Letter*. If positions in the Doha round are a matter of national positions rather than individuals or personalities and you didn't indicate that there was any new mandate from the election from the Singh government in the Doha round, why should we expect any different change in the outcome of these talks than we've seen for the last seven years? There was no change then, at all, that we can see besides the very fond comments that Mr. Kirk had about you yesterday.

**MR. SHARMA:** Let me put it this way: Did we fight elections in America or in India on Doha round?

**MR. SHARMA:** No, I'm afraid not. Neither President Obama nor Prime Minister Manmohan Singh - no, we didn't. Sorry but the non-convergence was not linked either to our elections or to American elections. To be fair to both, both had issues, and other countries, too, had issues. Why you can have the hope is because you have strong governments in position. My prime minister has a very clear commitment that this round being dedicated to development must be taken to its successful conclusion.

That's the mandate which I have from my Prime Minister, who feels that in the present economic crisis which the world is facing, this will be a positive message for global trade barriers to be broken down further and global trade to move, which will help economies across the globe. And I'm sure that President Obama wishes the same and that's the feeling what I got from Ron Kirk. You see, when political leaders discuss issues, we would paint the larger canvas, not be bogged down by smaller details. If you have the larger picture firmly in mind and you are committed to take it forward, the details can always be filled in. I'm optimistic.

**Q:** Just a follow-up: Did Mr. Singh not have that position in July - last July? Did Mr. Singh not have that commitment to completion of the round last July when they were close to an agreement?

**MR. SHARMA:** India never lacked that commitment. I said there was non-convergence on many issues, not only confined to India.

**Q:** Thank you, sir. *Raghubir Goyal* for *India Globe and Asia Today*. Mr. Minister, two quick questions: one, as far as trade between the two countries - last year we had some problems like in November, December during the Bush administration -

**MR. SHARMA:** Which paper do you represent?

**Q:** India Globe and Asia Today. There were some problems last year between USTR during the Bush administration and India because they were saying that India is not fair as far as trade between the two countries. What I'm asking is - also there was a mango diplomacy that time. One, if we are going to see again those mangoes in the U.S. markets, which I presented to last year to President Bush and also this year to President Obama -

**MR. SHARMA:** Okay, okay.

**Q:** And second, sir, as far as creating jobs and economics are concerned, as for nuclear issues concerns, that you think would bring more jobs in both countries and will bring more economics, where is this issue in our standing as far as between the two countries because one paper which was -

**MR. SHARMA:** Learn to ask crisper questions. I have understood your question.

**Q:** Yes, sir. Thank you.

**MR. SHARMA:** First, mango diplomacy must continue; it's always sweet. (Laughter.) And this time the crop is small but I hope it continues. Mangoes of different varieties come in alternate seasons. Secondly, when it comes to trade, I would refrain firmly from commenting on personalities or specific periods.

Thirdly, nuclear commerce will generate employment in both the countries - more in America. More revenue for this country. I'm sure the U.S. administration, the former president and the present one recognize it with clarity. Engaging with India in nuclear commerce is not only sound economics but a sound investment in the future of humankind addressing the twin issues of energy security and climate change.

**Q:** My name is Has Mukh Shah.

**MR. SHARMA:** I know you.

(Laughter)

**Q:** Thank you, sir. Your visit over here has created a lot of optimism among the U.S. companies, because yesterday -



**MR. SHARMA:** I'm happy to hear that. I hope in the U.S. government, too.

(Laughter.)

**Q:** Although - but they have - like India, they have their own political compunction, as you know, especially outsourcing. Now, there are two major issues between the two countries bilaterally: One is outsourcing, another is the so-called trade and tariff barriers in India and free entry into the agriculture sector - the U.S. and developed countries wants to enter it. But you have expressed optimism that despite all those things, the Doha round of talks must succeed. So can you see our perception about this?

**MR. SHARMA:** You see, bilaterally, our economic relations are very satisfactory and sound and that exchange will continue. We'll look at other areas where we can expand. When it comes to multilateral trading regimes, those issues are not addressed bilaterally. We have - we exchange notes, we take each others' sensitivities on board. When it comes to outsourcing, it would be, to my mind, not the right thing to look at it negatively. As I mentioned, that outsourcing has generated more employment in America itself.

Indian industry, Indian FDI in America is more than America's FDI in India. Indian investments are more. Globally, if you look at acquisitions and mergers in the last one decade, it is India which takes the lead. In America, if we have taken 24,000, 30,000 to put it maximum, H-1B visas, then we have also created huge employment. Things have to be put in a proper perspective and you in the media should help in communicating the correct picture because sometimes we in politics do not get it.

(Laughter.)

**MR. SHARMA:** Last one.

**Q:** Thanks so much. You talked about, you know, possibly wanting continuation of some stimulus measures for exporters. Would you say it's too early yet to say that the worst of the export declines is over for India? Or - are you getting any sense at all? Industrial production we saw a slight improvement. What about just the -

**MR. SHARMA:** I'll put it very honestly: The green shoots which were being talked about in March have shriveled, globally. So there is no confirmation as to when it gets bottomed out. In India, there is an increase in demand of the capital goods and our economy's again on a positive trajectory. All the projections for Indian economy have been updated, not by India but by the international agencies. We've recorded 6.7 percent as the figures came

out last month. We will only go up. I'm confident that we will cross 7 percent threshold soon and will end the year at 8 percent so - which is good. Prime minister hopes by 2011 we'll again take it back to 9 percent-plus.

One factor has been the growth in the domestic demand, primarily because of the increased expenditure. It's not a knee-jerk reaction to the global economic crisis. There are many national initiatives in place, which have only been expanded where public spending has been there; that has led to a spurt in growth, particularly for capital goods. We have lost jobs in exports. We have lost foreign exchange earnings in exports. I'm not in a position to make any forecast as to when the present recession will bottom out in major markets, the preferred and the traditional destinations for Indian exporters.

We will continue to hope that these markets get revived and we are able to expand our exports to these markets, particularly in those sectors which are important, labor-intensive where we are critically engaged, not only IT. I'm talking of those concerning really the common people in India - the leather exports, the handicrafts, the garments, the textiles - we would look at that. At the same time, we are also clear of the need for market diversifications.

There are markets as well in the world where we are engaged, like any country is, engaged globally, which are doing well and we would be looking at every possible measures to give us stimulus and to revive exports. But one thing we are very clear: There must be a distinction between stimulus as an incentive or a legislative protectionist measure as a stimulus. That must not be confused.

**MODERATOR:** Thank you. Thank you so much. Thank you, Minister.



## 592. Press Release on the visit of the US National Security Adviser to India.

**New Delhi, June 26, 2009.**

US National Security Adviser General James L Jones visited New Delhi at the invitation of Shri M. K. Narayanan, National Security Adviser on June 25-26, 2009. This was General Jones' first visit to India. Dialogue between the National Security Advisers of India and the USA is one of the several bilateral mechanisms in the India-US relationship. The visit provided an opportunity for both sides to review the current state and future growth of the India-US partnership.

General James Jones conveyed President Obama's commitment to expanding bilateral relations\* in all areas, and the importance attached by the US Administration in working with India in shaping events in the twenty first century at the regional and global level. Shri M.K. Narayanan conveyed the desire of the Government of India to build a wide-ranging and mutually beneficial relationship with the United States, based on the successes of the past, our shared values and converging interests.

Apart from bilateral issues, the situation in Afghanistan and Pakistan, and global issues such as terrorism were discussed.

During his visit, General James Jones also called on the Prime Minister and Defence Minister.




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\* Since the take over of the US Administration by President Obama it was the first visit by the senior most Obama official who on arrival said: "We intend to continue where the previous administration left off." The daily *The Hindu* quoted Indian officials to say that Gen. Jones's focus was on the big picture. "The broad message General Jones brought with him was that they want to continue what was done earlier and build up the relationship." Topics covered included the situation in Afghanistan, Pakistan and terrorism. A U.S. embassy release said the two sides also talked about the post-election situation in Iran, energy and developing closer economic and trade links as well as defence ties between India and the U.S.

Asked whether the U.S. side had also sought to push India towards a dialogue on Kashmir with Pakistan -something the Pakistani Prime Minister's office had advertised General Jones's mission to include - the officials said this was not the case. A senior Indian official clarifying the mandate of the visit was quoted by media to say: "I think the American effort, in fact, was to bracket us with the larger set of global issues and see what we can do together, rather than to narrow the bracket to the region.....Afghanistan and Pakistan also came up, but mainly because of our security concerns." Speaking to *The Hindu*, Mike Hammer, spokesman of the U.S. National Security Council - the White House inter-agency coordination body and 'think tank' which General Jones heads - said the NSC had recently been restructured to enable a more focused approach to India. The region of South Asia had been split with a separate director now responsible for Afghanistan and Pakistan and another, Donald Camp, looking after India.

**593. Press Release of the Ministry of Defence on the meeting between the US National Security Advisor and the Minister of Defence A. K. Antony.**

**New Delhi, June 26, 2009.**

India and the US have called upon the International community to jointly fight terrorism. These views were expressed during a meeting between the visiting US National Security Advisor General James Jones and the Defence Minister Shri AK Antony here today. The two leaders expressed satisfaction at the progress in various aspects of bilateral relations. The US National Security Advisor said that Washington was eager to consolidate its relations with New Delhi in all spheres. Terming India as an emerging global power, General Jones said that the Indo-US partnership will be crucial to regional and global peace and stability.

General Jones was accompanied by the US Embassy's Charge d' Affairs and Acting Ambassador Mr. Peter Burleigh and Mr. Don Camp, Senior Director for South Asia. The Indian delegation included the Army Chief General Deepak Kapoor and the Defence Secretary Shri Vijay Singh.



**594. Extract from the Media Briefing by Foreign Secretary during the G-8 Summit.**

**L'Aquila (Italy), July 9, 2009.**

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**Question:** Mr. Menon, anything more on bilateral meetings? With President Obama? Can you tell us something more?

**Foreign Secretary:** I told you what they discussed. They discussed bilateral relationship; they discussed how to enhance partnership; what we will do; how we are preparing for Secretary Clinton's visit. We are now at the stage where frankly we do not have issues that divide us. We have issues that we are working on together to try and take them forward. So, it is very hard to give you that kind of story.

**Question:** Pakistan?

**Foreign Secretary:** Pakistan was mentioned but very briefly.

**Question:** Nuclear cooperation?

**Foreign Secretary:** Nuclear cooperation, not between them. We will discuss it when Secretary Clinton comes.

**Question:** Will the Prime Minister go on a bilateral visit to the US?

**Foreign Secretary:** Nothing was decided. There is an invitation for him to go. There is also an invitation to President Obama to come to India. Both have been accepted. PM has also been invited to the G-20 in Pittsburg also. So, let us see. There is talk possibly of an MEF meeting. The UN General Assembly is holding a special session on climate change also just before the General Assembly session. So, there is a lot of possibility but nothing is certain right now.



**595. Joint Press Interaction by External Affairs Minister S. M. Krishna and US Secretary of State Hillary Rodham Clinton.**

**New Delhi, July 20, 2009.**

**Official Spokesperson (Vishnu Prakash):** Good evening and welcome to the joint press interaction. EAM will be making an opening statement. Next Secretary of State would be making a statement. Sir the floor is yours.

**External Affairs Minister (Shri S M Krishna):** -- Ladies and Gentlemen of the Press, it is my pleasure to welcome her Excellency, Secretary of State of the United States of America, Madam Hillary Clinton and distinguished members of her delegation.

Secretary Clinton is no stranger to India. Her deep and abiding interest and commitment to India has helped shape the US policy of close engagement with India. Secretary Clinton not only had a key role in the founding of the India Caucus in the US Congress, the largest congressional grouping focused on strengthening relations with any foreign country, but she has been a staunch and sincere advocate of the strengthening of US-India relations.

She was one of the key supporters of the historic agreement between our two countries on Civil Nuclear Cooperation which was realized through a bipartisan effort in the US Congress and the desire to add qualitative substance to the US-India relationship.

Our talks covered a comprehensive agenda encompassing the full range of global and bilateral issues of mutual concern and interest.

India and the United States of America regard each other as global partners. Our two democracies can play a leading and constructive role on the global level in addressing the urgent global challenges of our times. The agenda of our dialogue today reflects this global dimension of our partnership. With that vision to guide our path, we have created new forums for meaningful dialogue on climate change, disarmament and non-proliferation. We also recognize the importance of ensuring that the steps planned to revive the global economy should safeguard the priorities of sustainable development and the goals of poverty alleviation in the developing world. Ours is a shared commitment to a rule-based multilateral trading system and we will continue to speak out against protectionism. Cooperation, trade and investment between India and the United States can play a constructive role in the revival of the world economy.

We have held useful discussions on the situation in our region. In our discussions today, she and I also reaffirmed the unequivocal commitment of both our countries to resist the threats to our two democracies from the scourge of terrorism.

In our bilateral partnership, Secretary Clinton and I have focused on the new agenda for US-India "3.0" in which we will build on the excellent economic and political partnerships that already exist, redefine some of our dialogues to make them more result oriented and create new dialogues for achieving shared objectives in areas of mutual interest.

Our Governments have concluded three important agreements (i) on creation of a Science & Technology Endowment Board (ii) a Technical Safeguards Agreement which will permit the launch of civil or non-commercial satellites containing US components on Indian space launch vehicles and (iii) we have agreed on the end-use monitoring arrangements that will henceforth be referred to in letters of acceptance for Indian procurement of US defence technology and equipment.

The new dialogues that Secretary Clinton and I announce today - on health, education, science & technology and women's empowerment - will impact positively on areas of vital interest and concern to the daily lives of our two peoples.

We have issued a Joint Statement on all these initiatives. A fact sheet on the new bilateral dialogue architecture has also been put out. We will now have frequent high level contacts to reinforce these dialogues.

Before I invite Secretary Clinton to say a few words, I would like to say what a pleasure it has been to receive her here; I am more than confident that with her commitment and leadership of the dialogue process from the US side and our equal enthusiasm and commitment, the initiatives that our Governments will work on will benefit both our peoples.

**US Secretary of State (Mrs. Hillary Rodham Clinton):** Thank you so much Minister Krishna for the warm welcome that your country has shown me and for the very productive conversations that we have had today.

As I told the Minister and Prime Minister Singh earlier, I have come to India deeply committed to building a stronger partnership between India and the United States, a partnership based on common interests, shared values and mutual respect. President Obama and I share this commitment, and he sends his greetings. We believe that cooperation between our two countries will be a driver of progress in the 21st century.

Since I arrived here, people have asked me, "Can you pledge to maintain the positive US-India relations that President Clinton and President Bush worked to build?" And I tell them that I can pledge more than that. We will work not just to maintain our good relationship but also to broaden and deepen it. To that end, our Governments have agreed to a strategic dialogue built on the five pillars in our Joint Statement. Minister Krishna and I will co-chair this dialogue and we have asked senior officials across both of our Governments to take the lead on each of these subjects.

A significant part of the President's Cabinet will participate - the Secretaries of Agriculture, and Trade, and Energy, and Education, and Finance, and Health and Human Services, and Homeland Security and more. We do not, however, intend for this to be a dialogue between Ministers, or even between Governments, but between our nations and our peoples, our scientists and business leaders, our civil society activists and academics, charitable foundations, farmers, educators, doctors, entrepreneurs, and the whole range of each of our countries. Nor do we see this dialogue simply as a forum for discussing important issues. We believe it must be a forum for action; that the Indian people and the American people share many traits; and one of them is that we like to roll up our sleeves and get things done. We look to this dialogue to deliver results that will benefit the people we represent as well as regional and global progress.

We have shown progress already by finalizing important agreements today including an End-use Monitoring Agreement that will pave the way for greater defence cooperation between our countries and a Technology Safeguards Agreement that will set up commercial partnerships in space, as well as a science and technology agreement.

I am also pleased that Prime Minister Singh told me that sites for two nuclear parks for US companies have been approved by the Government. These parks will advance the aims of the US-India Civil Nuclear Agreement, facilitate billions of dollars in US reactor exports, and create jobs in both countries, as well as generate much needed energy for the Indian people. We hope that India will be able to approve the liability legislation that will enable our US companies to seize these important opportunities.

These meetings today were a very productive precursor to the new strategic dialogue. We discussed every important matter, particularly our shared efforts to fight terrorism and violent extremism. We talked about pragmatic approaches to climate change and clean energy and how we can build on areas of common ground while narrowing areas of disagreement, moving toward



Copenhagen. We will do our part to confront the threats that we face and we will hope to deepen the commitment that both of us already have to meeting these threats.

We discussed our common vision of a world without nuclear weapons and the practical steps that our countries can take to strengthen the goal of nonproliferation. And I affirmed the Obama Administration's strong commitment to completing all of the remaining elements of our Civil Nuclear Deal.

We also know that both of our countries play a critical role in the G20 discussions about how to spur global economic growth and recovery, expand trade and commerce, reduce protectionism, and create fair global trading rules. Each of our countries, as you would expect, have different perspectives about the problems we face and how we will solve them. But as the oldest democracy and the largest democracy in the world, we believe we can work through these differences in our perspectives and focus on shared objectives and concrete results. I hope that an expanded partnership between the US and India will be one of the signature accomplishments of both of our Governments. And I plan to make this a personal priority, Minister Krishna.

As a sign of the importance of this relationship to the United States, I was pleased to extend an invitation earlier today to Prime Minister Singh from President Obama, inviting Prime Minister Singh to Washington on November 24th for the first state visit of our new Administration.

At a time when the headlines are filled with challenges, the relationship between the United States and India is a good news story. And I believe, Minister, that it is going to get even better. Thank you very much.

**Official Spokesperson:** Thank you, Madam Secretary. The Ministers would be happy to take two questions from each side. When your name is announced please introduce yourself and your organization. I would also request that you may please limit yourself to one question either to the External Affairs Minister or to the Secretary of State.

**Question:** Mr. Krishna, there have been dramatic developments in the 26/11 case today with Ajmal Kasab confessing in court; and it seems to be like the pieces of a jigsaw falling into place with a number of developments over the last few days - the Pakistani dossier, we understand the Indian side has been very pleased with that, the charge-sheet in the case. Do you think that finally some substantial steps are being taken by Pakistan with regard to this case?

And Madam Secretary, I wanted to ask you whether it is your Administration's policy to prevent the transfer of enrichment and reprocessing technology at the Nuclear Suppliers Group. If so, do not you think that that would undermine the spirit of the nuclear deal?

**External Affairs Minister:** Thank you very much. We would like to have a friendly relationship with Pakistan. We would like to be good neighbours. India is willing to do everything possible to make that happen. But, unfortunately, the attacks unleashed on Mumbai caused a great setback to the Composite Dialogue which was going on between India and Pakistan. Well, since then at the highest level there have been political exchanges. Prime Minister of our country has spoken to the President of Pakistan. Very recently he has had an interaction with the Prime Minister of Pakistan. As a result of that we look forward that when the United Nations General Assembly meets there would be an opportunity for the Foreign Ministers of these two countries to continue this dialogue.

**US Secretary of State:** As I understand your question, it was whether we oppose the transfer of processing and enrichment technology, well, clearly we do not. We have just completed a civil nuclear deal with India. So, if it is done within the appropriate channels and carefully safeguarded, as it is in the case of India, then that is appropriate. But we are very much opposed to unauthorized and inappropriate transfers that unfortunately can take place by certain countries or non-state actors doing so. So, there is a right way to do it and there is a very wrong way. We are seeking the advice and suggestions from India about how we can prevent the unauthorized and dangerous transfer of nuclear technology and material which poses a threat to the entire world.

**Question:** Madam, there has been an accumulation of grim news in Afghanistan this month. There was a capture of the American soldier, there was the Taliban video of him in captivity, there was a bit of fast-rising death toll among coalition forces, the number of American troops killed this month already is the highest for any month since the war began almost eight years ago. I wonder if you take the responsibility for a diplomatic failure to get more assistance and support from allies and coalition partners. And if I may ask you a related question on Pakistan, you said just today that some of the people associated with the 9/11 attacks are hiding in Pakistan. Today the Pakistani Government denied that. I wonder if you could just say what makes you so sure that they are in Pakistan.

**US Secretary of State:** To the first question, it is deeply regrettable and tragic that we have had the loss of life by our Marines and soldiers in the last week since they have aggressively pursued the Taliban in Southern Afghanistan. We are very concerned about the kidnapping of our American soldier, and are working to do all we can to obtain his safe release. But I think it is unfair to link the tragic loss of Americans in the battle against the Taliban and their associated terrorist allies with a failure by our allies. The last weeks also brought the largest loss of life for British soldiers. Others of our allies are engaged in combat not only in the South, but are upholding the line in the North. And I think that the commitment by ISAF and others to support this offensive against the Taliban is commendable. We are bearing the brunt of the battle because we have put more troops into it. But we are very grateful for the contributions and the sacrifice of so many who have come to the aid of Afghanistan and the Afghans themselves who are also on the frontlines sacrificing to try to bring peace and stability to their country. This is a very difficult battle. But it is one that we feel must be waged and we have a strategy that the President has approved and we are implementing it.

With respect to the location of those who were part of the planning and execution of the attacks of 9/11 against our country, we firmly believe that a significant number of them are in the border area of Pakistan. We have conveyed that to the Pakistani Government and others. We are actively looking for additional information that would lead us to them.

**Question:** Madam Secretary, as far as the Bush Administration was concerned and now the new Obama Administration is concerned, we have seen that there is a sense of feeling that this new Administration is more concerned and inclined towards deepening its relationship with China and Pakistan. Do you share that thought? What is your comment on that?

**US Secretary of State:** My comments have demonstrated very clearly the significance and importance of our relationship with India. We enriched this relationship to broaden and deepen it as partners already on the world stage. What we have outlined today will be a significant expansion of our bilateral relationship. We also have a very important set of issues that we are pursuing with Pakistan, with China, and with many other countries around the world. But I do not think you can understate the significance of our relationship as two democracies. We understand the difficulties of decision-making in democracies; and we respect the vibrancy of each other's democracy. That is a much stronger base for a relationship than any other

in the world because it is democracies that are able to expand an understanding of common interests and show mutual respect; and that is what is at the core of broadening relationship between us.

Yes, of course, we have relations with other countries. You know, the United States is called upon to act globally every single hour of every single day. But, as the invitation to Prime Minister Singh - the first State Visit in the Obama Administration - demonstrates, we are very committed to this relationship.

**Question:** Secretary Clinton, did you specifically discuss, either with External Affairs Minister Krishna or with Prime Minister Singh or with other Indian officials, the possibility of restricting exports of gasoline and other refined petroleum products to Iran?

The other day you told us that you were looking forward to hearing the perspectives of Indian officials and appeared to differ somewhat on the threat of the possibility of Iraq getting a nuclear weapon. Did you hear anything on that that estranged your views on the matter?

**US Secretary of State:** There is no difference between us on our position. Prime Minister Singh is on the public record as saying that India does not want to see Iran obtaining nuclear weapon. They have exactly the same position as we do. In the discussions today and the discussions to come, we are going to be exploring with India their approach and perspectives toward Iran, and any advice that they can contribute to what is now an international consensus that the danger is posed to global stability, if Iran were to become a nuclear weapons power. So, there is a lot to discuss and we intend to do so. But, our policy is in sync. Neither of us wants to see Iran obtain nuclear weapons.

**Official Spokesperson:** Thank you. The interaction now draws to a close.



**596. Joint Statement issued at the end of the visit of US Secretary of State Mrs. Hillary Rodham Clinton.**

**New Delhi, July 20, 2009.**

External Affairs Minister S.M. Krishna and Secretary of State Hillary Clinton today committed to building an enhanced India- U.S. strategic partnership that seeks to advance solutions to the defining challenges of our time.

They agreed to strengthen the existing bilateral relationships and mechanisms for cooperation between the Government of Republic of India and the Government of the United States of America, while leveraging the strong foundation of economic and social linkages between our respective people, private sectors, and institutions. Recognizing the new heights achieved in the India - U.S. relationship over the last two Indian and U.S. Administrations, they committed to pursuing a third and transformative phase of the relationship that will enhance global prosperity and stability in the 21st century.

Minister Krishna and Secretary Clinton will chair an "India-U.S. Strategic Dialogue" that meets once annually in alternate capitals. This dialogue will focus on a wide range of bilateral, global, and regional issues of shared interest and common concern, continuing programmes currently under implementation and taking mutually beneficial initiatives that complement Indian and U.S. development, security and economic interests.

Secretary Clinton looks forward to welcoming Minister Krishna for the first round of the Strategic Dialogue in Washington, D.C. in the coming year.

**ADVANCING COMMON SECURITY INTERESTS**

Recognizing the shared common desire to increase mutual security against the common threats posed by international terrorism, Minister Krishna and Secretary Clinton reaffirmed the commitment of both Governments to build on recent increased coordination in counter-terrorism. Secretary Clinton invited Home Minister Chidambaram to visit Washington in the near future. External Affairs Minister Krishna and Secretary Clinton also reaffirmed their commitment to early adoption of a UN Comprehensive Convention against International Terrorism which would strengthen the framework for global cooperation.

**DEFENCE CO-OPERATION**

Noting the enhanced co-operation in defence under the Defence Co-operation Framework Agreement of 2005, External Affairs Minister and

Secretary Clinton reiterated the commitment of both Governments to pursue mutually beneficial cooperation in the field of defence. External Affairs Minister Krishna announced that both sides had reached agreement on End Use Monitoring for U.S. defense articles.

### **SEEKING A WORLD WITHOUT NUCLEAR WEAPONS**

India and the United States share a vision of a world free of nuclear weapons. With this goal in sight, Minister Krishna and Secretary Clinton agreed to move ahead in the Conference on Disarmament towards a non-discriminatory, internationally and effectively verifiable Fissile Material Cut-off Treaty. India and the United States will also cooperate to prevent nuclear terrorism and address the challenges of global nuclear proliferation. A high-level bilateral dialogue will be established to enhance cooperation on these issues.

### **CIVIL NUCLEAR CO-OPERATION**

Building on the success of the India -U.S. Civil Nuclear Initiative, on July 21, India and the United States will begin consultations on reprocessing arrangements and procedures, as provided in Article 6 (iii) of the 123 Agreement for Peaceful Nuclear Cooperation between India and the United States.

### **GLOBAL INSTITUTIONS**

Secretary Clinton affirmed that multilateral organizations and groupings should reflect the world of the 21st century in order to maintain long-term credibility, relevance and effectiveness, and both Minister Krishna and Secretary Clinton expressed their interest in exchanging views on new configurations of the UN Security Council, the G-8, and the G-20.

### **PURSUING SUSTAINABLE ECONOMIC GROWTH AND DEVELOPMENT**

As members of the G-20, India and the United States have pledged to work together with other major economies to foster a sustainable recovery from the global economic crisis through a commitment to open trade and investment policies. Minister Krishna and Secretary Clinton reaffirmed the commitment of both Governments to facilitating a pathway forward on the WTO Doha Round.

They pledged to co-operate to not only preserve the economic synergies between the two countries that have grown over the years, but also to increase and diversify bilateral economic relations and expand trade and investment flows. The two sides noted that negotiations for a Bilateral

Investment Treaty would be scheduled in New Delhi in August 2009. They resolved to harness the ingenuity and entrepreneurship of the private sectors of both countries with a newly-configured CEO Forum that will meet later this year.

### **EDUCATION**

External Affairs Minister Krishna and Secretary of State Clinton affirmed the importance of expanding educational cooperation through exchanges and institutional collaboration, and agreed on the need to expand the role of the private sector in strengthening this collaboration.

### **SPACE, SCIENCE AND TECHNOLOGY AND INNOVATION**

Recognizing the great potential in India-U.S. science and technology collaboration, the two sides have concluded a Science and Technology Endowment Agreement, and signed a Technology Safeguards Agreement that will permit the launch of civil or non-commercial satellites containing U.S. components on Indian space launch vehicles. Both sides welcomed India's participation in the FutureGen Project for the construction of the first commercial scale fully integrated carbon capture and sequestration project and India's participation in the Integrated Ocean Development Project, an international endeavour for enhancing the understanding of Earth and Ocean dynamics and addressing the challenges of climate change.

### **HIGH TECHNOLOGY CO-OPERATION**

Noting the high potential that exists due to the complementarities in the knowledge and innovation-based economies of the two countries, it was agreed that the agenda and the initiatives in the bilateral High Technology Cooperation Dialogue should continue, with the objective of facilitating smoother trade in high technology between the two economies reflecting the present strategic nature of the India-U.S. relationship.

It was also agreed that working groups would be formed to focus on new areas of common interest in nano-technology, civil nuclear technology, civil aviation and licensing issues in defence, strategic and civil nuclear trade.

### **ENERGY SECURITY, ENVIRONMENT AND CLIMATE CHANGE**

Minister Krishna and Secretary Clinton pledged to intensify collaboration on energy security and climate change. Efforts will focus

on increasing energy efficiency, renewable energy, and clean energy technologies through the India-U.S. Energy Dialogue and a Global Climate Change Dialogue.

Both sides also agreed to launch a process of bilateral scientific and technological collaboration to support the development, deployment and transfer of transformative and innovative technologies in areas of mutual interest including solar and other renewable energy, clean coal and energy efficiency, and other relevant areas.

India and the U.S. affirmed their commitment to work together with other countries, including through the Major Economies Forum, for positive results in the UNFCCC Conference on Climate Change in Copenhagen in December 2009.

#### **GLOBAL ISSUES**

The two sides noted the valuable engagement between both Governments on global issues of common concern such as strengthening democracy and capacity building in democratic institutions as co-founders of the UN Democracy Fund.

The two sides agreed to develop a Women's Empowerment Forum (WEF) to exchange lessons and best practices on women's empowerment and development and consider ways to empower women in the region and beyond.

#### **CONCLUSION**

Minister Krishna and Secretary Clinton reaffirmed that the excellent relations between India and the United States rests on the bedrock of kinship, commerce and educational ties between the Indian and American people.

Secretary Clinton thanked External Affairs Minister and the people of India for their warm reception and hospitality.





**597. Statement by External Affairs Minister S. M. Krishna in Parliament on the visit of the US Secretary of State Mrs. Hillary Clinton.**

**New Delhi, July 21, 2009.**

Sir, I rise to inform the House of the visit of the U.S Secretary of State Ms. Hillary Clinton to India. Secretary of State Clinton held talks with me, and called on the Prime Minister and the Leader of the Opposition yesterday.

During the visit, we held productive and constructive discussions on global issues, the situation in our region and on how to enhance our bilateral partnership.

Our Governments have concluded two important agreements: (i) on creation of a Science and Technology Endowment Board; and, (ii) a Technical Safeguards Agreement which will permit the launch of civil or non-commercial satellites containing US components on Indian space launch vehicles.

We have also agreed on the end-use monitoring arrangements that will henceforth be referred to in letters of acceptance for Indian procurement of US defence technology and equipment. This, Mr. Chairman, Sir, systematizes ad hoc arrangements for individual defence procurements from the USA entered into by previous Governments.

We have also agreed on a new bilateral dialogue architecture within which we will continue discussions between our two countries on a wide range of issues.

The visit has helped to broaden and deepen our bilateral relationship and to set the terms of future engagement between India and the United States of America.

A copy of the joint statement issued after our discussions is placed on the Table of the House. (See Document No.596)



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The Government statement came after several members had in the morning expressed their apprehensions on the implications of the agreement on the end-use monitoring arrangement that would henceforth be referred to in the letters of acceptance for Indian procurement of US defence technology and equipment. The Minister of Finance **Shri Pranab Mukherjee** had then promised that a statement would indeed be made before the House rose for the day.

After the statement by the External Affairs Minister several members expressed dissatisfaction that the statement did not answer all their questions and apprehensions.

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**Shri L. K. Advani** leader of the Opposition who was particularly critical, said: "I wish to say that we had not asked for a full statement on the visit of the Secretary of State of US. This morning, an issue was raised by my colleague **Shri Yashwant Sinha** and almost the entire Opposition endorsed what he had said. We said that we would like to have this matter (regarding end-use) clarified today itself. Otherwise, we are going to have a structured debate on various matters relating to foreign affairs including the India - Pakistan Joint Statement. We are going to have it, and we will ask all other questions including some of those that have been mentioned here. But today we expected that the External Affairs Minister would come out with a clarification on this point where he has said that we have also agreed on the end-use monitoring arrangements that will henceforth be referred to in letters of acceptance for Indian procurement of US defence technology and equipment. Not only that. He goes on to say that this systematizes ad hoc arrangements for individual defence procurements from the USA entered into by previous Governments also so that it is in a way trying to have end-use arrangements made into a formal systematic arrangement even in respect of earlier matters. This is something very disturbing. Therefore, I expected that the questions that have been raised by several colleagues from this side would be answered by the External Affairs Minister. I think that in view of what has just been said in this statement, you allow a debate to go on right now so that all questions are addressed. If that is going to happen, I would stop here. Otherwise, in this House, because there has been no practice of asking questions as is there in the other House, today I would think that as a matter of protest, my Party would like to register a walk out."

**Shri Basu Deb Acharia** of the CPI (M) too expressed his dissatisfaction and said: "None of the questions that we raised today in the morning has been clarified by the Minister while making the statement. We did not want this statement. The points we raised were about why we wanted a statement. That is why we demanded a statement. We demanded a clarification from the Government. Why did the Government of India agree for end use monitoring by the United States of America? And they want to formalize the system! This is nothing but surrendering to the United States of America. So, none of the questions that had been raised by the entire Opposition has been clarified by the Minister of External Affairs. ..."

Among persistent interruptions **Shri Yashwant Sinha** who had raised the matter first in the morning said "I had raised some very specific issues which had appeared in a somewhat rudimentary manner in the newspapers. He said since he had himself served in the Ministry, he had some idea of the issues involved, therefore he wanted some clarifications on this new development. That is why he had raised some specific questions. Another member **Shri B. Mahtab** of the Biju Janata Dal going back 30 years, recalled discussions on a similar issue and said: "...30 years ago when defence arrangement and procurement was being discussed, specifically, consciously the Government of India had taken a decision in the late sixties and early seventies that we will not allow any Government, whosoever and how mighty it may be, to incorporate or to be a participant in Indian Defence mechanism where we have to forego our sovereignty. That was the decision in late sixties and early seventies and it continued. The whole House during that time also had taken a very conscious decision that we will abide by the decision. During the cold war period that was the decision that was being implemented. Irrespective of Party affiliation, all had supported that decision. What has happened today? Cold war has ended, no doubt but we will not allow one single hegemony to control this world. India has been repeatedly against hegemonism. I would again request before all Members of this House and also to this Government, this Statement does not mitigate our anguish. I would again request, there is still time for this Government to come out clean on this Agreement."

**Shri L. K. Advani**, Leader of the Opposition again intervening suggested amending the Indian Constitution to provide for ratification of the agreements which impact the dignity,

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unity or relations with other countries, for which the Indian Constitution be amended. Since many other members wanted further clarifications, **the External Affairs Minister intervened and said:** "Mr. Chairman, Sir, I am rather surprised to the kind of interpretation that is sought to be given to a bilateral understanding between two sovereign countries. Well, I do realize that I also belong to a proud country with a civilization about which we always talk so tall about. So, the question of bartering our freedom; the question of bartering our sovereignty does not certainly arise out of this situation. This is a bilateral agreement between two sovereign countries. It is not as if it has not been done earlier. What was being done at every point of time when certain purchases were made at the high-end Defence equipment, there was a clause where this end-use clause was incorporated in that agreement. But here what we have tried to do is to generalize it for all high-end Defence purchases hereafter between the United States and India... (Interruptions) This is what we are doing with every other country. So, there is nothing extraordinary about it. Everything is very straight. We are conscious of what we are doing. It is in the larger interest of the country that this has been done..." (Interruptions)

Amidst interruptions the Chairman put an end to the discussion on the statement..

(At this stage, **Shri L.K. Advani, Shri Sharad Yadav** and some other hon. Members left the House.)

**SHRI B. MAHTAB:** We also are not satisfied... (Interruptions)

**MR. CHAIRMAN:** Nothing will go on record.

(Interruptions) ...

Next day on July 21, the **Defence Minister A. K. Antony** asserted that the end-use monitoring agreement with the US was a product of "hard bargaining" and it will take care of all concerns. The Foreign Secretary clarifying said the American Inspectors could not visit the Indian defence bases. With the EUMA in place "the choice is ours; we are buying and it is up to us to agree..." Asked whether the agreement would apply to military procurement from a third country, which might have components sourced from the US, he said the issue would be an agreement between the third country and the US and whether it had permission to sell such equipment to others.

**598. Remarks by Ambassador Meera Shankar at the Senate India Caucus Reception.**

**Washington, DC, July 28, 2009.**

Senator Christopher Dodd, Senator John Cornyn, Honorable Senators

I am truly honoured to be here today at this meeting hosted by the Senate India Caucus. I know these are busy and difficult times in the Senate. Yet, you have chosen to be with us today in this magnificent setting, in this sanctum sanctorum of democracy. This is a tribute to India, to the Indian community in the United States, to the warm and strong ties between our two countries, and, above all, to the values that bind our two nations together.

Our relationship is characterized as ties between the world's two largest democracies. And, I believe in that description, not merely because our two countries are democracies, but because our relationship draws so much of its strength and character from the support it has among the elected representatives of the people in both countries. The Senate India Caucus is, therefore, not merely a forum to advance our partnership; it is to me an important symbol of the India-US relationship.

Senator Cornyn, I thank you for your vision, when, in partnership with the then Senator from New York and now Secretary of State, Hillary Clinton, you laid the foundation of the Caucus in April 2004. Your support for India and this relationship has been steadfast and strong. I know how you rallied your colleagues in support of the landmark India-US civil nuclear initiative.

Senator Dodd, we in India remember with gratitude your leadership in securing the passage of the civil nuclear agreement last Fall, at a time when you also had to lead efforts to deal with a major financial crisis in the country. And, who will forget your stirring speech on the floor of the Senate as you introduced the Bill for approval of the 123 Agreement. We thank you for taking on the co-chairmanship of this Caucus despite your many other leadership responsibilities. We know we have a great friend in you.

I want to thank other Senators for your years of support for India and to the Indian American community, especially for the historic civil nuclear agreement. To each of you, I extend an invitation to travel to India, where a warm welcome awaits you.

I want to especially thank the Indian American leaders, who have travelled from near and far in the United States to be here at the first meeting of the Senate India Caucus in the 111th Congress. I have seen with great admiration your extraordinary success and achievements; how effectively you have served as a window to India's heritage and progress, to its enterprise and skills, and to its diversity and pluralism. But, I have been impressed, above all, with your role as responsible stakeholders in American society and its progress. Your success has as much to do with your talents and enterprise, as it has to do with the opportunities and rights that you enjoy in this great country. Individually, you have built many successful India-US partnerships, and time and again you have come together in great collective efforts, as you did last year, to open new doors in our relationship. You have been a great bridge of friendship and understanding between our countries.

Over the last decade, India and the United States have undertaken a truly remarkable journey and have gone into territories that neither had imagined possible a few years ago. This journey has transcended political transitions in both countries and has, indeed, been invigorated by the broad-based political support it enjoys in both nations. It has been nurtured by the vitality of private partnerships and the warmth of personal ties between our two peoples.

Senators, 2.7 million Indians live in the United States; 94,000 students from India are in US universities, the highest from any country; our bilateral trade has doubled in the past five years; US exports to India have grown three times during the period; just a few years ago, Air India gave Boeing a contract of 68 aircraft; till recently India barely sourced any defence equipment from the United States, last year alone we placed orders for at least USD 3.5 billion.

As the largest source of foreign direct and portfolio investments in India, the US is an indispensable partner in our development. Today, India, in its own modest way, is making a contribution to US jobs and prosperity. Indian direct investments into the US, on the basis of annual flows, exceed US foreign direct investment into India in recent years. In 2007-08 alone, an estimated US\$ 10.25 billion was invested by Indian companies in the US, which, according to industry estimates, created around 65,000 jobs in the US. A recent study by Ernst & Young shows that there were 143 Indian investments in 2007 and 2008 across various sectors in the US, nearly half of the Indian acquisitions and new ventures were in the US IT and IT-

enabled sectors. Similarly, India's huge market, is an extraordinary opportunity, including in the infrastructure industry, where we need to invest at least USD 500 billion in the next five years.

India and the United States have, in many ways, shaped the evolution of the knowledge economy that has benefitted both countries enormously. I encourage Senators and the Indian American leaders to explore ways to leverage Indian and US trade and investment to create jobs and prosperity in both countries.

We are now at the beginning of a new phase in our relationship. Secretary Clinton has just completed a very productive visit to India, during which we reiterated our commitment to further deepen our strategic partnership and outlined an architecture and a roadmap to take our relationship to a new level. We signed agreements that will enhance our cooperation in space, defence equipment and science and technology. We committed ourselves to completing the steps for implementing the civil nuclear agreement, which will open enormous business opportunities for US companies. In November 2009, Prime Minister Dr. Manmohan Singh will come to Washington DC on the first state visit to be hosted by President Obama.

We have an agenda that is broad-based and looks to the future. Our shared values and increasingly shared interests give us great comfort and purpose in our engagement. We will seek to increase security for our people by intensifying cooperation in defence, counter-terrorism, intelligence sharing and non-proliferation. No two countries have greater stakes in and a better record on non-proliferation than India and the United States. We will work together to prevent nuclear terrorism and address the challenges of global nuclear proliferation.

We will expand and diversify our bilateral economic ties and work together with our partner countries for global economic recovery and to reduce the risk of recurrence of the kind of crisis we have just experienced.

We will work together to develop clean and renewable sources of energy, improve energy efficiency and strengthen our ability to adapt to climate change. Protection of nature is rooted deeply in India's civilisational and spiritual heritage; it is also an imperative for our economic, energy and environmental security.

We will use the two nations' capacity for enterprise, innovation and research to foster new solutions for food security, healthcare and education.

India considers partnership with the US important for its national development goals. Similarly, democratic India's progress will, in its own modest way, stand as an affirmation of the universal values of liberty, democracy, pluralism and freedom of enterprise. The economic growth of one-sixth of humanity, which is largely driven by domestic demand and savings, provides potentially a large market and an anchor for stability in the global economy.

In each of these areas, Honourable Senators, we look to you for initiatives to deepen our relations; and, we count on the commitment and efforts of the Indian American leaders, as we take the relationship forward, so that working together we can not only seek a better life for our peoples, but also a stronger and safer future for the world.

Thank you.



**599. Excerpt relevant to End Use of Monitoring in the agreement with the United States from the Statement of Prime Minister to Parliament.**

**New Delhi, July 29, 2009.**

**On End Use Monitoring**

All governments, including our Government, are particular about the end uses to which exported defence equipment and technologies are put to and for preventing them from falling into wrong hands.

Since the late nineties, the Governments of India and the US have entered into End Use Monitoring arrangements for the import of US high-technology defence equipment and supplies. These were negotiated before this agreement in each case by successive Governments of India. The Government has only accepted those arrangements which are fully in consonance with our sovereignty and dignity.

What we have now agreed with the US is a generic formulation which will apply to future such supplies that India chooses to undertake. By agreeing to a generic formulation, we have introduced an element of predictability in what is otherwise an adhoc case by case negotiations on each occasion.

I should add that we need access to all technologies available in the world for the modernization of our defence forces. The threats to the country are growing and we need to have the capability to deal with them, and to be ahead of them. Our Armed Forces are entitled to the best equipment available anywhere in the world. It is also in our interest to diversify to the maximum extent possible the sources of our imports of defence items and equipment.

You have my assurance that the Government has taken all precautions to ensure an outcome that guarantees our sovereignty and national interest. Nothing in the text that has been agreed to compromises India's sovereignty. There is no provision for any unilateral action by the US side with regard to inspection or related matters. India has the sovereign right to jointly decide, including through joint consultations, the verification procedure. Any verification has to follow a request, it has to be on a mutually acceptable date and at a mutually acceptable venue. There is no provision for on-site inspections or granting of access to any military site or sensitive areas. This is the position in regard to the end use monitoring.

(For full text please see Document No.43.)





**600. Response of Official Spokesperson of the Ministry of External Affairs on media reports on move by United States Commission on International Religious Freedom.**

**New Delhi, August 13, 2009.**

India, a country of 1.1 billion people, is a multi-ethnic and multi-religious society. The Constitution of India guarantees freedom of religion and equality of opportunity, to all its citizens, who live and work together in peace and harmony. Aberrations, if any, are dealt with promptly within our legal framework, under the watchful eye of an independent judiciary and a vigilant media.

The reported move referred to in the news reports is regrettable.




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\* The Spokesperson was referring to the The United States Commission on International Religious Freedom (USCIRF) report which placed India on its "Watch List" for 2009 because it allegedly felt the Government of India had failed to take effective measures to ensure the rights of religious minorities in several States. In 2002 and 2003, the Commission had recommended that India be designated a "country of particular concern (CPC)" in the wake of the "severe riots" in Gujarat and elsewhere. This is a grade higher than "Watch List," which includes countries "where religious freedom conditions do not rise to the statutory level requiring CPC designation but which require close monitoring due to the nature and extent of violations of religious freedom engaged in or tolerated by the governments."

The USCIRF annual report - released on August 12 - states that "despite the Congress Party's commitment to religious tolerance, communal violence has continued to occur with disturbing results, and the government's response - particularly at the State and local levels - has been largely inadequate." According to a footnote in the chapter on India, the Commission had sought permission to visit the country in June this year to discuss religious freedom conditions with officials, religious leaders, civil society activists and others, but the government did not issue visas. "Nor did the Indian government offer alternative dates for a visit which the Commission requested." In particular, the Commission dwelt on the attacks on Christians in Orissa since the Christmas of 2007, which left 40 people dead and over 60,000 members of the community homeless. "The inadequate police response failed to quell the violence, and early Central government intervention had little impact. Mass arrests following the Orissa violence did not translate into the actual filing of cases," the report noted.

The report made note of the fact that India - unlike many other countries of concern to the Commission - has a democratically elected government with a tradition of secular governance dating back to the country's independence. "In practice, however, India's democratic institutions charged with upholding the rule of law, most notably State and Central judiciaries and police, lack capacity and have emerged as unwilling or unable to consistently seek redress for victims of religiously-motivated violence or to challenge cultures of impunity in areas with a history of communal tensions."

Reflecting on India's diverse democracy - where the "current, two-term Prime Minister is Sikh, the past President is Muslim, and the national governing alliance remains headed by a Catholic" - the report adds that despite this "remarkable pluralism and general commitment to religious freedom, Hindu nationalist organisations retain broad popular support in many communities in India, in part because some provide needed services or function as community social organisations."

**601. Response of Official spokesperson of the Ministry of External Affairs to a question on an incident pertaining to Mr. Shah Rukh Khan at Newark airport.**

**New Delhi, August 15, 2009.**

"It is understood that Mr. Shah Rukh Khan is currently touring USA. He flew into Newark international airport late last evening (India time), where he was taken aside for 'Secondary Questioning'.

The Consulate General of India got in touch with him immediately upon learning about the incident. Mr. Khan said that he was all right. The Consulate offered him any assistance that he may require.

Ministry has separately taken up the matter with the US Embassy in New Delhi, which is ascertaining factual details. The Embassy has also noted in a comment to the media they regard Mr. Khan as a 'global icon' and that he is a welcome guest in the United States."



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\* The incident which was being referred to by the Spokesperson involved Shah Rukh Khan who was detained and questioned for two hours at the Newark Airport in the USA on August 15, 2009. He was detained by immigration officials because his name was apparently part of a common checklist prepared since the 9/11 attacks. The officials wanted to know why Khan was visiting the U.S. and posed other such questions, after his name popped up on the computer screen at the counter. He was let off at the intervention of Indian Consulate officials in New York.

**602. Press Release on the meeting of the External Affairs Minister S. M. Krishna with US Secretary of State Hillary Clinton.**

**New York, September 26, 2009.**

EAM met Secretary of State Hillary Clinton, this evening on the sidelines of the UN General Assembly. The two Ministers reaffirmed that they attached high importance to the strategic partnership that was based on shared values and common interests. Secretary Clinton conveyed that the US regarded India as one of most important partner.

EAM and Secretary Clinton reviewed the progress in bilateral relations since the visit of Secretary to India in July this year. In this context they noted that Home Minister's visit early this month had laid the foundation for furthering cooperation in counter-terrorism cooperation and intelligence exchange. They agreed that PM's visit in November this year, which will be the first state visit for the US, will help in further strengthening and broadening the bilateral relationship.

The two ministers also exchanged views on regional and global issues of mutual interest including the security situation in South Asia\*.



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\* Briefing the media after the meeting between EAM and Secretary of State Ms. Clinton, the US Assistant Secretary Blake said that Ms. Clinton recalled her very positive visit in July and the launch of the U.S.-India Strategic Dialogue. She told EAM that the United States viewed India as one of our most important partners going forward in the 21st century. She said that "our side is hard at work on preparing for Prime Minister Singh's very important state visit that will occur on November 24th, the first state visit of the Obama Administration, and still a lot of work to be done there". He said Ms. Clinton assured Mr. Krishna that "we hope to move forward on civil nuclear cooperation with India. As many of you know, there are still some steps that have to be taken there, particularly with respect to signing liability legislation, getting the Indian parliament to approve liability legislation for our companies, but also to announce formally the reactor parks that will be - the two reactor parks that will be set aside for U.S. companies." He said the two ministers also talked about education as another major focus.

According to Mr. Blake the two Ministers also touched on India and Pakistan relations. She expressed her hope that when the foreign ministers of India and Pakistan hold their scheduled meeting in New York, "the two sides can agree on the steps that they believe are necessary to get their relations back on a more positive footing". They touched on the situation in Sri Lanka. In the meeting the U.S underlined the importance of Sri Lanka resettling the almost 300,000 internally displaced people who remain in the camps, and resettling them as quickly as possible.

Mr. Blake said both sides reaffirmed the importance of the two countries working together to achieve a successful outcome at Copenhagen on climate change.

Mr. Blake answered the following questions at the media briefing:

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**QUESTION:** Can you take a quick one on the India-Pakistan stuff that the Secretary raised in her meeting? Did she get any sense from the Indian foreign minister that - that longstanding demands that the Pakistanis do far more for those involved or allegedly involved in the Mumbai attacks - did that come up, and did you get any sense that that continues to be a hindrance on improving relations?

**ASSISTANT SECRETARY BLAKE:** Well, as I said earlier, they - I think both sides agree on the importance of trying to get things back to normal. I don't want to get into the position of characterizing what Pakistan - I'm sorry, what India said about its relations with Pakistan. I'll let the Indians do it. This is a very sensitive topic for them. And our position has always been that this is something that needs to be worked out between our two friends, India and Pakistan, so I'd prefer to just leave it at what I already said.

**QUESTION:** Can you give any more detail about the discussion over the Iranian nuclear facility? Did the Secretary try to get any pledges or expressions of support in terms of putting pressure on Iran down the road?

**ASSISTANT SECRETARY BLAKE:** No, not really. It was more just her briefing the foreign - the external affairs minister on what we've been doing, and that was really the focus.

**QUESTION:** Just to clarify, he wasn't asking India to not do trade or cut back on their trade with Iran?

**ASSISTANT SECRETARY BLAKE:** There were no requests at this meeting, but I think we've had very good dialogue in the past with India on nuclear issues and specifically with reference to Iran's nuclear ambitions, where I think Prime Minister Mammohan Singh has repeatedly made clear that they don't believe it is in India's interest to have another nuclear weapons state in the region.

**QUESTION:** Did the Indian minister, do you know, protest against the increase in American aid to Pakistan especially since he's been talking of late (inaudible) President Musharraf when he said that in the past (inaudible) to be used against India?

**ASSISTANT SECRETARY BLAKE:** Again, I'd rather not get into trying to talk about what the Indians said. I mean, I'd prefer you just ask them directly about their positions, because particularly on this subject, it's quite a sensitive issue, and I don't want to mischaracterize their views.

**QUESTION:** And I just have one more question. Did the U.S. side have a response to yesterday when the Indian (inaudible) mission to the UN sent a letter saying that India was not in a position to sign the NPT? Did the U.S. have a position on that? Did that come up?

**ASSISTANT SECRETARY BLAKE:** That didn't come up in the meeting. We have - we've said before that the resolution that was passed yesterday unanimously by the Security Council does not have any bearing on our bilateral civil nuclear cooperation, and that really shouldn't have any effect whatsoever. So we've provided reassurances to that effect to our friends in the Indian Government.

**QUESTION:** Has the White House actually announced that Singh is going to be the first state dinner?

**ASSISTANT SECRETARY BLAKE:** They have.



**603. Press Release issued by the Ministry of Civil Aviation on Bilateral Aviation Safety Agreement (BASA) between India and USA.**

**New Delhi, August 28, 2009.**

India and USA are working on a Bilateral Aviation Safety Agreement (BASA), which would lead to mutual acceptance of aeronautical products/parts developed in either country. Since aeronautical products are now being designed and manufactured in India, a need was felt for international acceptance of such products.

**The steps involved in BASA process include:**

- Skill upgradation of Indian DGCA certification experts by providing advanced training in certification procedures and oversight of design and production activities.
- Assessment of Indian authorities and industry capabilities to undertake certification and production work on a sustained basis to meet the FAA Standards.
- FAA conducting a Shadow Certification exercise with DGCA officials on a sample product, and satisfying themselves that Indian standard certification procedure are acceptable for high class aeronautical products.

The BASA process with a limited scope is expected to be completed by end of year 2010.

**US-India Aviation Cooperation Programme (ACP)**

The US-India Aviation Cooperation Program (ACP), a public-private partnership between the U.S. Trade Development Agency (USTDA), the U.S. Federal Aviation Administration (FAA) and U.S. aviation companies, has been established to provide a forum for unified communication between the Government of India and U.S. public and private sector entities in India. The ACP is designed to work directly with the Indian Government to identify and support India's civil aviation sector modernization priorities.

The ACP's specific objectives are to: (i) promote enhanced safety, operational efficiency and system capacity in the Indian aviation sector; (ii) facilitate and coordinate aviation industry training and technical ties between the U.S. and India; and (iii) strengthen overall US-India aviation cooperation.

Funding for training and technical assistance programs is provided by USTDA and the in-kind support will be provided by FAA and US aviation companies.

Through the mechanism of ACP, Indian and US officials has identified specific areas for technical co-operation, which include:

- Air traffic flow management
- Certification of aeronautical products
- Certification of Global Navigational Satellite System (GNSS)
- Development of human resources.
- Assistance in the area of helicopter operations.

The training programme are targeted for DGCA personnel and industry in India. This programmes would be a joint effort between several ACP member companies including Boeing, Prat & Whitney, GE and Honeywell.

The ACP project on human resources development is designed by HEICO Parts Group Inc., with the objective to develop a comprehensive and specialized US Aviation standards Technical training program and will be conducted by HEICO for DGCA and Indian aviation industry personnel.

The cost of the programme funded by USTDA is US\$371,700/-. The agreement between DGCA and HEICO Parts Group will be signed in New Delhi in a few days, which will pave way for the specialized training on aviation standards.



**604. Congratulatory Messages from President and Prime Minister to the United States President Barack Obama on winning Nobel Peace Prize.**

**New Delhi, October 9, 2009.**

**Message from the President of India.**

The President of India, Smt. Pratibha Devisingh Patil has congratulated the President of the United States of America, Mr. Barack Obama for winning the Nobel Peace Prize for the Year 2009. In her message, the President has said, "On behalf of the people of India, I write to congratulate you for winning the prestigious 2009 Nobel Peace Prize, in recognition of your extraordinary efforts to strengthen international diplomacy and co-operation between peoples.

I am sure that this honour would inspire all those who believe in promoting international peace and justice to achieve enduring harmony and fraternity among nations.

The award underscores the principle of mutual respect in international relations - with due respect to the diverse values of the civilizations that constitute the world of today - which is at the core of our own long standing foreign policy.

The people of India join me in conveying to you our good wishes for the continued success of your mission for positive change."

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**Message from the Prime Minister of India.**

"I am delighted at the news of the award of the Nobel Peace Prize for 2009 to you. Please accept my heartiest congratulations.

The citation for the Prize admirably reflects your personal qualities of leadership and the new perspectives that you have brought to bear on the conduct of relations between different countries and cultures, and on some of the most burning issues of our times.

The world today is in need of a healing touch. Your pursuit of an inclusive approach to problem solving, and primacy to dialogue as an instrument of policy are setting new benchmarks for the world community. I am confident that the world will be the better for it.

Peace and non-violence are part of India's ethos. Your recent statement that the America of today has its roots in the India of Mahatma Gandhi therefore has a particularly evocative resonance in India.

I look forward to working with you to advance the goals of a more secure, equitable and just world, and extend my best wishes for your success as the President of the United States of America."



**605. Press Release issued by the Ministry of Defence on India-US Joint Military Exercise "Yudh Abhyas 09"**

**New Delhi, October 12, 2009.**

1. As part of the ongoing Indo-US Defence Cooperation, an Indo-US Joint Exercise YUDH ABHYAS 09 is being conducted at Babina from 12 to 29 Oct 2009, under the aegis of HQ Southern Command. The aim of this exercise is to conduct a joint Indo-US training exercise under the framework of agreed joint training programme for sharing useful experience in Peace Keeping operations and humanitarian disaster relief situations. The scope of the exercise is to conduct Indo - US joint training exercise with CI/CT focus in a semi urban scenario under UNPKO Chapter VII. The following aspects have been incorporated:-

- (a) Peace Keeping Operations to include Military Coordination, Military Decision Making Process (MDMP) and Rules of Engagement (ROE).
- (b) Stability Operations to include mounting and ROE, Mine/Counter IED Operations and Patrolling.
- (c) Human Rights Aspects.
- (d) Civil Military Operations to include Road opening, convoy protection and Humanitarian Assistance.
- (e) Community Operations.
- (f) Logistics Support Operations to include Equipment issues and Humanitarian Assistance issues.
- (g) Share and learn from each others experience through combined Military decision making and planning process, and employment of forces.
- (h) Promote mutual trust and understanding through the exchange of tactics, techniques and procedures and associated logistics support.
- (j) Exposure high technical based weapons, equipment and systems.
- (k) Exercise is planned to be conducted under UN Mandate.

2. Mechanized Infantry Battalion of Indian army and 2nd Squadron of 14 CAV of 25 Stryker Brigade Combat Team (Approx strength of 325 persons) from US are participating in this exercise.





**606. Press Release issued by the Ministry of External Affairs on the visit of US Under Secretary for Political Affairs William Burns.**

**New Delhi, October 16, 2009.**

Mr. William Burns, Under Secretary for Political Affairs, US Department of State, the highest ranking career diplomat in the US State Department, visited New Delhi on October 15-16, 2009 for meetings with his counterpart, Foreign Secretary, Smt. Nirupama Rao.

Foreign Secretary and Under Secretary Burns reviewed the India -US bilateral agenda and, specifically, the progress made in the new India-US Strategic Dialogue announced on July 20, 2009 by External Affairs Minister and US Secretary of State, Ms. Hillary Clinton during the latter's recent visit to New Delhi.

The substantive issues related to the forthcoming visit of Prime Minister to USA in November 2009 were at the core of their discussions.

The intensified India-US co-operation in the focus areas - strategic cooperation, energy and climate change, education and development, economics and trade and agriculture and science, technology, health and innovation constituted their main agenda. They also exchanged views on regional and global issues of shared interest and common concern.

Under Secretary Burns called on External Affairs Minister, Health Minister, Minister of Human Resource Development, Deputy Chairman, Planning Commission, and National Security Advisor.



**607. Press Conference of the US Under Secretary of State for Political Affairs William Burns on his visit to New Delhi.**

**New Delhi, October 16, 2009.**

**Under Secretary Burns:** Good evening everyone. Thanks for your patience, and thank you all for coming. It's a great pleasure for me to be back in India. Let me start by wishing all of you a Happy Divali, as President Obama did a couple of nights ago at a special event at the White House.

The main purpose of my trip is to help prepare for Prime Minister Singh's state visit to Washington next month, which is the first state visit to the White House in the Obama administration. This is not only a reflection of the President's personal respect for Prime Minister Singh, but also of the high priority that the administration attaches to our growing partnership with India.

Secretary Clinton underscored our commitment to broadening and deepening U.S.-Indian relations during her visit in July during which she and Minister Krishna launched an ambitious strategic dialogue between our two countries. That dialogue is already moving forward, focused on practical cooperation in a wide range of areas.

I was pleased to have the opportunity during my visit to take stock of progress and to plan ahead with Minister Krishna and Foreign Secretary Rao and a number of other senior Indian officials.

Among the many items on the rich agenda before us, we discussed how to build on the successful results of Minister Chidambaram's September visit to Washington, and to strengthen in tangible ways our cooperation on law enforcement and counterterrorism.

We discussed Minister Sibal's upcoming trip to the United States and continued expansion of education cooperation including through Fulbright-Nehru scholarships and exchanges and university partnerships.

We discussed the renewal of the CEO Forum and the essential role of the private sector in the growth of our partnership.

We discussed the considerable potential for expanding cooperation in health.

We discussed progress in implementation of last year's historic civilian nuclear agreement to which the Obama administration remains firmly committed.

And we discussed the many ways in which we can work together to develop clean and renewable energy and enhanced food security which are critical components for a new green revolution in which U.S.-Indian leadership can play a crucial role.

We also obviously discussed a number of other pressing global and regional concerns including the situation in Afghanistan and our shared interest in fighting violent extremists in this region.

I reiterated our condolences for the terrorist attack on the Indian Embassy in Kabul last week and our appreciation for India's continuing and significant contributions to our common effort in Afghanistan.

The United States will continue to urge Pakistan to act firmly and quickly against extremists who threaten its own interests as well as the interests of all of us committed to stability in the region.

So once again, I'm delighted to have the chance to return to India and to help prepare for what I am certain will be a very successful state visit to Washington by Prime Minister Singh in November.

So thank you, and I'd be delighted to respond to a few of your questions.

**Question:** My name is Dini Basser, I work with CNN-IBN.

The Kerry/Lugar bill, how will the U.S. government ensure that the Pakistani government doesn't use that money in developing its military defenses against India? Is the bill binding on Pakistan?

**Under Secretary Burns:** The President signed this bill yesterday, and we've made very clear that there are not conditions attached to that legislation, but as with any piece of legislation in which the United States is providing assistance, in this case for development in Pakistan, we're very much focused on ensuring that the monies are used for the purposes intended. So there are measures built in to ensure that that takes place.

**Question:** This is [inaudible] from DNA.

There is an [inaudible] here that the new policy of the Obama administration with regard to NPT might affect the [civil nuclear agreement] of [inaudible] that may not go forward. Are these [tensions] going to be laid to rest during Mr. Singh's visit?

**Under Secretary Burns:** As I made clear already, the Obama administration remains firmly committed to implementation of the civilian nuclear agreement. We believe it's an historic step which benefits both of our countries. I would note that Prime Minister Singh as recently as a couple of weeks ago made clear publicly his support for the broad objectives that President Obama laid out in his speech in Prague last spring, and also his support and interest in the Global Summit on Nuclear Security that President Obama has proposed for next spring in Washington.

So I think we have before us an opportunity to cooperate on that wide range of issues, but there should be no question about this administration's full support for the civilian nuclear agreement.

**Question:** Steve Herman, Voice of America.

I'm wondering if you could talk a little bit about the discussions you've had with Indian leaders, how they compare to previous discussions regarding Afghanistan and Pakistan? Whether you're noting a rising sense of apprehension in wake of the attack on the embassy in Kabul? The Israelis just issued a new warning today about further attacks on India and the threats being made by a Taliban leader today to take the fight to the border with India. I'm wondering, should we be a little bit more apprehensive than we have been previously about what's going on as we seem to detect from the Indians?

**Under Secretary Burns:** First let me reiterate our condolences for the terrorist attack that took place against the Indian embassy in Kabul a week ago. As I said before, we continue to appreciate the significant contributions which India has made to our common effort in Afghanistan.

I think all of us are concerned about the situation in Afghanistan, as well as rising violence in Pakistan, and I think that simply underscores the importance of our collective effort to support Afghan authorities in a fight against violent extremists who have in the past done great damage to many of us and who threaten all of us in the future. I think the same is true with regard to the support that we provide to the Pakistani leadership to take on firmly and vigorously the challenge posed by violent extremists inside Pakistan.

**Question:** Sir, [inaudible] from Times Now.

Sir, the Indian High Commissioner in the U.S., Meera Shankar, wrote a letter a few days back where she said that there are a couple of Indian government servants who were bribed by U.S. companies. There is an

investigation going here in India, but how is the U.S. administration taking this? Have you carried out some investigation to find out who these people were and who were those companies that bribed these officials?

**Under Secretary Burns:** I'm not familiar, to be honest with you, with the details of the particular concern that you raised. All I would say is that the United States government is firmly committed to fairness and transparency in the conduct of commerce overseas. That's in all of our interests, because having fair and transparent practices is the best way to encourage a growth in investment. So we will certainly pursue any concerns that are raised with us seriously, but I'm not familiar with those particular ones.

Thank you all very much.



**608. Press Release issued by the Ministry of Commerce on the Joint Statement on the meeting of India - United States Trade Policy Forum.**

**New Delhi, October 26, 2009.**

Shri Anand Sharma Union Commerce and Industry Minister met US Trade Representative Ambassador Ron Kirk here today for the sixth Ministerial-level meeting of the India- United States Trade Policy Forum (TPF). The two Governments signaled their readiness to continue their bilateral trade policy dialogue with renewed vigour under the five Focus Groups: Agriculture, Innovation and Creativity, Investment, Services and Tariff and Non-Tariff Barriers.

Minister Sharma said "the Trade Policy Forum provides opportunity for both Governments to discuss and share their concerns and work towards resolving them. The potential for bilateral trade and commercial relations between the two countries are immense and the Forum can provide the necessary momentum to the expansion this relationship. The inputs of the dynamic private sectors of the two countries have also enriched the Forum." Minister Sharma expressed deep satisfaction on the discussions that took place during the Forum meeting. He noted the commitment shown by both countries for further deepening the mutual economic relations and said that the Forum has established a roadmap for further engagement in this regard.

"The United States and India have a unique opportunity to draw on our cultural and entrepreneurial similarities to significantly increase two-way trade and investment," said Ambassador Kirk. "American and Indian companies have already joined forces across a range of sectors. Our Governments should work together to improve the environment for two-way trade even further, so that we can reap trade and economic benefits for both our countries."

The two Governments agreed to work together on a framework for promoting real and meaningful cooperation in trade and investment. They also agreed to work together to support greater involvement of small and medium enterprises in each others' markets and to pursue initiatives in the further development of India's infrastructure, collaboration on clean energy and environmental services, information and communications technologies (ICT) and other key sectors.

The delegations discussed the continued working of the US-India Private Sector Advisory Group (PSAG), which had been created under the TPF to provide strategic advice. Minister Shri Anand Sharma and Ambassador Kirk expect that the work of TPF will benefit from the depth, breadth and diversity of expertise of the PSAG in trade and international affairs.

### **BACKGROUND**

The India-US Trade policy Forum (TPF), established in July 2005, is an arrangement between the two Governments to discuss trade and investment issues. The TPF is co-chaired by Hon'ble Minister of Commerce & Industry, Government of India and United States Trade Representative. The issues and concerns are discussed under five Focus Groups. The dialogue addresses a wide range of issues that will lead to initiatives in key sectors and create momentum for expanding bilateral trade. A Private Sector Advisory Group (PSAG) was formed in April 2007 as an adjunct to TPF to provide the TPF with views and advice from non-government trade and investment experts.



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Mr. Anand Sharma who briefed journalists at the end of the meeting said although no firm deadline had been fixed for concluding these agreements they would happen soon. "The U.S. has submitted us a draft on these issues and we will certainly study it. We hope to sign agreement very soon. These are in continuation of the high-level engagement between the two countries and in the run-up to the Prime Minister, Manmohan Singh's, visit to Washington next month," he added. He said the cooperation agreement on IPR was being put in place to reassure and comfort investors from both the countries. Expressing satisfaction with the result of the meeting, the Minister said the Indo-U.S. TPF would act as a catalyst for enhancing trade and investment and promoting economic engagement. On the issue of H1-B visas for Indian professionals, Mr. Sharma said he had taken up the matter with Mr. Kirk stating that the Indian IT sector and industry in the U.S. had not only made huge investments but also generated thousands of jobs. They are only one per cent of the total IT professionals working in the U.S. They have made a huge contribution to the U.S. economy and U.S. should take steps to sort out all issues faced by them in this area.

**609. Resolution of the US House of Representatives welcoming the visit of the Prime Minister Dr. Manmohan Singh to the United States.**

**Washington (D. C), November 4, 2009.**

**IN THE HOUSE OF REPRESENTATIVES**

NOVEMBER 4, 2009

Mr. MCDERMOTT (for himself, Mr. ROYCE, Mr. ACKERMAN, and Mr. BURTON of Indiana) submitted the following resolution; which was referred to the Committee on Foreign Affairs

**RESOLUTION**

**Welcoming** the Prime Minister of the Republic of India, His Excellency Dr. Manmohan Singh, to the United States.

**Whereas** the Republic of India achieved its independence from the British Empire on August 15, 1947, and has since maintained a democratic system of government;

**Whereas** from April 16 to May 13, India conducted the world's largest democratic election, which returned Prime Minister Singh to power;

**Whereas** India's relationship with the United States has deepened in past years and encompasses cooperation on matters relating to international security, world trade, technology, science, and health;

**Whereas** the relationship between the United States and India has great potential to promote stability, democracy, prosperity, and peace throughout the world and enhance the ability of both countries to work together to provide global leadership in areas of mutual concern and interest;

**Whereas** the Prime Minister of India, His Excellency Dr. Manmohan Singh, has helped shape India's economic policies to permit the expansion of a market economy, which has led to greater economic prosperity for India and the growth of a middle class;

**Whereas** Americans of Indian origin have made diverse and numerous contributions to the United States; and

**Whereas** Prime Minister Singh has accepted an invitation by the United States to make an official visit to Washington, DC, and is the honoree of President Barack Obama's first State Dinner: Now, therefore, be it



**Resolved**, That the House of Representatives-

- (1) **commends** the maturing of the relationship between the United States and the Republic of India, exemplified by the current official visit of the Prime Minister of India, His Excellency Dr. Manmohan Singh;
- (2) **looks** forward to continuing progress in the relationship between the United States and India; and
- (3) **welcomes** Prime Minister Singh to the United States.



**610. Resolution of the Senate of the United States honouring the Prime Minister Dr. Manmohan Singh and welcoming his visit to the United States.**

**Washington (D.C), November, 2009.**

**Honoring the Prime Minister of India, Dr. Manmohan Singh, for his service to the people of India and to the world, and welcoming the Prime Minister to the United States.**

**IN THE SENATE OF THE UNITED STATES**

Mr. DODD (for himself, Mr. CORNYN, Mr. KERRY, and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on **RESOLUTION**

**Honoring** the Prime Minister of India, Dr. Manmohan Singh, for his service to the people of India and to the world, and welcoming the Prime Minister to the United States.

**Whereas**, on August 15, 1947, India became a sovereign, democratic nation;

**Whereas** the Prime Minister of India, Dr. Manmohan Singh is now the honoree of President Barack Obama's historic first State Dinner;

**Whereas** India is the world's largest democracy, embracing and upholding fundamental liberties and freedoms, justice, and the rule of law;

**Whereas** the 2009 parliamentary elections in India were the world's largest democratic election to date;

**Whereas** India is a multi-ethnic, multi-cultural, and multi-religious society that promotes tolerance, diversity, and equality;

Whereas the 100,000 Indians who are studying in the United States and the 2,500,000 Americans of Indian descent living in the United States, including Nobel Laureates, artists, business leaders, journalists, and public servants, have contributed enormously to the rich social, political, and economic fabric of the United States;

**Whereas** cooperation between the United States and India in the areas of science and technology, our advancement of security and defense, and our commitment to clean energy continue to strengthen the bond between the two countries and enhance mutual admiration;

**Whereas** India serves as a pivotal and effective partner in ensuring international peace and security and is the third largest contributor of personnel to United Nations peacekeeping missions;

**Whereas**, since the liberalization of India's economy in 1991, bilateral trade has increased and benefitted both India and the United States;

**Whereas**, the market economy in India has contributed to increased economic opportunities, reduced poverty, and accompanying stability; and

**Whereas** a strong relationship between the people and governments of the United States and India, based on mutual trust and respect, will enable the countries to more closely collaborate across a broad spectrum of interests, such as global peace and prosperity, counterterrorism, defense, nonproliferation, economic prosperity, energy and climate change, education, scientific research, outer space, public health, and agriculture:

**Now, therefore, be it**

1. Resolved, That the Senate-
2. (1) warmly welcomes the Prime Minister of India, Dr. Manmohan Singh, on his official state visit;  
(2) believes that together, the governments of India and the United States can bring immense benefits to their people and make enormous contributions to addressing the global challenges of the 21st century;  
(3) looks forward to the continuing progress in relations between India and the United States; and  
(4) appreciates the contributions of Americans of Indian descent and desires closer relations between the people of the United States and the people of India.



**611. Interview of Prime Minister Dr. Manmohan Singh with Ms. E.G. Weymouth, Editor-at-Large and Senior Diplomatic Correspondent of Newsweek, USA.**

**New Delhi, November 16, 2009.**

**Interviewer (Ms. Elizabeth Graham Weymouth):** So, you are just about ready to go to the United States Prime Minister.

**Prime Minister (Dr. Manmohan Singh):** Yes, in four days' time.

**Interviewer:** What would you like to accomplish in the United States when you see President Obama?

**Prime Minister:** We are strategic partners. We have good relations. But there is the new Administration in America. We are now in our second five-year term. So, it is appropriate that I should renew our partnership. I sincerely hope that we can work together with President Obama and his Administration to build an enduring partnership based on equality and mutual understanding for promoting greater security and sustained development in the world.

**Interviewer:** So, that's your aim when you go to Washington,

**Prime Minister:** That is, to put it succinctly.

**Interviewer:** But people say, for instance, that you might announce a partnership in space, that you might announce a new green revolution. Can you share with me and with my readers some of the thoughts you have on how you see the possibility of India and the United States cooperating in the future, Sir?

**Prime Minister:** First of all, we had a watershed and a landmark agreement with the United States on nuclear cooperation. We would like to operationalise it and ensure that the objectives for the nuclear deal are realised in full merit. My sincere hope is that we can persuade the US Administration to be more liberal when it comes to transfer of dual-use technologies to us. Now that we are strategic partners these restrictions make no sense. India has an impeccable record of not participating in any proliferation of weapons of mass destruction. So, that is my number one concern.

**Interviewer:** So, you are talking about the consent agreement that the President would have to sign and send to Congress?

**Prime Minister:** That is right.

**Interviewer:** And on your side, I believe, your Parliament would have to pass a liability agreement. Is that correct?

**Prime Minister:** We will do that. Our Cabinet will be taking a decision. I do not see any difficulties in honouring our commitments.

**Interviewer:** So, you are concerned about the US honouring the consent agreement?

**Prime Minister:** We have no worries, but we would like a positive reaffirmation of this Administration to carry forward that process.

**Interviewer:** To carry forward the civil nuclear deal?

**Prime Minister:** Yes. I also said that this is a partnership for sustained and sustainable development of India and the new global world order which is in search of a new equilibrium. India and the United States could be partners in refocusing our attention on an equitable, balanced, global order.

**Interviewer:** What does that mean exactly?

**Prime Minister:** Well, there are several components of sustained development. There is the energy cooperation - we would like to strengthen energy cooperation with the United States - clean coal technologies, renewable energy resources. Similarly there is concern for food security. We would like to have a second green revolution in our country. In the first green revolution technologies which were by-product of the US public sector played a major role in transforming Indian agriculture. We need another green revolution to carry forward that process still further. Therefore, cooperation in the field of agriculture, cooperation in the field of science and technology, cooperation in the field of health, ensuring cooperation between our two countries in dealing with pandemics, these are all the concerns that I have, and I propose to share these concerns with President Obama and hope that we both can reaffirm our commitment to carry forward these processes.

**Interviewer:** I got an email this morning from Gen. Petraeus who said he never met you but he sent you his regards.

**Prime Minister:** Please give him my regards.

**Interviewer:** I guess the obvious question comes up of how you see Afghanistan from your point of view. Are you concerned that the US will not stay involved in this conflict? And what are the implications for India?

**Prime Minister:** I sincerely hope that the United States and the global community will stay involved in Afghanistan. A victory for the Taliban in Afghanistan would have catastrophic consequences for the world, particularly for South Asia, for Central Asia, for Middle East. The triumph of religious fundamentalism in Afghanistan would have far-reaching consequences for peace and stability in the world as well.

**Interviewer:** And that is what you think would happen if we do not go through with our commitment.

**Prime Minister:** Let me put it this way. The religious fundamentalism in the 1980s was used to defeat the Soviet Union. It is the same group of people. If they defeated the Soviet Union and now they defeat the other major power, this would embolden them in a manner which could have catastrophic consequences for the world at large.

**Interviewer:** So, if they defeated now the United States in other words, it would embolden them so they could do anything?

**Prime Minister:** Yes, that is right.

**Interviewer:** So, that is your concern about the future of Afghanistan.

**Prime Minister:** We have of course no immediate concerns because we are victims of terrorism. The extremist ideologies of the type that the Taliban have, if not checked, could destabilise our country as well.

**Interviewer:** In other words you would like to see the President send the troops as Gen. Mc Crystal has demanded.

**Prime Minister:** I am not an expert on military strategies. I am not well versed with what is the military situation on the ground though I got to hear that there are worries about the military situation. I have no fixed views about the amount or number of troops that the US would have. But it is very important that both for providing security and for providing sustained development the United States and the global community should stay engaged with Afghanistan.

**Interviewer:** Do you think that people in the US understand the connection between Al Qaeda and the Taliban in Afghanistan? Do you believe there is a close connection?

**Prime Minister:** There is a close connection. I mean they are the offshoots, they are chips of the same block.

**Interviewer:** You know some people say, "Oh! They are not", but I understood they were very close, as you said.

**Prime Minister:** That is my honest view.

**Interviewer:** How do you feel about President Karzai? There has been a lot of criticism of him in America. I believe India has been supportive.

**Prime Minister:** Let me say that President Karzai's regime is not perfect. There are imperfections, there are problems of improving governance. But you cannot transform Afghanistan overnight. It is going to be a long-term affair. Democracy as the west understands may be not possible to introduce in a short period of time in Afghanistan. But it is a fact that millions of Afghan children, millions of girl children are now in schools when none was in school when the Taliban was in power. For safeguarding human freedoms one has to take a balanced view. Now that President Karzai has been re-elected, I think the time has come when the global community should rally behind him to give Afghanistan a stable, purposeful, and relatively corruption-free administration.

**Interviewer:** Now, your neighbour to the north, Pakistan. How do you assess the situation there? Some people say that the civil government there is really losing power. How do you see the situation?

**Prime Minister:** We are concerned with the rise of terrorism in Pakistan. We have been the victims of Pakistan-sponsored terrorism for a long period of time. Now, if in addition, the Taliban and Al Qaeda type of terror, which in the past was located in the FATA area of Pakistan, gets transferred to the mainland of Pakistan - that is Punjab, which is next door to our Punjab - it has very serious consequences for our own security.

**Interviewer:** So, you say that the sort of instability in the FATA ...

**Prime Minister:** We would not like terrorism to lead to a situation where the civilian government is only a nominal government.

**Interviewer:** Do not you think that is the situation right now?

**Prime Minister:** I am not saying that is the situation now. We would like democracy to succeed in Pakistan. We would like the normal processes of democracy to operate in full measure in Pakistan. But obviously now that the Al Qaeda and the terrorists have a grip over several parts of Pakistan, that is a cause of worry to us.

**Interviewer:** It is terrible.

**Prime Minister:** It is terrible.

**Interviewer:** So, it is impossible to know but do you think that Pakistanis are trying as hard as they can? Or do you think they are not trying as hard as they can?

**Prime Minister:** Let me say that our feeling is that as far as Afghanistan is concerned I am not sure whether the US and Pakistan have the same objective. Pakistan would like Afghanistan to be under its control, under its strong influence. They would like the United States to get out as soon as possible.

**Interviewer:** Pakistan would like the US to get out.

**Prime Minister:** So, the US objective and Pakistan's objective it appears to me are not the same.

**Interviewer:** Because Pakistan would like the United States to get out and the United States would like Pakistan to be under some control. Is that what you are saying, Prime Minister?

**Prime Minister:** What I am saying is that the United States objectives are to get Pakistan's support to deal with the Taliban in Afghanistan. But I do not see Pakistan is wholeheartedly in support of action against the Taliban in Afghanistan. They are of course taking action against Taliban when they threaten the supremacy of the army. But that is it.

**Interviewer:** In other words they are only taking action against the Pakistani Taliban.

**Prime Minister:** That is true.

**Interviewer:** So, decidedly, possibly, India and the United States are able to cooperate in coming up with some kind of cooperation against the enemies of both India and the United States, which are the rest of the Taliban?

**Prime Minister:** Let me say that we have supported the strong presence of the international community in Afghanistan. We have provided substantial amount of resources, about 1.2 billion dollars, for the reconstruction and development of Afghanistan. We are of course not able to provide troops, but we would like to do more for reconstruction and development of Afghanistan. We believe we can do more in this area and do it more effectively than many other aid donors of Afghanistan.

**Interviewer:** You mean, for example, deliver supplies to, say, US and NATO troops? Or is that a bad example?



**Prime Minister:** We are active in building infrastructure in Afghanistan. We are involved in strengthening schools, education, healthcare, electricity. These are the areas where we have capacity to help Afghanistan, and we would like to do more.

**Interviewer:** I think people in America, reasonable people, actually do not understand what we are doing in Afghanistan. I would be curious to see what you think when you are in the United States. I am not talking about people in the State Department or the Defence Department but the general public which I think will be a problem for the President.

**Prime Minister:** I hope that the US public understands where it all started, after 9/11. If Al Qaeda did not have a home in Afghanistan, maybe 9/11 would never have taken place. God forbid if Al Qaeda gets another strong foothold in Afghanistan once again!

**Interviewer:** And that is what you believe will happen?

**Prime Minister:** Well, it could happen. I am not an astrologer. But there is a great worry that it could happen.

**Interviewer:** I think it is frustrating because there is not much understanding, I would say. America has very turned inward right now. Do you think there will be a civil war in Afghanistan if we withdraw?

**Prime Minister:** There is that danger.

**Interviewer:** From your point of view I assume that the most important thing is the terror groups in Pakistan.

**Prime Minister:** As I said we are victims of Pakistan-aided, abetted, and inspired terrorism for nearly 25 years. We would like the United States to use all its influence with Pakistan to desist from that path. Pakistan has nothing to fear from India. I have said this on many public occasions that the destinies of our two countries are interlinked. We should both be waging a war against poverty, ignorance and disease which afflict millions and millions of people in both our countries. It is a tragedy that Pakistan has come to this path of using terror as an instrument of state policies. We sincerely hope that the United States will use all its influence with the authorities in Pakistan including the armed forces of Pakistan to desist from this path.

**Interviewer:** You have a good point I have to say. But it is going to be very interesting to see what you come up with after your trip to Washington. On the US-India relationship, you said in the beginning, counter terrorism cooperation, space cooperation, do you see those on the agenda?

**Prime Minister:** Nuclear cooperation, cooperation in the field of education, closer linkages between the university systems of our two countries, cooperation in the field of health, working together to devise new vaccines.

**Interviewer:** How do you feel about Copenhagen and the emissions? Do you feel that we should send you equipment to deal with emissions?

**Prime Minister:** In accordance with the United Nations Framework Convention on Climate Change and the Kyoto Protocol the developed countries have an obligation to perform with regard to reduction of emissions. And I sincerely hope that Copenhagen would reaffirm that. I know there are difficulties. But without the United States giving a lead I do not see a deal at Copenhagen can become a reality. On our part we recognise our own responsibilities. Although our emissions are one/tenth of the United States', about one/tenth of the global average, if I remember correctly, we recognise that dealing with climate change is the responsibility of entire humanity. So, we have put in place a National Action Plan to deal with climate change. We have eight Climate Change Missions which if they succeed will bring about a significant reduction in emissions as compared with Business As Usual situation.

**Interviewer:** Interesting! A lot of people in the US worry very much, and it is a subject of great talk, about Iran getting a nuclear weapon? I know that India has a much better relationship with Iran than we do. Are you concerned? I know another undeclared site was just found yesterday.

**Prime Minister:** I had yesterday the Iranian Foreign Minister with me.

**Interviewer:** In Delhi?

**Prime Minister:** Yes.

**Interviewer:** How exciting!

**Prime Minister:** He was in Delhi yesterday.

**Interviewer:** Ah! For a change!

**Prime Minister:** We did discuss the nuclear question. Let me say the message that he left with me was that they feel encouraged by the messages they are receiving from the Obama Administration. And I see a glimmer of hope in what the Iranian Minister told me yesterday.

**Interviewer:** Well, I guess so. It depends how you look on it. It depends what your aim is. Is your aim to stop Iran from getting a nuclear weapon or not?

**Prime Minister:** Let me say that we have taken a consistent position. Iran is a signatory to the NPT. It must have all the privileges that go with being a member of the NPT like peaceful uses of nuclear energy. It has also all the obligations that go with their membership of the NPT. Therefore, I think nuclear weapon is not an option which Iran is entitled to under its membership of the NPT.

**Interviewer:** You have much more information than I do, but it looks to all observers from the outside - including the IAEA which just found another undeclared site yesterday - it certainly looks - and appears even from the IAEA report - as if they are pursuing a nuclear weapons programme.

**Prime Minister:** I had the pleasure of the Director General of the International Atomic Energy Agency visiting us a few weeks ago. And he was not so sure that Iran is definitely working towards a nuclear weapon.

**Interviewer:** It is interesting. The report that they issued yesterday - I do not know if you saw it, I could not sleep so I saw it in the middle of the night - was very very critical, the IAEA report.

**Prime Minister:** I have not seen that.

**Interviewer:** Well, unless you cannot sleep there is no reason you would. But they found another undeclared site and there was a particularly critical report issued. Now, I know that you were engaged in talks with Gen. Musharraf when he was Head of Pakistan for two years. Then, as far as I can understand, you went to Sharm el-Sheikh and you made some decorations that you hoped, just like you have just said, that Pakistan and India could maybe reach some kind of peace one day. Are there any kind of steps now or do you feel that the situation ...

**Prime Minister:** Let me say that we are committed to resolve all outstanding issues with Pakistan through purposeful, meaningful, bilateral negotiation. Our only condition is that Pakistan should not allow its territory to be used for acts of terror directed against India. This is the commitment that Gen. Musharraf had given to my predecessor when he visited Pakistan in 2004. This is the commitment that was given to me whenever I met Gen. Musharraf. This is the commitment given to me at Sharm el-Sheikh by Prime Minister Gilani. If Pakistan really honours that commitment, we can go back to purposeful, meaningful negotiations to resolve all outstanding issues between ourselves.

**Interviewer:** So, if you look at Mumbai and the Lashkar-e-Tayyiba, they are obviously not honouring the agreement.

**Prime Minister:** As far as the perpetrators of Mumbai massacre are concerned, they had taken some steps but not enough. As far as the Lashkar-e-Tayyiba is concerned, under a different name Jamat-ud-Dawa ...

**Interviewer:** They just left that guy out of jail, didn't they?

**Prime Minister:** They have not put Hafiz Saeed in prison. The courts have released him. That is the excuse. But from our standpoint, Lashkar-e-Tayyiba, Jamat-ud-Dawa, Hafiz Saeed, Masood Azhar, are the perpetrators of terror in our country, and Pakistan has the obligation to take effective action to prevent them from continuing to indulge in these undesirable acts.

**Interviewer:** Do you worry about another Mumbai?

**Prime Minister:** Every day I receive intelligence reports that the terrorists based in Pakistan are planning other similar acts.

**Interviewer:** Terrible! The terrorists based in Pakistan are planning more?

**Prime Minister:** Yes, that is right.

**Interviewer:** Are there any contacts between your Government and the Pakistani Government?

**Prime Minister:** We have normal contacts. Our High Commission is there. They have a High Commission here.

**Interviewer:** But it is not like that channel that you had open.

**Prime Minister:** But we have very good cooperation with the US and we get lot of information from friendly countries, and that points to persistence of these terrorist groups - Lashkar-e-Tayyiba, Jamat-ud-Dawa - in acts of terrorism directed against our country.

**Interviewer:** How do you see China? Do you see it as a threat, do you see it as a trading partner, or both?

**Prime Minister:** Let me say that the peaceful rise of China creates new opportunities for the world to engage China. China has emerged as a major trading partner with us, and we welcome that. But we have problems with China with regard to our boundary dispute. We both have discussed this. We are engaged in a discussion of the boundary dispute. Both of us are agreed that it is a complicated issue, it will take time to resolve it, and that pending the resolution of the boundary dispute both of us have an obligation

to maintain peace and tranquillity along the borders. I have said this in China and elsewhere, we believe that there is enough space in the world to accommodate the development ambitions of both India and China. But there will be certain areas where there will be competition in trade, investment; and that is healthy.

**Interviewer:** That is interesting. Since you are an economist, do you believe that the economic weakness caused by the disaster that struck us last year has eroded the United States' leadership role in Asia or affected it?

**Prime Minister:** I sincerely hope that the United States will recover from last year's disaster. With the entrepreneurial skills of the US business class, the innovation, the US educational system which encourages innovation and invention, I have no doubt that the US would overcome this temporary setback. We would like the United States to succeed in that effort.

**Interviewer:** Some people are saying even in the US that we have definitely lost some of our power and some of our leadership ability due to the fact that we have such huge deficits.

**Prime Minister:** I have heard many times before. When I was in the United States in the late 1960s there was Prof. Robert Triffin at Yale who wrote a famous book *Gold & the Dollar Crisis* saying the dollar's role as a reserve currency has come to an end and the United States must recognise this. That was said in 1968. Then of course came 1971 when the US went off the Gold Exchange Tender. But the United States bounced back. I hope that the same thing will happen once again.

**Interviewer:** But if you look at the objective facts, and you know much more than I do, I spent a lot of time with businessmen and they are all so worried.

**Prime Minister:** I think it is good that they worry about it because excesses of the type which characterised the US banking system last year should have been a cause of worry. They should have been detected much earlier.

**Interviewer:** You have got a point. But India seems to have basically ...

**Prime Minister:** First of all our banking system is better regulated. We do not allow our banking system to invest heavily in those types of assets.

**Interviewer:** You mean derivatives, CDOs, and squared and things like that. Your economy basically escaped from this.

**Prime Minister:** We are affected because our exports are affected. Our export growth rate has sharply declined. What is more is that the flow of

capital has also been affected. But more recently, capital has started coming back to our country. Overall, before the crisis our growth rate was 8.5 to 9 per cent per annum in the previous four years.

**Interviewer:** Unbelievable!

**Prime Minister:** Since then it has declined to 6.7 per cent. This year it will be about 6.5 per cent. We believe that on the basis of domestic demand, both consumption demand and investment demand, in two years' time we can go back to a 9 per cent growth rate. I say it with confidence because our domestic savings rate is as high as 35 per cent of our GDP.

**Interviewer:** You are kidding! How did you manage that?

**Prime Minister:** Well, I think the Indian people are very thrifty.

**Interviewer:** That is amazing!

**Prime Minister:** And with a capital output ratio of 4:1, we should over a period of time be able to sustain a growth rate of 8 to 9 per cent.

**Interviewer:** That is unbelievable! If we could trade places with you! That is amazing! What is your take on the Maoist insurgency? What about the areas that people say are out of control? Your friend Montek Singh Ahluwalia was telling me last night that there are these forests and people are living in them and so on and so forth and then there are Maoists.

**Prime Minister:** It is certainly true that benefits of development have not reached all sections of our population. There are tribal areas in Central India where poverty is acute, and that is taken advantage of by these antisocial elements whom we call as the Maoists. We will tackle them. This is a dual strategy. First of all in these distant parts of our country the law and order machinery of the state cannot reach early. We are trying to strengthen that. Simultaneously we will ensure that the fruits of development hereafter are more equitably distributed so that the social discontent and unrest which is the result of this unequal development is also taken care of.

**Interviewer:** You mean some law and order and some spreading of the wealth would be the way out there?

**Prime Minister:** Accelerated development, yes.

**Interviewer:** When you look at your country and what you would like to achieve in the next few years, what is that?

**Prime Minister:** A growth rate of about 9 per cent per annum, and to ensure that this growth is an inclusive growth, that the benefits of development

reach out to all sections of our population, that the disparities between rural India and urban India are reduced and ultimately eliminated.

**Interviewer:** Do you feel that you have made a difference as Prime Minister to your country? What do you think your legacy would be? Do you think that you have changed this country?

**Prime Minister:** I hope I have made some difference. That is for posterity to judge.

**Interviewer:** Well, what a hard job! Are you worried at all about the Test Ban Treaty which President Obama and his Administration seem very intent on pushing through the Senate?

**Prime Minister:** Why should we be worried? We are not worried at all. We have a unilateral moratorium on testing imposed voluntarily. We stand by that. And we would like to work with President Obama to promote the cause of global nuclear disarmament, a world free of nuclear weapons. I think that is a world which has been the dream of our leaders from Jawaharlal Nehru to Rajiv Gandhi. We would like to work with all likeminded countries to achieve that goal.

**Interviewer:** Is your last dream to build an infrastructure in India?

**Prime Minister:** Infrastructure is a primary requirement of sustained development. We need to invest lot more money, lot more resources in roads, in ports, in airports, in irrigation, in urban infrastructures. These are our top priorities. That is what I meant that if we get our infrastructure right, our savings rate would enable us to sustain a growth rate of about 8 to 9 per cent.

**Interviewer:** But the infrastructure is a priority.

**Prime Minister:** It is a priority.

**Interviewer:** Prime Minister, there is just no way I can thank you enough for your time. I know how busy you are getting ready for your trip.

**Prime Minister:** Well it is a great pleasure having you with us.

**Interviewer:** No, it is the other way round. You are such a wonderful country.

**Prime Minister:** And I hope you will come more often.

**Interviewer:** Thank you very much and I wish you such good luck with your ...



**612. Response of Official Spokesperson of the Ministry of External Affairs on US-China Joint Statement of November 17, 2009.**

**New Delhi, November 18, 2009.**

"Government of India is committed to resolving all outstanding issues with Pakistan through a peaceful bilateral dialogue in accordance with the Simla Agreement. A third country role cannot be envisaged nor is it necessary. We also believe that a meaningful dialogue with Pakistan can take place only in an environment free from terror or the threat of terror\*."



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\* The joint statement issued following a meeting between U.S. President Barack Obama and his Chinese counterpart Hu Jintao in Beijing had said: "the two sides [U.S. and China] welcomed all efforts conducive to peace, stability and development in South Asia. They support the efforts of Afghanistan and Pakistan to fight terrorism, maintain domestic stability and achieve sustainable economic and social development, and support the improvement and growth of relations between India and Pakistan. The two sides are ready to strengthen communication, dialogue and cooperation on issues related to South Asia and work together to promote peace, stability and development in that region."

The U.S. Ambassador Timothy Roemer, however, tried to interpret the intention as promoting more stable ties among South Asian countries. His perception was that the U.S. and China had expressed their desire for a more stable and peaceful relationship between the countries in South Asia. "I think that is a very positive statement to make." The U.S. was trying to "make sure there is a prosperous and peaceful rise of China" and "at the same time, have historic close relations between the U.S. and India"

In Beijing a Foreign Ministry official said on November 19 that China would only "support" relevant moves to improve peace and stability in South Asia, and indicated that his country did not seek to play a primary role in improving relations between India and Pakistan. Asked if China saw for itself any specific role to play in improving ties between the two countries, the Chinese spokesperson Qin Gang said China would in general support any move that led to greater stability in South Asia. "As long as it is good for peace and stability in the region, and improvement of stability in the region, China supports relevant moves," Mr. Qin said. "We believe India and Pakistan are important countries in South Asia. China highly values its friendly cooperation with the two countries and hopes the relationship between the two countries can be gradually improved."

Foreign Secretary Mrs. Rao on November 20th while briefing the media on the Prime Minister's visit to the United States was asked a couple of questions on this subject and these were:

**Question:** Madam Secretary, President Obama on his recent visit to China mentioned what he saw was a global vision for China in geopolitics of South Asia. Do you see this actually as a sellout for India? And would you bring this up during the upcoming visit of the Prime Minister as well?



**Foreign Secretary:** I think the use of the word that you just mentioned is not appropriate at all in this context. That is one. As far as the reference in the Joint Statement to the role that was envisaged for China together with the United States in South Asia, we had of course expressed certain views on this subject in our statement in response to a question asked of us two days ago. So, I do not want to repeat that statement. But our views on this are very well known.

**Question:** Mrs. Rao, do you think that the Joint Statement and the wording of that joint statement casts a shadow on the visit of the Prime Minister? And would the Government like to share its views on the proposed visit of Mirwaiz to China so that you can give us a broader view on that?

**Foreign Secretary:** No, I do not believe that statement casts a shadow on the visit of Prime Minister to Washington. The visit stands on its own. I have just enumerated the vision, the approach, and the expectations that we have of this visit of Prime Minister to Washington, and the nature of our partnership, the very durable and mature partnership between India and the United States which we hope to take forward during this visit. As far as the reported visit of Mirwaiz to China is concerned, we have stated on many previous occasions that we have not prevented Kashmiri leaders to travel abroad. Now if you are talking about his going to China in the context of the approach taken by the Chinese Government on issue of visas to Indian citizens resident in Jammu and Kashmir, on that issue our view is very well known. We do not subscribe to this approach which discriminates against our citizens on the basis of their domicile and their ethnicity.

**613. Press Conference by the Foreign Secretary Mrs. Nirupama Rao on Prime Minister Dr. Manmohan Singh's State visit to Washington and visit to Port of Spain for the CHOGM Conference.**

**New Delhi, November 20, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and a very warm welcome to the media interaction of Foreign Secretary. Good to see you in such large numbers.

Foreign Secretary is here to talk to you about the forthcoming visit of our Prime Minister to Washington and then to Port of Spain for the CHOGM Summit. After her opening remarks Foreign Secretary will be very happy to take a few questions. Let me also introduce a colleague, who is to Foreign Secretary's right, she is very well known, Mrs. Gaitri Kumar, who is our Joint Secretary for the Americas Division.

Madam, may I request you for your opening comments.

**Foreign Secretary (Shrimati Nirupama Rao):** Thank you, Vishnu. Good afternoon.

The Prime Minister will be visiting Washington from the 22nd to the 26th November, 2009. The visit is at the invitation of President Obama and the invitation was personally conveyed by the US Secretary of State Mrs. Hillary Clinton to Prime Minister when she visited India in July, 2009. This is the first state\* visit being hosted by the US President and our Prime Minister has conveyed that he is honoured by this gesture.

On November 24th the Prime Minister will be accorded a ceremonial reception by the US President at the White House in Washington. Thereafter Prime Minister and President Obama will meet to review all aspects of the bilateral relationship. They will be joined in this by their respective delegations. They will discuss the India-US Strategic Dialogue which is envisaged to enhance our cooperation in areas that we have identified for our bilateral interaction and for the mutual benefit of our two peoples.

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\* On November 23 when the White House Press Secretary Mr. Gibbs was asked "why was India chosen for the first State Dinner, he replied: "Well, I think it's the importance of our relationship with India on a host of issues. Obviously, counterterrorism is important; the economic recovery and the world economy; our relationship with them in terms of energy and climate change. I think India obviously is in a very important region in the world. And I think it demonstrates the importance that that relationship has in the world."

The two leaders will discuss regional and global issues of shared interest and common concern ranging from the security situation arising out of recent developments in our immediate neighbourhood where the United States has also been involved - I refer to Afghanistan - and global issues such as climate change, stabilization of the global economy, disarmament and non-proliferation, terrorism, and a coordinated regional and global approach to issues relating to the environment, pandemics, etc.

The Prime Minister and the US President will address a Joint Press Conference at the White House. They will also have a short meeting with the members of the India-US CEOs' Forum. The US Vice-President Mr. Joseph Biden and the US Secretary of State Hillary Clinton will also meet the Prime Minister. The same evening the US President and Mrs. Obama will host Prime Minister and Mrs. Gursharan Kaur at a reception and a state dinner at the White House.

On the previous day, November 23, 2009, the Prime Minister will meet the US Defence Secretary, Mr. Robert Gates. He will address the Indian and US business community at the US-India Business Council, delegations of the CII, FICCI and other representatives of the business and corporate sector who are traveling to Washington to be present at that event. The same evening the Prime Minister will address the US Council on Foreign Relations. This meeting will be attended by representatives from various US think tanks.

During his visit Prime Minister will also meet the United States' Speaker of the House of Representatives, Mrs. Nancy Pelosi; the US Treasury Secretary, Mr. Geithner; and the US Energy Secretary, Mr. Steven Chu. He will attend a reception hosted by the Indian Ambassador where he will meet the Indian community on November 25, 2009.

India and the United States are strategic partners. There is a new Administration in the United States, and the Government of India is in its second term. This would be an occasion to renew the partnership built on economic and political initiatives that have been taken, and we are expecting that this will raise our cooperation in areas of mutual benefit to a higher level. Our Government looks forward to working with the US President and his Administration to build an enduring partnership based on equality and mutual understanding for promoting greater security and sustainable development in the world.

It may be recalled that the relationship between India and the United States has been transformed in recent years, especially symbolized by the signing of the historic agreement on civil nuclear cooperation in October, 2008. This is an important area of cooperation and we are in the process of moving into commercial implementation of the Agreement.

Another priority is our partnership in creating energy security, clean energy, more efficient use of energy, in a manner that achieves sustainable development, which is one of India's foremost priorities. We are looking forward to US collaboration in our national plans for a second green revolution not only in agriculture but also in green technology. Pandemics and the control of such diseases is another area where we can work together and our scientists are ready to intensify their collaboration with their US partners to address some of the biggest challenges in the area of health that our societies face in today's globalised world where no single society can be safe from the outbreak of an epidemic thousands of miles away.

One of the significant issues which will be discussed during the visit will be the problem of global terrorism. India lives in a neighbourhood where there is this problem, and our neighbours along with India have prioritized this as a number one concern. The United States is in Afghanistan and has been trying to address the terrorist infrastructure in the region. We have a stake in the success of the Af-Pak Strategy.

Since the July 20th visit of Secretary Clinton when the new India-US Strategic Dialogue was announced, a period of intensive engagement has followed on all the identified areas for our bilateral cooperation; and we have already, in these three to four months, reached a number of understandings in the areas of discussion; almost close to formalisation in the areas of energy, agriculture, education, health, cooperation in counter-terrorism, and in the area of commerce and trade.

India and the United States have a broad-based and deep relationship covering almost every sphere of human endeavour. Our bilateral cooperation in the areas of defence, security and counter terrorism; science, technology and health; trade, investment and the knowledge economy; energy and environment; culture, people-to-people contacts and education; and agriculture are among other areas which will come up for discussion.

An exchange of views on international terrorism and how to combat it, the reform of international institutions, environment issues and climate change, disarmament, global security and stability, and the changing dynamics of

international relations are likely to figure in the talks between Prime Minister and President Obama.

Memoranda of Understanding on renewable energy, counter terrorism, access to Traditional Knowledge Digital Library, IPR issues and agriculture are expected to be signed during the visit. Representatives of business and Industry on both sides would be signing several agreements on the occasion emphasizing the value and depth that bilateral economic relations bring to India-US relations.

This relationship between the largest and the oldest democracies based on common values, shared principles and an inclusive vision; deepened and nurtured through strong people-to-people ties and the highest commitment of the two Governments to see it prosper, would provide a strong platform for the two leaders to emphasize the future of this relationship and the optimism that is felt on both sides regarding its growth and development.

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**I will now speak of the Commonwealth Heads of Government Meeting at Port of Spain in Trinidad and Tobago. For Briefing on CHOGM Please see Document No.181.**

**Question:** Madam, there are many issues still remaining in the final implementation of the Indo-US nuclear cooperation. Are those issues likely to be finalised during this visit?

**Foreign Secretary:** Let me first tell you that both the Governments, the Governments of India and the United States, are firmly committed to fully implementing the historic 123 agreement, the civil nuclear agreement. It goes without saying that the agreement offers immense developmental benefits for India and at the same time it opens up business opportunities for US companies. The implementation of this agreement is an ongoing process. As you know, we have announced two sites in October this year for US companies to set up nuclear power plants. The Liability Law is getting our highest attention. Our delegations are working together closely to come to an understanding on the reprocessing and licensing issues. I am optimistic we are well within our timelines, but we are dealing with complex issues but are committed to the full implementation of the agreement. This will take some more time. We do not expect to conclude the process during this visit obviously.

**Question:** On counter-terrorism, are we looking at a new framework agreement which has been there for some time? What possibly could be the form of that counter-terror framework we are looking at? Also, on the nuclear deal I believe there is another round of negotiations that is taking place between nuclear officials of both sides just a day before PM reaches Washington. Are we expecting, if not finalisation some sort of announcement about the reprocessing deal during the visit?

**Foreign Secretary:** I have already answered that aspect you raised with regard to the nuclear deal and I am not going into further details on that. On the issue of counter-terrorism, I have said that the two sides are working towards an MoU on counter-terrorism. We hope to see it concluded during this visit.

**Question:** Mrs. Rao, once again on the nuclear deal, stories emanating from Washington have clearly stated that the Government of India needs to do a couple of things more yet to ensure the full commercial implementation of the deal. What are those things which India still has to reckon with? Secondly, during this visit is the Prime Minister going to seek the extradition of Headley?

**Foreign Secretary:** On the nuclear deal, Rajiv, I have already referred in my earlier answer to the steps that are being undertaken to ensure implementation of the nuclear deal. I have said discussions are going on, that we are confident of the timelines being observed. That is as far as the nuclear deal is concerned. On the issue of extradition, you are aware of this case relating to the whole Headley-Rana affair. This is under legal process in the United States. Our authorities are in touch with the American authorities on this matter. There is a legal process under way.

**Question:** I want to ask a broader question. You have mentioned all the issues that may come up when the two are talking. But there is always that comparison to the 2005 Summit between the US and Indian leadership where there was one big ticket item. Does this trip still lack that one big ticket item?

**Foreign Secretary:** I think you are approaching it from an angle which I do not entirely subscribe to because what you are looking at and what you need to envision in this context is a very strong India-US partnership which has bilateral aspects to it, which has regional and global aspects to it. You are talking of a mature relationship based on trust and mutual understanding. You are talking of two large democracies interacting and dialoguing with

each other in their common desire to strengthen global equilibrium. We are talking of a global architecture that is open and inclusive, and building global consensus on a number of issues of mutual interest.

**Question:** Madam, you have just talked about the global architecture. My question is whether we are going to raise the issue of UN reforms and secondly of the claim of India to UNSC.

**Foreign Secretary:** Yes, we will definitely discuss this. There is the opportunity provided by this visit to raise issues of interest which are of importance to India. It is natural that we will raise this issue. I am sure you know that the United States supports the view that the UN Security Council must reflect contemporary world realities if it is to be credible and viable. And we have welcomed the recent US statement at the United Nations that the composition of the UN Security Council is the crux of the issue. The US is of the opinion that the new permanent members will have to be identified by name rather than by regions or groups. We have no difficulty with this position and we will continue to seek support from the United States for our candidature for a permanent seat in the UN Security Council.

**Question:** Madam, will our Prime Minister be raising the issue of the situation in Pakistan? If yes, will we be asking the US to put more pressure on Pakistan for acting against anti-India elements and misuse of financial aid?

**Foreign Secretary:** The visit affords us the opportunity to articulate our concerns about the situation in Pakistan, particularly with reference to the activities of terrorist groups operating from Pakistani soil. We have always emphasized the need for our friends and our partners and the international community to understand the nature of the situation in Pakistan and the need for Pakistan to dismantle the terrorist infrastructure that operates on its soil.

**Question:** Is there any pressure on India from the US to sign on NPT?

**Foreign Secretary:** No, there is no pressure.

**Question:** Mrs. Rao, I would just like to paraphrase what Anil just asked. Basically it is going to be a year since 26/11. Most of the key operatives are still at large. We have not had much headway in the same. How can we leverage our friendship with the US in a better way where we can have some desirable results?

**Foreign Secretary:** I think the United States fully understands the depth of our concerns on the issue of terrorism directed against us from across our borders. Secondly, they have worked very closely with us in the wake of the 26/11 attacks in Mumbai last year and this is ongoing cooperation. We just referred to the interaction we have had with the United States in the field of counter-terrorism and we have reason to be satisfied with that dialogue and that cooperation. I think the world, and the United States is included among our friends and partners who understand our position, is fully cognizant of the depth of our concerns on this issue and why there is merit and there is logic and there is reason in our approach in maintaining consistently that Pakistan must take credible, meaningful action to dismantle the terrorist infrastructure that continues to operate to our disadvantage, and doing great harm to our people from its territory.

**Question:** Madam, the Prime Minister will be meeting Robert Gates. Could you tell us something about what will happen there and whether any of the three agreements would be signed?

**Foreign Secretary:** The meeting, as I said, will take place between the Prime Minister and the US Defence Secretary Mr. Robert Gates. Our bilateral defence cooperation is progressing well. We are happy with the institutionalized interaction that takes place between our defence forces, regular military exercises and dialogue between the senior levels of the defence leadership. You are aware that the India-United States Defence Policy Group has just held its meeting earlier this month here in Delhi. Indian and US Armies held an exercise Yudh Abhyas, and our respective Air Forces held Cope India 2009, both last month. Due to this regular dialogue and interaction we have a much greater understanding of each other's strategic interest and of regional security issues. With the finalization of the end-use monitoring formulation, it is our hope, our expectation that our access to US defence technology and equipment will increase in future. As far as the other three agreements are concerned, we are continuing to discuss some pending issues relating to these agreements. They are not expected to be finalized during this visit.

**Question:** Madam Secretary, President Obama on his recent visit to China mentioned what he saw was a global vision for China in geopolitics of South Asia. Do you see this actually as a sellout for India? And would you bring this up during the upcoming visit of the Prime Minister as well?

**Foreign Secretary:** I think the use of the word that you just mentioned is not appropriate at all in this context. That is one. As far as the reference in



the Joint Statement to the role that was envisaged for China together with the United States in South Asia, we had of course expressed certain views on this subject in our statement in response to a question asked of us two days ago. So, I do not want to repeat that statement. But our views on this are very well known.

**Question:** Mrs. Rao, do you think that the Joint Statement and the wording of that joint statement casts a shadow on the visit of the Prime Minister? And would the Government like to share its views on the proposed visit of Mirwaiz to China so that you can give us a broader view on that?

**Foreign Secretary:** No, I do not believe that statement casts a shadow on the visit of Prime Minister to Washington. The visit stands on its own. I have just enumerated the vision, the approach, and the expectations that we have of this visit of Prime Minister to Washington, and the nature of our partnership, the very durable and mature partnership between India and the United States which we hope to take forward during this visit. As far as the reported visit of Mirwaiz to China is concerned, we have stated on many previous occasions that we have not prevented Kashmiri leaders to travel abroad. Now if you are talking about his going to China in the context of the approach taken by the Chinese Government on issue of visas to Indian citizens resident in Jammu and Kashmir, on that issue our view is very well known. We do not subscribe to this approach which discriminates against our citizens on the basis of their domicile and their ethnicity.

**Official Spokesperson:** Thank you.



**614. Statement by the Prime Minister Dr. Manmohan Singh on his departure to USA and Trinidad & Tobago.**

**New Delhi, November 21, 2009.**

I am leaving today for Washington on a bilateral visit to the United States at the invitation of President Barack Obama. I will thereafter attend the Commonwealth Heads of Government Summit in Trinidad and Tobago.

India attaches high priority to its relations with the USA. Our bilateral agenda covers almost all areas of human endeavour. The United States is our largest trading partner in goods and services, and we have deep economic ties. There is a large Indian American community and robust people-to-people exchanges. Above all, we share common values and commitment to democracy, pluralism and human rights.

The last several years have witnessed a transformation in India-US relations. Today, they are characterized by greater maturity, depth and convergence of interests. I look forward to building upon this momentum during my visit.

A sustained and dynamic India-US partnership is essential if we are to meet the global challenges of the 21st century. At the bilateral level, we look forward to building upon our Strategic Dialogue by adding greater substance to our cooperation in areas such as trade and investment, services, energy, science and technology, defence, high technology trade, education, agriculture and health.

I also look forward to exchanging views with President Obama on the major global threats and challenges of our times, such as international terrorism, climate change, the global economic slowdown, the Doha round of trade negotiations, and nuclear disarmament and non-proliferation. I also expect to discuss the situation in Afghanistan, and other regional issues.

During the visit, I will be meeting senior members of the US Cabinet and US Senators and Congressmen. I will attend a business event jointly hosted by the US Chamber of Commerce and the US-India Business Council where members of the India-US CEOs Forum will also be present. I will address the Council of Foreign Relations and Woodrow Wilson Centre, where I look forward to interacting with leading opinion makers of the United States. I will meet members of the Indian American community who are playing an important role in fostering closer ties between our two countries.

After my visit to Washington, I will travel to Port of Spain to attend the meeting of the Commonwealth Heads of Government. This is the 60th anniversary year of the Commonwealth. We attach high importance to the role of the Commonwealth in promoting cooperation amongst its members and in engaging the world in shaping a cooperative, equitable and development-friendly world order. The theme for CHOGM-2009 is "Partnering for a More Equitable and Sustainable Future". I look forward to a wide-ranging exchange of views with other leaders on how we can address the challenge of climate change, which is a matter of particular concern to developing countries, small states and vulnerable states.



**615. Address by the Prime Minister Dr. Manmohan Singh at the Council on Foreign Relations.**

**Washington, November 23, 2009.**

**Ladies and Gentlemen,** I am truly honoured by the invitation to address such a distinguished gathering and to be among many old friends and well wishers of India in this season of Thanksgiving. I am very grateful to each one of you for being present to listen to me this evening. Many of you have spent long years in the study of India. You have provided intellectual sustenance to the idea of a strong India-US partnership and what it means for our two democracies and the world at large.

**Ladies and Gentlemen:** I see the future of the India-US partnership with confidence and optimism. There is a growing convergence in our national interests, both within the bilateral framework and on regional and global issues. The changes in the global economic and political structures and the growing interdependence among nations today offer us a unique opportunity to look beyond our bilateral engagement to establish a strategic partnership of global dimensions. If we are to effectively tackle the multiple challenges that confront the world, India and the United States, as two leading democracies, must work together.

The immediate challenge before us is to bring the world to full recovery from the global economic and financial crisis. I have no doubt that the creative and entrepreneurial genius of the American people will ensure that the US economy emerges from this crisis stronger and well placed to contribute to global economic growth. India is playing its own part in the process of global recovery. Despite the slowdown, our economy grew by 6.7% last year and is expected to grow by 6.5% in the current fiscal year. India and the United States have strong compulsions to work towards an open and liberal regime for transfers of goods, services, investments and technology. This will stimulate recovery in the global economy, create jobs and spur growth in our own economies.

**Ladies and Gentlemen:** Our generation has an opportunity given to few, to remake a new global equilibrium after the irreversible changes brought about by the rapid geopolitical and economic shifts of the recent past. Nowhere are the changes more visible than in Asia. India and the United States can work together with other countries in the region to create an open and inclusive regional architecture in the Asia-Pacific region. The India-US partnership can contribute to an orderly transition to the new order and be an important

factor for global peace and stability. Both India and the United States draw strength from our common values of respect for cultural diversity, democracy, freedom of expression and the rule of law. Our two nations have been shaped by the thoughts and ideals of two apostles of peace of the 20th century, Mahatma Gandhi and the Reverend Martin Luther King Jr. We should advance these ideals as fundamental rights of all human beings. We have made some progress in moving towards a more representative mechanism to manage global economic and financial issues. The same cannot be said about governance of the political and security order. There is a need to reform the United Nations and its Security Council.

**Ladies and Gentlemen:** In my interactions with President Obama, I have found shared thinking on the moral imperative of putting the poor at the forefront of the global agenda. In Africa, Asia and elsewhere, they must have access to education and give them bankable skills, to nutrition and to health-care. The India-US partnership can promote global cooperation in dealing with issues that the world has to face together, whether it is hunger, global security and terrorism, nuclear disarmament, climate change or the spread of pandemics.

**Ladies and Gentlemen,** History has taught us that peace, security and prosperity are indivisible. That is why the evolution of Afghanistan as a stable and moderate nation state is so vital for the region and the world. The road to peace in Afghanistan will be long and hard. But, given the high stakes involved, the commitment of the international community must be sustained by firm resolve and unity of purpose. India has enduring civilizational links with Afghanistan. We do not see Afghanistan as a theatre of influence. Our interest is in building a region of peace and stability. India will continue to assist Afghanistan in building its institutions and its human resources. Democracy in an ancient land like Afghanistan will take time to take root and to come to terms with the country's history and tribal traditions. It is vitally important that all major regional and international players put their weight behind the government of Afghanistan. This is the only way Afghanistan can meet the daunting challenges it faces.

**Ladies and Gentlemen:** My government has invested heavily over the past few years in normalizing relations with our neighbour Pakistan. We made considerable progress on the road to a durable and permanent settlement of all outstanding issues. I have said that we are ready to pick up the threads of the dialogue, including on issues related to Jammu & Kashmir. We seek a South Asia of peace, friendship and prosperity, where its borders will be energized by the flow of people, goods and ideas. For

this to happen, Pakistan must make a break with the past, abjure terrorism and come to the table with good faith and sincerity. It is my solemn hope that India and Pakistan can together move forward to write a new chapter in the history of our sub-continent. We are three days away from the first anniversary of the heinous and barbaric terrorist attacks on Mumbai. The trauma of that attack continues to haunt us. Terrorism poses an existential threat to the civilized world and must be defeated. We should not harbour any illusions that a selective approach to terrorism, tackling it in one place while ignoring it in others, will work or pay dividends.

**Ladies and Gentlemen:** We welcome the fact that President Obama has committed the United States to the goal of a world free of nuclear weapons. India has been committed to this goal since our independence. We believe that India's security will be enhanced, not diminished, by the complete elimination of nuclear weapons the world over. There is much that India and the United States can do together to reduce the global risks of nuclear proliferation, including by building a new global consensus on the way ahead. The negotiation of a verifiable Fissile Material Cut-off Treaty in the Conference on Disarmament will be a significant contribution. We welcome President Obama's initiative to host a Summit on Nuclear Security in April next year. Our countries can play a vital role in strengthening global resolve to prevent terrorists from gaining access to materials and technologies related to weapons of mass destruction.

**Ladies and Gentlemen:** The negotiations heading toward Copenhagen are proving more difficult than we would have liked. There is disagreement among industrialized countries and between industrialized and developing countries. It is important for all countries to make every effort to contribute to a successful outcome at Copenhagen. India was a latecomer to industrialization and as such we have contributed very little to the accumulation of greenhouse gas emissions that cause global warming. But, we are determined to be part of the solution to the problem. We are willing to work towards any solution that does not compromise the right of developing countries to develop and lift their populations out of poverty. We recognize that we have to act on climate change in our own interest, since we are among the countries most impacted by climate change. It is for this reason that we have adopted an ambitious National Action Plan on Climate Change. We are committed to ambitious and time-bound outcomes that will increase the energy efficiency of our economy, the share of clean energy including nuclear power in our energy mix, and our forest cover. All this will require considerable resources. We have undertaken to do what

we can with our own resources. We will do more if there is global support in terms of financial resources and technology transfer.

**Ladies and Gentlemen:** India's economic transition is gathering pace. It will be faster in the years ahead as we harness the expanding economic productivity of our young population. The unshackling of our markets; the latent demand, particularly of our rural economy; and the fact that our domestic savings rate now is as high as 35% of our GDP all suggest that we can achieve a sustained growth of 9% per annum over the next couple of decades. This will create the resources to make our development process more inclusive as well as sustainable. The social agenda has come to dominate the domestic political discourse in our two countries. This was the verdict of our general elections held in May 2009, and I believe it was also of yours. The time is opportune for us to substantially enhance our cooperation in the critical areas of education, health, energy, science and technology and agriculture. Collaboration between our software industries has powered the global knowledge economy. We can build and we must on this experience and look at new frontiers of cooperation. American agricultural science and technology can help India usher in a second Green Revolution. India's competitive advantages in the pharmaceutical and medical services industries can support healthcare reform in the United States.

India has embarked on its largest education expansion program since independence. There are plans to set up more than 40 new universities and institutions. We would like to benefit from the great American university system, which attracts a large number of Indian students every year. We can cooperate in the development, production and deployment of green technologies. In this context, we should fully harness our bilateral civil nuclear cooperation agreement to shape the nuclear renaissance in the energy industry.

**Ladies and Gentlemen:** We deeply appreciate the cooperation that we have received from the United States in the area of counter-terrorism in the recent past. I am convinced that we can do much more together on a sustained basis to combat increasingly sophisticated terror networks, transnational criminal groups and cyber terrorism. Our defence and strategic dialogues have added important dimensions to our relationship. Maritime security, including countering piracy and protecting sea-lanes of communication in the Indian Ocean and beyond, is another important area where we should expand cooperation.

**Ladies and Gentlemen:** The edifice of the India-US partnership is founded on many pillars. It is a relationship based on pragmatism and principle; and strengthened by shared values and common interests. Our ties draw heavily on the strength and vitality of the Indian and American people. The 2.7 million strong Indian American community has made good the enormous opportunities provided to them in their adopted home. They are a powerful factor in drawing our two countries together. President Obama's advocacy of an inclusive approach to problem solving and primacy to dialogue as an instrument of policy create many more opportunities for our two democracies to work together in realizing the vision of a shared destiny for all humankind. Collaboration and cooperation between our two countries will be indispensable for shaping a global society that is responsive to the needs and aspirations of the 21st century and where countries can pursue their legitimate interests in a secure and just environment. Ladies and Gentlemen I thank you for listening to me Thank You.





**616. Address of Prime Minister Dr. Manmohan Singh at the US - India Business Council.**

**Washington (D. C), November 23, 2009.**

Ladies and Gentlemen, It is a great pleasure to be visiting Washington DC again. I am looking forward to my discussions with President Obama tomorrow, when my official program begins. Today, however, belongs to the private sector and I am therefore delighted to have this opportunity to address this select gathering of distinguished leaders of business and commerce.

Ladies and Gentlemen, In today's economically integrated world, economic relationships are the bedrock on which social, cultural and political relationships are built. A strategic relationship that is not underpinned by a strong economic relationship is unlikely to prosper. On the other hand, a web of economic relationships intensifies both business-to-business and people to people contacts, promoting a deeper and better understanding between countries. That is the kind of relationship we wish to see with this great country, the United States.

Ladies and Gentlemen, India's new and evolving relationship with the United States is in many ways the natural consequence of changes in economic policies and business practices that have occurred as countries have responded to the process of global economic integration. India's policies have also changed in the process making our economy much more open to trade and investment, and more closely integrated with the world economy. These policies have yielded handsome benefits for India no doubt. In the five years before the global crisis of 2008, India's economy was growing at an unprecedented rate of 9 percent per year on average in the last five years. India began to be perceived as one of the fastest growing emerging market economies. It became an attractive destination for foreign investment as well.

Ladies and Gentlemen, I am happy to say that American business has been part of India's economic transformation. Most of the large American corporations are now present in India as foreign direct investors. Many are engaged in high technology work, with their Indian operations forming part of their global supply chains. US business in India has also groomed managerial and technical talent which they have liberally used for their global operations. A number of companies have located their research facilities in India attracted by the availability of high quality scientific talent at relatively competitive costs. In recent years Indian companies in sectors

ranging from automobile components, tractors, pharmaceuticals and software have also been investing in the United States and creating thousands of jobs in this great country. This two-way flow illustrates the mutually beneficial nature of our evolving and growing relationship.

Ladies and Gentlemen, Our engagement with the US has been expanding on many fronts, throwing up new business opportunities. The nuclear agreement was a landmark in Indo-US relations and I would like to acknowledge with deep appreciation, the very supportive role American business played in persuading US Congress to support this important initiative. We are currently finalizing the details that will make the agreement fully operational. Once that is done, it will remove restrictions on the flow of technology in nuclear and many other areas. This will open a large area of commercial opportunities for US business in India. We have an expanding area of defence collaboration including the possibility of procurement of defence equipment from the US. Our domestic private sector defence suppliers are now allowed to have upto 26% foreign investment, opening a new avenue for Indo-US collaboration in defence related activities.

As we work with other countries to meet the challenge of climate change, we are also addressing the problem domestically through a National Action Plan for Climate Change, which outlines many new initiatives in energy efficiency, and clean energy. These are areas where your companies are leaders in the industry, and we should explore possible areas of cooperation. We plan to sign with the US Government tomorrow a Memorandum of Understanding on Energy Security, Clean Energy and Climate Change. This will provide a framework for pursuing bilateral cooperation in specific areas. Ladies and gentlemen, As you very well know, the last year has not been an easy one for the global economy. The world has been through an unprecedented financial and economic crisis which has only now shown signs of moderating.

There are two fallouts of the crisis that have implications for the Indo-US relations. The first arises from the recognition that managing a highly integrated global economy requires coordinated and collective action on a global scale. After the Pittsburgh Summit, the G-20 has become the premier forum for international consultation and dialogue. As members of this group, our two countries will have the opportunity to cooperate in addressing all the critical issues now facing the world economy. The second is the recognition that the large dynamic emerging market economies of the world are now significant players in the global economy. They are expected to grow faster than the industrialized countries in the years that lie ahead.

This will gradually increase their share in the world economy and also increase their contribution to global growth. India today is the second largest of the dynamic emerging economies.

Like other emerging market economies, we too have been affected by the crisis of 2008. Our growth rate has decelerated to 6.7 percent in 2008-09 and will remain at around 6.5 percent in the current fiscal year. However, we expect to accelerate from this level and get back to a growth of around 9% per annum within two years. There are a number of reasons why I believe the Indian economy will resume rapid growth despite the fact that slower growth in industrialized countries will limit our export possibilities. Our domestic savings rate has increased very substantially and supported an investment rate of 39% of our GDP in 2007-08, most of it being in private investment. We have ample human resources in terms of labour skills, scientific talent, and management capability. Looking ahead we enjoy a demographic dividend in terms of a growing working age populations in a world that is aging very rapidly. We have a vibrant and innovative private sector, which operates independently of our government. Rapid and inclusive growth in the years ahead will enable us to achieve our social objectives. It will also result in a few hundred million people entering the Indian market for a wide range of consumer goods. American companies interested in global markets would be well advised to look at the emerging possibilities on the horizon in India.

Ladies and Gentlemen, A major weakness that limits our growth possibilities is inadequacy of hard infrastructure. We need massive investment in energy, transport and urban infrastructure to be able to support a high rate of economic growth. Expanded investment in these areas will help offset weak export demand by providing a domestic demand impetus to support higher rates of economic growth. We have taken a number of steps to improve our processes of project approval and implementation. I invite American business to look at the large number of public private partnership projects in infrastructure being promoted by the Central Government and individual State governments in our country. We would welcome innovative ideas to finance such public private partnerships.

Ladies and Gentlemen, American business is also welcome to invest in other areas. These include agriculture based businesses such in the post harvest segment including cold chains, agricultural marketing and food processing; manufacturing and mining; and of course services such as financial services, retailing and tourism. Ladies and gentlemen, Wherever I meet businessmen to talk of our plans for the future, the question I am

most often asked is whether economic reforms will continue. You should have no doubt on that score. The economic reforms of the past have brought us advantages and I can assure you that we will continue down the road. We might do it gradually, and in a manner which builds a consensus for economic and social change. But I assure you we will persevere. We plan to push ahead on key reforms in several areas especially those aimed at bringing the deficit under control while ensuring a strong expansion in investment in infrastructure. Tax reforms, especially the introduction of a Goods and Services Tax, are a very important part of the agenda. So also are financial sector reforms. We are also committed to major reforms in education and skill development. We have started a program to raise resources by sale of equity in public sector enterprises. Legal reforms aimed at reducing delays are another key priority.

Ladies and gentlemen, Both our governments attach a high importance to the role of the private sector. President Obama and I have reconstituted the Indo-US CEOs' Forum, with Mr. David Cote and Mr. Ratan Tata as co-chairs. The forum will provide a platform where representatives of our private sectors can submit joint recommendations to the two governments on ways of enhancing private sector cooperation between our countries. I look forward to the recommendations emerging from this distinguished group. Ladies and gentlemen, American business has played a vital role in transforming the Indo-US relationship into what can today be called a strategic partnership between the world's oldest democracy and the world's largest democracy. I thank all those here who have contributed to this process. I invite you to stay engaged as we transform India from a low income country into a vibrant market of over a billion people, with steadily growing purchasing power. With this I wish to thank each one of you for being present this afternoon. Thank you.



**617. Press Release of the Indian Embassy in Washington on Indian Industry Association's deeper economic linkages with the United States.**

**Washington, DC , November 23, 2009.**

On 23rd November, building blocks for deepening Indo-US economic cooperation were put in place with the signing of a dozen Agreements and MoUs between different Indian and US partners in the presence of Deputy Chairman, Planning Commission, Dr. Montek Singh Ahluwalia and Ambassador of India, Mrs. Meera Shankar.

These included eight agreements between US and Indian companies/institutions, facilitated by the Confederation of Indian Industry, which would benefit both sides. HCL and CISCO signed an MOU to work globally in the area of Homeland Security to jointly deliver security and surveillance technology solutions. Tata Communications and Tyco Electronics signed a Submarine Cable Supply Contract for a new system that is intended for construction in the Gulf area. The collaboration will provide a boost to the telecommunication systems. Apollo and StemCyte signed an MOU designed to provide stem cell therapies derived from umbilical cord blood to treat patients with certain malignant blood disorders, inherited disorders and immune deficiency diseases. Jubilant Organosys and the University of Alabama at Birmingham, Southern Research Institute propose to undertake a joint venture that will focus on leveraging innovation and enabling technologies in areas of Oncology, Metabolic Disease and Infectious diseases and develop them in a unique US-India arbitrated and leveraged partnership accelerating affordable therapies to the patients in India and worldwide. Infosys and Microsoft Technologies signed an Enterprise Agreement for fulfilling the procurement and help in use of their technologies. Cadila Pharmaceuticals Limited and Novavax Inc. joined hands with the vision to enable production of key vaccines in India, including the most recently developed H1N1 Pandemic Vaccine.

Further, CII and Santech Communications propose to work together to explore the possibility of establishing Santech CII Centre of Excellence on Nano-electronics.

To promote collaboration on training of young people of different sections of the society in value based leadership, a document was signed Aspen Institute USA and Aspen Institute India.

Three other important documents were signed by the Federation of Indian Chambers of Commerce & Industry. These were an MoU with University of Texas at Austin to expand the ongoing cooperation for commercialization of Indian innovations by including capacity building, training of incubation centers and enhancing innovation capabilities of academic R&D institutions ; another with the Institute of International Education (IIE), Washington to facilitate exchange of information regarding scholarships and fund options available for cross mobility of students, researchers and faculty, etc. and the third one with Polytechnic Institute of New York University to promote Indian innovation capabilities in the US and to make available to the R&D establishments in the Public and private sector in India the best practice in innovation from the United States.

FICCI also facilitated a MoU between International Institute of Information Technology (IsquareIT), Pune and Lawrence Tech University, Michigan signed a MoU with the purpose of launching MS level courses in the field of Automotive Engineering.



**618. Press Release of the Embassy of India in Washington on the meeting of the India-US CEOs' Forum.**

**Washington (D. C), November 23, 2009.**

During the state visit of the Prime Minister of India to USA, the reconstituted India-US CEOs' Forum met in Washington, DC on 23rd November, 2009.

The Co-chairs of the Forum from the Indian side are Mr. Ratan Tata, Chairman, Tata Sons Limited and from the US side; Mr. David Cote, CEO, Honeywell Inc. Names of other members are given below.

The CEOs from both sides discussed how to deepen the economic partnership between the two countries to achieve its full potential. The outcome of their discussions was reported by the the co-chairs to Deputy Chairman of Planning Commission Dr.M.S.Ahluwalia and Mr.Michael Froman, Deputy National Security Advisor to the President for International Economic Affairs, US Commerce Secretary Mr. Gary Locke, US Trade Representative Ambassador Ron Kirk, Director of national Economic Council Mr. Larry Summers and US Treasury Secretary Timothy Geithner.

The CEOs are expected to meet with Prime Minister Dr. Manmohan Singh and President Barack Obama on 24th November, 2009.

Frontier areas of bilateral cooperation such as biotechnology, IT, pharmaceuticals, healthcare and high tech manufacturing are represented in the CEO Forum. Of the 24 CEOs, five are women reflecting the fact that women are increasingly making a mark in business in both countries.

**From the Indian side:** Mr. Mukesh Ambani, Chairman and MD, Reliance Industries Limited, Mr. O.P. Bhatt, Chairman, State Bank of India, Mr. S. Gopalakrishnan, CEO and MD, Infosys Technologies Limited, Mr. Analjit Singh, Chairman and Managing Director, Max India Limited, Ms. Kiran Mazumdar Shaw, Chairman and MD, Biocon Limited, Ms. Preetha Reddy, Managing Director, Apollo Hospital Group, Mr. Sunil Bharti Mittal, Chairman and Group Managing Director, Bharti Enterprises, Ms. Chanda Kochhar, Managing Director and CEO, ICICI Bank Limited, Mr. Deepak Parekh, Chairman, HDFC Limited and Mr. Ashok Ganguly, Chairman, Firstsource Solutions Limited.

**From the US side:** Mr. Louis R. Chenevert, President &CEO, United Technologies Corp, Mr. Richard T.Clark, Chairman, President and CEO, Merck, Mr. James Dimon, Chairman and CEO, JP Morgan Chase, Mr. Paul T. Hanrahan,President and CEO, AES Corporation, Dr.Paul E. Jacobs,Chairman and CEO, Qualcomm Inc, Ms. Ellen J. Kullman, CEO, DuPont, Mr. Andrew N. Liveris, Chairman and CEO, Dow, Mr. Terry McGraw, CEO, The McGraw-Hill Companies, Ms. Indra K. Nooyi,Chairman and CEO, PepsiCo, Mr. Vikram Pandit, CEO, Citigroup and Mr. Michael Splinter, President and CEO, Applied Materials.



**619. Media Interaction of Foreign Secretary Mrs. Nirupama Rao on the Prime Minister's engagements in Washington.**

**Washington (D. C), November 23, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good evening to all of you and welcome to the Press Centre. First of all thanks for your patience. I know many of you have adjourned your dinners or you have left it in between to join the media interaction. That is really appreciated. Foreign Secretary has had a very busy day and has been practically running from one meeting to another and that is the reason why we have had to reschedule the interaction and I hope you will understand.

Prime Minister has had a number of very important engagements today. Foreign Secretary would be talking to you about Prime Minister's engagements. Thereafter she would be happy to take a few questions.

Madam, may I invite you for your opening remarks.

**Foreign Secretary (Shrimati Nirupama Rao):** Thank you, Vishnu. Let me first run you through the various engagements of the Prime Minister today. The morning began with a call by the Secretary of Defence Mr. Robert Gates on the Prime Minister. This was followed by calls by members of the US House of Representatives. And then, as you know, Prime Minister addressed the US Chamber of Commerce and the US India Business Council in an interaction over lunch. In the afternoon, there was a call on the Prime Minister by United States' Senators followed by Prime Minister's Address at the Council on Foreign Relations. Thereafter, he met with the Speaker of the US House of Representatives Ms Nancy Pelosi. That was the list of the engagements today.

In his meetings with various interlocutors today, Prime Minister stressed that he hoped his visit to the United States would open a new chapter in the relations between the two countries. He spoke of India's interest in seeking an expanded, multifaceted relationship with the United States.

With the US Defence Secretary, the discussions focused on the expansion of military-to-military cooperation. As you know, India and the United States have engaged in cooperation in the field of defence in recent years. There have been exchanges of visits of senior officials from the military establishments of both countries. Exercises have been held and the two countries have spoken of cooperation in the protection of sea lanes and the control of piracy. At the meeting today, both sides felt that they could



work together for their mutual advantage and they were optimistic about the prospects of cooperation in this area.

From our side we raised the issue of export controls that have been imposed on some of our entities from the American side. A relaxation of these controls, it was felt, would spur the opportunities for more defence cooperation and bilateral exchanges in this sector.

In his meetings today Prime Minister mentioned that there were no irritants in the India-US relationship, and that it was a partnership based on both principle and pragmatism. The situation in the region was also discussed during these meetings - the situation in Afghanistan, India's relations with Pakistan, and also our relations with China.

In the discussion on Afghanistan, we spoke of the need to deal effectively with the rise of terrorism in the region in Afghanistan and, of course, the operation of terrorist groups based in Pakistan. It was felt that both India and the United States could work together to help advance development and prosperity for the people of Afghanistan, particularly in building the capacity of the Afghan people as they move forward to modernize the country. Prime Minister stressed that our sole motive in assisting Afghanistan is to help rebuild that country and to assist the people of Afghanistan.

In these meetings, both sides were agreed that it was necessary to defeat the forces of terrorism and religious extremism in Afghanistan and that it was necessary to stay involved in this process in the near and medium term. It was mentioned that the Afghan people do not want the return of the Taliban, that they were for a consolidation of democratic forces in that country.

Prime Minister briefed his US interlocutors about our concerns regarding terrorism emanating from Pakistan especially in the context of developments relating to the Mumbai terrorist massacre and the developments following that. He referred to the fact that the United States had lost six nationals in that terrorist attack and that it was in the interest of both our countries to ensure that the terrorists responsible for the attack on Mumbai be brought to book.

Prime Minister emphasized that we want to live in peace with Pakistan, but that it is difficult to carry forward the process of normalization unless and until, of course, Pakistan is able to move meaningfully on tackling our concerns about terrorism directed against India.

The issue of arms supplies to Pakistan and assistance in that area from the United States was also mentioned in the conversations. Attention was

drawn to our concerns that such equipment had been used against our country in the past; that we continued to have such worries today and for the future also; and that we wished to leave this point with the United States in order that they can reflect fully on this issue.

I will give you the names of the US Congressmen and Senators who met the Prime Minister today. The first call in the morning was by the members of the House of Representatives. There were eight of them who came to see the Prime Minister led by Rep. Steny Hoyer, Democrat, Maryland, House Majority Leader. Then there was Rep. Chris Van Hollen, , Deputy to the Speaker; Rep. Howard Berman, Democrat, California, Chairman, House Foreign Affairs Committee; Rep. Gary Ackerman, Democrat, New York, Chairman, House Subcommittee on Middle-East and South Asia (incidentally he is a Padma Vibhushan); Rep. Brad Sherman, Democrat, California, Chairman, House Subcommittee on Terrorism, Nonproliferation and Trade; Rep. Edward Markey, Democrat, Massachusetts, Chairman, House Select Committee on Energy Independence and Global Warming; Rep. Ed Royce, Republican, California, Republican Co-Chair of the India Caucus and Ranking Member, House Subcommittee on Terrorism, Nonproliferation and Trade; and Rep. Jim McDermott, Democratic Co-Chair of the India Caucus.

The Senators who called on Prime Minister were: Senator Joseph Lieberman, Independent, Connecticut, Chairman, Select Committee on Homeland Security and Government Affairs; Senator Robert Casey, Democrat, Pennsylvania, Chairman, Senate Subcommittee on Near-Eastern, Middle-Eastern and South Asian Affairs; Senator Evan Bayh, Democrat, Indiana, Member, Senate Committee on Armed Services, Select Intelligence, Energy and Natural Resources, Banking, Housing and Urban Affairs; and Senator Orrin Hatch, Republican, Utah, Member of the Senate Intelligence Committee and one of the senior most members of the Senate.

That's it. I will take your questions.

**Question:** Did Mr. Robert Gates raise the issue of ...(Inaudible)...

**Foreign Secretary:** Yes, this issue did come up in the discussions and we informed the American side that these were still under consideration and would take a little more time for us to finalise.

**Question:** Foreign Secretary, please give us a sense of the type of agreements which we are likely to see signed. In particular, is there some sort of finalization of a reprocessing agreement on the cards?

**Foreign Secretary:** In my briefing in Delhi I had given you an idea of the agreements and the memoranda that we were looking at. As far as the arrangements for reprocessing talks are concerned, these are ongoing. We were not looking at finalizing them tomorrow in any case. This is an ongoing process. As I mentioned to you, these talks have progressed well and there are a number of issues that were being discussed between the American side and our side. Our experts have been engaged very intensively in these discussions. I am happy to report that much progress has been made and we will be finalizing these issues very shortly.

**Question:** Is it your sense that as President Obama goes about making the final determination on the policy on Afghanistan, India's views might find some kind of reflection directly, indirectly, subconsciously?

**Foreign Secretary:** I am sure that the role that we have played and the experience coming out of it has been looked at very closely by the American side because we have engaged in constant consultations with our American friends and interlocutors over the last few years about Afghanistan. They are very well aware of the work that we have been doing in Afghanistan, the development-related work, the capacity building, which I believe is going to be in very close focus as the new policy is unveiled. I believe they are very close to announcing what the new strategy will be. My hunch is that it will focus quite intensively on capacity-building, on the civilian aspects of what needs to be done in terms of normalizing the situation in Afghanistan.

**Question:** You talked about the PM raising several questions about Pakistan and Afghanistan with the US Defence Secretary.

**Foreign Secretary:** And his other interlocutors.

**Question:** What was the reaction of the Defence Secretary with regard to PM's concerns? How did he react?

**Foreign Secretary:** As I mentioned, both sides felt that the struggle or the focus on dealing with extremist and terrorist forces in Afghanistan should not be whittled down, should not be diluted in any way; that it was necessary to focus on the defeat of these forces; and that the international community - and PM mentioned this in all his meetings - and particularly the United States should continue to stay involved in Afghanistan.

**Question:** Did the Congressmen doubt our intentions in Afghanistan? Why did the Prime Minister have to explain to them about our position in Afghanistan? Did they talk about the Consulates in the sense that ...

**Foreign Secretary:** No, they did not talk about the Consulates and there was never any expression of doubt, as you referred to it, about our role in Afghanistan. I think it was a very fruitful and productive exchange of views. They were discussing the situation in the region and the need for the international community to stay involved in Afghanistan, to help the Afghan people, to help the consolidation of democracy and the return to peace in that country; and that it was a complex situation; and that it would require the close attention and involvement of the international community. It was in that context that Afghanistan was discussed.

**Question:** Did the US side update Prime Minister Singh on President Obama's Asia and China visit and seem responsive to some of our concerns?

**Foreign Secretary:** The issue of China did come up and the issue was in terms of the peaceful rise of China and the need to engage with China. Particularly from our side we were able to brief our American friends about developments in our relations with China; the fact that we seek to build a multidimensional relationship with China, which is our neighbor; that this is a complex relationship; there are outstanding issues that remain to be resolved in the dialogue between India and China; but that it was necessary to engage with China; that there is space enough for India and China to grow, to develop their relationship, and also to cooperate in so many areas which are of concern to us as we develop our economies and as we seek to project the interests of the developing world, particularly in multilateral fora.

**Question:** For the first time since the Prime Minister has gone on to say that our worries about China's assertiveness are far more serious than acknowledged. He went on to elaborate on that. Do you have any comments on that? What are these issues of assertiveness on the part of China which worry India?

**Foreign Secretary:** I think you have to see this in the right context. I do not think you should take it out of the context. I would like to draw your attention once again to what Prime Minister said. He said firstly, the world has to prepare for the peaceful rise of China; secondly, engagement is the right strategy for India to deal with China and also for countries like the United States when it comes to their dialogue with China. That is the route we are following. We are engaged in a good, constructive dialogue with China. While there are complexities, while there are issues that remain to be resolved, we will discuss these with China as we want to develop the relationship. So, what he said must be seen in that context.

**Question:** Will there be any statement on China in the Joint Statement, something on the lines of what is drafted out of Beijing last week?

**Foreign Secretary:** I think we should wait to see the Joint Statement. I am not going to be looking into the future. I think you should wait. It should be with you in the next 24 hours.

**Question:** I have two questions, if I may. One is on Pakistan. India has often spoken about the need for Pakistan to act more swiftly in bringing suspects to justice. What is your impression of the US response to this concern? Do you think they are more willing to pressure Pakistan more openly or behind the scenes? How receptive do they seem after all on this message? Second question is: the Prime Minister mentioned today at the USIBC that he expects more cooperation in counter-terrorism cooperation between India and the US?

**Foreign Secretary:** As to Pakistan and whether the United States is receptive to our concerns, the short answer to that is, Yes. I will answer that in the affirmative. They are receptive; they are sensitive to India's concerns. We have an ongoing dialogue with them relating to counter-terrorism, relating to our concerns about issues that follow from the Mumbai terror attacks. We have had very good cooperation in this area between India and the United States. So, to answer your question, there is a great deal of receptivity to our concerns from the United States.

**Question:** And do you feel hopeful that that receptivity will actually lead to pressure on the ground by the United States on Pakistan?

**Foreign Secretary:** We have said consistently that Pakistan needs to take concrete action as far as delivering on the Mumbai terror attacks is concerned because there are no two opinions about the fact that the attack originated out of Pakistan. Even Pakistan and Pakistani agencies have come to acknowledge that. So, the issue here is that Pakistan needs to take action against those responsible, the conspirators, the culprits, the individuals who are culpable in this attack. The United States has been made well aware of our concerns and they fully understand that there is need for the international community to also persuade Pakistan that it needs to act in this regard. We see the United States as being very receptive to our concerns on this.

**Question:** Madam, we have been repeatedly voicing our concerns over the misuse of international aid and American aid by Pakistan to bolster anti-India terror infrastructure. But apparently it has not worked. Americans

believe that Pakistan needs aid of some sort. That is the point of divergence. Why despite our repeated pleading that this aid is not being used in the right direction, Americans are not able to see thorough that?

**Foreign Secretary:** I think our concerns have been registered very well with the American side and we are able to discuss these issues with a great deal of openness, with a great deal of candour with the American side. They are conscious of our concerns, our point of view, our approach to this issue. They are very conscious of it. We have not only mentioned it to the Americans but we take it up, we are very specific in the articulation of our concerns on this issue and they are receptive. What we have said is that there needs to be greater accountability about this kind of aid that is being provided to Pakistan, particularly defence-related, military aid because our experience with Pakistan in this regard has been an unhappy one. The United States is increasingly coming to be aware of this aspect of our concerns. A few years ago, I think the situation was different. But today, with the growth in our relationship with the United States, with the process of maturity that you see in this relationship, and the many dimensions that have been added on to our dialogue, particularly as far as the counter-terrorism dialogue is concerned, particularly as far as our security and strategic dialogue is concerned, all these issues have figured and the United States is coming to be increasingly sensitive to these issues.

**Question:** On Afghanistan, you mentioned about the ...(Inaudible)...

**Foreign Secretary:** No, we are not for that analysis. That is because we see the Taliban, the Al Qaeda, the terrorist groups that operate within Pakistan or in the border areas between Afghanistan and Pakistan, as all part of one genealogy eventually.

**Question:** So, there is an emerging difference of opinion with the Obama Administration's understanding and ...

**Foreign Secretary:** I believe the Obama Administration is also fully aware of the intensity of this threat and the interconnected nature of these groups. I do not believe they are unaware of it. In our conversations, in our dialogue with them, they are fully on board as far as our concerns about these issues.

**Question:** Do you think that they would use, for instance, Kashmir as a kind of a card to play off putting pressure on Pakistan?

**Foreign Secretary:** No, not at all. That has not figured in our discussions with them today, neither have I seen that figure in discussions that I have been privy to in the last few months.

**Question:** Madam, this is about Af-Pak relations but when we are dealing with the US. How do you view the US role in Afghanistan because they themselves do not seem to be that sure after their Iraq experience. They do not know what to do with Iraq? Tomorrow suppose they say we do not know what to do with Afghanistan, where do we stand? How do we deal with it?

**Foreign Secretary:** I said earlier in this interaction that we support the role in Afghanistan of the international community because they are there to deal with extremist forces. On the ground many of these countries are involved in development work in Afghanistan in building a more modern country. That is the way we look at it.

**Question:** The Americans are not sure of their role in Afghanistan just as they are not about their role in Iraq. They are planning to pull out of Iraq.

**Foreign Secretary:** You ask me about Afghanistan. I do not believe they are going to pull out of Afghanistan. There is nothing to indicate that they are going to pull out of Afghanistan. You can come up with all kinds of theories but I am talking of what I know of the situation.

**Question:** Did permanent UN Security Council seat for India come up or going to come up? What new chapter are we talking about from the Bush Administration to the Obama Administration for India-US relations?

**Foreign Secretary:** The new chapter is about the strategic dialogue, the expansion of relations, the consolidation of dialogue. I think that is what the new chapter is about, the strategic partnership. The Prime Minister's speech at the Council on Foreign Relations today outlined that with great eloquence. I think you should read that speech more closely. With regard to UN Security Council seat, this continues to be discussed with the US side. The US side is also for expansion of the Security Council both in the permanent and non-permanent categories. They are also talking about criteria which would qualify a country to be considered for such membership whether it is contribution to international peace and security, role in the United Nations. These are all very salutary developments. It shows that the view of the United States on this issue is evolving in a very positive direction. So, we continued to stay engaged with them on this issue, particularly through our Permanent Missions in New York. In fact, the two PRs have a very productive dialogue on this issue.

**Question:** Madam, in July when Hillary Clinton came to India she made repeated pitch for the resumption of Composite Dialogue between India and Pakistan. What is surprising about this trip is that we do not get any

pronouncements from American officials that India and Pakistan should resume Composite Dialogue? How has American perception changed? Coupled with this, the new investigations or disclosures that point to the links between Headley-Rana plot and their links in the ISI. So, are Americans now more realistic about Pakistan's involvement?

**Foreign Secretary:** You should probably ask them that question. Having said that let me say that they are very conscious of our concerns about Pakistan and why the present situation is not conducive to the resumption of dialogue with Pakistan. We have not shut the door on dialogue with Pakistan. I think the Prime Minister has said that time and time again that we want to extend the hand of peace and dialogue to Pakistan. But for this dialogue to proceed and for this dialogue to acquire momentum, we would need to have a closure, we would need to have progress as far as the addressing of our concerns about action that needs to be taken against those responsible, Pakistanis responsible for the Mumbai terror attacks. The weight of public opinion in India today is so strong on this issue and we are a vibrant democracy and we always remain sensitive to the concerns of our people also on this issue. This is apart from Government policy itself that you have to take a composite view of the situation as it exists today within India. The mood of the people, the mood in Parliament, the feelings that have been expressed, our concerns, these cannot be just ignored.

**Official Spokesperson:** Thank you very much and goodnight.

**Foreign Secretary:** Thank you. Good night.





**620. Remarks by Prime Minister Dr. Manmohan Singh at the lunch hosted By US Vice President Joseph Biden and US Secretary of State Hillary Clinton.**

**Washington (D. C), November 24, 2009.**

**Vice President Mr. Joseph Biden,**

**Mrs. Biden,**

**Secretary of State Mrs. Hillary Clinton,**

**Ladies and gentlemen.**

I thank you for your warm remarks and gracious hospitality.

Mr. Vice President, your leadership in the Senate, especially on the civil nuclear initiative, helped transform the relationship between our two democracies. We look to your continued guidance to take our relations forward.

Madam Secretary, I convey my sincere gratitude to you for the time and energy you have invested in advancing our relations. Your visit to India in July this year has prepared the groundwork for a strengthened strategic partnership between our two countries.

At our meeting today, President Obama and I reaffirmed the importance of the India-US partnership for meeting the aspirations of our people and the global challenges of the 21st century.

The civil nuclear initiative was a turning point in our relations. We are ready for an intense and wide-ranging cooperative engagement in all areas of human endeavour. In pursuing this, our shared values, common interests and the vitality and creativity of our people are our greatest assets.

Technology is the key to meeting many challenges, whether it is the transition to a green economy, achieving energy security, combating pandemics or lifting millions of our people above poverty. We should work to put in place a policy framework that facilitates the transfer of high technologies to India.

We have a shared interest in promoting prosperity and stability in the Asia Pacific region. We have a common stake in peace and development in Afghanistan and in defeating terrorism in South Asia.

The creation of the G-20 framework to address global economic and financial issues was an act of statesmanship. We should build upon this cooperative and inclusive approach to problem solving at the global level.

Mahatma Gandhi had once said, and I quote "The difference between what we do and what we are capable of doing would suffice to solve most of the world's problems", unquote. Today we have sought to bridge the gap between what is and what can be in our relations.

Ladies and Gentlemen, I now invite you to join me in a toast to:

- The health and happiness of Vice President Mr. Joseph Biden and Mrs. Biden and Secretary of State Mrs. Hillary Clinton;
- The friendly people of the United States of America; and
- To greater friendship between India and the United States.



**621. Remarks by President Obama and Prime Minister Dr. Manmohan Singh at the Prime Minister's Arrival Ceremony at the White House.**

**Washington (D. C), November 24, 2009.**

**PRESIDENT OBAMA:** Prime Minister Singh, Mrs. Gursharan Kaur, members of the Indian delegation -- on behalf of Michelle and myself, it is a great pleasure to welcome you to the White House. On behalf of the American people, it is my great honor to welcome you to the United States.

Mr. Prime Minister, yours is the first official state visit of my presidency, and it is fitting that you and India be so recognized. (Applause.) This visit reflects the high esteem in which I and the American people hold your wise leadership. It reflects the abiding bonds of respect and friendship between our people, including our friends in the Indian American community who join us here today.

But above all, your visit, at this pivotal moment in history, speaks to the opportunity before us -- to build the relationship between our nations, born in the last century, into one of the defining partnerships of the 21st century.

For while our two nations have taken different paths to reach this moment, ours is a common story. It's the story of two proud people who struggled to break free from an empire and declare their independence. Two bold experiments in democracy with constitutions that begin with the same simple words: "We the people." Two great republics dedicated to the ideals of liberty, justice, equality, and the never-ending work of perfecting their union.

It's the story of two economic marvels fueled by an ethic of hard work and innovation. And today, our nations are two global leaders, driven not to dominate other nations but to build a future of security and prosperity for all nations.

Mr. Prime Minister, as we work to build that future, India is indispensable.

As leading economies, the United States and India can strengthen the global economic recovery, promote trade that creates jobs for both our people, and pursue growth that is balanced and sustained.

As nuclear powers, we can be full partners in preventing the spread of the world's most deadly weapons, securing loose nuclear materials from terrorists, and pursuing our shared vision of a world without nuclear weapons.

As people who've known the pain and anguish of terrorism, we can stand together -- cooperating to prevent future attacks, and promote the development and prosperity that undermines violent extremism.

As India becomes an increasingly influential global power, we can partner to meet other transnational challenges: developing clean energy partnerships, confronting climate change, stopping infectious disease, reducing hunger and working to end extreme poverty in our time.

And as the world's largest democracies, we can keep faith with our common values -- speaking out and standing up for the rights and dignity to which all human beings are entitled; and showing that nations that respect the rights and aspirations of their people are ultimately more stable, more secure and more successful.

This is the India that America welcomes today -- a leader in Asia and around the world. These are the challenges we are summoned to meet in partnership. This is the progress that is possible -- today and in the days and years ahead.

And, Mr. Prime Minister, as we build our common future, we can draw strength from our shared past. For it was exactly 60 years ago, in a ceremony not unlike this, that an American president welcomed to the White House the first prime minister of an independent India. And while the decades that followed were not without their challenges, the spirit of that first visit is with us today -- the same sense of possibility, the same hope for the future.

So as President Truman said of President Nehru, it is my privilege to welcome "the respected leader of a great nation of free people."

And as Prime Minister Nehru said of the work before them, may our two great nations "find many ways of working together in friendly and fruitful cooperation to our mutual advantage, and for the good of humanity."

Mr. Prime Minister, Mrs. Kaur, in that spirit, I welcome you to the United States of America.

**PRIME MINISTER DR. MANMOHAN SINGH:** Mr. President, First Lady Mrs. Obama, thank you very much for your warm words of welcome, Mr. President. My wife and I are deeply honored to be in your great country on the first state visit of your presidency.

Mr. President, I bring to you and the people of the United States of America the friendly greetings of our one billion people of India.

India and America are separated by distance, but bound together by the values of democracy, pluralism, rule of law, and respect for fundamental human freedoms. Over the years, we have built upon these values and created a partnership that is based upon both principle and pragmatism. Our relations have been transformed, and today they encompass cooperation in all areas of human activity.

Mr. President, I've come today to build upon these successes and to strengthen our multifaceted relationship. We seek to broaden and deepen our strategic partnership, and to work with the United States to meet these challenges of a fast-changing world in this 21st century.

This is a moment of great opportunity in our relationship. India and the United States can, and must, work together to harness the immense potential of our talented and enterprising people, and support each other's growth and prosperity. We should cooperate in addressing global challenges of combating terrorism, making our environment cleaner and moving towards a world free of nuclear weapons.

Mr. President, we deeply appreciate your strong personal commitment to our bilateral relationship. My wife and I are deeply grateful to you and the First Lady for receiving us during this Thanksgiving week.

With these words, I once again thank you, Mr. President. God bless America. God bless India.



**622. Joint Press Conference of US President Barack Obama and Prime Minister Dr. Manmohan Singh.**

**Washington (D. C), November 24, 2009.**

**US President Barack Obama:** Please be seated. Hello, everybody. Namaste. I am very pleased to welcome Prime Minister Singh to the White House on this, the first official visit of my presidency. As I said earlier, this reflects our admiration for the Prime Minister's leadership, the deep bonds between the peoples of the United States and India, and the historic opportunity we have to strengthen and broaden the partnership between our nations.

India today is a rising and responsible global power. In Asia, Indian leadership is expanding prosperity and the security across the region. And the United States welcomes and encourages India's leadership role in helping to shape the rise of a stable, peaceful, and prosperous Asia.

Beyond Asia, as the world's largest multiethnic democracy, as one of the world's fastest-growing economies, and as a member of the G20, India will play a pivotal role in meeting the major challenges we face today. And this includes my top economic priority, creating good jobs with good wages for the American people.

So I believe that the relationship between the United States and India will be one of the defining partnerships of the 21st century, and this visit underscores the strengthening of that partnership, which I hope will continue throughout my presidency. That's why I've made it a priority to broaden the cooperation between our nations.

My administration's commitment to India can be seen in our new strategic dialogue, which addresses the full range of challenges and opportunities before us. And I'm pleased that we're joined today by the co-chairs of our dialogue -- Secretary of State Hillary Clinton and Foreign Minister Krishna.

And our commitment to India can be seen in my personal partnership with Prime Minister Singh. We've worked together on economic matters at our G20 summits in London and Pittsburgh, as well as L'Aquila. I consider him a wise leader who has helped unleash India's extraordinary economic growth. He is a man of honesty and integrity. I respect him and I trust him, and I have happily accepted his gracious invitation to visit India next year.

Now, this spirit of friendship infuses our very productive discussions today and is the reason we've made so much progress in recent years. We agreed

to strengthen the economic recovery and expand trade and investment so we can create jobs for both our peoples -- Americans and Indians.

Indian investment in America is creating and sustaining jobs across the United States. The United States is India's largest trading and investment partner. There is significant balance in our trading relationships that I think is very important and reflective of the framework that we put forward at the G20. And to sustain this momentum we're creating new initiatives to promote trade, investment and technology cooperation, especially among our small and medium-sized businesses that create most of the jobs here in the United States.

I reaffirmed to the Prime Minister my administration's commitment to fully implement the U.S.-India Civil Nuclear Agreement, which will increase American exports and create jobs in both jobs.

We agreed to move forward with our commitments at the G20 summit in Pittsburgh to pursue balanced growth while ensuring that emerging economies like India have a greater voice in shaping the international financial architecture.

We've made progress in confronting climate change. I commended the Prime Minister for India's leadership in areas like green buildings and energy efficiency, and we agreed to a series of important new efforts: a clean energy initiative that will create jobs and improve people's access to cleaner, more affordable energy; a green partnership to reduce poverty through sustainable and equitable development; and an historic effort to phase out subsidies for fossil fuels.

With just two weeks until the beginning of Copenhagen, it's also essential that all countries do what is necessary to reach a strong operational agreement that will confront the threat of climate change while serving as a stepping-stone to a legally binding treaty.

And to that end, Prime Minister Singh and I made important progress today. We reaffirmed that an agreement in Copenhagen should be comprehensive and cover all the issues under negotiation. We resolved to take significant national mitigation actions that will strengthen the world's ability to combat climate change. We agreed to stand by these commitments with full transparency through appropriate processes as to their implementation. All this builds on the progress that we made in Beijing, and it takes us one step closer to a successful outcome in Copenhagen.

We also agreed to deepen our cooperation against transnational threats. The American people join our Indian friends in remembering the horrific attacks in Mumbai one year ago this week. To prevent future attacks, we agreed that our law enforcement and intelligence agencies will work even closer, including sharing more information. We discussed my review of our policy in Afghanistan, and I thanked Prime Minister Singh for India's substantial contributions to the Afghan people.

I welcomed the Prime Minister's support for the non-proliferation agenda that I laid out in Prague, and I look forward to India's participation in our nuclear summit -- nuclear security summit next year, as well as India's participation as a full partner in our shared vision of a world without nuclear weapons.

Now, part of that vision is working together to ensure that all nations, including Iran and South -- North Korea, live up to their international obligations. We agreed to expand the educational exchanges that will fuel our knowledge-based economies. We're dramatically expanding the Fulbright-Nehru program that brings so many of our students and scholars together, especially in science and technology. And we are increasing ties and exchanges between our universities and community colleges as part of a new Obama-Singh -- or Singh-Obama --(laughter) -- 21st Century Knowledge Initiative. We think it's appropriately named.

To advance our historic food security initiative, American and Indian researchers will collaborate to improve agricultural output and reduce hunger -- not only in India, where enormous strides have been made, but around the world -- and India has much to teach the developing world in terms of achieving food sufficiency.

And our Centers for Disease Control and Prevention will partner with their Indian counterparts to create a new disease detection center in India to combat infectious diseases and promote global health.

This is the concrete progress made today across a whole range of issues to create jobs, opportunity and security for our people. As a result, I believe the relationship between our two countries has never been stronger -- a reminder that it will be one of the defining partnerships of the 21st century.

We look forward to celebrating our partnership tonight, as Michelle and I host the Prime Minister and Mrs. Kaur at the first state dinner of my presidency. It will be another opportunity to convey to the Prime Minister and the people of India, as India assumes its rightful place as a global



leader in this century, that you will have no better friend and partner than the United States of America.

Mr. Prime Minister, thank you so much for your presence here today. The floor is yours.

**Prime Minister Manmohan Singh:** Mr. President, distinguished ladies and gentlemen of the media. I thank from the core of my heart President Obama for his very generous hospitality and for his very warm sentiments towards India -- and to me, in particular. I am honored to be here today in this great country at the invitation of His Excellency, the President.

When India and the United States meet, it is a moment to celebrate the values of democracy, pluralism, liberty, and freedom. Today we have done that and much more.

In our discussions today, we reaffirmed the importance of our relationship and decided on future steps to enhance our strategic partnership. We have agreed to further intensify our trade, investment, and economic cooperation in a way that creates jobs and prosperity in both our two countries and stimulates global economic recovery.

We admire the leadership that President Obama has provided to stimulate and guide the G20 process that is now fully in place. We have decided to give a fresh impetus to collaboration in the fields of education, agriculture, and health. We will deepen our ongoing cooperation in frontier areas of science and technology, nuclear power, and space. This will open new opportunities for our universities and laboratories, and create human capital to meet the global needs of the future.

We had a very constructive exchange of views on strategic issues. Our defense cooperation is progressing well. We agreed on the early and full implementation of our Civil Nuclear Cooperation Agreement. Our strategic partnership should facilitate transfer of high technologies to India. The lifting of U.S. export controls on high technology exports to India will open vast opportunities for giant research and development efforts. It will enable U.S. industry to benefit from the rapid economic and technological transformation that is now underway in our country.

In a few weeks from now, the meeting of the conference of parties to the United Nations Framework Convention on Climate Change will take place in Copenhagen. Both President Obama and I have agreed on the need for a substantive and comprehensive outcome, which would cover mitigation,

adaptation, finance, and technology. We reaffirmed our intention to work to this end bilaterally and with all other countries.

We welcome the President's commitment to a major program for promotion of renewable energy, and I drew his attention to India's own ambitious national action plan on climate change, which has eight national missions covering both mitigation and adaptation.

Just as we partnered each other in the shaping of the knowledge economy, we have the opportunity today to become partners in developing the green economy of the future. I underlined India's desire to benefit from clean and energy-efficient technologies from the United States. Our partnership will contribute to global efforts to combat climate change and achieve energy security.

We had a detailed discussion on important regional and global issues. We agreed that the Indo-U.S. partnership was important for addressing the challenges of an increasingly interdependent world that we live in. The global economic crisis has brought home the fact that our prosperity is interlinked.

Our dialogue covered the need to have an open and inclusive architecture in the Asia Pacific regions. It is important for the international community to sustain its engagement in Afghanistan, to help its emergence as a modern state.

The focus -- the forces of terrorism in our region pose a grave threat to the entire civilized world and have to be defeated. President Obama and I have decided to strengthen our cooperation in the area of counterterrorism.

India welcomes the renewed international interest in nuclear disarmament and non-proliferation. We have been a consistent advocate of a world free of nuclear weapons. We will work with the United States and other countries for the success of the nuclear security summit, which President Obama is hosting next April.

In our discussions today, there was a meeting of minds on the future direction of our relations. I was deeply impressed by President Obama's strong commitment to the India-U.S. strategic partnership and by the breadth of his vision for global peace and prosperity.

I have invited President Obama to visit India. A very warm welcome awaits him, his gracious wife and his two daughters.

I thank you.

**PRESIDENT OBAMA:** Thank you very much.

We're going to take one question each, one from an American journalist and one from an Indian journalist. And I'm going to call on Mark Knoller. Where's Mark? There you are. Good to see you, Mark.

**Q** Good to see you, sir. Mr. President, I suspect you don't want my colleagues and I to rely on leaks until next week, so I'd like to ask you about --

**PRESIDENT OBAMA:** Why stop now? (Laughter.)

**Q** Well, perhaps you'd like to help us set a new stage in our relationship by telling us where you stand on your decision on Afghanistan. You had your -- what we were told was your final meeting last evening. Can you tell us how many more troops you'll be sending to Afghanistan, how you'll be paying for them, and whether you'll be announcing a timetable and/or exit strategy for them?

**PRESIDENT OBAMA:** Mark, I will be making an announcement to the American people about how we intend to move forward. I will be doing so shortly.

I think that the review that we've gone through has been comprehensive and extremely useful, and has brought together my key military advisors, but also civilian advisors. I can tell you, as I've said before, that it is in our strategic interest, in our national security interest to make sure that al Qaeda and its extremist allies cannot operate effectively in those areas. We are going to dismantle and degrade their capabilities and ultimately dismantle and destroy their networks. And Afghanistan's stability is important to that process.

I've also indicated that after eight years -- some of those years in which we did not have, I think, either the resources or the strategy to get the job done -- it is my intention to finish the job. And I feel very confident that when the American people hear a clear rationale for what we're doing there and how we intend to achieve our goals that they will be supportive.

Now, I think it's worth mentioning since I'm with the Prime Minister of India that this important not just to the United States, but it's important to the world, and that the whole world I think has a core security interest in making sure that the kind of extremism and violence that you've seen emanating from this region is tackled, confronted in a serious way.

Now, we have to do it as part of a broader international community. And so one of the things I'm going to be discussing is the obligations of our international partners in this process. It's going to be very important to recognize that the Afghan people ultimately are going to have to provide for their own security. And so we'll be discussing that process whereby Afghan security forces are properly trained and equipped to do the job. And it's going to be important to recognize that in order for us to succeed there you've got to have a comprehensive strategy that includes civilian and diplomatic efforts.

So I think that's a sufficient preview to last until after Thanksgiving, Mark.

**Q** Tuesday night, sir?

**PRESIDENT OBAMA:** After Thanksgiving. (Laughter.) And I'm sure that at that point, if there are further questions, that we'll be answering them to the satisfaction not just of you, but to the satisfaction of the American people.

**PRIME MINISTER SINGH:** Ms. Smita Prakash.

**Q** My question to you: Would you call India and the U.S. as natural allies, especially in the sphere of combating the terrorism in our region? Because there is a perception in India that the military aid that you give Pakistan is misused against India, and it is really the epicenter of terrorism. Did this issue come up in your discussions with the Prime Minister, and would you be pressurizing Pakistan to get its act in order? And to the Prime Minister, I'd like to ask when is the nuclear deal really going to go on the road?

**PRESIDENT OBAMA:** Well, first of all, I think that the United States and India are natural allies not just around counterterrorism issues, but on a whole host of issues. As we discussed earlier, we're the world's two largest democracies. We have a range of shared values and ideals. We're both entrepreneurial societies. We're both multiethnic societies. We are societies that believe in human rights and core freedoms that are enshrined in our founding documents.

And one of the things that I think makes us such strong allies is the people-to-people contact. It's one thing for leaders to have exchanges like this one, and that's very important, obviously. But the incredible contributions that Indian Americans have made to the growth of our country and the degree to which they are woven into the very fabric of our society, the fact that very few Indians don't have some family member somewhere who has a connection to the United States -- that kind of exchange strengthens and deepens the bonds between our two countries in a profound way.

Now, with respect to security issues in the region, the Prime Minister and I -- Prime Minister Singh and I had extensive discussions about that. I think we both recognize that our core goal is to achieve peace and security for all peoples in the region, not just one country or the other. And one of the things I admire most about Prime Minister Singh is that I think at his core he is a man of peace.

Obviously there are historic conflicts between India and Pakistan. It is not the place of the United States to try to, from the outside, resolve all those conflicts. On the other hand, we want to be encouraging of ways in which both India and Pakistan can feel secure, and focus on the development of their own countries and their own people.

With respect to the relationship between the United States and Pakistan's military, I think that there have probably been times in the past in which we were so single-mindedly focused just on military assistance in Pakistan that we didn't think more broadly about how to encourage and develop the kinds of civil society in Pakistan that would make a difference in the lives of people day to day.

And Secretary Clinton, I think, has done an excellent job in trying to move forward -- where is she? I thought she was around here somewhere -- but anyway, she's done an excellent job, I think, in helping our State Department to refocus our energies on that front as well.

And obviously Pakistan has an enormously important role in the security of the region by making sure that the extremist organizations that often operate out of its territories are dealt with effectively. And we've seen some progress. The work that the Pakistan military is doing in the Swat Valley in west -- in south Waziristan all indicates the degree to which they are beginning to recognize that extremism, even if initially directed to the outside, can ultimately also have an adverse impact on their security internally.

So my hope is, is that over time what we're going to see is further clarity and further cooperation between all the parties and all peoples of goodwill in the region to eradicate terrorist activity, to eradicate the kind of violent extremism that we've seen. I think that will benefit the peoples of Pakistan and India and the world community as well.

**PRIME MINISTER SINGH:** The President and myself had a very useful and productive exchange of views relating to security, peace, and counterterrorism in our regions. I'm very satisfied with the outcome of my discussion with President Obama.

As far as the nuclear deal is concerned, the President has reaffirmed that it is the common resolve of our two governments to operationalize the nuclear deal as early as possible. There are a few "i's" and "t's" which have to be crossed -- and I am confident and I have the assurance of the President that that process can be completed without much further loss of time.

**PRESIDENT OBAMA:** Thank you very much, everybody.



**623. Press Release on the signing of the India - USA Memorandum of Understanding to "Enhance Cooperation in Energy Security, Energy Efficiency, Clean Energy and Climate Change".**

**Washington (D.C), November 24, 2009.**

India and the US signed an "MoU to Enhance Cooperation on Energy Security , Energy Efficiency , Clean Energy and Climate Change" on 24 November 2009. The bilateral document was signed by External Affairs Minister and US Secretary of State at the US State Department.

The MoU would strengthen and intensify India-US collaboration on energy security, clean energy and climate change and bring together joint ideas on energy efficiency, renewable energy and green technologies to stimulate India-US Energy dialogue and the India-US bilateral dialogue on Global Climate Change, a new framework announced on 20 July 2009. It would allow the two countries to share their experiences and best practices as they both try to diversify their energy mix. The MoU would help to expand current partnerships for promoting sustainable growth, innovation, application of alternative fuels and clean energy and capacity building for deployment of adaptable, affordable and climate friendly technologies in both countries. The MoU envisages setting up an India-US Clean Energy Research and Deployment Initiative, including a Joint Research Center to foster innovation and joint efforts to accelerate deployment of clean energy technologies.

The two sides also initialed an MoU on Agricultural Cooperation and Food Security and an India-US Counterterrorism Cooperation Initiative today.

The MoU on Agricultural Cooperation and Food Security was initialed by Shri. Montek Singh Ahluwalia, Deputy Chairman Planning Commission, Government of India and Mr. Tom Vilsack, US Agriculture Secretary. Cooperation in the field of agriculture between India and the US is a key agenda of the India-US Strategic Dialogue announced on 20 July 2009. The MoU would help the two countries to expand current partnership in the field of agriculture and further joint initiatives for promoting sustainable agricultural development, food security, and for increasing the application of knowledge, innovation and capacity building in the two countries and globally. Cooperation in the field of agriculture with the United States could be leveraged to strengthen agricultural productivity, and agro based R&D in India.

The India-US Counterterrorism Cooperation Initiative was initialed by Ambassador of India to the USA Smt. Meera Shankar and US Ambassador to India Mr. Timothy Roemer.

India and the US have strong cooperation in the field of counter-terrorism. Post Mumbai attack, bilateral collaboration on counter-terrorism has increased substantially. India and the US recognize terrorism as one of the biggest threats to world security and have reaffirmed the determination to fight the evil in all its forms and manifestations.



**624. Joint Statement issued during the visit of Dr. Manmohan Singh to the United States.**

**Washington (D. C), November 24, 2009.**

**INDIA AND THE UNITED STATES: PARTNERSHIP FOR A BETTER WORLD**

Prime Minister Dr. Manmohan Singh and President Barack Obama today reaffirmed the global strategic partnership between India and the United States, and launched a new phase in this partnership. Commending the deepening bilateral cooperation between the world's two largest democracies across a broad spectrum of human endeavors, the two leaders recognized that the common ideals and complementary strengths of India and the United States today provide a foundation for addressing the global challenges of the 21st century.

The two leaders noted that the shared values cherished by their peoples and espoused by their founders - democracy, pluralism, tolerance, openness, and respect for fundamental freedoms and human rights - are acquiring an increasingly greater prominence in building a more peaceful, prosperous, inclusive, secure and sustainable world. These values are exemplified by the vibrant linkages between their peoples, which are a unique asset for both countries, and are reflected in the role played by the Indian-American community.

The two leaders resolved to harness these shared strengths and to expand the U.S.-India global partnership for the benefit of their countries, for peace, stability and prosperity in Asia, and for the betterment of the world. To this end, they committed to build upon the India-U.S. Strategic Dialogue announced in July 2009. President Obama stated that the United States looks forward to a stable and prosperous India playing an increasingly important role in world affairs.

**ADVANCING GLOBAL SECURITY AND COUNTERING TERRORISM**

Prime Minister Singh and President Obama recognized that the India-U.S. partnership is indispensable for global peace and security. In this context, the interests of both countries are best advanced through the values mirrored in their societies.

They acknowledged the common threat that international terrorism poses to regional and global security. They condemned terrorism in all its forms and manifestations and declared that there could be no justification for terrorism anywhere.



On the eve of its first anniversary, President Obama reiterated the United States's condemnation of the terrorist attack in Mumbai in November 2008. The two leaders underscored the absolute imperative to bring to justice the perpetrators of this terrorist attack.

They expressed their grave concern about the threat posed by terrorism and violent extremists emanating from India's neighborhood, whose impact is felt beyond the region. The two leaders agreed that resolute and credible steps must be taken to eliminate safe havens and sanctuaries that provide shelter to terrorists and their activities. These undermine security and stability in the region and around the world.

They vowed to redouble their efforts to deal effectively with terrorism, while protecting their countries' common ideals and shared values and committed themselves to strengthening global consensus and legal regimes against terrorism. They decided on a Counterterrorism Cooperation Initiative to expand collaboration on counterterrorism, information sharing, and capacity building.

The two leaders reiterated their shared interest in the stability, development and independence of Afghanistan and in the defeat of terrorist safe havens in Pakistan and Afghanistan. President Obama appreciated India's role in reconstruction and rebuilding efforts in Afghanistan. The two leaders agreed to enhance their respective efforts in this direction.

The two leaders committed to continue pursuing mutually beneficial defense cooperation through the existing security dialogue, service-level exchanges, defense exercises and trade and technology transfer and collaboration. They recognized the scope for cooperation in the areas of non-traditional threats to security, peacekeeping, humanitarian and disaster relief, and maritime security and protecting sea lanes of communication. They agreed to expedite necessary arrangements to facilitate these activities.

The two leaders agreed that strengthening high technology trade between their countries is in the spirit of their strategic dialogue and partnership. They reiterated their shared commitment to technology security and that it is in their mutual interest to invigorate this area of their partnership.

Prime Minister Singh and President Obama reaffirmed their shared vision of a world free of nuclear weapons and pledged to work together, as leaders of responsible states with advanced nuclear technology, for global non-proliferation, and universal, non-discriminatory and complete nuclear disarmament. Part of that vision is working together to ensure that all nations live up to their international obligations. India reaffirmed its unilateral and

voluntary moratorium on nuclear explosive testing. The United States reaffirmed its testing moratorium and its commitment to ratify the Comprehensive Test Ban Treaty and bring it into force at an early date. Both leaders agreed to consult each other regularly and seek the early start of negotiations on a multilateral, non-discriminatory and internationally verifiable Fissile Material Cutoff Treaty at the Conference on Disarmament. They noted that nuclear terrorism, and clandestine networks are a matter of grave concern. Prime Minister Singh and President Obama look forward to the April 2010 Nuclear Security Summit and working together with all participating states for the success of the Summit.

#### **ENSURING SUSTAINABLE GLOBAL DEVELOPMENT AND A CLEAN ENERGY FUTURE**

Recognizing that energy security, food security, climate change are interlinked, and that eliminating poverty and ensuring sustainable development and a clean energy future are among the foremost global objectives, the two leaders agreed to enter into a Green Partnership to address these global challenges.

They two Leaders reaffirmed their intention to promote the full, effective and sustained implementation of the United Nations Framework Convention on Climate Change (UNFCCC) in accordance with the Bali Action Plan. Recognizing their special role in promoting a successful and substantive outcome at the UNFCCC 15th Conference of Parties at Copenhagen in December, 2009, they reaffirmed their intention to work together bilaterally and with all other countries for an agreed outcome at that meeting.

The two leaders also affirmed that the Copenhagen outcome must be comprehensive and cover mitigation, adaptation, finance and technology, and in accordance with the principle of common but differentiated responsibilities and respective capabilities, it should reflect emission reduction targets of developed countries and nationally appropriate mitigation actions of developing countries. There should be full transparency through appropriate processes as to the implementation of aforesaid mitigation actions. The outcome should further reflect the need for substantially scaled-up financial resources to support mitigation and adaptation in developing countries, in particular, for the poorest and most vulnerable. It should also include measures for promoting technology development, dissemination and transfer and capacity building, including consideration of a center or a network of centers to support and stimulate climate innovation. India and the United States, consistent with their national

circumstances, resolved to take significant national mitigation actions that will strengthen the world's ability to combat climate change. They resolved to stand by these commitments.

Recognizing the need to create the clean energy economy of the 21st century, Prime Minister Singh and President Obama agreed to launch a Clean Energy and Climate Change Initiative. The goal of the Initiative would be to improve the lives of the people of both countries by developing and improving access to technologies that make our energy cleaner, affordable and more efficient. The Initiative will include cooperation in wind and solar energy, second generation bio-fuels, unconventional gas, energy efficiency, and clean coal technologies including carbon capture and storage. The success of this Initiative is expected to enhance the ability of India and the United States to provide new economic opportunities for their people and create new clean energy jobs.

The two leaders intend to take practical steps to promote global food security, including by advancing the L'Aquila Food Security Initiative. They looked forward to increasing India-U.S. agricultural cooperation with the purpose of promoting agricultural research, human resources capacity building, natural resource management, agri-business and food processing, and collaborative research for increasing food productivity. This cooperation would contribute to joint development of technology that would improve weather forecasting, including predicting monsoons, and technology that would contribute to food productivity and food security efforts in India.

They agreed to collaborate in the application of their space technology and related scientific capabilities in outer space and for development purposes, including in the field of agriculture.

The two leaders reiterated their intention to realize the full potential of the India-U.S. Agreement for Cooperation concerning the Peaceful Uses of Nuclear Energy through the implementation of its provisions. They agreed to expedite U.S. firms' participation in the implementation of this agreement.

#### **STIMULATING GLOBAL ECONOMIC REVIVAL**

Prime Minister Singh and President Obama noted the new opportunities offered by their economies and their respective strengths, and their potential for future growth to catalyze global economic growth, and pledged to create conditions that would facilitate their continued expansion.

The leaders also noted that the United States is currently the largest trading partner of India in goods and services. The leaders reiterated their pledge to bolster and deepen cooperation on economic, trade and agricultural issues, including working bilaterally and with multilateral trade organizations to foster increased trade. Both leaders welcomed the potential for further expanding trade and investment between their countries, including in sectors such as infrastructure, information and communication technologies, healthcare services, education services, energy and environmentally friendly technologies.

As members of the G 20, they agreed to advance the G 20 understandings including with regard to energy security and resisting protectionism in all its forms. The two leaders agreed to facilitate greater movement of professionals, investors and business travelers, students, and exchange visitors between our two countries to enhance their economic and technological partnership.

They committed to strengthen and reform the global economic and financial architecture in the G-20, World Bank and the IMF. They resolved to seek an ambitious and balanced outcome of the Doha Round, consistent with its mandate and reaffirmed their commitment to an open, fair, equitable, transparent and rule-based multilateral trading system.

The two leaders announced their intention to develop a Framework for Cooperation on Trade and Investment. This Framework is expected to foster an environment conducive to technological innovation and collaboration, promote inclusive growth and job creation, and support opportunities for increased trade and investment - including for small and medium-sized enterprises. They agreed to launch the U.S.-India Financial and Economic Partnership to strengthen engagement on economic, financial, and investment-related issues.

The two leaders welcomed the progress achieved in the discussions on a Bilateral Investment Treaty and pledged to take further initiatives that would contribute to creating a more conducive environment for investment flows.

They recognized the contribution of the business and industrial sectors of both countries in this regard and called upon the India-U.S. CEOs Forum to identify new directions in the India-U.S. economic relationship.

### **EDUCATING AND EMPOWERING FUTURE GENERATIONS**

Recognizing the cultural emphasis on education in both countries, Prime Minister Singh and President Obama emphasized that education holds the

key to the advancement of their societies, and to a more prosperous and stable world.

They agreed that access to and development of technology was a cross-cutting requirement to meet the challenges that their two countries face. They acknowledged the fruitful collaboration between the two countries in the fields of education, research and science and technology, which has contributed to their emergence as knowledge societies.

Taking advantage of that strength, President Obama and Prime Minister Singh launched the Obama-Singh 21st Century Knowledge Initiative with funding from both sides to increase university linkages and junior faculty development exchanges between U.S. and Indian universities, including greater emphasis on community colleges.

They agreed to substantially expand the Fulbright-Nehru program to provide more student and scholar exchange grants in priority fields such as science, technology and agriculture. The two leaders reaffirmed the importance of expanding cooperation in higher education and research, and according priority to cooperation in the area of skill development.

They also expressed their support for the India-U.S. Binational Science and Technology Commission and the Endowment, which is expected to give a fresh impetus to collaboration in the cutting edge areas of scientific research, technology and development.

The leaders affirmed the importance of women's empowerment to advancing global prosperity and stability, and welcomed the establishment of a Women's Empowerment Dialogue to promote women's participation and equality in all spheres. They emphasized that women's empowerment is a cross-cutting goal that should be pursued across the full scope of U.S.-India Strategic Dialogue initiatives.

#### **PROTECTING THE HEALTH OF OUR PEOPLE**

Prime Minister Singh and President Obama welcomed the strong collaboration between India and the United States in the area of public health. They agreed to build on existing strong ties across academia and scientific communities by advancing public health and biomedical research collaborations between the United States and India. The two countries plan to establish a Regional Global Disease Detection Center in India and to build a partnership with the U.S. Centers for Disease Control and Prevention . The leaders also pledged to enhance collaboration in controlling diseases

such as polio, and discovering new and affordable technologies and treatments for the benefit of their peoples and for those of other countries who seek their assistance.

### **TOWARDS MORE EFFECTIVE GLOBAL COOPERATION**

Prime Minister Singh and President Obama recognized that the India-U.S. relationship is important for managing the challenges the world will face in the 21st century.

The two leaders underscored the compelling need to put in place global institutions which are both inclusive and effective to meet present and future challenges. They welcomed the emergence of the G-20 as a premier forum to deal with international economic issues. The two leaders recognized the scope for their countries to increase cooperation in peacekeeping, development and the promotion of essential human freedoms. They committed themselves to achieving genuine reform of the United Nations including in its Security Council in a manner that reflects the contemporary realities of the 21st century and thereby enhances its ability to carry out its mandate as a representative, credible and effective forum for meeting the challenges of the new century.

Prime Minister Singh thanked President Obama and the people of the United States of America for their generous hospitality and warm welcome. President Obama looks forward to visiting India with his family in the near future.



**625. Remarks by Prime Minister Dr. Manmohan Singh at the State Dinner hosted by President Obama and Mrs. Obama.**

**Washington (D. C), November 24, 2009.**

**Mr. President,**

**Mrs. Obama,**

**Distinguished guests,**

We feel privileged to be invited to the first State banquet under your Presidency. You do us, and India, great honour by this gesture. We are overwhelmed by the warmth of your hospitality, the courtesy you have extended to us personally and the grace and charm of the First Lady.

Mr. President, your journey to the White House has captured the imagination of all Indians. You are an inspiration to all those who cherish the values of democracy, diversity and equal opportunity.

I can do no better than to describe your achievements in the words of Abraham Lincoln who said "In the end, its not the years in your life that count, it's the life in your years".

We warmly applaud the recognition by the Nobel Committee of the healing touch you have provided and the power of your idealism and vision.

Your leadership of the United States coincides with a time of profound change in the world. We need to find new pathways of international cooperation that respond more effectively to the challenges caused by the growing interdependence of nations. As two leading democracies, India and the United States must play a leading role in building a shared destiny for all humankind.

A strong and sustained engagement between our two countries is good for our people and important for the world. We are embarking on a new phase of our partnership. We should build on our common values and interests to realize the enormous potential and promise of our partnership.

Our expanding cooperation in areas of social and human development and science and technology will better the lives of millions of people.

The success of the nearly 2.7 million strong Indian American community is a tribute to our common ethos. They have enriched and deepened our ties

and I thank them warmly.

I convey my best wishes to you, Mr. President, as you lead this great nation and look forward to working with you to renew and expand our strategic partnership.

I wish you and the people of America a very Happy Thanksgiving.

**Ladies and Gentlemen, I invite you to join me in a toast to:**

- The health and happiness of President Barack Obama and the First Lady, Mrs. Obama,
- The friendly people of the United States of America, and
- Stronger friendship between India and the United States of America.





## 626. **FACT SHEET: Advancing Global Security and Countering Terrorism.**

**Washington (D. C), November 24, 2009.**

Prime Minister Manmohan Singh and President Barack Obama renewed their commitment to expand cooperation on strategic issues facing both countries and the world. They acknowledged the common threat that international terrorism poses to their homelands and to regional and global security. The numerous bilateral dialogues conducted over the last several months, the two leaders' discussions today, and the continuing actions that both countries will be taking as a result of these comprehensive meetings reflect the extensive and growing strategic partnership between the United States and India.

- In their meeting today, Prime Minister Singh and President Obama noted that the **U.S.-India counterterrorism** relationship has advanced in a short time to unprecedented levels of cooperation. As part of the Counterterrorism Cooperation Initiative, they committed to redouble their collective efforts to deal effectively with terrorism, while protecting their countries' common ideals and shared values, and committed themselves to strengthening global consensus and legal regimes against terrorism.
- India reaffirmed its unilateral and voluntary moratorium on nuclear explosive testing. The United States reaffirmed its testing moratorium and its commitment to ratify the Comprehensive Test Ban Treaty and bring it into force at an early date. The two leaders agreed to consult each other regularly, as well **as seek the early start of negotiations on a multilateral, non-discriminatory and internationally verifiable Fissile Material Cutoff Treaty.** Prime Minister Singh and President Obama looked forward to the April 2010 Nuclear Security Summit and will work together on nuclear security to ensure its success. They affirmed their commitment to work together to prevent the spread of Weapons of Mass Destruction- and missile-related technology and to realize their shared vision of a world free of nuclear weapons.
- The two leaders also discussed shared interests in enhanced **regional security and stability**, particularly in the context of Afghanistan and Pakistan. Both the United States and India have

made significant investments in development assistance to the Afghan people since late 2001, and President Obama and Prime Minister Singh agreed on the importance of close coordination among the international donor community in order to maximize the impact of assistance. As Prime Minister Singh had visited Southeast Asia in October and President Obama recently returned from a trip to East and Southeast Asia, the two leaders shared impressions of the Asia-Pacific region that represents an increasingly large share of global economic growth.

- The **U.S.-India bilateral defense relationship** has been on an accelerated upward trajectory in recent years. The United States is India's largest bilateral military exercise partner, and the two countries just concluded the largest-ever bilateral exercise, "Yudh Abhyas," with the Indian Army. As India modernizes its military, President Obama hopes that U.S. equipment and technology will continue to be a part of that modernization. The recent conclusion of End-Use Monitoring language provided important momentum to enhance Indian military modernization programs. During the Defense Policy Group meetings held in New Delhi three weeks ago, the two countries committed to pursue mutually beneficial defense cooperation, including collaborating on humanitarian, maritime security and intelligence sharing efforts.
- Noting that global security encompasses a wide range of common interests, the two leaders also affirmed their nations' commitment to work together on global challenges, as illustrated in the **Global Issues Forum**, held in New Delhi on November 5. The Global Issues Forum focused on how the world's two largest democracies can form a truly global partnership by working together to meet transnational challenges through regional, international and multilateral cooperation. In the Forum, the two governments addressed concrete ways to strengthen Indian and U.S. cooperation in improving global health, food security, access to shelter and education, water management, support for the rule of law and human rights, environmental conservation and disaster management.



**627. Fact Sheet: India-US Civil Aviation Cooperation****Washington (D. C), November 24, 2009.**

The Civil aviation sector is the fastest growing area of Indo-US economic and high technology engagement. The Open Skies agreement of 2005 was the starting point of the beginning of a strong Indo-US partnership in the civil aviation sector. Leading US companies such as Boeing, Raytheon and Lockheed Martin have established presence in India with a longer term objective. US civil aviation exports to India in 2008 were US\$ 2.6 billion; almost 60% of the total Indian high technology imports from the US during the year. Aircraft and aerospace products have emerged as the fastest growing component of US exports to India.

The Government of India and the Indian Industry seek technical, human resource, high technology and commercial support from the USA in its efforts to modernize the civil aviation Industry in India and to meet the challenges of its rapid expansion in terms of safety, customer demand, technology and communication support and air space management. Following the Open Skies Agreement between the countries in 2005, there has been a steady increase of air traffic between the two countries stimulating economic partnership and strengthening people to people contacts.

Trends in the Indian Civil Aviation sector:

The sector grew by 27 % in 2006-7 and is expected to continue to grow in the coming years.

Domestic passenger traffic is slated to reach 180 mn and international traffic to 50 mn by 2020. During May 2007-May 2008, domestic passenger traffic stood at 25 mn and international traffic at 22.5 mn.

In 2008, airlines carried around 2.12 billion passengers. The international passenger traffic in terms of passenger-kilometers constitute two third of the total passenger traffic. The international cargo accounts for more than 80% of the total traffic.

International traffic has been growing at a 10% growth per annum.

Indian civilian aircraft market is valued at USD 90 billion involving sale of 1000 aircraft during the period 2008-20. At present the sector has around 400 fleet with almost the same number on order as well. However, it is a fact that the current downturn has seen many deliveries being deferred, but significantly not cancelled.

**Bilateral mechanisms**

- Open Skies Agreement was signed in April 2005. The conclusion of this Agreement has boosted trade, tourism and business. Connectivity between the two countries has increased significantly with six new daily direct flights which have commenced since the signing of the Open Skies Agreement, another new daily flight (Jet Airways) is via Brussels. Air India began a new direct non-stop flight from New York to Delhi in February 2008. Another Air India flight flies non stop from New York to Mumbai . Air India plans to link Washington DC and New Delhi with effect from December 1, 2009 via New York.
- A Memorandum of Agreement ('Umbrella Agreement') between the Federal Aviation Authority (FAA) of USA and the Government of India was signed on 13th November, 2006 in New Delhi. The agreement provides for assistance by FAA to the Civil Aviation sector in India in developing and modernizing the civil aviation infrastructure in the managerial, operational and technical areas. This assistance is coordinated by the Joint Aviation Steering Committee.
- India-US Aviation Cooperation Programme The India-US civil aviation cooperation is being supported by the US-India Aviation Cooperation Programme (ACP) set up in 2007, which is a public-private partnership between the US Trade Development Agency (USTDA), the US Federal Aviation Administration (FAA), US aviation companies and the Indian Ministry of Civil Aviation. This programme is designed to provide a forum for communication between the Governments of India and the USA and public and private sector entities in both countries. Projects on capacity building - Technical Training for Aerospace Industry, Air Traffic Flow Management, Aircraft Pilot Capacity Assessment, Aircraft maintenance Engineer Capacity study, Air Traffic Control Office and communication, navigation and surveillance Engineer capacity assessment are being undertaken as part of the ACP. Experts from the Ministry of Civil Aviation, DGCA and Airports Authority of India among others have been undergoing training in the US in the field of aerospace management, best practices, safety issues and technical expertise.
- Indo-US Joint Steering Committee (JASC): To carry forward the mandate of the ACP, an India-US Steering Committee has been set

up under which Working Groups on Air Worthiness, Flight Standards, Airports and Environment have been formed. The second Meeting of the India-US Aviation Steering Committee was held on 14 October 2008. The third meeting has been planned to take place during the 2nd Indo-US Aviation summit in Washington.

**Bilateral Aviation Safety Agreement:** India has drawn out an action plan to fulfill the requirements for the signing of a Bilateral Aviation Safety Agreement (BASA) with the USA in 2010. After the signing of BASA, DGCA certified products can be sold in the USA and perhaps in other parts of the world. The certification of DGCA would be treated at par with the certification of the Federal Aviation Authority (FAA), USA. The first shadow certification is underway to certify a life raft designing by BF Goodrich. The Agreement would encourage US Aviation Companies to invest in India.

**AVIATION 2008:** USA was the partner country at the first biennial civil aviation show - India Aviation 2008 held in Hyderabad during 15-18 Oct 2008. A large US delegation including 20 US aviation companies- Boeing, Raytheon, Cessna, Beechcraft etc- participated in the show exhibiting products and services in varied sectors of the aviation industry.

**Public-private partnership:** Realising the growth potential of the civil aviation sector in India and the need for skilled manpower to support the growth of the aerospace Industry in the country, Boeing has established partnerships with IIT Mumbai, IISC Bangalore, IIT Kanpur, IIT Kharagpur and IIT Chennai to promote Aerospace Engineering as a discipline. It has tie-ups with leading India research institutions - IISC Bangalore (one among the only eight - Strategic Boeing Universities in the world), IIT Kanpur, National Aerospace laboratories and HAL Aircraft Design and Research Centre. Areas of R&D collaboration include Materials and Processes, Software and Analysis.

**India-US Aviation Summit 2009:** The second India US Aviation Summit will be held in Washington from 7 - 9 December 2009.



**628. Fact Sheet : Stimulating Global Economic Revival U.S. - India Cooperation in Economics, Trade, and Agriculture.**

**Washington (D.C), November 24, 2009.**

The United States, the world's largest economy, and India, one of the world's fastest growing economies, are committed to working together to stimulate a global economic revival, to strengthen global economic and financial institutions, to work toward a balanced and ambitious outcome in the Doha Round negotiations, and to promote global food security. The following activities under the Economics, Trade, and Agriculture Pillar of the United States - India Strategic Dialogue are designed to make these shared goals a reality:

- **The United States - India CEO Forum** brought together leaders of the U.S. and Indian business communities - approximately ten from each side across various industry sectors - with senior government officials on November 23. Forum members conveyed their interest in working on recommendations on how the public and private sectors can work together to strengthen economic and commercial ties between the two countries, stimulate innovation, spur job creation, and promote sustainable inclusive growth.
- U.S. Trade Representative Ron Kirk and Indian Minister of Industry and Commerce Anand Sharma opened discussions on a "**United States - India Framework for Cooperation on Trade and Investment**" during the Trade Policy Forum on October 26 in New Delhi. Work under this Framework would encourage the expansion of bilateral trade and investment opportunities, including for small and medium sized businesses. To support these efforts, the Department of Commerce has scheduled two trade missions focused on small and medium-sized enterprises in early 2010, one focused on solar power technologies and one on healthcare and medical equipment. The two leaders also agreed to re-launch the Private Sector Advisory Group, a group of U.S. and Indian international trade experts who will provide recommendations and insights to the Trade Policy Forum.
- U.S. Secretary of Agriculture Vilsack and Indian Deputy Chairman of the Planning Commission Montek Singh Ahluwalia met to discuss

cooperation on agriculture and food security. They renewed their commitment to work together bilaterally, and in cooperation with other countries, using the principles and objectives agreed at the L'Aquila G-8 Summit. They also agreed to launch a **new Agriculture Dialogue and agreed on a Memorandum of Understanding on Agricultural Cooperation and Food Security** that will set a pathway to robust cooperation between the governments in crop forecasting, management and market information; regional and global food security through the L'Aquila Food Security Initiative; science, technology, and education; nutrition; and expanding private sector investment in agriculture. The United States and India expect cooperation under the agreement to expand access to knowledge to improve productivity, safety, and nutritional quality of food crops; to strengthen market institutions and foster growth of agribusiness investment and improve food security and access to adequate quantities and quality of food, particularly for women and young children.

- In August, the United States and India launched negotiations on a Bilateral Investment Treaty. This treaty would ensure protection for investors and would facilitate robust investment flows both from the United States to India and from India to the United States. Both sides committed to the active continuation of negotiations.
- The U.S. Department of Commerce International Trade Administration "Invest in America" program and "Invest India," a Joint Venture of the Ministry of Commerce and Industry Department of Industrial Policy and Promotion, signed a Memorandum of Intent to facilitate foreign direct investment in their respective countries by investors of the other country.
- U.S. Secretary of the Treasury Geithner and Finance Minister Pranab Mukherjee will establish a new U.S.-India Economic and Financial Partnership to strengthen bilateral engagement on macroeconomic, financial sector, development, and infrastructure related issues. Treasury Secretary Geithner will visit India in early 2010 for the launch of this new Partnership with Finance Minister Mukherjee and other economic and regulatory counterparts. The financial sector working team under this Partnership, which brings together financial regulators from the U.S. and India to discuss the rapidly-changing regulatory landscape and share best practices, will hold its next meeting in early December 2009 in New Delhi.

- The United States Patent and Trademark Office of the Department of Commerce and Indian Ministry of Commerce and Industry signed a **Memorandum of Understanding renewing bilateral cooperation in the field of intellectual property**. The memorandum will focus on human resource development, capacity building and public awareness programs in intellectual property protection and enforcement. The parties also signed an Action Plan to implement the objectives of the memorandum. In addition, the U.S. Patent and Trademark Office and Indian Council of Scientific and Technical Research signed a Traditional Knowledge Digital Library Access Agreement. The agreement will help to prevent the improper patenting of Indian traditional knowledge by providing a new search tool to USPTO Patent Examiners.



## 629. **Fact Sheet: Enhancing U.S.-India Cooperation on Education and Development.**

**Washington (D. C), November 24, 2009.**

In meeting the demands of a changing world economy, President Obama and Prime Minister Singh joined this week to recommit to cooperation on education and development. President Obama and Prime Minister Singh have both put education at the top of their national agendas. Today, they reaffirm that it is through cooperation on education and development that global challenges are met - from food security to public health, from climate change to workforce development and women's empowerment.

Toward that end, Prime Minister Singh and President Obama agreed to strengthen U.S.-India cooperation on education and development by launching the following initiatives:

- The 21st Century demands a new brand of cooperation on Education. The two leaders committed to building an **enhanced India-U.S. strategic partnership in education** that seeks to advance solutions to the defining global challenges that their countries face. Expanding higher education cooperation through increased exchanges and greater academic collaboration, as well as enhancing the role of the private sector, are important elements to this strategic approach.



- **Fulbright-Nehru Expansion:** The United States and India enjoy a long tradition of educational exchanges, and are substantially increasing it. Since 1950, the bilateral U.S.-India Education Foundation established by the two governments has awarded more than 8,200 Fulbright, Fulbright-Nehru, and other scholarships to U.S. and Indian students in every field of human endeavor. The binational Fulbright-Nehru Scholarship Program will be expanded through a 45% increase in funding by each government to support increased exchanges of students and scholars in priority fields, bringing total support for these scholarships to \$6.7 million this year.
- **Obama-Singh 21st Century Knowledge Initiative Launched:** To meet the serious demands of the 21st Century, the newly announced Obama-Singh 21st Century Knowledge Initiative will provide \$10 million in combined funding to increase university linkages and support junior faculty development between U.S. and Indian universities.
- **Women's Empowerment Dialogue (WED):** President Obama and Prime Minister Singh have underscored the need for the full participation of women in all aspects of society in order for the global community to address the complex challenges we face in this new century. During the initial meeting of the Women's Empowerment Dialogue in New Delhi, in addition to discussing areas of mutual collaboration and support, both sides agreed to explore the creation of a "Women's Empowerment Fund," that could potentially serve as a catalyst for foundations and civil society actors to advance WED priorities including women's social and economic empowerment, capacity building for self-help groups, support for micro-credit, female literacy, political participation of women, education, violence against women, nutrition, healthcare, climate change, and gender budgeting.
- In support of these and other initiatives, Prime Minister Singh and President Obama agreed that the Governments of India and the United States will continue the U.S.-India Education Dialogue and the U.S.-India Women's Empowerment Dialogue at the earliest opportunity in 2010.



**630. Fact Sheet: U.S.-INDIA Green Partnership to Address Energy Security, Climate Change, and Food Security.**

**Washington (D. C), November 24, 2009.**

President Barack Obama and Prime Minister Manmohan Singh launched a Green Partnership, reaffirming their countries' strong commitment to taking vigorous action to combat climate change, ensuring their mutual energy security, working towards global food security, and building a clean energy economy that will drive investment, job creation, and economic growth throughout the 21st century. Toward that end, Prime Minister Singh and President Obama agreed to strengthen U.S.-India cooperation on clean energy, climate change, and food security by launching the following initiatives:

- The two countries agreed on a comprehensive **Memorandum of Understanding to enhance cooperation on Energy Security, Energy Efficiency, Clean Energy, and Climate Change**. Through this Memorandum, both countries will work jointly to accelerate development and deployment of clean energy technologies and to strengthen cooperation on adaptation to climate change, climate science, and reducing greenhouse gas emissions from forests and land use.
- Prime Minister Singh and President Obama agreed to encourage the mobilization of public and private resources to support a fund or funds that would invest in clean energy projects in India. This represents a major step forward in U.S. - India partnerships to strengthen their economic growth and energy security, while also addressing the threat of global climate change.
- Prime Minister Singh and President Obama affirmed that the Copenhagen outcome must be comprehensive and cover mitigation, adaptation, finance, and technology. Moreover, it should reflect emission reduction targets for developed countries and nationally appropriate mitigation actions by developing countries. There should be scaled-up finance, technology, and capacity-building support. There should be full transparency as to the implementation of their mitigation commitments and appropriate processes for review. Both leaders resolved to take significant mitigation actions and to stand by these commitments.

- In addition, the two leaders launched an **Indo-U.S. Clean Energy Research and Deployment Initiative**, supported by U.S. and Indian government funding and private sector contributions. This new Initiative will include a Joint Research Center operating in both the United States and India to foster innovation and joint efforts to accelerate deployment of clean energy technologies. Priority areas of focus for this Initiative may include: energy efficiency, smart grid, second-generation biofuels, and clean coal technologies including carbon capture and storage; solar energy and energy efficient building and advanced battery technologies; and sustainable transportation, wind energy, and micro-hydro power. The Initiative will allow the two governments to leverage expertise from both countries including government, private industry, and higher education to accelerate the development and deployment of new clean energy technologies. The Initiative will facilitate joint research, scientific exchanges, and sharing of proven innovation and deployment policies.
- The Initiative's work will be complemented by **two Memoranda of Understanding (MOUs) on Solar Energy and Wind Energy**. Through the MOU on Solar Energy, the U.S. National Renewable Energy Lab (NREL) will partner with India's Solar Energy Centre to develop a comprehensive nation-wide map of solar energy potential. More than two dozen U.S. and Indian cities will partner to jointly advance solar energy deployment. The MOU on Wind Energy between NREL and India's Centre for Wind Energy Technology will focus in particular on supporting efforts to develop a low-wind speed turbine technology program.
- The U.S. and India will increase cooperation on **unconventional natural gas** including on coal bed methane, natural gas hydrates, and shale gas. The two countries will also work to reduce emissions from land use, including deforestation, forest degradation, enhanced sequestration, and sustainable management of forests.
- Working with India's Ministry of Environment and Forests, the **U.S. Environmental Protection Agency will provide technical support for Indian efforts to establish an National Environmental Protection Authority** focused on creating a more effective system of environmental governance, regulation and enforcement.
- They agreed to launch a new Agriculture Dialogue and agreed on a **Memorandum of Understanding on Agricultural Cooperation and**

**Food Security** that will set a pathway to robust cooperation between the governments in crop forecasting, management and market information; regional and global food security; science, technology, and education; nutrition; and expanding private sector investment in agriculture.

- In support of food security and climate change objectives, the U.S. National Oceanic and Atmospheric Administration will work with India's Ministry of Earth Sciences to more **accurately forecast monsoons**, and thereby reduce risks associated with climate change and to develop early warning systems to protect people and crops from the adverse effects of extreme weather.
- In support of these and other initiatives, including continuing cooperation on nuclear power, Prime Minister Singh and President Obama agreed the Governments of India and the United States will continue to engage regularly through the new U.S.-India Agriculture Dialogue, the U.S.-India Energy Dialogue and the U.S.-India Global Climate Change Dialogue.



**631. Fact Sheet: U.S.-India Cooperation to Protect the Health of their People.**

**Washington (D. C), November 24, 2009.**

Prime Minister Manmohan Singh and President Barack Obama reaffirmed their countries' strong commitment to advancing public health and biomedical research and programming collaborations between the United States and India.

In addition to extensive ongoing India-U.S. collaboration in the health sector, and building on existing ties across academia, public health and scientific communities, new developments include:

- **Global Disease Detection Program:** The leaders announced India as the seventh Regional Center in the Global Disease Detection (GDD) network. This GDD collaboration will include a range of activities, such as emerging disease detection and response, pandemic influenza preparedness and response, laboratory systems and biosafety, field epidemiology training, health communications, and zoonotic disease investigation and control. Other Regional Centers include Kenya, Thailand, Guatemala, Egypt, China, and Kazakhstan.
- **Polio Eradication:** India recently developed a bivalent polio vaccine which has potential application in all polio-infected countries. The United States continues to support India's political and financial commitment to the final stages of polio eradication, and looks forward to successful introduction of the new bivalent vaccine. Since 1999, CDC has provided over \$111 million to India for polio eradication and other activities with USAID providing an additional \$65 million since 1996.
- **Medical Research:** Noting a fifty-year history of bi-lateral innovation and discovery in the medical research field, President Obama and Prime Minister Singh agreed to enhance collaborative biomedical, public health and translational research focused on infectious and aging-related chronic diseases, maternal and child health, and family planning, while also strengthening health research capacity and the translation of scientific discoveries into life-saving practices of global benefit.

- Cooperation on Urban Health: The U.S. Agency for International Development will soon launch its new Health of the Urban Poor Program, which aims to improve reproductive and child health in urban poor populations, especially for those dwelling in slums, by building the local capacity, improving program implementation and increasing resource allocation for urban health through policy analysis. The program will work in close collaboration with urban local bodies and Indian national and state governments.
- Health Services and Regulatory Harmonization: The United States and India will continue to collaborate on activities that enhance healthcare for our people, including concrete programs for biomedical technical exchanges, fostering regulatory harmonization, and sharing best practices in technology transfer. The U.S.-India High-Technology Cooperation Group's Working Group on Biotechnology and Life Sciences anticipates expanded work on these topics and promotion of institutional linkages, including a workshop on medical technology regulations in India during early 2010 and at the Biotechnology Industry Organization's 2010 international convention.
- Status of Health Dialogue: The first meeting of the U.S.-India Health Dialogue is planned for early 2010 in Washington. Secretary of Health and Human Services Sebelius is the U.S. lead and Minister of Health and Family Welfare Azad will lead for India.



**632. Briefing Points by the Official Spokesperson of the Ministry of External Affairs on Prime Minister's discussions in Washington.**

**Washington (D. C), November 25, 2009.**

- PM had very productive discussion this morning with President Obama. They had a restricted meeting first which was followed by a meeting of delegations. The two leaders have established a personal rapport. In his meetings PM conveyed that India wanted to develop a multi-faceted ties with the US. President Obama reciprocated these sentiments. He said that he admired PM and valued his advice.
- President Obama said that India and the US shared common values and principles of democracy, openness, respect for fundamental freedom and human rights. He said India was a rising global power and was increasingly playing an important role in Asia. US saw its partnership with India as one of the most important relationships which would contribute to peace, stability and prosperity in Asia, and the world.
- President Obama stated that the relationship between the United States and India will be one of the defining partnerships of the 21st century. He emphasized that broadening cooperation between India and the US was a priority for him.
- We have agreed on a set of new initiatives and MoUs which represent our wide ranging and expanding ties. You have the Joint Statement that was issued with you which lists out these areas. I would like to mention just a few:
- **Counter-terrorism:** It is as you know just about a year since the heinous attack on Mumbai took place. On the eve of its first anniversary, President Obama reiterated the United States' condemnation of the terrorist attack and underscored the absolute imperative to bring to justice the perpetrators of this terrorist attack. PM personally thanked President Obama for the help extended by US in investigation relating to Mumbai terror attacks.
- We have also agreed on a new Memorandum of Understanding on Counter-Terrorism Cooperation. The MoU would help further cooperation in capacity building, information and intelligence sharing related to terrorism.

- **Clean Energy and Energy Efficiency:** We have agreed on a new initiative for collaboration on Clean Energy and Climate Change Initiative. The Initiative includes cooperation in wind and solar energy, second generation bio-fuels, unconventional gas, energy efficiency, and clean coal technologies including carbon capture and storage. We are hopeful that this initiative will open new economic opportunities for both our countries. In this context, we have also agreed on MoUs for collaboration on R&D in Solar and Wind Energy.
- **Agriculture:** We have agreed to work together for promoting agricultural research, human resources capacity building, natural resource management, agri-business and food processing, and collaborative research for increasing food productivity. This cooperation would contribute to joint development of technology that would contribute to food productivity and food security efforts in India.
- **Education:** We have launched a new Obama-Singh 21st Century Knowledge Initiative to increase university linkages and junior faculty development exchanges between U.S. and Indian universities. Both India and the US will contribute US \$5 million to this Initiative.
- We have also agreed to expand the Fulbright-Nehru program to provide more student and scholar exchange grants in priority fields such as science, technology and agriculture.
- **Health:** We have agreed to further collaboration in health. We hope to establish a Regional Global Disease Detection Center in India and to build a partnership with the U.S. Centers for Disease Control and Prevention.
- The discussions also focused on the on-going cooperation in the field of defence. Both sides attach importance to the development of stronger defence relationship. In the last few years our cooperation has increased tremendously. We intend to carry these forward through service-level exchanges, defense exercises and trade and technology transfer and collaboration. We also hope to strengthen cooperation in meeting global challenges such as maritime security and keeping open the sea lanes of communication.
- **High Technology** trade is an important part of the bilateral relationship. We have agreed that this needs to be strengthened and invigorated keeping in view our transformed relationship and strategic partnership.



- **Civil nuclear cooperation:** President Obama and PM reiterated their commitment to expeditiously complete the remaining steps including the arrangements and procedures for reprocessing.
- **Disarmament** and non-proliferation: President Obama conveyed that India and the US as two nuclear powers can work together towards the ultimate objective of a world free of nuclear weapons.
- **Discussions** on Regional issues: President Obama agreed with PM that terrorism and extremism emanating from our neighborhood posed a serious threat not just to India but also to the US and the entire civilized world. They agreed that resolute and credible steps must be taken to eliminate safe havens and sanctuaries that provide shelter to terrorists and their activities.
- They also had discussions on the situation in Afghanistan. President Obama briefed PM about the on-going review that he was undertaking on their strategy. Both PM and President Obama stressed on the need to have stability and development in Afghanistan and to defeat terrorist activities there. President Obama appreciated India's role in reconstruction and rebuilding efforts in Afghanistan.

### **Climate Change and Energy**

1. Two important outcomes: establishing a Green Partnership which would address inter-related challenges of energy security, climate change and food security.

Clean Energy and Climate Change Initiative which specifically focuses on Collaborative ventures in clean technologies, energy efficiency and renewable energy, including solar, wind and bio-mass.

2. An important aspect of the above Initiative is agreement to jointly develop technology to improve weather forecasting, in particular, monsoon prediction.

3. On Copenhagen process, the two leaders reaffirmed their commitment to the UNFCCC and the Bali Action Plan as basis for deliberations at Copenhagen. This is an important political statement. For India these two documents represent indispensable basis for our negotiations.

There is also clear commitment to a comprehensive and substantive outcome at Copenhagen and this is also in line with India's own expectations.

Statement recognizes the key principle of common and differentiated responsibilities and respective capabilities enshrined in the UNFCCC. In accordance with that principle, the Joint Statement commits developed countries such as the U.S. to take on economy wide emission reduction targets, while developing countries should take mitigation actions which are specific in nature such as India's renewal energy plan or its afforestation target. We have always said that as an open and democratic society India's National Action Plan on Climate Change will be implemented in a transparent manner, with domestic scrutiny including in Parliament. For mitigation actions that are supported by finance, technology and capacity building there can be international scrutiny of both actions and support. For unsupported actions we are willing to reflect these to the UNFCCC through National Communications. These are the "processes" referred to in the Statement in terms of ensuring transparency.

4. There is recognition in the Joint Statement of the need for substantially scaled up financial resources to support climate change action in developing countries. India has been repeatedly emphasising this as one of the key determinants of success at Copenhagen. We are also happy that India's proposal for the setting up of a network of climate innovation centres has also found reflection in the Statement.

5. In the Statement India has readily reflected its willingness to take voluntary mitigation actions which could contribute to the global efforts on meeting the challenge of Climate Change.

6. We are therefore satisfied with the statement on Climate Change which represents an increased degree of congruence in the way India and the U.S. approach the challenge of Climate Change. The PM's visit has also laid the foundation for a significant and focussed collaborative effort both on clean energy and climate change.



**633. Press Conference of Prime Minister Dr. Manmohan Singh at the conclusion of his visit to Washington.**

**Washington (D. C), November 25, 2009.**

**Official Spokesperson:** Good morning and welcome to the Press conference by Prime Minister of India Dr. Manmohan Singh. He is joined by Dr. M S Ahluwalia, Deputy Chairman of Planning Commission and Mr. M K Narayanan, National Security Advisor. After his opening remarks Prime Minister would be happy to take a few questions. Sir may I invite you to make your opening statement?

**Prime Minister:** Before I begin my remarks I wish to say a few words on the eve of the first anniversary of the terrorist attack in Mumbai last year on November 26th.

This is a day of remembrance and of paying homage to all the innocent civilians and our brave men in uniform who lost their lives in one of the worst terrorist attacks our country has ever seen. On behalf the nation, I would like to send a message to each and every one of their families that we share their grief with a very heavy heart. We will never forget the suffering they have gone through. Our thoughts are with them as they pray for the souls of their loved ones.

The attack in Mumbai was a calculated attempt by forces outside the country to destabilize our secular polity, create communal discord and undermine the country's economic and social progress. Such forces should have no doubt that they will fail in their attempts. The supreme sacrifice that so many of our countrymen and women and those from foreign lands made last November will not go in vain.

India's commitment to an open, democratic and secular society will not be shaken by such assaults on our way of life.

The Government will not rest till we have brought the perpetrators of this crime to justice. This is our solemn duty. We have taken up the matter with all the force at our command with the Government of Pakistan. We expect the masterminds of the attack and their supporters to be tried and punished. The infrastructure of terrorism and all safe havens have to be dismantled.

Within the country we have taken several measures to strengthen our security and intelligence system. An effective response mechanism to deter such threats in future has been put in place. We will take more such steps

till we are satisfied that we have foolproof arrangements in place. I wish to reassure the nation that strengthening internal security is the top priority of the government, and we will leave no stone unturned to safeguard and protect the lives of our citizens.

Ladies and gentlemen,

I have completed a very productive visit to the United States. Based on my discussions with President Obama and other American leaders, I am confident that we can not only continue but also strengthen the momentum of our relations built up in the last few years.

President Obama recognized the important role India-US relations can play in meeting the global challenges of the 21st century. We agreed that there is a historic opportunity for India and the United States to work together for world peace and stability on the basis of our shared values, consensus and cooperation.

We discussed several ideas on how we can work together to accelerate global economic recovery and put it on a more sustainable and balanced path in the future.

We welcome President Obama's strong commitment to ensuring a comprehensive and balanced outcome at the climate change meeting in Copenhagen. We have agreed to work together bilaterally and with all other countries to ensure this outcome.

We have established a framework for taking our relations forward. The Joint Statement that has been issued reflects our priorities for future collaboration in agriculture, education, health, clean energy and energy security, defence, science and technology.

We agreed on the early and full implementation of our civil nuclear cooperation agreement. This paves the way for transfers of high technology items to India.

I had a very good interaction with American business leaders. They showed keenness to expand business with India. I reaffirmed to them the commitment of the government to facilitate foreign investment in India and to pursue key reform measures. President Obama and I met the members of the India-US CEOs Forum and urged them to assist the governments in building a vibrant trade and economic partnership.

President Obama was very conscious and aware of the threats both our countries face from terrorism, and the need for us to work together to combat

it. We have agreed to strengthen cooperation in the area of counter-terrorism. He told me that the United States highly values India's role in the reconstruction and development of Afghanistan. We had similar views on establishing peace and prosperity in the Asia-Pacific.

I also met the Speaker of the US House of Representatives Nancy Pelosi, who is a good friend of India, and a number of leading members of the House and the Senate. In all these meetings, as well as those with the business community and strategic experts, I found a fund of goodwill for India. There is great warmth, respect and admiration for India, matched by a genuine desire to work with India to strengthen our strategic partnership.

Later today I will be meeting members of the Indian community in America. They have played a magnificent role in bringing our two countries together. We are proud of their achievements and would like to see them prosper and excel further. Their contribution to American society and economy was something which all leaders referred to in my meetings with them.

I am most grateful to President Obama and First Lady Mrs. Michelle Obama for the warmth of their hospitality and for honouring me and my wife as their first State visitors. President Obama has accepted my invitation to visit India, and we look forward to receiving him and his family in India in 2010.

I would also like to make a special mention of the friendship which both Vice-President Dr. Biden and Secretary Mrs. Clinton have shown to India. We deeply value their personal commitment to our relations.

I leave with a sense of confidence that my visit has deepened mutual understanding between India and the United States, and set new directions for our strategic partnership in a way that will advance our national interests.

Thank you.

**Official Spokesperson:** The Prime Minister will now take a few questions.

**Question** - On reprocessing arrangements under the Civil Nuclear Cooperation deal

**Prime Minister:** We had a very good discussion. At the highest level I have been assured by the United States' leadership that the Government of the United States remains committed to early implementation of Civil Nuclear Cooperation Agreement. There are some minor problems with regard to agreeing on the reprocessing dedicated facilities that is mentioned in the 123 Agreement. I think there are no insurmountable barriers, and I

am confident that in the next couple of weeks we can sort out these things. As far as the civil liability legislation is concerned, the Indian Cabinet has already approved that legislation and we will be going to Parliament to enact the legislation that is required.

**Question** On bringing perpetrators of Mumbai terror attack to justice

**Prime Minister:** As far as bringing the perpetrators of Mumbai massacre to book, our position is very clear that since the conspiracy was hatched basically in Pakistan, it is the obligation of the Government of Pakistan to do everything in their power to bring the perpetrators to justice. I have not seen the report that you have mentioned but I welcome every step that leads in that direction. I have, however, said that it is our strong feeling that the Government of Pakistan could do more to bring to book people who are still roaming around in the country freely, to dismantle the infrastructure of terrorism. I can only hope that there will be progress in that area.

With regard to the Commonwealth Prime Ministers' Conference, there will of course be meetings between various delegations. We simply cannot wish away Pakistan. Whenever politicians meet we always have a tendency to discuss mutual issues. As of now nothing is planned or is on the horizon.

**Question:** On acquisition of nuclear weapons by Iran

**Prime Minister:** India enjoys good relations with both the United States and with Iran. With regard to the nuclear weapon ambitions of Iran I have stated India's position on a number of occasions, and that is well known. But in my meetings with the leaders of the US I did mention that a few days before we came to Washington the Foreign Minister of Iran was in Delhi and he called on me; that I asked him about the state of play with regard to the negotiations on the nuclear programme of Iran; that he said to me that they have been getting very good messages from the new Obama Administration; and that he was hopeful that engagement with P5 powers will succeed. If that comes about, as neighbours of Iran living in that region where five million citizens of our country work and earn their livelihood, given our dependence on energy imports from Iran, we would welcome an outcome of engagement between Iran and P5. I sincerely hope that this engagement will be productive of results.

**Question:** On China - currency and boundary issue with India

**Prime Minister:** As far as your second question is concerned, I did mention to the President that like other countries we welcome the peaceful rise of

China. We ourselves are engaged with China. For the last five years we have been discussing the border problem. In the meanwhile our economic relations have grown in their intensity. China is one of our major trading partners. Therefore, we are all in favour of the rest of the world engaging China. I did mention that during recent weeks and months we have noticed a greater degree of assertiveness on the part of China, but I did not seek any help from the United States. We just reviewed the world situation. I am confident that through purposeful negotiations between our two countries we can resolve all outstanding issues.

As far as the exchange rate of the Chinese currency is concerned, we had a general discussion about reducing and correcting the global imbalances, the responsibilities of various countries. Now that the United States is engaged in an exercise to raise its domestic saving rate, the President mentioned to me that the United States cannot play in the future the same role in stimulating global growth that happened in the past. Therefore, other centres of growth stimulus have to emerge. It is in that context that we had a fairly good discussion about the evolving global economy. But there was no specific discussion of the exchange rate of any one currency.

**Question:** On India's relations with Pakistan

**Prime Minister:** Let me say categorically, India regards a strong, purposeful, peaceful Pakistan to be in our national interest. We have worked in that direction, we will continue to work in that direction. I have also said publicly in my recent interviews to the American media and Fareed Zakaria last week, that Pakistan faces no threat whatsoever from our country and that is the stated position of the Government of India. Any other statement distorted out of context should not carry the weight when I have stated categorically that Pakistan faces no threat whatsoever from our side.

**Question:** On Taliban

**Prime Minister:** Let me say that we are worried about the activities of the Taliban now covering the mainland cities and towns of Pakistan, particularly of Punjab. That is a threat to security not only of Pakistan but also a threat to security of our country.

**Question:** On US pressure on Pakistan to contain terrorism

**Prime Minister:** I have discussed this matter with the President and with the Secretary of State. I have been assured that the US influence will work in the direction that you have asked for.

**Question:** On India's role in Afghanistan and PM's visit to USA.

**Prime Minister:** I have not come across any criticism of India's role in Afghanistan. I think there is bipartisan support in the United States that our involvement in reconstruction and development of Afghanistan is a positive development. I have not received any negative vibes from anywhere in that direction. As far as the visit is concerned, the Joint Statement is before you. You can draw your own conclusions. On my part, I am very satisfied with the outcome of my meetings. I go back to India convinced that India and the United States can and will do lots of things together to strengthen our strategic partnership in economics, in trade, in climate change, in energy, in counter-terrorism and all related activities.

**Question:** On Liberhan report and intelligence sharing by Pakistan and USA

**Prime Minister:** I have to express my regrets on the Liberhan Commission's report. This should not have happened; regarding the responsibility for the same, we will have it investigated. All this happened while I was away from the country. When I go back I will discuss this matter with the Home Minister and other dignitaries.

The second question you asked is why we do not get the information from Pakistan about the terrorist actions planned against India. For this we have been making efforts and we will continue with our efforts that Pakistan should recognise its responsibility. But we welcome the support that the US authorities have given to us in strengthening our cooperation in information and intelligence gathering.

**Question:** On Mumbai terror attack

**Prime Minister:** I had said what I wanted to say in my prepared statement. The 26/11 ghastly act should not have taken place. That it did take place is a cause of deep sorrow and concern to me both as Prime Minister and also as an ordinary citizen of our country; that about 200 citizens of ours perished in this onslaught; that several nationals of various foreign countries also were victims of this ghastly act. I sincerely hope that the world's conscience will be aroused to take effective action against terrorism and associated activities in the hope that our planet can be made free of this scourge for the benefit of all people in all countries.

**Question:** On US support for India's permanent membership of UNSC

**Prime Minister:** There was a general discussion of the changes that need to be made in the global processes of governance, in the need for reform



of the United Nations and the Security Council. I believe there is a reference in the Joint Statement to that effect. But there was no specific commitment, or one asked for by us, about the membership of the Security Council.

**Question:** On India dealing with global economic crisis

**Prime Minister:** One reason why the global slowdown had a somewhat limited adverse affects on our economy is the strong domestic orientation of our economy. We are not dependent on foreign trade to the same extent that some other developing countries are. That has really helped us in this time of crisis to ensure that our economy continues to grow at the rate of about 6.5 per cent per annum despite the onslaught on our export market. We have also been fortunate that our domestic savings rate is as high as 35 per cent of our Gross Domestic Product. Our investment rate in recent years has been about 37 per cent of our GDP. If we maintain a strong commitment to modernise and to expand our infrastructure, I am confident that with our emphasis on inclusive growth, of ensuring that the benefits of growth reach out to all sections of our society, particularly in the rural areas, we will be able in two years' time to go back to the growth path of eight to nine per cent once again.

**Question:** On possibility of repeat of 26/11 type terror attack in India

**Prime Minister:** I sincerely hope that the combined pressure of the world community including the United States will work to ensure that the ghastly acts of the type that took place on 26/11 do not happen once again. But I do recognise the obligation of the Government of India to protect its citizens. We will strengthen our internal security measures to the extent possible. We will do all that is necessary to ensure that there is no repetition of these ghastly acts like 26/11. I sincerely hope that the whole civilised world would back India in that direction. I have already mentioned that we greatly appreciate the cooperation that we have been receiving from the US in this regard after the events of 26/11.

**Question:** On US China Joint Statement

**Prime Minister:** It was indeed discussed, and the President assured me that the reference about South Asia in the US - China Joint Statement was not intended that a third party should interfere in the affairs of South Asia. I am very satisfied with what President has told me about that matter.

**Official Spokesperson:** The press interaction now draws to a close. Thank you for your presence.



**634. Address of Prime Minister Dr. Manmohan Singh at the Reception for the Indian Community.**

**Washington (D.C), November 25, 2009.**

Please see Document No.254.



**635. Press Release issued by the Prime Minister's Office on the telephonic call by the US President Barack Obama on Prime Minister Dr. Manmohan Singh.**

**New Delhi, December 1, 2009.**

U.S. President Barack Obama called the Prime Minister this morning. In a brief conversation, the two leaders discussed the situation in Afghanistan and the further steps that could be taken to bring peace and stability in the country. The two leaders also discussed the forthcoming summit on Climate Change in Copenhagen. The Prime Minister told the President that India would play a constructive role in the negotiations and looked forward to a successful outcome\*.



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\* Media reports said that only last week, Dr. Singh had disfavoured troop withdrawal and stressed the importance of continued engagement in Afghanistan by major regional and international actors. On climate change, Dr. Singh told Mr. Obama that India was willing to be part of a solution and it expected a successful outcome in Copenhagen. The reports said while hoping for a helpful international regime, Dr. Singh told the President that India, at this stage, was not in favour of binding emission cut targets and had started taking unilateral measures without waiting for international consensus.

**636. Response of the Official Spokesperson of the Ministry of External Affairs on President Obama's Speech on Af-Pak Policy.**

**New Delhi, December 3, 2009.**

"We have noted US President Obama's speech at West Point on December 1, 2009\* and the announcement that 30,000 additional US troops would be deployed in Afghanistan in the first part of 2010. We welcome the emphasis in the US strategy on the strengthening of the Government of Afghanistan and Afghan security forces. We also welcome President Obama's reiteration of the need to squarely tackle terrorism, and for Pakistan to ensure that terrorists do not enjoy safe havens on its territory. India believes that it is in the interest of the international community to impress upon Pakistan that it must use all its influence and resources to implement its commitments to dismantle the infrastructure of terrorism and to deny sanctuary to all terrorist groups who operate from its soil.

In our view, it is essential that the international community shows unwavering commitment in resolutely opposing, resisting and overcoming terrorism and those who nurture, sustain and give sanctuary to terrorists and extremist elements. It is also imperative that the international community shows sustained and long-term commitment to assisting the Government and people of Afghanistan.

India for its part has attempted to help Afghanistan in its reconstruction efforts as a means to bringing about stability in that country. Our assistance, now over US\$ 1.3 billion, is spread across Afghanistan and spans almost the entire gamut of economic and social developmental activities. Despite daunting logistical and security challenges, two major GOI-funded infrastructure projects have been completed - construction of the 218 km road from Zaranj to Delaram in Nimroz province and the construction of the 220 KV Transmission Line from Pul-e-Khumri to Kabul together with the sub-station at Chimtala. Construction of Afghanistan's new Parliament building, a symbol of the common commitment of both countries to pluralism and democracy, is also progressing. India reiterates its determination to fulfil its commitment to the Afghan people and Government as they build a peaceful, democratic and pluralistic Afghanistan."



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\* On December 1 President Obama had unveiled a new fast-track war strategy in Afghanistan pledging additional 30, 000 more troops and for the first time stating that U.S. forces would start coming home in 19 months. "The people and governments of both Afghanistan and Pakistan were endangered", he said. "The stakes are even higher within a nuclear-armed Pakistan, because we know that the Al-Qaeda and other extremists seek nuclear weapons, and we have every reason to believe that they would use them," Mr. Obama said.

A statement released by Pakistan's Foreign Ministry in Islamabad urged Mr. Obama to work closely with Islamabad to ensure that his new Afghan war strategy did not harm Pakistan. "We welcome President Obama's reaffirmation of partnership between the two countries built on a foundation of mutual interest, mutual respect and mutual trust," it said.

**637. Suo motu statement by External Affairs Minister S.M. Krishna in Parliament on Prime Minister's visit to USA.**

**New Delhi, December 3, 2009.**

I rise to inform the House of the visit of the Hon'ble Prime Minister to the USA from November 22 to 26, 2009. I would like to share with this House the main outcomes of the visit.

As Hon'ble Members are aware, the Prime Minister's visit to the United States marked the first bilateral Summit between India and the United States after the elections in America last November and our Parliamentary elections this year. It was also the first State visit to the United States by a foreign leader under the new Administration.

An important objective of the Hon'ble Prime Minister's visit was to reaffirm the importance that India attaches to its relations with the United States, and to share our perspectives and concerns on key issues with the new US Administration.

President Obama conveyed to our Prime Minister that strengthening relations with India was one of the highest priorities for his Administration. Prime Minister conveyed to the President that the rapid socio-economic transformation underway in India holds several opportunities for mutually beneficial cooperation between our countries in all areas. India is in a position to contribute to global economic recovery, combat poverty and underdevelopment, and provide stability to a region plagued by terrorism and violent extremism.

Hon'ble Prime Minister and the US President reviewed all aspects of the India-US bilateral relationship. During their meeting, the US Secretary of State, Ms. Hillary Clinton and I updated them on the progress of the Strategic Dialogue that we had announced earlier this year on July 20, 2009.

The Joint Statement titled "India and the United States : Partnership for a Better World" issued after the talks outlines the main focus of the discussions. Trade and investment, clean and efficient energy, science and technology, space, high technology, education, health agriculture and counter-terrorism have been identified as areas of special focus for our future cooperation.

Both India and the United States reiterated their intention to realize the full potential of the Agreement on Civil Nuclear Co-operation signed on October

10, 2008 through the speedy implementation of its provisions. We also agreed that it was particularly important to invigorate and strengthen high technology trade between our countries.

The two sides agree to create conditions to facilitate the expansion of their economies. In this context, the opportunities for US participation in the infrastructure, information and communication technology, healthcare services, education services, energy and environmentally friendly technologies sectors in India were highlighted. They agreed to launch the US-India Financial and Economic Partnership to strengthen engagement on economic, financial and investment related issues.

Both sides agreed to facilitate greater movement of professionals, investors and business travelers, students, and exchange visitors between our two countries. We announced our intention to develop a Framework for Cooperation on Trade and Investment that would foster an environment conducive to technological innovation and collaboration, promote inclusive growth and job creation, and support opportunities for increased trade and investment - including for small and medium-sized enterprises.

The two leaders agreed to pursue their fruitful collaboration in research and science and technology. They launched a Knowledge Initiative with a total funding of USD 10 million that will be allocated to increasing university linkages and junior faculty development exchanges between U.S. and Indian universities, including greater emphasis on community colleges. The Fulbright-Nehru program will be expanded to provide more student and scholar exchange grants. They agreed to cooperate in the area of women's empowerment.

Prime Minister and President Obama agreed to advance public health and biomedical research collaborations between the United States and India. A Memorandum of Intent has been signed on the establishing of a Regional Global Disease Detection Center in India in partnership with the U.S. Centers for Disease Control and Prevention. This would facilitate co-operation between our doctors and scientists in discovering new and affordable technologies and treatments.

Through the India-US Bi-national Science and Technology Commission and the Endowment, it was agreed to give fresh impetus to collaboration in the cutting edge areas of scientific research, technology and development.

Prime Minister and President Obama agreed to increase India-U.S. agricultural cooperation through a memorandum of understanding on agricultural cooperation

and food security with the purpose of promoting agricultural research, human resources capacity building, natural resource management, agri-business and food processing, and collaborative research for increasing food productivity. An important element of this co-operation is the joint development of technology that would improve weather forecasting, including predicting monsoons, and contribute to food productivity and food security efforts in our country. It was also decided that both countries would collaborate in the application of our space technology and related scientific capabilities in outer space and also for development purposes- including in the field of agriculture.

A Traditional Knowledge Digital Library (TKDL) Access Agreement between the Council of Scientific & Industrial Research and US Patent and Trademark Office was signed. This will help prevent misappropriation of traditional knowledge through mistaken issuance of patents as had earlier happened with neem and haldi.

An MoU to facilitate comprehensive bilateral cooperation on a range of IPR issues focusing on capacity building, human resource development and raising public awareness of the importance of IPR was also signed.

Prime Minister and President Obama discussed issues related to our region which are of immediate concern to both our Governments - particularly the threat of terrorism emanating from our immediate neighbourhood.

They reiterated the interest of India and the USA in the stability, development and independence of Afghanistan and in the defeat of terrorist safe havens in Pakistan and Afghanistan. President Obama conveyed that India's role in the reconstruction and rebuilding efforts in Afghanistan was very much appreciated by the US Administration as well as the US Congress. Both leaders were united in their commitment to continue - and enhance - the efforts of India and the USA to help the Afghan people in their development.

Prime Minister's visit to the USA coincided with the eve of the first anniversary of the Mumbai attacks. Naturally, this subject was a priority in Prime Minister's discussions with President Obama. In their discussions, Prime Minister and President Obama underscored the absolute imperative to bring to justice the perpetrators of this terrorist attack and the need for resolute and credible steps to be taken to eliminate safe havens and sanctuaries that provide shelter to terrorists and their activities. They decided on a Counter-terrorism Cooperation Initiative to expand collaboration on counter-terrorism, information sharing, and capacity building.

India and the United States also agreed to continue pursuing mutually beneficial defense cooperation.

The two leaders reaffirmed their shared vision of a world free of nuclear weapons and agreed to work together, as leaders of responsible states with advanced nuclear technology, for global non-proliferation, and universal, non-discriminatory and complete nuclear disarmament. They also agreed to consult regularly and seek the early start of negotiations on a multilateral, non-discriminatory and internationally verifiable Fissile Material Cutoff Treaty at the Conference on Disarmament. They discussed the important issue of nuclear security and the dangers posed by nuclear terrorism and clandestine networks.

Sustainable development and clean and efficient usage of energy being an important modern day challenge, it was agreed to enter into a Green Partnership to address the challenges of food security, clean energy and energy security. Prime Minister and President Obama announced the launch of a Clean Energy and Climate Change Initiative. The Initiative includes cooperation in wind and solar energy, second generation bio-fuels, unconventional gas, energy efficiency, and clean coal technologies including carbon capture and storage. Prime Minister and President Obama agreed on the need for a substantive and comprehensive outcome at the meeting of the Conference of Parties to the UNFCCC in Copenhagen, which would cover mitigation, adaptation, finance and technology.

The two leaders committed themselves to strengthen and reform the global economic and financial architecture in the G-20, World Bank and the IMF.

They further committed themselves to achieving genuine reform of the United Nations including in its Security Council in a manner that reflects the contemporary realities of the 21st century. Their discussions covered the need to have an open and inclusive architecture for cooperation in the Asia-Pacific region.

The two sides were unanimous that the 2.7 million strong Indian-American community are a powerful factor in strengthening India-US relations in all areas.

The Hon'ble Prime Minister's visit has laid the foundation for further enhancing our relations with the United States across a broad spectrum of activities.

Prime Minister has invited President Obama to visit India, an invitation which the US President has accepted. We look forward to receiving President Obama in India in the near future, where a warm welcome awaits him.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - IX**

**EUROPE**



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**BELARUS****638. Statement to the Press by External Affairs Minister S. M. Krishna on arrival in Minsk (Belarus).****Minsk, September 16, 2009.**

Ladies and Gentlemen,

I begin by expressing my great happiness at being in Belarus. My visit to Belarus is the first visit that I have undertaken within the CIS region since I assumed charge of the post of the External Affairs Minister of India after the formation of our new Government in May 2009. This is an indication of the importance that I attach to Belarus and to our bilateral relationship.

2. My visit has been an extremely fulfilling one. I have had an in-depth exchange of views with my esteemed counterpart, His Excellency Mr. Sergei Martynov, Foreign Minister of Belarus. We have discussed the whole gamut of bilateral, relations and global issues. India and Belarus enjoy closer political ties, multifaceted cooperation in various sectors including science and technology and have a growing trade relationship. I am happy to say that our bilateral talks today have revisited many areas of our bilateral cooperation and have looked at more avenues for an enhanced cooperation in the time ahead.

3. The Digital Learning Centre that India is setting up at the High Technology Park in Minsk typifies the sort of cooperation that we envisage for the future - advanced computing skills will be taught to young Belarusians, initially by Indian faculty members and thereafter by Belarusian professionals trained in India. Today, we have signed an Agreement on Cooperation in Physical Training and Sports, which should give a boost to the sports communities of both our countries.

4. Indian company Bharat Heavy Electricals Limited (BHEL) has been awarded a contract worth US\$ 56 million for supply of equipment and provision of technical supervision for installation of 120 MW Grodno-II Combined Heat and Power Plant. The contract for the project has also been signed today. India has offered a Line of Credit for the project. I may say that it is a good beginning to mutual advantage.

5. I will be calling on H.E. President Lukashenko later today and will be departing from Belarus thereafter. I venture to state that this visit has served to consolidate the India-Belarus bilateral relationship, to bring us closer together and to further our cooperation in a very concrete manner to our mutual benefit. It has been personally a very satisfying visit for me as well and I have invited H.E. Mr. Martynov to visit India at an early date.



**639. Press Release of the Ministry of External Affairs on the visit of External Affairs Minister S. M. Krishna to Minsk (Belarus).**

**Minsk, September 17, 2009.**

On the invitation of H.E. Mr. Sergei Martynov, Minister of Foreign Affairs of the Republic of Belarus, External Affairs Minister of India, Mr. S.M. Krishna visited Minsk on September 16-17, 2009. EAM's visit was in conformity with the tradition of high level contacts between India and Belarus. Both the sides were of the view that the visit would further strengthen and diversify the existing warm and cordial relations between the two friendly countries to mutual advantage.

During the visit, EAM had meetings with his host Minister of Foreign Affairs of Belarus and discussed matters of mutual interest in bilateral relations and exchanged views on international and regional matters of interest and concern. He also called on H.E. Mr. Alexander Lukashenko, President of the Republic of Belarus on September 17. He laid a wreath at the Victory Square Monument, in memory of unknown soldiers, in Minsk on September 16.

With a view to further broadening the legal framework of cooperation between India and Belarus, two documents were signed in the presence of the two Ministers - (1) Agreement on Cooperation in the Field of Physical Training and Sports was signed by H.E. Mr. Vladimir V. Aleshkevich, First Deputy Minister of Tourism and Sport of Belarus and Mr. Ramesh Chander, Ambassador of India to Belarus, and (2) MoU on Establishing Digital Learning Center at High Technology Park in Minsk was signed by Dr. Valery Tsepka, Director of Administration of the High Technology Park and Mr. Ramesh Chander, Ambassador of India to Belarus.

Bilateral relations between India and Belarus are traditionally cordial and friendly. Economic and commercial cooperation between the two countries is good and is on the upswing with a trade turnover of US\$ 432 million in the year 2008, which is set to touch US\$ 500 million in 2009. Bharat Heavy Electricals Limited (BHEL) has been awarded the contract for 'Reconstruction of the Grodno-II Power Project'. The contract for the Project was signed by the senior executives of BHEL and Grodnoenergo RUE in the presence of EAM and the Belarusian Minister of Foreign Affairs on September 17, 2009. India has offered a Line of Credit of US\$ 50 million to the Republic of Belarus for the said power project.



**BULGARIA****640. Joint Press Interaction of External Affairs Minister Pranab Mukherjee and Bulgarian Deputy Prime Minister and Foreign Minister Ivalo Kalfin.**

**New Delhi, March 3, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good afternoon and welcome to this press interaction. First of all, may I request everybody to kindly put their phones on the silent mode. Thank you. The Ministers have kindly agreed to take a few questions. When your name is called please introduce yourself and the organization and indicate whom the question is addressed to.

**Question (Mr Ramesh Khan, United News of India):** I have a question for the Bulgarian Minister. Sir, the security situation in the region has deteriorated, worsened, particularly during the past six months. In the context of whatever has happened in Pakistan this morning, what is your response to the growing, this increasing terrorism in the region? To the External Affairs Minister, Sir, what is India's reaction to the morning's incident in Lahore?

**Mr. Ivalo Kalfin (Deputy Prime Minister and Foreign Minister of Bulgaria):** I think that indeed what is happening in the last months in the region is attracting the attention of the international community including Bulgaria. We have very strongly condemned all the terrorist activities and all the terrorist attacks, the major one was in Mumbai recently. You mentioned what is happening today in Pakistan. This gunfire against cricket players, against civilians, is something which is another reason to believe that all the countries in the region have to take all the necessary measures and to cooperate in order to eradicate any possibility for organizing terrorist activities, be it in their countries or in neighbouring countries. I think that the first development after the attacks in Mumbai, the prosecution of some individuals in Pakistan, is a positive sign. But this has to be carried on further. There is no more serious provocation, more serious threat to the peace in the region than the terrorist attacks and the terrorist activities. That is why Bulgaria has always expressed, and we are supportive of all the actions, all the activities that the countries in the region are undertaking in order not only to prevent but to eradicate the roots, the incentives, and the possibilities to organize terrorist activities. Otherwise, I am afraid that this is going to be a problem for a long time, not only for the region but for the world as a whole. For terrorism there is no region or aspect. There is a global aspect only.

**Shri Pranab Mukherjee (External Affairs Minister of India):** So far as our reaction to this event is concerned, I have already stated in the morning. Joint Secretary, XP Division has given the official reaction\*. We are shocked at the audacious terrorist attack on the cricketers. What clearly emerges from these events - whether it is the terror attack on Mumbai or the attack on the cricketers at Lahore - is that unless the infrastructure facilities available to terrorist organizations within the territory of Pakistan or under its control are completely dismantled and the perpetrators of the terror attack are brought to justice, repetition of this type of incidents may take place. Once again we would request the Pakistani authorities and all concerned, not to divert the attention of the international community from this problem but to address the problem, take courage in both hands, dismantle the infrastructural facilities available there, which are more than often used by the terrorists operating from Pakistan territory or territory under the control of Pakistan, and take strict measures against the perpetrators of these terrorist attacks. Then and only then the issues could be adequately addressed. This is part of the international terrorism. Therefore, the international community also will have to address this issue. Today terrorism is not confined within any geographical territory. It is happening in different parts of the world. Therefore, this menace, which is the biggest menace to international peace and tranquility in the post Cold War era, should be tackled adequately.

**Question (Ms Daniel Lachi, Bulgarian National TV):** Besides the coordinated actions of both countries against international terrorism as it is today, I would like to ask both Ministers, how do you see the current visit and what would be the future development of our so old, so young relationship? Prof. Mukherjee, you know Bulgaria for so many decades. Do we not have new chances for some new beginning within the framework of the difficult world financial crisis and all these new developments around, Bulgaria being already a full-fledged EU member and India being a strong, emerging global power?

**Shri Pranab Mukherjee:** So far as our bilateral relations between India and Bulgaria are concerned, it is expanding in all areas. Our relationship is multifaceted. Our bilateral trade is expanding; cultural relationship is expanding; bilateral visits at the high level and exchange of views are taking place regularly. Various institutional arrangements are there which can monitor and actually are monitoring from time to time the progress of our relationship. In the context of the international financial crisis, in fact we have shared our perceptions. Prime Minister, at the margin of the ASEM

Meeting, and the G-20 Summit when he attended it, discussed our perception about resolving the crisis. We support the G-20 mechanism through which the issues are being addressed. But one word of caution I would like to utter which was initiated by Prime Minister himself in his Address that developed countries should not resort to protectionism to overcome this crisis. This is the time when developed economies should ensure that there is no hindrance to the flow of investment and suppliers' credit from the Developed World to the Developing World. These aspects are to be taken care of. Any sort of protectionism will complicate the problem instead of resolving it.

**Mr. Ivailo Kalfin:** I also think that this visit is going to give another political impetus to our bilateral relations. When friendly countries are making such visits despite the forthcoming political events - there will be elections in India, there will be elections in Bulgaria but - we are talking about cooperation, which is going much beyond the (inaudible) political calendar. The two agreements that we have signed today are going to facilitate travel, the people-to-people contact, the cooperation we have in the field, and exchange of experience. Bulgaria is going to work for a further liberalization of these possibilities under this regime as my host, Minister Mukherjee, also demanded that we should do and I fully agree with him. The agreement for cooperation in the field of science and education is very important because it is going to give additional opportunities for specialists to come to Bulgaria or to come to India, specialists from the Universities, specialists from the schools; cultural events that we appreciate in each country, the other country's performers.

So, this is very much related to the people-to-people contact, to the possibilities of citizens and experts from Bulgaria to come to India and vice versa, Indians to come to Bulgaria and to share the experience. In a broader aspect, I think that this visit is also very important because we are drafting the next steps of the political dialogue. We are preparing in the future - not very distant future, maybe by the end of this year an official visit by President Parvanov to India. We are speaking about the perspectives for the economic cooperation. We have decided to do everything possible to organize, by the end of this year or beginning of next year, next session of the Joint Inter-Government Committee. In April and May we shall host in Bulgaria three meetings of Committees on the Cooperation in Information Technology and Science, and Defence Industry. So this is a very full agenda that we are discussing. And also I am very encouraged with my meetings with the representatives of the business community of India yesterday in FICCI, also meeting some major business people.

There are excellent opportunities to increase further both the turnover and the investments, and to work in very important projects in energy, agriculture, pharmaceuticals, etc., etc., where both countries can complement each other. As His Excellency rightly said, the world economic crisis is something, which is very important for us also. It did not start from our countries but our countries are going to be inevitably, as any country in the world, affected by this world economic downturn. I absolutely supported the views of His Excellency that there should not be any protectionism - that is a very bad idea - in such times. We discussed that it is very important to recreate, to reactivate the international mechanism for financial management including the Bretton Woods Institutions - the World Bank and the IMF. And we have to create a model where the developed economies, the large economies, participate in the debate how to deal with the economic crisis, how to end the economic crisis, but also they make also commitments. So, this approach of G-20 of any format that is including the large countries, the large economies in the world, should be encouraged. And they have to be the ones agreeing and showing leadership in dealing with the economic crisis. If we try to be positive in times of economic crisis, you always see possibilities and opportunities. So, I have seen it in my discussions with the business community yesterday. If you are innovative, if you are looking for new opportunities, for new contacts; then the crisis is going to end faster than otherwise. I think that this is exactly what the business communities and in general both countries are doing.

**Official Spokesperson:** Given the time constraints, can I request you to please restrict yourself to one question either to EAM or to Deputy Prime Minister?

**Question (Ms Geeta Mohan, Headlines Today):** My question is to the Hon'ble External Affairs Minister, Mr. Mukherjee. Sir, despite all the pressures India did not allow the Indian cricket team to tour Pakistan quoting security reasons. Now with the recent attacks on the Sri Lankan team, does India stand vindicated?

**Shri Pranab Mukherjee:** It was not a very pleasant decision that we had to take, but we were constrained to take that decision because we knew that the security situation in Pakistan was not safe. What happened unfortunately in Lahore, we have condemned it. It is to be condemned strongly. But it reminds us that it is the responsibility of the incumbent Government to take all precautions and to take all steps, particularly when the international community wants every responsible member-country to

take certain positive steps to fight against terrorism. Each and every country should follow that. And I have in my earlier response indicated what should be done immediately in Pakistan.

**Question (Ms Mikhailena Dimitrova, Truth): My question is addressed to His Excellency Mr. Mukherjee. Sir, what is the big challenge today in Indian foreign policy; and where is the place of Europe, and especially of Bulgaria, in the topics of Indian foreign policy?**

**Shri Pranab Mukherjee:** I do not visualise any major challenge before the foreign policy because our foreign policy is time-tested. In fact, over the years we have been able, even during the contemporary period, to achieve our objective by expanding our relationships, whether it is in the regional architecture or within the various international fora. It is not a question or a challenge before any individual country. As I mentioned, terrorism is the biggest menace to world peace and tranquility, and it is a challenge to the human civilisation. The international community will have to address this issue. Each and every responsible member-state of the United Nations Organisation has to fulfill its own obligation towards its own bilateral commitments and international commitments. If it is being done, then the problems can be taken care of.

**Official Spokesperson:** Thank you very much. The interaction now draws to a close. Thank you for joining us.





**CYPRUS****641. Media Briefing by Foreign Secretary Mrs. Nirupama Rao and Secretary (West) in the Ministry of External Affairs Vivek Katju on President's State Visit to UK and Cyprus.****New Delhi, October 23, 2009.**

**Director (XP) (Shri Gopal Baglay):** Good afternoon ladies and gentlemen. We have today the Foreign Secretary Shrimati Nirupama Rao with us to brief you on the President's forthcoming State visit to the United Kingdom. We also have Secretary (West) Shri Vivek Katju who will make a statement on the President's forthcoming State visit to Cyprus, after the Foreign Secretary's statement. Thereafter, we will take questions.

My request to you is that please switch off your mobiles or put them in silent mode. When you ask questions please do two things. Do introduce yourself and wait for the microphone to reach you.

May I now invite the Foreign Secretary to make a statement on the President's visit to the UK?

**Foreign Secretary (Shrimati Nirupama Rao):** Good afternoon. The purpose of our meeting today is to brief you on the forthcoming state visits of the President of India to the United Kingdom and to Cyprus. The President's state visit to the UK is from the 27th to the 29th October 2009.

This will be the third state visit by an Indian President to the UK. The previous two visits took place in 1963 and in 1990 when President's S. Radhakrishnan and R. Venkataraman had visited the UK. This will also be the first state visit after the commencement of the strategic partnership between India and the UK in 2004. We are looking forward to this visit which is taking place after a gap of almost twenty years, and which will enable interactions between the United Kingdom and India at the highest level.

During the state visit the hon. President will have wide-ranging interactions. Apart from her interactions with Her Majesty the Queen who will be hosting a banquet in honour of the President and other members of the royal family, the President will also be meeting the UK Prime Minister Mr. Gordon Brown; the Leader of the Opposition Hon. David Cameron; and the Leader of the Liberal Democrats the Rt. Hon. Nick Clegg. She will also address a business meeting organised by the UK-India Business Council in which the business delegation accompanying her will participate. The Lord Mayor of the City

of London will host a banquet in her honour at the Guild Hall. In addition, the President will also interact with British Members of Parliament in a meeting organised at the Westminster by the All-Party Parliamentary Group on India.

Needless to say the President will also have an interaction with the Members of the Indian Community soon after her arrival in London on the 26th October. The President will also participate in a ceremony at the Buckingham Palace where the Queen's Baton Relay launch for the Fourteenth Commonwealth Games being held in India in 2010 will take place.

We attach importance to the visit by our President to a country with which we have long historical ties which have become increasingly substantive in the recent past. Apart from the growing trade and economic relations, India and the UK cooperate well in a number of areas including education, research, science and technology among others.

We also have a regular exchange of views on important regional and global issues and we cooperate well in international fora. Our two-way bilateral trade stands at 12 billion pound sterling. The UK also happens to be the fourth largest investor in India. In turn, India is the second largest overseas investor in the UK in terms of the number of projects. Since 2004 our investments in the UK have exceeded the British investments into India.

The year 2007-2008 saw India retain its position as one of the world's fastest growing sources of investment into the UK, especially in IT and the life sciences. We are also the second largest creator of jobs in the UK. All this has signalled well for the bilateral relationship. We also have a large diaspora in the UK which is doing extremely well and making a substantive contribution to UK society.

We are confident that the President's visit will help in furthering our bilateral ties with the United Kingdom. The visit also signals our commitment at the highest level to our strategic partnership with the UK. Thank you.

I will now invite my colleague Secretary (West) to brief you on the President's visit to Cyprus.

**Secretary (West) (Shri Vivek Katju):** Thank you, Nirupama.

The President will be visiting Cyprus from October 29th to October 31st. The visit is in response to an invitation that she has received from the President of Cyprus. This will be a state visit. During the visit the President will have bilateral talks with her Cypriot counterpart His Excellency

Mr. Dimitris Christofias. She will also be meeting the President, or the Speaker, of the House of Representatives of Cyprus Mr. Marios Karoyian. She will meet the Archbishop of Cyprus Archbishop Chrysostomos II.

In addition, the President will visit the Cyprus Chamber of Commerce for an event in which the Cyprus-India Business Association and the Cyprus Chamber of Commerce and Industry are participating. From India FICCI, CII and ASSOCHAM are taking a business delegation to Cyprus. The President will also meet, as is customary, with members of the Indian community in Cyprus. The Indian community now is about 4000 strong and consists of professionals, students and others.

India and Cyprus have enjoyed a very strong relationship right from the time of Cyprus' Independence in 1960. India has consistently stood for the independence, sovereignty, territorial integrity and unity of Cyprus. In turn Cyprus has shown a sensitivity and support for India's positions in various areas. The President's visit will continue this long tradition of interaction at the highest levels between the two countries. Thank you.

**Director (XP):** Thank you, Sir. Before we take questions, my apologies for not introducing the other two members of the panel here today. Joint Secretary Shri R.N. Prasad who looks after the West Europe Division is to my right. To the right of Secretary (West) is Joint Secretary Shri T.P. Seetharam who looks after Central Europe. Now we will take questions.

**Question:** We were told that there is going to be this handing over of Gandhi's letters to the President. I did not hear that mentioned.

**Foreign Secretary:** Yes, we are planning to have a ceremony where there will be a handing over of some letters of Gandhiji and also I think some memorabilia. There is a piece of khadi cloth which has been acquired through auction in the UK. This will be handed over by two prominent members of the Indian community to Rashtrapatiji.

**Question:** Who are these prominent members of the Indian community who would be involved in this ceremony?

**Foreign Secretary:** Mr. Nat Puri, and Mr. Ghulam Noon, who is a well-known businessman, the Curry King.

**Question:** Is this piece of khadi something that Mahatma Gandhi used himself?

**Foreign Secretary:** Yes, that is right.

**Director (XP):** If there are no more questions on the UK visit, we will move on to the Cyprus visit.

**Question:** Is the President going to be meeting anybody from the Turkish side of Cyprus?

**Secretary (West):** The Turkish entity is not recognised by India. Indeed it is not recognised by the international community except for Turkey. So, there is simply no question of the President meeting anyone from that entity.

**Question:** There has been a suggestion that the Dalai Lama's visit to Arunachal may be called off in the light of ongoing war of words between various media entities in India and China. Is that at all likely to happen or is he going ahead with his visit?

**Foreign Secretary:** I am not aware of such a suggestion firstly. Secondly, I have said this before and the Government has said this before that His Holiness the Dalai Lama is a respected religious and spiritual figure. We regard him as such. The Tibetan community in India is not expected to undertake any political activity. That is our consistent position. We have also said the Dalai Lama is free to travel anywhere in India.

**Question:** Madam, this relates to the situation across the border. Today there was an attack by terrorists on Kamra which is an Air Force base which has nuclear components in it. Is the Government of India concerned, because this concern has been expressed in the past, about nuclear weapons of the Pakistani side falling into the hands of terrorists?

**Foreign Secretary:** We have seen the reports of what happened today at Kamra. What I want to say on the issue is that we hope that the Pakistan Government will continue to take steps to effectively secure their nuclear assets.

**Question:** Madam, ten months after the Mumbai attacks, could you give us an idea as to diplomatically what Pakistanis have told us, where the investigation is leading to? Have we heard anything from them after we handed over the last dossier which is quite some time ago?

**Foreign Secretary:** I will draw reference to the meetings that we had in New York last month with the Pakistani side. I met my counterpart the Pakistan Foreign Secretary, and our External Affairs Minister met the Pakistan Foreign Minister. During these meetings of course we emphasised our concerns about the very very slow and tardy pace of action being taken against the conspirators and others responsible for the Mumbai terror attacks last year. That is a concern that we have expressed with all

seriousness and emphasis to the Pakistan side. We have also drawn attention and also expressed our concern about the very very slow pace of not only the action that is supposed to be taken but the whole business of the trial that they are supposed to conduct against the accused.

**Question:** Mrs. Rao, we listened to you in Kabul where the attack had taken place and you had declared that there will be a kind of Government of India inquiry. What is the progress of that inquiry which you declared there? You remember that the Pakistani Prime Minister also had told our Prime Minister in Colombo in the SAARC meeting that he would come back to him so far as the earlier attack was concerned. Has there been any kind of progress on that earlier attack? And what is the progress on this particular attack?

**Foreign Secretary:** I would again draw reference to the context that I had explained in my earlier answer, the lack of progress from the Pakistan side when it comes to investigation of all the long series of terrorist attacks that have been directed against us from their soil. That is as far as the Pakistan side is concerned. As far as the bomb attack on our Embassy in Kabul is concerned, yes I was in Kabul soon after this happened, and I was able to survey and see at first hand the extent of the damage that had been caused around the perimeter of our Embassy and indeed to parts of the building also. In my discussions with the Afghan leadership during that visit, they not only expressed their sympathy and concern to us over what had happened but also drew attention to the fact that this pointed to the involvement of forces that in all likelihood operated from across the borders. They are conducting an enquiry into what happened, and we are awaiting the full results of that enquiry. It would not be in the interest of the enquiry for me to talk further about it at this moment.

**Question:** Is the meeting between Indian and Chinese Prime Ministers taking place tomorrow? What are the issues to be discussed during the meeting?

**Foreign Secretary:** The bilateral relationship that we have with China will obviously be in focus during the forthcoming meeting between our Prime Minister and Premier Wen Jiabao of China in Thailand tomorrow. This is a relationship that has developed in many many areas in recent years. It is also a relationship that is a complex one. You are aware of the outstanding issues that remain to be resolved between India and China. And obviously in meetings of this nature, especially meetings between the leadership at the highest level, there is an opportunity to address all these issues. Apart from that of course India and China are partners in the international context

when it comes to many many multilateral issues of concern to the developing world, and these issues also form a part of discussions when such meetings take place.

**Question:** One question unrelated to the visits. Has the Dalai Lama applied for inner line permit?

**Foreign Secretary:** I am not aware of that.

**Question:** Does he need one?

**Foreign Secretary:** I do not believe he needs one. That is a technicality and this is best addressed to the Home Ministry. As you know, Arunachal Pradesh is an integral part of India.

**Question:** Has the Dalai Lama informed the Government of India about his proposed visit to Arunachal Pradesh?

**Foreign Secretary:** We are aware of the fact that the Dalai Lama had expressed an intention to visit Arunachal Pradesh but I have no further details at the moment.

**Director (XP):** Thank you very much, ladies and gentlemen, for your presence here today.



**642. Departure Statement of President Smt. Pratibha Devisingh Patil on her visits to the United Kingdom and Republic of Cyprus.**

**On Board Special Flight, October 26, 2009.**

Good morning and a very warm welcome to all of you on board, as we embark on our journey to the United Kingdom and the Republic of Cyprus. A visit by the President of India to both these countries is taking place after nearly two decades. The purpose of my visit is to further enhance and consolidate the bonds of friendship. In this context, I am looking forward to discussions with my interlocutors both in London as well as in Nicosia.

My visit, at the invitation of Her Majesty the Queen, will be the first State Visit to the UK after the two countries decided to upgrade the relationship and became Strategic Partners in 2004. I will be in the United Kingdom from October 27 to 29. Apart from my interactions with Her Majesty the Queen and other members of the Royal family which includes a meeting with the Prince of Wales on the British Asian Trust, I will also be meeting with Prime Minister Gordon Brown, the Leader of Opposition and the leader of the Liberal Democrats. I am looking forward to the meeting organized at Westminster by the All Party Parliamentary Group on India. During the visit, I will address a business meeting organized by the UK India Business Council in which the Indian business delegation accompanying me will participate. I will attend a Banquet being hosted by the Lord Mayor of the City of London.

The United Kingdom has one of our largest Diasporas. The Indian community is doing extremely well and is making substantial contributions to the national life of the UK. Soon after my arrival in London, I will be meeting members of the Indian community at a reception hosted by the High Commissioner. Two prominent members of the Indian community Sir Ghulam Noon and Mr. Nathu Ram Puri, have procured Mahatma Gandhi's memorabilia at an auction. In a function at the Indian High Commission, these precious articles would be handed over to me to be brought back to India, where they belong.

India and the UK have strong historical and cultural ties and a shared commitment to the rule of law, pluralism and democracy. Our relationship with the UK has been evolving steadily. As I mentioned earlier, we have a Strategic Partnership with the UK since 2004. Bilateral trade and investment between the two countries has been increasing in a satisfactory manner. Our cooperation with the UK is across a broad spectrum and includes areas like Science and Technology, research, defence, IT, education, among others. In the field of education, the UK is working with us towards the establishment of a new IIT, Indian Institute of Science, Education and Research in Pune and one Central University.

In my interactions with the UK leadership, I look forward to an exchange of views on the broad political and strategic dimensions of our bilateral relationship.

I will not only be discussing areas in which we already cooperate well, but will also seek greater cooperation and collaboration in other areas where opportunities exist like in the infrastructure sector, healthcare, green technology and renewable energy sectors. I will also have an exchange of views on regional and international issues that are of interest to our two countries.

During my visit, I would reiterate our wholehearted commitment to the further upgradation and diversification of our multidimensional relationship with the UK as well as to strengthening our Strategic Partnership.

On the day of my departure from London, I will be participating in a ceremony to launch the Queen's Baton Relay at the Buckingham Palace for the forthcoming Commonwealth Games in Delhi next year.

After my visit to the United Kingdom, I look forward to my visit to Cyprus, a beautiful country. India and Cyprus are both ancient civilizations with rich cultural heritages and shared historical experiences. The close relations between our two countries are based on an understanding of each other's aspirations and concerns, which have found expression through support extended to each other on important issues.

Ever since the days of friendship between Pandit Nehru and Archbishop Makarios, regular high-level contacts between the two countries have been a feature of our special relationship. In Cyprus, I look forward to my meeting President Demetris Christofias to discuss ways in which our bilateral relations can be intensified, particularly through enhanced economic engagement in sectors like the knowledge industry, tourism, hydrocarbons and financial services, among others. Since Cyprus became a member of the European Union in 2004, coinciding with rapid economic development in India, opportunities for further strengthening our economic and commercial contacts have increased.

I will also be meeting the Archbishop of Cyprus, His Beatitude Chrysostomos II and the President of the House of Representatives, which is the Legislature of Cyprus.

Besides discussing bilateral and other issues with the leaders of Cyprus, I look forward to the opportunity of interacting with the business community of both India and Cyprus, in order to encourage them to explore the many opportunities for mutually beneficial projects and proposals. I will also be interacting with the Indian community living in Cyprus. They are important contributors to the friendship that exists between the peoples of India and Cyprus.

We will return to India on 1st November. I wish you a comfortable flight and a good stay in both the countries, and hope that you do get some time to see some of the beautiful spots in the two countries as well as interact with the local population.





**643. Speech of President Shrimati Pratibha Devisingh Patil at the Cypress - India Business Meet.**

**Nicosia, October 30, 2009.**

**H.E. Mr. Loucas Louca, Minister of Justice & Public Order, Smt. Purandeswari, Minister of State of Human Resource Development, India,**

**Mr. Manthos Mavrommatis, President of the Cyprus Chamber of Commerce & Industry,**

**Mr. Marios S. Andreou, President of the Cyprus India Business Association,**

**Mr. Vimal Mahendru, Leader of the Indian Business Delegation,**

**Ladies & Gentlemen,**

It is a great pleasure for me to be here in the beautiful city of Nicosia in the midst of the friendly people of Cyprus and distinguished captains of business and industry. I would like to commend the Cyprus Chamber of Commerce and Industry for organizing this event to strengthen India-Cyprus economic relations.

Cyprus and India are close and trusted friends. We support the independence, sovereignty, territorial integrity and unity of the Republic of Cyprus. We value the consistent support extended by Cyprus on issues of significance to India. I am told that in the recent years our economic relations have increased, but we need to look at how to further expand these by adding new dimensions and areas of co-operation.

We admire the success of the people of Cyprus in achieving rapid economic growth and creating a strong service sector, in particular, the tourism industry and financial services. We have been following with great interest the development vision of the Government of Cyprus and its resolve to modernize its economy to a new technological era. We wish you all success in your development strategy. India, with its core competence in the IT sector and a large pool of skilled manpower, would be happy to participate in Cyprus's plan to develop its knowledge based industries.

The last two decades have seen a steady liberalization of the Indian economy. This period has also witnessed a rapid increase in the rate of economic growth. The global economic and financial crisis has had its

adverse impact all over the world. However, even in the face of this, India has been able to grow at more than 6.5 percent, showing the resilience of its economy. All indications are that India is on the path to recovery. The stock markets have rebounded and market capitalization has crossed \$ 600 billion.

India's stable economy and its democratic as well as transparent system makes it an excellent destination for investment. We are undertaking a massive infrastructure expansion programme requiring an investment of over US \$ 500 billion over the next five years. This opens up many opportunities for global businesses for investment in India. I invite Cypriot companies to participate in bids for projects in India, individually or in joint ventures with Indian firms.

Our strong domestic demand and an upwardly mobile middle class population creates a big market and, hence, an attraction for the global business community.

A remarkable feature of India's economy is its emergence as a global player in the knowledge based industries. IT, biotechnology, pharmaceuticals, renewable energies have seen rapid growth. As I stated earlier, India today is ideally positioned to facilitate the Cypriot Government's policy to promote the country's pursuit in further developing hi-tech and knowledge-based industries. Apart from IT, tourism, financial services, Agro-food processing, pharmaceuticals, hydro-carbons, automobiles could be some of the areas of potential cooperation. I am confident that Indian and Cypriot industrialists and business people will utilize the opportunities available in Cyprus for mutual benefit.

Our bilateral trade is US\$ 68 million. Considering that both countries have impressive global merchandise trade turnovers, our trade figures are very low. I call on this meeting to also focus on looking at ways to enhance and diversify our trade relations.

**Ladies and Gentlemen,**

Since ancient times, Cyprus has been at the centre of busy trade routes linking Europe, the Arab world and the Far East. The Cypriot people are known for their warm and hospitable attitude towards those who touch the shores of this island nation. This has facilitated the establishment of Cyprus as a hub of trade and sea communications. After joining the EU, Cyprus stands as the South-Eastern outpost of the European Union. It offers a springboard for expansion in the broad East Mediterranean. Indian business

and industry should also look at the vast European Union market and the markets of Russia and Mediterranean countries that can be served with Cyprus as base.

I wish the captains of Indian and Cypriot business and industry all success in their deliberations. I remain confident that you will forge new partnerships which will be mutually beneficial. Your discussions could look at roadblocks and obstacles, if any, that may need government policy measures. I firmly believe that the potential of India-Cyprus economic relations is far from realized. Your joint efforts will further cement our friendly relations. My good wishes to all of you.

Thank you.



**644. Statement to the media by President Shrimati Pratibha Devisingh Patil after talks with the Cypress President Demetris Christofias.**

**Nicosia, October 31, 2009.**

I am very happy to be in this historic city of Nicosia. I am touched by the warmth and friendship with which we have been greeted and are delighted to be with our long standing and steadfast friends.

The close and trusted friendship between our two countries, as you know, is deep rooted and goes back to our struggles for independence. The founders of our nation, Mahatma Gandhi and Pandit Jawaharlal Nehru and Archbishop Makarios shared a vision of a just world and bonds of personal friendship with each other. This mutual respect continued. This friendship continued between President Syrios Kyprianou and Prime Minister Indira Gandhi, whose 25th Death Anniversary is being observed today. It now falls on the future generations of both countries to continue this friendship. India has consistently stood for the independence, sovereignty, territorial integrity and unity of the Republic of Cyprus.

Our discussions today covered the entire gamut of bilateral relations, as well as international and regional issues of importance to both our countries. We reviewed the functioning of the institutional arrangements for dialogue between our two countries as also the agreements signed in the past few years which have created the necessary framework to enhance our relations.

We affirmed our desire to further develop our bilateral economic and commercial relations in a cross-sectoral manner. It is for this reason that an Indian business delegation accompanies me.

Economic development of Cyprus is a true success story. India rejoices in the rapid development achieved by the people of the Republic of Cyprus. Given its commitment to developing knowledge-based and hi-technology industry as one of the pillars of the economy, possibilities for cooperation with India in these areas are numerous.

IT and IT Enabled Services are areas of India's core competence. Biotechnology, R&D projects, Agro-food processing, financial services, pharmaceuticals, tourism, film industry, construction, automobiles are some of the other areas of potential cooperation. In our discussions, we also agreed that our bilateral trade which stands at US\$ 68.7 million is much below potential and efforts to increase it should be explored.

We are happy to see the realization of aspirations of Cyprus in becoming a member of the European Union and in joining the Euro Zone. We see in these developments an opportunity to build on our economic and technological relations for the mutual benefit of our two peoples.

Mr. President, initiatives during your term have added momentum to resolve the long-standing Cyprus problem. The enthusiasm of the people at the opening of the Ledra Street crossing after 45 long years signified the hope and the desire of many people for unity. We wish you all success in achieving a resolution of the Cyprus problem in accordance with your aspirations and the resolutions of the United Nations Security Council.

India considers Cyprus a time-tested and valuable ally. We appreciate its support for India's permanent membership of the UN Security Council. Our shared commitment to freedom and democracy, multi-religious and multicultural society and common outlook on major regional and international issues, provide the basis for close cooperation in international forums.

I hope this visit will impart added momentum to our bilateral ties.

I have invited President H.E. Mr. Demetris Christofias and Madam Christofia to visit India at a mutually convenient date. We look forward to welcoming them in India.



**645. Speech of President Shrimati Pratibha Devisingh Patil at the Banquet hosted in her honour by the Cypres President Demetris Christofias.**

**Nicosia, October 31, 2009.**

**Mr. President,**

**Madame Christofia,**

**Ladies and Gentlemen,**

It is, indeed, a pleasure for my delegation and me to be among time tested friends, on an enchanted island that legend ascribes as the home of the Goddess of beauty and love. Your country's ancient history, archaeological wealth, natural beauty and unique location at the cross roads of Asia, Africa and Europe make it not only a major tourism destination, but also a dynamic centre for shipping, financial services as well as a hub for frontier technologies. India applauds and rejoices in the achievements made by Cyprus, a close and trusted friend.

Your warm words of welcome and traditional hospitality have again underlined the very strong bonds of traditional friendship that have existed between our two countries. Just as Mahatma Gandhi, Pandit Jawaharlal Nehru and Mrs. Indira Gandhi have been immortalised in memorials and streets named after them in Nicosia, Archbishop Makarios has been honoured in New Delhi, where a major road is named after him. We fondly remember the successful visit to India in 2006 of former President His Excellency Tassos Papadopoulos.

**Excellency,**

Our two countries share faith in democracy, respect for diversity, and strive for a peaceful environment in which our people can benefit from the fruits of rapid and sustainable development. We have both overcome conflict and adversity and, in the face of challenges, we have achieved much that we can be proud of. We, however, need to imbue our friendship with far more substantive cooperation on economic, scientific and technological fronts. Cyprus can be assured of India's full commitment to deepening and enhancing the bilateral relationship.

The many opportunities that exist for expanding our interaction should be seized upon. Information technology, renewable sources of energy, innovations in the automobile sector, sustainable tourism projects,

infrastructure projects, health and wellness are some of the promising areas for further enhancement of our mutually beneficial engagement. Governments of both the countries need to encourage business people and institutions to impart greater energy in their mutual interaction. Just as the membership of the EU enlarges frontiers of opportunity of Cyprus, the rapid economic growth of India in recent years, even in the adverse global financial conditions, provides profitable opportunities for medium and long-term investments.

India values the consistent support that Cyprus has extended on issues of vital concern. By expressing support for the permanent membership of India in an expanded UN Security Council as well as for the India specific civil nuclear energy waiver at the Nuclear Suppliers Group, Cyprus has shown a deep understanding of our national aspirations. We appreciate the strong and unequivocal condemnation by Cyprus of the terrorist attacks on India. It is important that the perpetrators of terrorist acts are punished promptly so that justice and not impunity prevails. The international community must work together to defeat the forces of terrorism who are inflicting wanton destruction across the globe. This is important for peace and stability in the world.

Excellency, you are currently engaged in crucial negotiations to find a peaceful solution to the painful legacy that has divided your country. We noted with interest your speech at the UN General Assembly last month in this regard. I also recall that at your inauguration as President on 28th February 2008, you had said that you were inspired by a life-long vision: "The achievement of a just solution to the Cyprus problem and the building of a just society". India wishes you every success in transforming your worthy vision into reality.

Ladies and Gentlemen, may I request you to join me in a toast to:-

- the health and happiness of the President and Madame Christofia;
- the progress and prosperity of the friendly people of Cyprus; and
- the enhancement of the friendship between India and Cyprus.

Thank You.



**646. Statement of President Shrimati Pratibha Devisingh Patil on her way back to New Delhi after completing her State visits to the United Kingdom and Cyprus.**

**On Board Special Aircraft, October 31, 2009.**

We are meeting at a rather late hour but I thought that I would brief you about my just concluded State Visits to the United Kingdom and the Republic of Cyprus. The main purpose of my visits was to consolidate our traditionally friendly ties with both countries.

2. As I had mentioned during my interaction with you on the outward journey, the visit to the UK was the first State Visit from either side since India and the UK commenced their strategic partnership in 2004, and was taking place after a gap of 20 years.

3. My delegation and I were received with great warmth at the welcome ceremony at Windsor, which was impressive not only because of its grand pageantry but also for the enthusiasm shown by the hundreds of people who greeted the entourage as it moved to the Castle. This warmth, as you would have also witnessed, was evident at every stage, whether at the banquet at Windsor Castle or at the Guildhall of the City of London.

4. The outcome of the visit was fruitful. I had wide-ranging discussions with the UK leadership on bilateral, regional and global issues of mutual interest. Her Majesty, the Queen recalled with fondness her visits to India. She spoke about the unique friendship between our two countries which had been built on strong and deep foundations, and was manifest in the Strategic Partnership as well as the growing and dynamic economic relationship. Describing education as one of the most important pillars of the new partnership, Her Majesty referred to the more than thirty thousand students studying in universities in the UK and also mentioned the recent arrival in Cambridge University of the first group of scholars under the Dr. Manmohan Singh Scholarships.

5. I was also struck by the UK leadership's interest in and awareness about India. I saw a desire and commitment on the part of my UK interlocutors, across the entire political spectrum, for further strengthening and diversifying ties between our two countries. I reciprocated this in full measure.

6. UK's willingness to cooperate with India in the social sectors, particularly in the context of the Millennium Development Goals, was



conveyed to me by Prime Minister Gordon Brown. He also expressed a keen interest in the ongoing cooperation between India and UK in the education sector, and the importance they attach to this component of our relationship. The issue of easier movement of our people to the UK, especially of IT professionals, was also discussed.

7. The strong trade and investment links between India and the UK figured prominently in talks. A high-level delegation of the Indian business community accompanied me to London. At the UK-India Business Council Meeting, the business communities of both countries expressed optimism about future prospects. I am confident that given the many complementarities of the two economies, there will be intensification of engagements and our business enterprises will contribute to this process.

8. Our Diaspora in the UK is hard working, industrious and successful. They have made a mark for themselves in diverse fields in the UK. I met a cross-section of the community members involved in the social, economic and political life of the UK. Many of them are also associated with British foundations working with India, including the British Asian Trust, a group of charities associated with the Prince of Wales. I had an opportunity to be briefed about the activities in India of this Trust at a meeting with the Prince of Wales. In my meetings, the positive role being played by the large Indian Diaspora and their significant contribution was clearly recognized and appreciated.

9. I interacted with Members of the British Parliament at a meeting organized by the All Party UK Parliamentary Group on India. As Parliamentary democracies, both our countries can benefit from regular contacts between Members of Parliament.

10. I attach a very special significance to the function held at India House, where memorabilia associated with Mahatma Gandhi was handed over to me. It was a profoundly emotional moment for me. We are carrying these precious items back to India. I also saw, at the Royal collection at Windsor, a small shawl made with yarn spun by Gandhiji and gifted in 1947 to Her Majesty the Queen and the Duke of Edinburgh for their wedding.

11. The launch of the Queen's Baton Relay at Buckingham Palace on 29 October, in a manner of speaking, has started the countdown for the forthcoming Commonwealth Games in India next year. I have extended an invitation to Her Majesty the Queen, to visit India next year for the Commonwealth Games.

12. My visit to the UK was a reiteration of our strong commitment to the strategic partnership and our desire to further consolidate this important relationship. I am satisfied with what was achieved during the visit and am also confident that it will give a further impetus to the rapidly developing Indo-UK ties.

13. Cyprus is a country with which India enjoys a close friendship. This feeling comes across very tellingly when one enters the precincts of the Parliament building of the country which is located on Jawaharlal Nehru Avenue and has the statue of Mahatma Gandhi at the entrance. The same sentiment of a special relationship is demonstrated when the street on which the Indian High Commission is located is named Indira Gandhi Street.

14. My interactions with President Demetris Christofias reinforced our friendship. We discussed potential areas for enhancing economic co-operation, including IT, tourism, financial services, agro-food processing, hydrocarbons, in which we need to focus on, to convert the existing goodwill, into projects and programmes, with concrete results. We also reaffirmed our support for matters that are important to each other. Cyprus attaches great value to India's consistent support for its sovereignty, unity and territorial integrity. I reiterated our support. We too have received from Cyprus, strong and unwavering support on matters of significance to us, including support for our permanent membership in an expanded UN Security Council. He indicated that India could count on Cyprus as a reliable friend of India in the EU. As you know, all Presidents of Cyprus have visited India during their terms in office. I have extended an invitation to President Christofias and Madame Christofia to visit India at a mutually convenient time.

15. As Cyprus seeks to diversify beyond the traditional sectors of tourism, finance and shipping, it opens up opportunities for new economic and commercial partnerships. I encouraged the Indian business delegation accompanying me to explore the possibilities of working with Cyprus in areas which are mutually beneficial. I am glad that I was able to witness at the business event yesterday, the signing of a MoU for a joint venture solar power project in India, with technical and financial participation from Cyprus. As you are aware Cyprus is strategically located at the crossroads of three continents. Our businesspersons could explore markets in the EU, Russia and Mediterranean countries with Cyprus as the base. The growing Indian community in Cyprus can be important contributors to our growing relationship.

16. During my meeting with the President of the House of Representatives, we discussed avenues for cooperation between our respective parliaments. It is expected that a parliamentary delegation from Cyprus will visit India in the near future.

17. I also had a good meeting with Archbishop Chrisostomos II on our shared values and experiences that have enriched our respective multi-cultural societies.

18. The leadership and the people of Cyprus have genuine warmth and appreciation for the deep rooted friendship with India. Overall, my visit to Cyprus reinforced the strong bonds that already exist and helped define the contours of a future cooperation within the context of a rapidly changing world. 19. I return back home satisfied with the outcome of my visits to the UK and the Republic of Cyprus. I also hope that you all return home with pleasant memories of your visit.



## **DENMARK**

**647. Memorandum of Understanding between the Government of the Republic of India and the Government of the Kingdom of Denmark on Cooperation in the area of Environment.**

**New Delhi, September 11, 2009.**

Please see Document No.89.



**FINLAND****648. Press Release of the Ministry of Commerce on talks between the Commerce and Industry Minister Kamal Nath and Finnish Minister for Trade and Development Dr. Paavo Yayrynen.****New Delhi, February 6, 2009.**

During the bilateral meeting between Shri Kamal Nath, Union Minister of Commerce & Industry and Dr. Paavo Vayrynen, Finland Minister for Foreign Trade & Development, here today, both sides have agreed to encourage businesses to explore new areas and sectors to widen and deepen the trade basket. Both sides felt that mutual trade and investment between Finland and India is growing and there is lot of potential for developing these economic relations further. Both the Ministers noted that the possible areas for bilateral cooperation include energy, environment, forestry, IT, civil aviation, science & technology, tourism etc. The meeting was attended by Shri Ajay Shankar, Secretary, Department of Industrial Policy & Promotion; senior government officials and representatives from trade and industry from both the countries.

Dr. Paavo informed Shri Kamal Nath that direct flight connections of Finnair which started in 2006 have stimulated tourism and a lot of new contacts between our countries and people.

Interacting with the Finnish Minister, Shri Nath stated that India has a vibrant SME sector and engagement by SMEs on both sides would strengthen the foundations of trade relationship.

Both the Ministers agreed on a need for fast results in the WTO Doha Round, especially in the current international economic situation. Shri Kamal Nath emphasised that India would remain committed to engage constructively to reach a fair and balanced outcome of the Doha Round of WTO negotiations.

India-Finland bilateral trade has more than doubled from US \$ 533 million in 2004-05 to US \$ 1165 million during 2007.08. Major exports to Finland are - RMG cotton, manufactures of metals, drugs & pharmaceuticals, coffee, transport equipments while major imports from Finland are - electronic goods, computer software, iron & steel, paper board etc.

The cumulative FDI inflows during 1991 to 2008 were US \$ 74.4 million. Top sector attracting FDI inflows from Finland are - fuels (power & oil refinery), telecommunications, electrical equipments, paper & pulp and services sector.



**FRANCE****649. Press Release of the Ministry of Commerce on the need to create a balance in Indo - French bilateral trade.****New Delhi, February 4, 2009.**

Shri Kamal Nath, Union Minister of Commerce & Industry, has stated that India is in a phase of rapid economic growth and its engagement with the world community is increasing. During the bilateral meeting with the French Minister of State for Foreign Trade, Ms. Anne Marie Idrac here last evening. Shri Kamal Nath informed that Indo-French trade was US \$ 8.85 billion during 2007-08 (exports - \$ 2.6 billion and imports - \$ 6.25 billion) and added that there is a need to work together to create balance in bilateral trade. The meeting was attended by Shri G.K. Pillai, Commerce Secretary; Shri Ajay Shankar, Secretary, Department of Industrial Policy & Promotion; senior government officials and representatives from trade and industry from both the countries.

Interacting with the French Minister, Shri Nath informed that India is a growing market for French products, including luxury products and stressed about the importance of establishing linkages between SMEs on both sides for laying a strong foundation for growth of trade and investment flows. Both sides agreed for enhanced bilateral cooperation in areas like information technology & telecommunications, posts, energy, roads, urban development, railways and agriculture.

Discussing about the status and progress in WTO negotiations, Shri Kamal Nath said: "India continues to believe strongly in a rule-based, transparent and fair multilateral trade regime. One of the factors which will have an important bearing on the conclusion of the Round is whether the developed countries would be willing to show the necessary flexibility for finalising a multilateral deal. However, India has been engaging constructively and actively with other fellow member countries of the WTO in the expectation that this would be forthcoming. A conclusion would of course depend on whether the WTO Members are faithful to the mandate and the final outcome reflects a clear balance between market opening and the development needs of the majority of the membership".

France is the 9th largest investor in India with cumulative FDI of US \$ 1.3 billion since August 1991. Top sectors that attracted FDI inflows during 2000 to 2008 were: services; chemicals; cement & gypsum; automobile

industry and petroleum & natural gas. Top Indian companies who invested in France are Ranbaxy Laboratories; Electrosteel Castings; Pan Music & Magazines. The major French companies who have invested in India are - Aventis Cropscience SA; Essilor International; Alcatel CIT; Arevat & D Holding SA; and Ciments Francais.

India's main exports to France during 2007-08 included RMG cotton; petroleum (crude & products) machinery & instruments; transport equipments; footwear of leather etc., while India's major imports from France were: electronic goods, iron & steel; gold; chemical products; machinery etc.



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\* The visit of the French Minister was also an occasion for the signing on 4th February of its first commercial nuclear pact with the French nuclear giant Areva. This will help build nuclear power plants and get supplies of nuclear fuel. Areva will supply two European Pressurised Reactors (EPRs) of 1650 MWe each for the plant to be built at Jaitapur in Maharashtra. The Memorandum of Understanding (MoU) was signed by S.K. Jain, Chairman and Managing Director, Nuclear Power Corporation of India Limited, and Anne Lauvergeon, CEO of Areva, in the presence of Minister of State for Commerce and Power Jairam Ramesh and Minister of State in the PMO Prithviraj Chavan and French Minister for Foreign Trade Anne-Marie Idrac. The Chairman of Atomic Energy Commission Anil Kakodkar, who was present, said this was just the beginning. Ms. Lauvergeon said her company was committed to supplying fuel for the lifetime of the reactors, pegged at about 60 years. Areva would meet the fuel requirements through its uranium mines located in various countries, including Australia, Kazakhstan and Niger. Ms. Idrac said the MoU was part of the deep and friendly strategic relationship between India and France. The two shared common views on climate change and the global financial crisis. France, she said, was proud to be part of this new relationship.

**650. Speech by Foreign Secretary Shivshankar Menon on India's Foreign Policy at Institute Francais des Relations Internationales (IFRI).**

**Paris, February 4, 2009.**

Ambassador Mathai,

Mr. Olivier Louis,

Ladies and gentlemen,

Thank you for asking me to speak to you today. It is an honor and a privilege to be asked to such a prestigious institution which has contributed so significantly to our understanding of the world.

I was asked to speak on India's foreign policy. Rather than cataloguing India's relationships, I thought I would speak briefly on the general characteristics of India's foreign policy, and then discuss in a little more detail two of our present preoccupations: how the strategic shape of the world may be affected by the present world economic crisis; and, the situation in India's neighborhood. I would then be most interested in hearing your views and comments, and could answer questions.

**Characteristics**

At their most general, the goals of India's foreign policy are no different from those of other countries - we seek peace and prosperity, or security and development. Our foreign policy seeks to encourage and create an external environment that furthers these goals.

At the same time, India's particular nature, history, geography and circumstances shape the unique cast of India's foreign policy and give it certain particular characteristics:

- India's size, challenges and choice of political values are, to a very great extent special to us.
- Twenty five years of 6% growth have made a difference to India and given our foreign policy certain capabilities, but we still have a considerable distance to travel. To abolish mass poverty in India by 2020 we need to keep our economy growing at 8-10% each year.
- India is and will remain a developing country for a considerable period; therefore, nation-building or the socio-economic transformation in India must be the primary concern of our foreign policy.

- As a consequence India's foreign policy has a strong multilateralist cast. It recognizes that security in today's world is indivisible. Equally, the pursuit of development and prosperity requires collective international effort. Today, and in the foreseeable future, the issues that will be crucial to India's transformation are global, requiring global solutions --- such as, energy security, environmentally sustainable economic growth, and an open rule-based international trading system.
- Indian nationalism has not been based on a shared language or common religion or ethnic identity. As we sought to build a plural, democratic, secular and tolerant society of our own, it was natural that we would look for and promote the same values abroad, such as democratic decision-making in the international system, and peaceful coexistence.
- Add to this the fact of India's strategic tradition and you will get some sense of why India's foreign policy is what it is. In Kautilya, the third century BC author of the Arthashastra, India has the oldest "realist" strategic tradition in the world. But he was followed in less than a century by Ashoka, the Mauryan emperor who renounced war for conquest by persuasion, an idealist who inspired many subsequent Indian leaders like Jawaharlal Nehru.

It is natural and clear that the primary purpose of independent India's foreign policy is to enable the domestic transformation of India from a poor and backward economy into one which could offer its people their basic needs and an opportunity to achieve their potential. Initially, in 1947, this had to be attempted in the Cold War world, divided between two heavily armed and hostile camps, each led by a superpower, and each saying that if you were not with them you were against them. It took courage and vision to choose, as Nehru and the leadership did, not to join either camp and to opt for non-alignment. Having fought so hard for our freedom, we are not ready to abdicate our independence of judgment to others.

India's immediate foreign policy objectives were, and remain, a peaceful environment, strategic space and autonomy, free of entanglement in conflicts or alliances, while we concentrate on our domestic tasks. Non-alignment, as this policy came to be called, is the ability to judge issues on their merits and their effect on India's interests or, as our first Prime Minister Nehru used to say, 'enlightened self-interest'.

To take one example of how this worked in practice. In 1974, in our search for strategic autonomy and mastery of technology, India tested a nuclear



explosive device in a peaceful nuclear explosion (PNE). The world led by the Nuclear Weapon States reacted by forming a nuclear cartel, the Nuclear Suppliers Group (NSG), and by cutting off nuclear cooperation with India unless she agreed to forego a nuclear weapons programme and put all her nuclear facilities under international safeguards to guarantee that commitment. As the nuclear weapon states were not willing to do the same themselves, we refused to do so, suffering the consequences of technology denial regimes on our growth and development. But at that stage we lacked the relative power or capability to do more than to suffer in silence while keeping our options open.

The true realization of our foreign policy potential had to wait for the end of the bipolar world in 1989 and our economic reform policies, opening up the Indian economy to the world. Historically speaking, India has been most prosperous and stable when she has been most connected with the rest of the world.

In many ways, the period after 1991 has been the most favorable to our quest to develop India. The post Cold War external environment of a globalizing world, without rival political alliances, gave India the opportunity to improve relations with all the major powers. The risk of a direct conflict between two or more major powers had also diminished due to the interdependence created by globalization. The strength of capital and trade flows was directly beneficial to emerging economies like India, China and others. The evolving situation was one in which there was an opportunity for India. The period after 1991 saw a much more active Indian engagement with the neighbors, whether through repeated attempts by successive governments to improve relations with Pakistan, or border-related CBMs with China, or free trade agreements with neighbors starting with Sri Lanka in 1998, or the Ganga Waters Treaty with Bangladesh. The period since 1991 has seen a remarkable change in the scale of our ambitions, and in our capacity to seek to achieve them.

Equally important was another necessary condition which gave India space to work in: India's rapid economic and social transformation. As a result of twenty five years of 6% growth and reforms since 1991, India is today in a position to engage with the world in an unprecedented manner.

The contrast between the world's reaction to the 1974 and 1998 nuclear tests by India is instructive. In September 2008, thanks to work by friends like France, the NSG decided to permit international civil nuclear cooperation with India, thus ending India's nuclear isolation.

### Today's World

Today, it seems that we may be on the cusp of a historic and fundamental change in the nature of the world situation. Looking at the world from India, it often seems that we are witness to the collapse of the Westphalian state system and a redistribution in the global balance of power, leading to the rise of major new powers and forces. The twin processes of the world economic crisis and economic inter-dependence have resulted in a situation where no power is insulated from global developments. Uncertainty in the international system has grown exponentially and rapidly. The only certainty is that the global landscape that emerges from the economic and financial crisis will be vastly different from what obtains today.

The economic crisis itself is a consequence of unsustainable imbalances in the global economy, of prolonged fiscal and trade deficits in certain countries matched by fiscal surpluses and astronomical foreign exchange surpluses in other countries. As of now it is impossible to say that these imbalances will indeed be corrected, or that the underlying pattern of savings and consumption which led to the crisis will be successfully altered. Ironically, stimulus packages will actually push economies away from the direction of basic adjustment required though they may be a temporary palliative. Exchange rate adjustments, (a higher Yuan or a lower dollar), would devalue assets and reserves that are needed to overcome the crisis. A successful readjustment of the fundamentals of the global economy would require an unprecedented level of coordination and understanding between several major powers that has never been achieved before in history, except when the balance of power was totally skewed by the effects of a twenty year crisis followed by a world war.

It seems likely that the present economic crisis will result in a much flatter distribution of power, or a more even balance of power, among the major actors on the global stage. Interdependence brought about by globalization imposes limits beyond which tensions among the major powers cannot escalate. As uncertainty in the system rises, each of the major powers is now following hedging strategies abroad while attempting to minimize the effects of the crisis on its own economy.

Equally, no one power can hope to solve issues by itself, no matter how powerful it is. What is in fact happening, (politically in Iraq, Afghanistan and elsewhere, and economically in the meetings of G-20 leaders and the G-8 plus G-5), is that major powers are coming together to form coalitions to deal with issues where they have a

convergence of interests, despite differences on other issues or in broader approach. In other words, what we see is the emergence of a global order marked by the preponderance of several major powers where both cooperation and competition among them are intense. The result is a de-hyphenation of relationships with each other, of each major power engaging with and competing with all the others, in a situation that affords the powers increased strategic space but lessened capacity to create outcomes.

Paradoxically, some of the same forces of globalization - the evolution of technology, the mobility of capital and so on - which have led to the decline of the Westphalian state order are also the source of our greatest dangers. Some major threats today are from non-state actors, from trans-boundary effects of the collapse of the state system, or, at least, of its inadequacy.

Looking ahead, the factors of risk that threaten systemic stability come from larger, global issues. The greatest of these is the international community's ability to manage the readjustment of the world economy, the institutions that are supposed to run it and the resulting shifts in the balance of power. In turn, these will affect our ability to deal with questions like terrorism, proliferation of weapons of mass destruction, energy security and environmental and climate change. With globalization and the spread of technology, threats have also globalised and now span borders. These are issues that will impact directly on India's ability to grow and expand our strategic autonomy. As I said before, it is obvious that no single country can deal with these issues alone. They require global solutions. They will also require much more flexible diplomacy, building coalitions on different issues rather than relying on a more limited range of strategic relationships.

### **India's Neighborhood**

Among global issues, international terrorism remains a major threat to peace and stability. We in India are next to the epicenter of international terrorism in Pakistan. We have directly suffered the consequences of linkages and relationships among terrorist organizations, their support structures, official sponsors and funding mechanisms, which transcend national borders but operate within them. Any compromise with such forces, howsoever pragmatic or opportune it might appear momentarily, only encourages them. Large areas to the west of India, in Pakistan extending into Afghanistan have seen the collapse of state structures and the absence of governance or the writ of the state, with the emergence of multiple centers of power. The results, in the form of terrorism,

clandestine nuclear proliferation, extremism and radicalism are felt not just by India but by the world.

For India the most graphic recent instances were the bombing of our Embassy in Kabul on July 7, 2008 and the Mumbai attacks of 26 November 2008. In each case the perpetrators planned, trained and launched their attacks from Pakistan, and the organizers were and remain clients and creations of the ISI. Two months after the Mumbai attacks, and one month after we presented a dossier of evidence linking the attacks to elements in Pakistan, we still await a response from the Pakistani authorities, and prevarication continues.

Sadly, the escalating violence since early 2007 in the form of ceasefire violations, cross-border infiltration and terrorist attacks from Pakistan came after a sustained effort by India and Pakistan to improve relations through the composite dialogue and back channel diplomacy which achieved unprecedented success. That dialogue has now fallen victim to internal developments in Pakistan. For India, a stable Pakistan at peace with itself is a desirable goal. We need a peaceful periphery in our own interest, and will work with all those in Pakistan and the international community who further that goal. Given the fragile and unfinished nature of the polity beside us, there is much that the international community can do to help. For instance, arms sales to Pakistan totally unrelated to the fight against terrorism or extremism are like whiskey to an alcoholic, a drug reinforcing an addiction, skewing the internal political balance, and making the consolidation of democracy more difficult.

The effects of the terrorist infrastructure in Pakistan have been felt in Afghanistan for a long time. For Afghanistan to regain peace, the roots of international terrorism in parts of Pakistan and its local sponsors will have to be eliminated. The Afghan people, like the Pakistani people, have made it clear on every available occasion, in elections or in other ways, that they would rather have nothing to do with terrorists and their political and other sponsors. India is working with Afghanistan to reconstruct the economy, carrying out projects for over US\$ 1.2 billion.

Those responsible for the Mumbai attacks follow an ideology that recognizes no borders, and are known to be preparing attacks not only just in the neighborhood but across the world.

Fortunately, developments elsewhere in the subcontinent are more heartening. Nepal is undergoing a transition to multi-party democracy,

drafting a Constitution and bringing a former insurgent party into the democratic mainstream. Bangladesh has successfully held free and fair elections proving that the people's desire for good governance is much stronger than extremist and other appeals. And in Sri Lanka the terrorist LTTE seem to be on the brink of losing their conventional military capability and hold on territory. India will work to enable the people of Sri Lanka, and the Tamil community in particular, to return to normal democratic life and economic reconstruction and development.

With our other neighbor, China relations are developing smoothly. China is now India's largest trading partner, and there is increasing congruence in our views on global issues. The quality of our strategic dialogue is improving steadily and difficult issues in the relationship are being addressed, without being allowed to hinder the growth of the bilateral relationship.

### **Conclusion**

I have tried to give you some sense of what motivates and concerns India's foreign policy. As we seek to transform our country, we have always found France a reliable and valued partner. Today when we enter an even more uncertain world, we look to France and Europe, in which France plays such an important role, as partners in our quest.

Thank you.



**651. Press Release on the official visit of Prime Minister Dr. Manmohan Singh to France.****New Delhi, July 12, 2009.**

The Prime Minister of India Dr. Manmohan Singh will be paying an official visit to France from July 13-14, 2009 at the invitation of the President of France, Mr. Nicolas Sarkozy. He will be accompanied by a delegation of senior officials. The Prime Minister will be the Guest of Honour at the French National Day celebrations on July 14. An Indian contingent representing all three services of our armed forces will be participating in the military parade on the occasion.

2. During the visit, the Prime Minister will hold discussions with President Nicolas Sarkozy who will be hosting a lunch in his honour.

3. India and France enjoy a close and cordial relationship with regular political and strategic dialogue, and constructive ties in the fields of trade and commerce, energy, defence, space, culture, science and technology, education and tourism. The Prime Minister's visit is expected to further consolidate these warm and cordial ties and enhance the strategic partnership\* between the two countries.

4. Visits at the highest level between the two countries have been taking place at regular intervals. Prime Minister last visited France in September, 2008 for the India-EU Summit in Marseilles on September 29 and the India-France Summit in Paris on September 30, 2008. Earlier in 2008, President Nicolas Sarkozy was the Guest of Honour at our Republic Day celebrations.



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\* Prime Minister Manmohan Singh's very brief visit to France, suddenly assumed new urgency following the G8's declaration which cast some doubts about countries having "full" nuclear cooperation with India. France, which signed a civil nuclear energy pact with India on September 30 last, is a member of both the G8 and the Nuclear Suppliers' Group (NSG). It may be recalled that already in February during the visit of the French Trade Minister the French nuclear joint Areva signed an MOU with the Nuclear Power Corporation of India for the supply of nuclear reactors with full guarantee of supply of nuclear fuel for their full life cycle. At its meeting in L'Aquila, Italy, earlier in July, the United States persuaded the G-8 to ban the transfer of enrichment and reprocessing (ENR) items to countries that have not signed the Nuclear Non-Proliferation Treaty. Some observers did cast some doubt about French intentions in this regard. A question mark was therefore raised in some quarters as the Prime Minister prepared to visit France --how will the new declaration affect the agreement India signed with France last year? Will it remain unaffected by the new commitments on non-proliferation made by the G8 countries or would it undermine France's determination "to extend wide-ranging bilateral

cooperation from basic and applied research to full civil nuclear cooperation, including reactors, in nuclear fuel supply, nuclear safety, radiation and environment protection and nuclear fuel cycle management?"

Atomic Energy Commission Chairman Anil Kakodkar, who co-signed the Indo-French agreement in Paris with French Foreign Minister Bernard Kouchner in September 2008, reacted to the latest reports on a G8 ban: "It would be a matter of concern if the G8 nations insisted on curbing transfer of nuclear enrichment and reprocessing technology and equipment to all the non-signatories of the nuclear Non-proliferation Treaty (NPT), including India", he said.

Media speculated that Pakistan and terrorism will be high on the Prime minister's agenda in Paris. France is keen to play a major role in the "Af-Pak" region and recently announced •300 million in economic assistance and another •12 million for rehabilitation of internally displaced persons during Pakistan President Zardari's visit to Paris on May 15. Pakistan Foreign Minister Shah Mahmood Qureshi had then quoted French President Nicolas Sarkozy as having agreed to a civilian nuclear agreement along the lines of the India-U.S. or Indo-French accords. However the Elysee Palace clarified that the talks had centred on Pakistan's "nuclear safety," but did not unambiguously deny such a possibility. In a communiqué, Mr. Sarkozy said he wished to "honour France's strategic partnership with India" through Dr. Singh's visit. France, he said, fully supported India's bid for a U.N. Security Council seat and had called for an enlargement of the G8 to include India, Brazil, China and other emerging nations.

**652. Press Release issued by the Ministry of External Affairs,  
on India - France review of bilateral relations.**

**Paris, July 14, 2009.**

At a colourful ceremony this morning, Prime Minister Dr. Manmohan Singh was the Guest of Honour at the Bastille Day Parade in Paris, France. An Indian contingent participated in the parade, and was the first contingent to march past the dignitaries on the saluting stand at the Place de la Concorde. In remarks after the parade, the Prime Minister noted the particular honour that this represented, and spoke of the global significance of Bastille Day, and the ideals of the French Revolution of liberty, equality and fraternity. Thereafter the PM attended a working lunch given in his honour by the President of France, Mr. Nicolas Sarkozy. Subsequently, at a brief appearance, President Sarkozy introduced the Prime Minister as Chief Guest to thousands of people gathered at the Elysee Palace National Day reception. The leaders also reviewed bilateral relations between India and France. India and France are strategic partners and bilateral cooperation extends to education, health, defence, space, peaceful uses of nuclear energy and several other fields. Relations have developed rapidly in recent years. In recognition of the closeness and intensity of these ties, an annual leadership summit has now become the norm. Both leaders expressed satisfaction at the steady deepening, broadening and development of the relationship. There is a strong convergence of interest on threats posed by terrorism and measures to counter it. The leaders agreed to further strengthen cooperation in the area. They also expressed satisfaction at the implementation of the civil nuclear energy and space cooperation and wide ranging defence cooperation. The Prime Minister reiterated the invitation to President Sarkozy to visit India. The President accepted the invitation and indicated that he hopes to visit India soon. *(The Prime Minister left Paris for the NAM Summit in Sharm al Shaikh in Egypt later that day.)*





**653. Statement of the Prime Minister Dr. Manmohan Singh to the media after the Parade in Paris on July 14.**

**Paris, July 14, 2009.**

I am delighted to be present today at the National Day celebrations of France. The magnificent parade we have witnessed dramatises the strength and dynamism of this great nation. It was an honour for India to have a contingent representing all three services of our armed forces lead the parade. This reflects the friendship and strategic partnership between our two countries and the cordial ties between our armed forces. July 14 is a date important not only for France. The French Revolution marked a defining moment in world history when the aspirations of the common man began to acquire a central place in political and social life. The ideals of the French Revolution – liberty, equality and fraternity – helped to inspire our freedom struggle and guided the founding fathers of the Indian Constitution. I am grateful to President Sarkozy for giving India a place of honour on this great occasion. India-France relations and cooperation are growing in strength and vitality in all fields. We have a strategic partnership and have built vibrant political ties, with collaboration in energy, space research, defence, industry and commerce, science and technology, education, culture and tourism. It is my ardent wish that the partnership between our two democracies is further strengthened and deepened in the years to come. This will benefit the people of both our countries.



**654. Statement of Prime Minister Dr. Manmohan Singh in Parliament on his visits to Italy (8-10 July) to attend the G-8+5 meeting , France (13-14 July) at attend the National Day of France as Chief Guest and Egypt (14-16 July) to attend the NAM Summit.**

**New Delhi, July 17, 2009.**

Please see Document No.39



**ITALY****655. Press Release issued by the Ministry of Commerce and Industry on the meeting of the India-Italy Joint Commission for Economic Partnership.****New Delhi, December 14, 2009.**

Shri Anand Sharma, Union Minister of Commerce and Industry co-chaired the Indo-Italian Joint Commission for Economic Partnership with Mr. Claudio Scajola, Italian Minister for Economic Development, here today. Shri Sharma mentioned that bilateral trade between India and Italy touched US \$ 8.1 billion during 2008-09 compared to US \$ 7.8 billion in the previous year, despite the global economic slowdown. "With economy recovery clearly in sight in India, this forum could provide an impetus to take the partnership to the next higher level", he added. During the discussions both the Ministers felt that the existing relationship needs to be strengthened and further developed to enhance bilateral economic and commercial relations.

A Memorandum of Understanding was also signed at the Joint Commission Meeting here today by Shri Anand Sharma and Mr. Claudio Scajola in the following areas: FICCI-ICE in Trade & Investment Promotion, Indian Trade Missions to Italian fairs, training courses and protection of Intellectual Property Rights; FICCI Arbitration and Conciliation Tribunal (FACT) - Chamber of Arbitration of Milan (CAM) in arbitration and dispute resolution; and INVESTINDIA-SIMEST and INVITALIA in bilateral investments.

Shri Sharma informed his counterpart that infrastructure development is an attractive investment opportunity and a priority area for the Indian government. India has invited investment and joint ventures in Ultra Mega Power Projects, textile machinery, agricultural food processing, automotive components and wine technology. India has offered expertise in Railways, Information technology and textiles sector.

Major issues of interest discussed by both sides were information technology, fashion design, small and medium enterprises, tourism, agriculture and food processing, infrastructure, transport, investment, automotive components, environment and energy, textiles, leather, gems and jewellery, financial cooperation and reciprocal trade promotion. The Italian side offered partnership in e-identity cards and creation of a design centre at Ahmedabad. Cooperation in shipping and developments of ports infrastructure was also high on the agenda of the Italian side. In the

renewable energy sector solar energy, waste-to-energy, second generation bio-fuels and green buildings were identified for cooperation.

Both sides exchanged views about the ongoing Doha Round of negotiations and agreed that the conclusion of the round would be an important positive signal in this economic situation. The Indian side pointed out that it was committed to uphold the development dimension and the need to safeguard livelihood concerns, particularly of the poor and subsistence farmers in their countries.

The next meeting of the Joint Commission between India and Italy will be held in Italy during 2010.

India's exports to Italy mainly consist of transport equipments, readymade garments, machinery & instruments, primary & semi-finished iron & steel, cotton yarn, fabrics & made-ups, footwear of leather, manufacture of metals, ferro-alloys, gems & jewellery and inorganic & organic chemicals. Major items of imports from Italy are machinery except electrical & electronics, transport equipments, iron & steel, other commodities.

Earlier, Shri Anand Sharma and Mr. Claudio Scajola jointly inaugurated the India-Italy Joint business and Investment Forum. Representatives of Tuscany, Sicily, Piedmont, Lazio and Marche regions of Italy attended the Investment Forum, apart from apex chambers from both sides.



**POLAND****656. Media Briefing by Secretary (West), Ministry of External Affairs Nalin Surie on the visit of President Shrimati Pratibha Devisingh Patil to Spain and Poland.****New Delhi, April 17, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Good evening and a very warm welcome to all of you. As you know, Hon'ble Rashtrapati is going on a State visit to Spain and then to Poland. Secretary (West) Mr. Nalin Surie is here to brief you about the President's visit. He will be making an opening statement and, thereafter, he will be very happy to take some questions. To Secretary (West)'s right, we have Officer on Special Duty for Public Relations from President's Secretariat Ms Archana Dutta.

Sir, the floor is yours.

**Secretary (West) (Shri Nalin Surie):** Thank you Vishnu, and thank you all for coming this afternoon. Rashrapati will pay a State Visit to Spain and Poland from 20-27 April, 2009. Her first stop will be in Spain and thereafter Poland, from where she will return directly to New Delhi. This is the first ever State Visit by the President of India to Spain and the fourth State Visit by an Indian President to Poland. Rashtrapati would be accompanied by her husband, Dr. Devisingh Ramsingh Shekhawat. Other members include Hon'ble Dr. Ashwani Kumar, Minister of State, Department of Industrial Policy & Promotion, three Members of Parliament (Shri Shreegopal Vyas, Rajya Sabha and Smt. C.S. Sujatha and Smt. Ingrid Mcleod, both of the Lok Sabha) and an official delegation. A combined business team comprising members of CII, FICCI and ASSOCHAM and media persons will also be part of the Hon'ble President's delegation. Both in Madrid and Warsaw, Rashtrapati will be received with full State honours. In Madrid, Their Majesties the King and Queen of Spain and in Poland, the President of Poland and Mrs. Kaczynska will host banquets in her honour. In both countries, in addition to discussions with her counterparts, Rashtrapati will hold discussions with the respective Prime Ministers. We expect to sign two-three agreements each with both countries. These are agreements that would help further diversify the already close relations that exist between India and Spain & Poland. India's relations with both these countries are multifaceted. Our effort is to deepen and diversify these. Spain joined the European Union in 1984. It is the eighth largest economy in the world and has emerged since the mid 1970s as an effective democracy. It is our sixth

largest export market in the EU. We see great potential for expanding our trade and investment links with her. It also has close interaction with the countries of Latin America, a region of the world with which our ties are also expanding rapidly. Poland joined the European Union in 2004 and is also a revived and flourishing democracy. We have a history of close relations with it. There is a thriving school of Indology in cities such as Krakow and Warsaw and our trade and economic interaction is growing well. In both countries, Rashtrapatiji will address meetings between our business delegation and business delegations from Spain & Poland. She will also address members of the Indian community in these two countries. We see further opportunities for collaboration between India on the one hand and Spain & Poland on the other in the fields of trade, investment, S&T, culture, defence, renewable energy, health and the fight against terrorism. You would recall that both Spain and Poland were supportive of India's quest for civil nuclear energy. We also cooperate well in multilateral organizations. Both Spain and Poland are important members of the European Union with whom we have a Strategic Partnership, a comprehensive Joint Action Plan and annual Summit meetings. Both countries are instrumental in helping us further strengthen the growing partnership between India and the European Union. Spain will hold the EU Presidency in the first half of 2010 at which time we will hold the Troika meeting at Ministerial level. Rashtrapatiji's visit to Spain and Poland is not only a signal of the importance that we attach to our relations with these two countries but also with the European Union. It is also reflective of our desire to sustain our high level bilateral engagement with Europe and to diversify our ties into new areas. There is much that we have to do together to jointly address major international issues such as terrorism, the current global financial and economic crisis etc.

Thank you. I will be happy to take questions.

**Question:** Will there be any agreement on terrorism with Spain and Poland?

**Secretary (West):** We will not have any agreement on terrorism with either Spain or Poland but we already have close cooperation with these countries on fighting terrorism. As you know, we have a Joint Working Group on Terrorism with the European Union plus with some individual countries of the European Union. Both countries had condemned the Mumbai terror attacks in unambiguous terms.

**Question:** There are reports indicating Al-Qaeda related bases in Spain. Spain itself has been a victim of Al-Qaeda led attack. So, there is considerable scope for enhancing counter-terror cooperation. Apart from

this visit, what are we looking at in terms of long-term counter-terror cooperation? Is there a specific mechanism?

**Secretary (West):** When the Deputy Prime Minister of Spain was here earlier in the year we had discussions on this issue, which are being pursued. You are absolutely right. There are reports that Al-Qaeda is operating out of Spain. We are interested in working with Spain in the fight against terrorism, and they are interested in working with us on this subject. It is a process which is under way.

**Question:** We may have good trade with Spain but what about our trade with Poland? What is the two-way trade between the two countries?

**Secretary (West):** It was 1.2 billion dollars last year. But the potential is much higher. Poland is an economy which is doing extremely well. It is one of the new members of the European Union which is doing very well.

**Question:** What are the other common factors in which you think India and Poland can work jointly, maybe like fighting terrorism? In the European Union, Poland happens to be one of the recently joined members. What do you think is the potential between India and Poland? I remember that Mr. Shankar Dayal Sharma had visited Poland long time back.

**Secretary (West):** It was in October, 1996.

**Question:** Yes. After that I think there has not been any high-level visits between the two countries.

**Secretary (West):** Actually President Kaczynski came here in 1998 January. Their Prime Minister was here in 2003. There have been a lot of Ministerial visits on both sides. From our side there has not been a high-level visit for a while. That is why this President's visit is so important both to Spain and Poland. It fills in a vacuum which had begun to sort of come up, not because there is any effort on our part to reduce the importance of these countries. Our relations with both are extremely important. As a former Ambassador to Poland I can tell you we have a lot to do with Poland. We had a lot to do in the pre-democratic times and we have a lot to do now. But Poland has been focusing for many years since it became a democracy again on its internal sort of processes of reform, joining NATO, joining the European Union, and now again looking outwards. So, I think we have potential there. But with Spain, as you said, we already have a very large trade volume. It is over 4.5 billion dollars.

**Question:** You said we will be signing two-three agreements. In what are the areas and what kinds of agreements will they be? Can you throw some more light on that?

**Secretary (West):** I have done this with you before. I do not want to name the agreements yet because there are approvals which are still under way.

**Question:** Can you tell us at least the sectors?

**Secretary (West):** These will be sectoral agreements because with both countries the basic agreements are already in place. These are old relationships: these are not new relationships. The President's visit is intended to underline the importance we attach to these two countries.

**Question:** How large is the Indian community in Spain and Poland?

**Secretary (West):** The community in Spain is larger, about 20,000 to 30,000. In Poland it is much smaller. It should be under a thousand. I do not have a figure to give you off hand but I will give it to you later.

**Question:** *You said there is a Joint Working Group on terrorism.*

**Secretary (West):** *Yes, with the European Union*

**Question:** In view of 26/11 Mumbai attack, is there any further effort with these countries?

**Secretary (West):** As you know, we have Joint Working Groups also with countries like Germany, France, the UK, etc. A lot of bilateral cooperation is taking place post-26/11 with these countries and with the European Union as a whole. The whole world has been very concerned about what happened in Mumbai and we are getting cooperation across all continents.

**Official Spokesperson:** Thank you very much for coming.



**657. Statement by President Smt. Pratibha Devisingh Patil to the media on her departure for a state visit to Poland and Spain.**

**New Delhi, April 20, 2009.**

I am delighted to be visiting Spain and Poland. Both are countries with which India has close relations, which we wish to further deepen and strengthen.

My visit will be the first State Visit by an Indian President to Spain and the fourth by an Indian President to Poland. The last visit to Warsaw was by late Dr. Shanker Dayal Sharma ji in October 1996.

Our relations with both Spain and Poland are multi-sectoral and we have useful exchanges in trade matters, investment, Science and Technology, tourism, culture, defence and renewable energy. Our collaboration with both these countries, in multilateral fora is of long standing. Both these countries were supportive of India's quest for civil nuclear energy.

India shares with Spain and Poland common values and principles such as plural democracy, respect for human rights and fundamental freedoms, tolerance, the determination to fight terrorism and to strengthen democratic values. I will be visiting the Parliaments of both Spain and Poland.

Spain has become an important trade partner. Last year our bilateral trade touched 4.5 billion US Dollars. There are, however, concrete opportunities for much more trade and investment, especially in this time of global financial and economic difficulty since we have clear complementarities that can be exploited. I see considerable potential in our working together with Spain in areas such as, agriculture, renewable energy -Spain is a leading power in wind and solar energy; tourism, automobiles, IT, infrastructure and Science and Technology.

Poland is a country with which we also have civilizational links. It has a long history of the study of Indology, and Sanskrit was taught in Krakow as early as 1893. Schools of Indology are flourishing in Krakow and Warsaw. Our trade exchanges have begun to grow and we exceeded 1 billion US Dollars in bilateral trade last year. Indian companies are showing growing interest in Poland in areas such as energy, health, Information Communication Technology and chemicals.

There is a presence of the Indian community in both Spain and Poland and during my visit, I will be interacting with them.



A composite business delegation comprising members of CII, FICCI and ASSOCHAM is accompanying me. It is my expectation that in their contacts with their counterparts in Spain and Poland they will be able to identify and concretize opportunities for doing business together in their respective areas of strength. I will address joint meetings between our businessmen with their Spanish and Polish counterparts in Madrid and Warsaw respectively.

My visits to Spain and Poland will also help consolidate our rapidly developing relations with Europe and the European Union. The European Union is a Strategic Partner of India and we are in the process of implementing a comprehensive Joint Action Plan.

Both Spain and Poland were forthright in their condemnation of the Mumbai terrorist attacks in November last year. We greatly appreciate that both these countries were forthcoming in expressing strong support in the global fight against terrorism. I am looking forward to my visit and discussions, and am confident that following this, we will begin a new phase in strengthening our partnership with these two important European countries, along with whom we face common challenges and the common determination, to strengthen the forces of peace, security and development.



**658. Statement to the press by President Shrimati Pratibha Devisingh Patil.**

**Warsaw, April 24, 2009.**

I am very pleased to be in this historic city of Warsaw among the friendly people of the Republic of Poland. Yesterday on my arrival, my first engagement was a visit to the Warsaw Uprising Museum, where I paid tributes to the patriotism and bravery of the Polish people. There has been a longstanding tradition of regular contacts at the highest political level between our two countries. My visit is a part of this tradition and seeks to boost relations. We also look forward to receiving His Excellency President Kaczynski and Prime Minister Donald Tusk in India on mutually convenient dates.

I wish to convey my sincere thanks to President the Government and people of Poland for the hearty welcome accorded to me and my delegation, reflecting the longstanding and abiding friendship between our two countries.

We have just concluded discussions with the President and his colleagues over the whole gamut of our expanding partnership. We agreed to cooperate in areas of Information Technology, biotechnology, pharmaceuticals, healthcare, tourism and the ongoing areas of defence, mining, education and culture among others.

While we took note of the healthy growth in our bilateral trade despite the current global economic downturn, we agreed that it is well under its full potential. Both sides have, therefore, agreed to look at ways of enhancing bilateral investments, trade and economic cooperation.

We have signed two agreements dealing with Tourism and Health and Medicine, which will open new areas of cooperation in these sectors. They also provide a sound framework for expanding people-to-people level contacts between our two countries.

I am happy to inform you that a business and industry delegation is accompanying me and parallel meetings are taking place to explore new avenues of trade and investments between our two countries. I will be addressing the business meet over lunch this afternoon.

I specifically note the interest of the Indo-Polish Parliamentary Group in promoting parliamentary exchanges. We fully reciprocate this and it will be our effort to further strengthen Parliamentary exchanges once our new Parliament is constituted after our General Elections conclude in May this year.

The India-Poland partnership has been built on mutual respect and our two countries have strong foundations of democracy and enterprise. We appreciate Poland's achievements in recent years, especially after it joined the European Union. India has also enjoyed a sustained partnership with the EU over several decades, that was upgraded to strategic level in 2004.

India and Poland cooperate closely in the United Nations and other international fora. We both take part in UN peace missions and collaborate on issues of international concern like climate change and global warming, negotiations in WTO and fight against terrorism.

I expressed to the President my Government's gratitude to Poland for its support for the India-specific waiver at the NSG negotiations in September last year. Mr. President, this would help India harness civil nuclear technology for meeting the mounting energy demand for its development process.

We renewed our commitment and determination to fight terrorism. India is involved in the reconstruction process in Afghanistan and both our countries have had to suffer loss of lives at the hands of the Taliban and Al Qaida. India has been a victim of ongoing terrorist attacks for more than two decades from across the border. The Mumbai terror attacks last November were a horrific example of such wanton acts of terrorism. I wish to thank Poland for its message of condolences and support. I would also like to take this opportunity to condole the gruesome murder of a Polish engineer by the Taliban in Pakistan in February 2009.

I have invited His Excellency President Lech Kaczynski and Mrs. Maria Kaczynska to visit India at a mutually convenient date. We are also looking forward to the visit of Prime Minister Donald Tusk.

My delegation and I will be visiting Krakow, the cultural capital of Poland, tomorrow and we return to India the following day.

I once again express my gratitude for the wonderful hospitality extended to us and would like to take this opportunity to convey greetings and best wishes from the people of India to the people of Poland.

Thank You.



**659. Speech of President Shrimati Pratibha Devisingh Patil at the Business luncheon meeting hosted by the leaders of the business and industry of Poland.**

**Warsaw, April 24, 2009.**

I am delighted to address this distinguished joint gathering of leaders of business and industry from Poland and India. Poland has made remarkable progress since its shift to a market economy in 1991 and particularly so after joining the European Union in May 2004. The contribution of business leaders in shaping the national development agenda is well known. I am sure all of you present here have had a role to play in the success story of India and Poland's development.

The Agreement on Economic Cooperation between India and Poland was signed in Warsaw on 19 May 2006. The Joint Commission for Economic Cooperation under this Agreement is already operational and held its first meeting in New Delhi in May 2008. Business establishments on both sides would need to build on existing cooperation and mechanisms to identify areas of trade, investment and economic cooperation to move the Indo-Polish partnership forward. Polish companies have established a good presence in the Indian market. A very large number of Indian companies are also present in Poland.

Our bilateral trade has grown almost seven times over the last ten years and crossed the 1 billion dollar mark last year. But when we compare our bilateral trade to Poland's global trade of over US\$ 400 billion in 2008, it is not even 0.4 percent of the total. I would, therefore, like to encourage business and industry leaders on both sides to suggest ways and means of realizing the full potential. However, it is a matter of satisfaction, that despite both countries being affected by the current global economic downturn, bilateral trade in 2008 maintained a healthy growth of nearly 50 percent over 2007. Trade statistics presented to me show that Polish exports to India grew by an impressive 84 percent while Indian exports to Poland grew by nearly 40 percent. I do hope that the mutual interactions at your Business Forum today will provide further impetus to these positive trends. We in India are committed to encourage further growth and diversification of our global trade, investment and economic cooperation with Poland.

I see a great future for Indo-Polish economic cooperation in the knowledge based industries, bio-technology, pharmaceuticals, automobiles and auto components, infrastructure, health tourism, higher education, R&D joint projects, among others. Our cooperation in Research and Development

and joint ventures in Mining, Energy and Power generation is of mutual advantage to both countries.

The tremendous growth of India's large domestic market is well known. India's strong middle class, which is already larger than the population of the United States and may equal the entire population of the European Union in the not too distant future, would continue to grow and attract demand for capital and consumer goods alike.

India is now a production base and an outsourcing hub for several products ranging from agricultural goods to automobile components to engineering, design and high-end IT enabled solutions and services. Indian firms are now part of global processing chains. Our telecommunication, IT, bio-technology and pharmaceutical sectors are growing at par with the best in the developed world.

I am happy to inform you that the two Agreements signed today are related to Tourism and Health and Medicine. Both are promising areas for business development in both India and Poland. India has vast tourism potential. Poland also has good potential in the tourism sector and I understand that many health tourism resorts in Poland are up for privatization. The Indian systems of Yoga and Ayurveda, which are based on proven medical sciences, have now caught the imagination of the whole world. Besides these traditional disciplines, we also now pride ourselves with best super-speciality healthcare facilities in the world at highly affordable prices. Therefore, the two agreements we have signed today should go a long way in forging partnerships in both sectors between interested parties on the two sides.

Poland has high standards in University education, higher research and new technology development. India is also recognized internationally for its IITs, IIMs and IIITs. We are investing heavily in the education sector. We have made good progress in space sciences and civil nuclear energy development. Both our countries can benefit from each others' strengths in these fields.

Friends, in conclusion, I would like to invite the leaders of Polish business and industry to avail themselves of the opportunities in India and tap the vast potential that exists to multiply manifold the current level of our trade and economic relations. I would like to encourage my own compatriots also to avail themselves of all the advantages this friendly country offers. With the cooperative efforts of business leaders from the two nations, both countries will be able to leverage the core competencies of the two sides for the common good of all.

I wish you all success in your deliberations. My best wishes.

Thank you.



**660. Speech by President Shrimati Pratibha Devisingh Patil at the banquet hosted in her honour by the Polish President Lech Kaczynski.**

**Warsaw, April 24, 2009.**

Your Excellency President Lech Kaczynski,

Your Excellency Madame Maria Kaczynska,

Excellencies,

Ladies and Gentlemen,

May I first of all say how happy my delegation and I are to be in Poland, a country with which we have traditional ties of friendship and cooperation which we value very much.

I am deeply touched by the friendly welcome extended to us and the sentiments of goodwill that have been expressed, both towards me personally and my country.

My husband, I and members of my delegation also greatly appreciate the gracious hospitality that has been extended to us.

Since the time of our arrival in Warsaw, the natural beauty of your city, the meandering Vistula River, the historical buildings, green parks and squares have attracted my attention.

Mr. President,

India is an old civilization. Our people are steeped in a culture and ethos which has valued and promoted tolerance, diversity, pluralism, compassion and discussion and debate for more than three millennia. The Indian Constitution reflects these deeply ingrained values of the Indian people. India has been home to many cultures and religions of the world. We seek to build a peaceful and prosperous world.

Relations between India and Poland have traditionally been close and cordial. It is gratifying that leaders of India's freedom movement, Mahatma Gandhi, Pandit Nehru and Poet Laureate Rabindra Nath Tagore and others, notably the Maharaja of Jamnagar also played a role in nurturing this friendship. Today, our two countries have mutual complementarities across a broad spectrum that includes sectors such as mining, energy, IT, pharmaceuticals, Science and Technology, education, culture among others.

Our bilateral trade could benefit from greater focus on mutual comparative advantages. I do hope that the accompanying business delegation from India

has managed to network with their Polish counterparts so that the full potential of the trade and economic relations between the two countries is realized.

Our two countries have shared civilizational bonds for centuries. The Polish language also has some connectivity with Sanskrit, an ancient Indian language. There is thus a very useful foundation to enable us to enhance our cultural and people-to-people contacts. More and more Indians wish to visit Poland. We need to enhance academic and student exchanges. There should also be more media cooperation and exchanges of films and television programmes.

India and Poland share common values of freedom, human rights and democracy. International terrorism poses a major threat to these values and to international peace and security. We need to confront the menace of terrorism unitedly. We deeply appreciate in this context, Poland's unreserved condemnation of the terrorist attacks in Mumbai last November.

Both India and Poland are committed to the principles enshrined in the UN Charter. We believe that there is an urgent need to reform the United Nations to make it more compatible with contemporary realities. Our two countries cooperate well in the international fora. We greatly appreciate Poland's support for India's candidature for a permanent seat on an expanded UN Security Council. I should also like to thank your Government for Poland's support for an unconditional India-specific waiver by the NSG last September.

As I speak here today, in my country, the largest democracy in the world, the electoral process to constitute the new Parliament is underway. This is, indeed, a gigantic exercise involving an electorate of over 714 million people. Our robust democracy gives every Indian the right to have a say in the kind of Government they want to have to run their affairs.

Before I end, I would like to once again convey my gratitude for the warm hospitality that has been extended to me and my delegation. I can assure you, Mr. President, that we will carry many happy memories of our visit to your beautiful country.

Excellencies, Ladies and Gentlemen,

May I now request you to join me in raising a toast:-

- to the good health and happiness of President Lech Kaczynski and Madame Maria Kaczynski;
- to progress and prosperity of our two friendly people; and
- to the continuing friendship and growing co-operation between India and Poland.



**661. Statement of President Shrimati Pratibha Devisingh Patil on her way back to New Delhi after completing her State visits to Spain and Poland.**

**On Board Special Aircraft, April 26, 2009.**

We are returning to India at the conclusion of my State Visits to Spain and Poland. We have traveled together and you will agree that our journey has been very meaningful and productive.

I said to you when we left New Delhi at the beginning of this journey that my visit to these two countries was intended to consolidate our rapidly developing relations with Europe and the European Union. These are countries with whom we face common challenges and a common determination to strengthen the forces of peace, security and development. It was our intention to focus on this occasion on countries like Spain and Poland which we believe are not only important countries in Europe but also those which hold great opportunity for the further development of friendship and cooperation across the board.

I am particularly happy that our objectives have been fulfilled. We found, both in Spain and Poland, a common resonance and desire to more effectively and meaningfully cooperate in matters pertaining to trade, investment, development of infrastructure, renewable energy, energy, pharmaceuticals, agriculture, the auto sector, defence, tourism, IT, culture and education.

I also had a detailed exchange of views with the leadership both in Spain and Poland on the situation in our respective regions and agreed to strengthen our already useful cooperation in multilateral organizations, especially the United Nations. The global financial crisis was another factor that brought home to all of us that this is the right opportunity for us to leverage each others' complementarities and synergies.

The composite team of businessmen that accompanied me, I understand, had useful and productive discussions with their counterparts in Spain and Poland that are expected to lead to concrete business. What is particularly important is that in both countries, the governments have promised to lend strong support to the further development of the trade and economic partnerships. In my discussions, I stressed the need to ensure that our business people, tourists and other visitors do not face avoidable hurdles for entry into Spain and Poland.



I am happy that in both Madrid and Warsaw, I was assured that these two countries stand firmly with India in our long-standing fight against terrorism. Both countries strongly condemned the Mumbai terrorist attacks of last November and have shown solidarity in our time of need. I expect that our cooperation with them on this issue will strengthen in the months ahead.

I am also pleased that we have received support from both the countries I have visited for strengthening the India-EU strategic partnership. We attach importance to our relations with the European Union which represents, among other things, growing space for democracy in the world.

In both Madrid and Warsaw I was delighted to meet with the members of the Indian community. Our Diaspora represents an important and growing asset which we respect.

I had the pleasure of extending invitations to their Majesties the King and Queen of Spain, the President of Poland and the Prime Ministers of Spain and Poland to visit India. These invitations have been accepted and mutually convenient dates will be agreed for their visits to India after the new government has assumed office. These visits will enable us to sustain the focus on further development of relations with these two important European countries.

I return home fully satisfied. I also now have a much better impression and understanding of the cultural dimension of our relations with Spain and Poland; a dimension which needs to be further developed.

I would also like to thank all of you, members of the Indian media for being good traveling companions. I hope you enjoyed the visit as much as I did.



**RUSSIAN FEDERATION****662. Press Release issued by the Department of Atomic Energy on signing a contract with a Russian company for the long-term supply of natural uranium pellets.****Mumbai, February 11, 2009.**

The Department of Atomic Energy and TVEL, a Joint Stock Company of the Russian Federation have signed a contract today for the long term supply of 2000 ton of natural uranium pellets for India's Pressurised Heavy Water Reactors and another contract for about 60 Ton Low Enriched Uranium (LEU) pellets for Boiling Water Reactor units at Tarapur being operated by Nuclear Power Corporation of India Limited (NPCIL). For the two BWRs at Tarapur, Russia had earlier supplied fuel pellets on two occasions, and the present supply is a repeat of earlier contracts.

The president of TVEL with a team of high officials of his company attended the signing ceremony at the head office of the Department of Atomic Energy in Mumbai. The Directorate of Purchase and Stores of the Department of Atomic Energy signed the contract from the Indian side. Imported natural Uranium from Russia will be used in the domestic pressurized heavy water reactors under IAEA safeguards.

This is a major and second agreement, India has signed for the supply of fuel since the changes in NSG guidelines on September 6, 2008 to facilitate international civil nuclear trade with India. Earlier an agreement was signed with AREVA of France for the supply of 300 tons of uranium.

TVEL, a large Russian enterprise deals with nuclear fuel fabrication and supply. It supplies fuel to Russian and many other nuclear reactors in the world. TVEL is also the supplier for nuclear fuel assemblies for Kudankulam Nuclear Power Project (2 X 1000 MWe) being set up in collaboration with Russian Federation at Kudankulam, Tamilnadu. TVEL has already supplied in May 2008, the fuel required for initial years of operation for these reactors.

NPCIL is unique in having acquired, under one roof, comprehensive capability in all facets of nuclear technology namely – site selection, design, construction, commissioning, operation, maintenance and life extension of nuclear power plants

NPCIL has at present 17 Nuclear Power Reactors of 4120 MWe in operation and 5 Nuclear Power Reactors of 2660 MWe under construction. NPCIL has plans for significant capacity addition including nuclear reactors to be set up in technical cooperation with various countries.



**663. Statement by President Smt. Pratibha Devisingh Patil to the media at Kremlin Palace.**

**Moscow, September 3, 2009.**

It gives me great pleasure to be here in Moscow at the invitation of President H.E. Mr. Dmitry Anatolievich Medvedev. I thank President Medvedev and the people of Russia for giving me the honour of being their guest.

My talks in the Kremlin with the President of the Russian Federation were highly fruitful and held in a frank and friendly atmosphere in keeping with the Strategic Partnership between the two countries. The time-tested relationship between India and the Russian Federation has been marked by continuity, trust and mutual understanding.

We reviewed ongoing bilateral cooperation between India and the Russian Federation and exchanged views on ways and means to further strengthen India-Russia bilateral cooperation in the future. We also exchanged views on regional and international issues of importance to our two countries.

We noted with satisfaction the level of contacts between the political leadership of the two countries including the established practice of holding annual meetings at the Summit level as well as meetings and exchanges at Ministerial and other levels. India and the Russian Federation are determined to continue and further expand the excellent political contacts between the two countries. We attach great significance to the establishment of regular inter-parliamentary exchanges and institutionalized mechanisms of contact between the executive and judicial bodies of India and the Russian Federation. We look forward to the further intensification of these contacts.

We noted that there are ample opportunities for further expansion of relations, especially in the fields of space, energy including hydrocarbons and peaceful uses of nuclear energy, high technologies and military-technical cooperation.

We expressed satisfaction with ongoing efforts to achieve the bilateral trade target of US\$ 10 billion by 2010 that has been agreed to by both sides. We also agreed that given the potential for economic cooperation that exists between the two countries, existing levels of bilateral economic cooperation remain much below their potential. The private sectors in both countries need to take a lead on this issue.

I am particularly pleased with the fact that my visit coincides with the celebrations of The Year of India in Russia. President Medvedev and I

would be participating in a Gala Concert showcasing the colorful mosaic of Indian culture during my stay in Moscow.

I am looking forward to my meetings with the Prime Minister of the Russian Federation, His Excellency Mr. Vladimir Vladimirovich Putin and also with the Chairman of the Federation Council and the Chairman of the State Duma. In the second-leg of my visit to the beautiful city of St. Petersburg on 5th and 6th September, I would be meeting the President's Plenipotentiary Representative to the North Western Region of Russia as well as visiting the world famous Museum, the State Hermitage, and Peterhof.

The bonds between India and the Russian Federation are special and enduring and founded on civilizational and historical ties between the two countries. My visit to Russia reaffirms the priority that India and the Russian Federation accord to the Strategic Partnership between the two countries.

Thank you.



**664. Speech of President Smt. Pratibha Devisingh Patil at the Banquet hosted in her honour by the President of the Russian Federation Dmitry Medvedev.**

**Moscow, September 3, 2009.**

Excellency President of the Russian Federation,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

Mr. President,

Thank you for your warm and affectionate words of welcome. I appreciate your kind words on India and India-Russia bilateral relations. Let me also convey my gratitude at the generous hospitality that has been extended by our Russian friends to me and my delegation. I have been immensely impressed by whatever I have seen and observed so far. It is, indeed, admirable how Russia has been able to harmonize modernity with tradition, prosperity with connectedness to the roots of its culture and advanced

technology with respect for traditional values. Like Russia, India is a pluralistic democracy possessing ethnic, cultural, religious, regional and linguistic diversity. Like Russia, India too is embracing change while not losing sight of her ethos, civilizational principles and values. The unique resonance in our relations has been sustained over time by the cementing force of our common interests, shared vision and interaction as two vibrant civilizations.

India and Russia have a firm sense of conviction and belief in each other's strength and stability. As two large and influential democracies, India and Russia have the onerous responsibility of playing a significant global role in promoting democratic values, building a unified, just and democratic world order. We should also work together for a comprehensive system of collective security based on respect for rule of law and international norms, reciprocal trust, mutual benefit, equality and cooperation as well as for a future international order based on multi-polarity. Both countries are faced with similar challenges from the divisive forces of extremism and international terrorism. It is satisfying to note that while our challenges are similar, we also share common views and similar approaches.

**Mr. President,**

This is my first visit to Russia. However, no Indian, especially an Indian of my generation, is a stranger to Russia. We have long been familiar with the slogan "*Hindi-Rusi bhai bhai*", made popular by Prime Minister Pandit Jawaharlal Nehru and First Secretary Nikita Khrushchev. And indeed, our friendship has stood the test of time, as our two countries have come to each other's aid in times of difficulty.

The tradition of trust and friendship has been taken to new levels in recent years. Our Strategic Partnership has seen unprecedented levels of cooperation in space, defence, nuclear technology and other hi-tech areas. Recent years have also seen what are called multi-vector foreign policies being pursued by many countries, including India and Russia. However, I can assure our Russian partners that, even as we improve our relations with other countries it will not be to the detriment of our tried and tested friendship.

**Mr. President,**

Your successful visit to India in December last year provided the opportunity to review all aspects of bilateral cooperation between our countries. Decisions taken and agreements reached during your visit are being

satisfactorily implemented. Joint work is being carried out on the large number of documents signed during your visit. Our traditionally strong bilateral relations have rested on foundations of political, defence and economic exchanges which are of a substantial nature. Besides strategic areas such as energy, space and defence, mutual investments in industries, high-technology, cooperation in Information Technology, banking, finance, management and other service sectors, are some areas that offer plenty of scope. Culture and tourism promote economic cooperation, goodwill and people-to-people contacts between nations. In this context, contributions of the 'Year of Russia' in India and the 'Year of India' in Russia are significant.

**Mr. President and Dear Friends,**

Let us hope that our cooperation will become a landmark in the history of our bilateral relations. I am confident that we will continue to work together and take our traditional friendship to new heights.

Ladies and Gentlemen, may I request you to join me in raising a toast to:

- the health and well being of His Excellency the President of the Russian Federation;
- the long-standing traditions of close and continuing friendship and cooperation between India and Russia; and
- the prosperity, success and happiness of the friendly people of Russia.

Thank you.



**665. Statement of President Smt. Pratibha Devisingh Patil on her way back to New Delhi after completing her State Visits to Russia and Tajikistan.**

**On Board the Special Aircraft, September 8, 2009.**

Please see Document No.524



**666. Press Release issued by the Ministry of Defence on the 9th meeting of the India-Russia Inter-Governmental Commission on Military Technical Cooperation.**

**New Delhi, October 15, 2009.**

Two major agreements to boost Defence Cooperation between India and Russia are likely to be signed during the Prime Minister Dr. Manmohan Singh's visit to Moscow later this year. Decks for the signing of the two agreements were cleared today during the ongoing visit of Defence Minister Shri AK Antony to Moscow. The first agreement will be on extending the Military Technical Cooperation for ten years from 2011 to 2020 and the second relates to After- Sales Product Support for Defence Equipment of Russian origin.

The outlines for the two agreements were hammered out during the 9th Meeting of the India-Russia Inter-Governmental Commission on Military Technical Cooperation (IRIGC-MTC) which concluded in Moscow today. The two-day meeting was presided over by Shri Antony and his Russian counterpart Mr. Anatoly Serdyukov.

The meeting reviewed the status of various ongoing bilateral defence cooperation projects. The Commission also reviewed the status of two major projects for joint design and development of the Fifth Generation Fighter Aircraft (FGFA) and the Multi-Role Transport Aircraft (MRTA). Both the Defence Ministers expressed the hope that the recent rounds of consultations between technical experts on both sides would result in greater progress in these projects. The Russian side assured of continuing technical support and technology transfer in accordance with the agreed schedules for the indigenous production of T-90-S tanks and SU-30MKI fighter jets in India. Shri Antony stressed the need to ensure that there were no slippages in these projects.

On the sale of the aircraft carrier Admiral Gorshkov, both sides agreed that the cost negotiations would continue to find a mutually acceptable solution. Issues relating to defence supplies in a number of other projects were also reviewed in detail by the Commission. The Russian side responded positively to India's request to expedite proposals for setting up facilities for modernisation, repair and overhaul of military aircraft including MiG-29-Upgrade in India.

In his opening remarks to the meeting yesterday, Shri Antony said India and Russia have an enduring strategic partnership and defence ties. He described Russia as a time tested and dependable friend of India. Shri Antony emphasized that the Indian Government was determined to strengthen the bond in all areas of bilateral relations. He noted that over the years defence relations between India and Russia have evolved from a simple buyer-seller relationship to a broadbased partnership where both countries are involved in joint design, development and production of defence equipment. Taking note of the structured mechanisms for defence interactions with Russia, Shri Antony said that Russia is the only country with which India has such a well established multi-tiered mechanism which has contributed to the strengthening of bilateral ties.

The Indian delegation to the two-day IRIGC-MTC meeting included the Defence Secretary Shri Pradeep Kumar, Secretary (Defence Production) Shri Raj Kumar Singh and other senior officials of the Ministry of Defence and the Armed Forces.





**667. Press Release issued by the Ministry of External Affairs on the visit of Russian Deputy Prime Minister Sergei Sobyenin.**

**New Delhi, November 9, 2009.**

Russian Deputy Prime Minister and Co-Chairman of the India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation (IRIGC-TEC) H.E. Sergei Sobyenin is on his maiden visit to India from 9-12 November 2009. On Monday (November 9), he was hosted for a meeting by External Affairs Minister Shri S.M. Krishna, who is also the Indian Co-Chairman of IRIGC-TEC. This is the second meeting between External Affairs Minister and Mr. Sobyenin in less than a month. External Affairs Minister visited Moscow for the 15th session of the IRIGC-TEC meeting on 21 October 2009.

2. Both sides reviewed cooperation in a number of priority sectors such as nuclear energy; space research; high technology; information and communications technology; and pharmaceuticals. They also discussed ways and means of enhancing cooperation in these areas for strengthening bilateral trade and investment relations.

3. Mr. Sobyenin also called on Prime Minister Dr. Manmohan Singh, and is scheduled to meet Commerce and Industry Minister Shri Anand Sharma and Minister of Petroleum and Natural Gas Shri Murli Deora to discuss issues of mutual interest.

4. The Russian Deputy Foreign Minister is also visiting Bengaluru where he will visit the facilities of Infosys and will have interactions with business leaders. Mr. Sobyenin further proposes to visit Kudankulam to get a first hand account of the civilian nuclear facilities being developed with Russian cooperation there.



**668. Protocol of the Fifteenth Session of the Indo-Russian Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation.**

**Moscow, October 21, 2009.**

The Fifteenth Session of the Indo-Russian Inter-Governmental Commission (hereafter referred to as Commission) on Trade, Economic, Scientific, Technological and Cultural Cooperation was held on 21 October 2009 in Moscow.

The Russian Side was led by the Deputy Chairman of the Government of the Russian Federation - The Head of The Secretariat of the Government of the Russian Federation and the Chairman of the Russian side of the Commission H.E. Mr. S. S. Sobyenin. The Indian Side was led by the Minister of External Affairs and the Chairman of the Indian side of the Commission, H.E. Mr. S. M. Krishna.

The composition of the Russian and the Indian delegations (hereafter referred to as "the Sides") is at Annexure I.

The discussions were held in the spirit of traditional friendship and mutual understanding and the Sides decided the following:

While noting with satisfaction positive development of Russia-India trade, economic & investment cooperation under financial & economic crisis conditions, the Sides expressed availability of necessary prerequisites for increasing mutual turnover to USD 10 billion in 2010. The sides took note of the positive trends in bilateral trade witnessed even at these difficult times of the international financial crisis. Bilateral trade turnover in 2008 was USD 6.95 billion and in the period January-August 2009, bilateral trade increased by about 10% in comparison to corresponding period of previous year. Both Sides agreed to take further steps for bilateral cooperation to reach the level corresponding to the existing potential and increasing Russia-India trade to USD 20 billion by 2015.

The Sides will implement proactively the decisions taken during highest level visits, including the visit of the Prime Minister of India H.E. Dr. Manmohan Singh to Russia on 11-12 November 2007, the visit of the President of Russia H.E. Mr. D.A. Medvedev to India on 4-6 December 2008, and the visit of President of India H. E. Mrs. Pratibha Devisingh Patil to Russia on 2-6 September 2009.

The Sides noted the successful holding of numerous events in the context of the Year of Russia in India and the Year of India in Russia, and came to an agreement about the continuation of the practice of holding theme days, decades, months devoted to the spheres of economy, science, culture, education and cooperation on the level of regions and cities of both countries.

The Sides noted progress in cooperation in the areas of power, including nuclear energy, oil and gas, space, telecommunications, metallurgy, machinery and automobile industry, aircraft building, banking and financial services, construction of highways and pipelines, air transport service, science and technology, tourism and underlined that there is considerable scope for cooperation in sectors such as minerals development, railway and water transport, aircraft and shipbuilding, information technologies, biotechnology, nano-technology, construction, fertilizers and chemicals, pharmaceuticals, agricultural and processed food products, ready made garments and textiles, gems and jewelry.

The Sides noted the holding of the Second meeting of the Joint Task Force (JTF) on 26-27 March 2009 in Moscow established by the Ministry of Commerce and Industry, Government of India and the Ministry of Economic Development of the Russian Federation to monitor the implementation of the Russian-Indian Joint Study Group (JSG) recommendations to promote the bilateral trade, investment and economic cooperation. The Sides recommended that the organizations concerned should implement the JTF decisions.

The Russian Side expressed concern regarding significant delay in implementation of a number of bilateral cooperation projects (construction of thermal power stations "Sipat" and "Barh").

The Indian side expressed concern regarding non-fulfillment of contractual obligations by Russian companies in regard to a number of contracts (including between ONGC & Amur Shipbuilding Plant for construction of a seismic survey vessel; and between Tata Motors Ltd & M/s ZAO Amur/JSC VTB Bank for supply of commercial vehicles).

The Sides noted the importance of the Joint Venture "Titanium Dioxide Project" in Orissa as the first commercial project permitting use of the Rupee Rouble fund against Russian equity contribution, and hoped for amicable and satisfactory resolution of any disputes between the parties in the Joint Venture so as to provide direction to the further development of bilateral investment cooperation.

The Sides recommended that JTF should examine implementation of the above mentioned and the other bilateral projects and issue recommendations for problems settlement and for bilateral cooperation algorithm aimed to avoid similar situations in future.

The Sides noted the inadmissibility of unjustified protectionist measures, which hamper the development of mutual trade.

The Sides recommended that respective authorities should speed up harmonization of documents regulating mutual acceptance certificate of conformance issued by authorized agencies.

The Sides noted with satisfaction the considerable interest of the business circles of both countries in the Third Indo-Russian Forum on Trade and Investments which was held in Moscow in September 2009. The Sides called upon the concerned organizations of both countries, the representatives of the regions of India and Russia, to take part in the Fourth Indo-Russian Forum on Trade and Investment, which is to be held in New Delhi in 2010.

The Sides noted the considerable potential in cooperation in the field of nuclear energy in India and appreciated the work for the preparation of the contracts for the construction of the 3rd and 4th units at "Kudankulam" nuclear power station as well as for beginning the construction of nuclear power stations of Russian design on the new sites in India.

The Sides welcomed the acquisition of assets in oil and gas deposits in the Tomsk Region by "ONGC Videsh Ltd." and agreed to continue the discussion about the possibility of the participation of Russian companies in realization of Indian oil and gas complex projects as well as of the Indian companies in exploration of oil and gas resources in Russia.

The Sides recommended the Russian-Indian Chief Executive Officers Council to expedite the work of consideration and promotion of bilateral cooperation projects, including the ones within the framework of government programs of development economy sectors, acting in Russia and India.

The Sides noted the strong interest of the Privolzhsky Federal District to develop economic ties with India and called upon the regions of Russia and India to expedite mutual contacts for the further development of interregional cooperation.

The Sides recommended to the concerned organizations to arrange for regular exchange of information about investment opportunities in the various regions of Russia and India.

The Sides recommended the Indo-Russian Joint Task Force on Mutual Financial Obligations to hold its meeting at the earliest for the resolution of mutual financial obligations.

The Sides called upon the banks and financial organizations to expand their presence in each other's country in order to ensure the conditions for proper banking services of the increasing volumes of trade and economic cooperation. The Sides welcomed the work for the opening of the branch of the Sberbank of Russia and the liaison office of Gazprombank in India.

The Indian Side flagged the issue of Indian companies based in Russia facing difficulties in renewal of work permits of their India-based employees. Both sides agreed to work on setting up a fast track mechanism for expeditious renewal of work permits in accordance with applicable laws, which will go a long way in creating conducive business environment.

Recognising the large benefits accrued from the scientific collaboration under the Integrated Long-Term Programme of Cooperation in Science & Technology (ILTP) so far, the Commission recommended its further continuation for next ten years with dedicated funding on both sides. The two sides agreed to initiate necessary steps for signing the extension of ILTP for another period of 10 years with new structure and more focused on Innovation Led Technology Partnership development.

The sides noted with satisfaction the ongoing collaboration in the areas of Basic Sciences between the Department of Science & Technology and Russian Foundation for Basic Research. It was agreed to initiate a few mega projects in Basic Sciences in areas of mutual priorities.

The Sides also noted with satisfaction the initiatives taken by the Department of Science & Technology Govt. of India and Russian Federal Agency for Science & Innovation on Innovative mega R&D Projects in selected areas with dedicated funds from the two sides. The Commission recommended early conclusion of MOU and launch of the Innovation led R&D Programme and Technology Partnership.

The Commission reiterated its earlier recommendation that the two sides should expedite early establishment of Indo-Russian Technology Centre to facilitate transfer of technology to industry, creation of joint venture around high technologies and various other forms of S&T collaboration.

It was appreciated that RUSNANO and Department of Science & Technology through Nano Mission of India have shown interest and agreed to cooperate on the model of Inventor from one side and Investors from the other side. The two sides agreed to work out an MoU with clearly defined scope of work and explore the possibility of signing the MoU by February / March 2010.

The Commission appreciated the efforts being taken by both sides for India's enrolment as Associate member of the Joint Institute for Nuclear Research, Dubna. The Commission noted with satisfaction the conclusion of two MOUs, between CSIR, one on SARAS certification and further design work with Myashichev Design Bureau and another on Ga-As solar chips with Ioffe Physico-Technical Institute, St. Petersburg.

The Sides noted the commencement of the realization of the application filing electronic program for tourists' reception and Russian tourist visas registration, worked out jointly by Rostourism, Russian MFA Consulate Department and the largest tourism organizations on the base of Non-Profit Partnership "The World Without Borders" and agreed to further support the expansion of the cooperation in the field of tourism and tourism infrastructure development.

The Protocols of the last meetings of the Working Groups under the Commission are the integral part of the Protocol and enclosed in Annexure II to it.

The Commission directs the Working Groups to take the necessary measures for the realization of the agreements, stipulated in the corresponding Protocols.

The Sixteenth Session of the Commission shall take place in New Delhi in 2010. The dates and agenda of the Session would be agreed upon through diplomatic channels.

This Protocol was signed in Moscow on 21 October 2009 in Russian and English languages.

For the Indian Side

S.M. Krishna

Minister of External Affairs of  
The Republic of India,  
Chairman of the Indian side  
of the Commission

For the Russian Side

S.S. Sobyenin

Deputy Chairman of the Government  
of the Russian Federation -  
The Head of The Secretariat of  
the Government of the Russian  
Federation, Chairman of the Russian  
side of the Commission



**669. Interview of Prime Minister Dr. Manmohan Singh to the Russian media.**

**New Delhi, December 4, 2009.**

**Question: For many decades, Russia and India have enjoyed friendly and strong relations while the whole world has witnessed drastic changes. Do you feel that there is the need for adjustment in international relations in order to meet the challenges of modern times? And what could be the role of Indo-Russian relationship in this context?**

**Prime Minister** The India Russia bilateral relationship has been growing from strength to strength ever since we first established diplomatic relations in 1947. We view our relationship with Russia as an enduring friendship that has stood the test of time. Our relations with Russia enjoy a strong national consensus in India. The people of India can never forget the help and support we have received from Russia in difficult moments of our history.

India, like Russia, has sought to respond to the changes in the international system through different ways, including by broadening our engagement with the rest of the world. Our objective in India is to create an external environment that is conducive to meeting the developmental aspirations of our people, and to address the key challenges of our times - the global economic and financial crisis, energy security and climate change, terrorism, and reform of global institutions of governance. We are however clear that our growing engagement with the rest of the world cannot be at the cost of our time tested ties with Russia. Russia is an important factor of peace, stability and security in the world.

An effective response to the regional and global challenges we face demands that both India and Russia further intensify their Strategic Partnership. As two large pluralistic democracies undergoing rapid economic transformation, we share many common interests and have similar viewpoints on global issues. During my visit to Russia I propose to discuss with President Medvedev the steps we can take to raise our Strategic Partnership to the next level.

**Question: Our countries are strategic partners with an already broad range of cooperation lines. Which new spheres, to your mind, should be explored from the point of view of cooperation opportunities? What are the priorities of our relationship for the nearest future that you are going to discuss with the Russian leaders?**

**Prime Minister:** The India-Russia Annual Summit is the principal vehicle to advance our Strategic Partnership. Every such Summit has contributed

to this process. It involves discussions on a broad range of subjects from bilateral cooperation to collaboration in international fora and discussions on global issues of common concern.

In my talks with President Medvedev and Prime Minister Putin, I hope to have an indepth discussion on all aspects of our relations. For several years now trade and investment ties between India and Russia have lagged behind. The trade target of US\$ 10 billion that we are likely to achieve in 2010 is well below our potential, given the size of the Indian and Russian economies. We need to widen our trade basket, and promote greater investments in each other's countries. Pharmaceuticals, Information Technology and diamonds can become areas of future growth.

During the recent meeting of our Inter-Governmental Commission in Moscow, the energy sector was identified as a thrust area of cooperation. We would in particular like to see further progress in the hydrocarbon sector, which has been under discussion for sometime. Indian companies have developed world-class capabilities and can work with their Russian counterparts in both upstream and downstream sectors. India's energy needs are vast, and this area offers huge potential for win-win cooperation.

India and Russia have a history of close collaboration in the area of civil nuclear cooperation. New opportunities in this sector are opening up, and we would like to see greater Russian participation in our nuclear energy expansion programme. We must revitalize our cooperation in the cutting edges of science and technology, biotechnology, nanotechnology, and transfer of high technologies. Defence cooperation is a key pillar of our relations. We would like to strengthen it, and move towards joint design, research, development and manufacture.

We will also be discussing regional and global issues, particularly the situation in Afghanistan, terrorism, climate change and measures to revive the global economy.

**Question: Your visit to Russia will coincide with the closure of the Year of India in Russia, which gave many Russians a chance to learn more about the rich Indian cultural heritage. What do you think about the role of culture as well as people to people contacts in general in building relations between our two countries?**

**Prime Minister:** The Year of India in Russia this year, and the Year of Russia in India last year provided the people of both countries an opportunity to better understand modern India and modern Russia.



India and Russia enjoyed a strong tradition of people-to-people exchanges until the late 1980s. Russian thinkers, writers, painters, and artists have had a profound effect on India, just as our scholars and artists have had on Russia. We are keen to revive this tradition by promoting greater number of exchanges between our parliamentarians, media personnel, academics and scholars. We must in particular focus on promoting exchanges between our youth, who need to have much greater exposure to the achievements of each other's countries. In my view, this is extremely important because both our countries are undergoing rapid transformation, and we should not be bound by old stereotypes.

**Question: India actively participates in such formats as RIC (Russia-India-China), BRIC (Brazil-Russia-India-China), G20 etc. what is the significance of such multilateral mechanisms in the new global architecture?**

**Prime Minister:** Such multilateral groupings represent the growing interdependence of the world we live in. It is becoming increasingly clear that today's global challenges can only be addressed by cooperative effort, with the full and equal participation of major and emerging powers and economies. Such groupings are in many ways the building blocks of the emerging global architecture. India and Russia cooperate closely within the UN systems. The similarity of our views on most global issues enables us to also coordinate closely within the newer multilateral formats like BRIC and G-20. I believe we contribute significantly through these bodies in providing balanced responses to global issues like the economic downturn and climate change and indeed, in working towards a system of global governance that corresponds to the realities of the 21st century.

**Question: It is not your first visit to Russia. What thoughts and emotions flash through your mind while you are preparing for the trip? What is the most vivid personal impression after your numerous visits to Russia?**

**Prime Minister:** This will be my sixth visit to Russia as Prime Minister. For me, every visit has been a journey in consolidating and cementing the historic bonds of friendship that exist between us. There is complete mutual understanding between our countries, and a mutual stake in the success of the other.

In all my visits to Russia, I have been struck by the openness, warmth and friendship with which I have been received. I feel perfectly at home, and no stranger. I attribute this to the personal commitment of the Russian leadership to relations with India, and the strong mutual empathy that exists between our peoples.

We have seen this over the decades, beginning with Prime Minister Jawaharlal Nehru's first visit in 1955. I would feel most gratified personally if the new Russia and the new India can sustain this long-standing partnership by harnessing the tremendous goodwill our peoples have had for each other in the past.

**Question: Is there a major message from India and from Indian people that you are carrying to our country and that you are carrying to President Medvedev and Prime Minister Putin. We know that you are a very great and honest friend of our country. That is why I am asking this.**

**Prime Minister:** Ladies and Gentlemen, I have been to Russia five or six times during the last five years. Every time I have been in Russia I have received great warmth and affection from all the people who I came in contact with. Both President Medvedev and Prime Minister Putin are great friends of our country. I sincerely hope that this visit of mine will further develop bonds of friendship and that our strategic partnership with Russia will get deeper, broader in content.

**Question: Indian economy is showing a very impressive growth. Quarterly figures have proved it. When do you expect the economy of India to rebound, recover from the global crisis which has affected it and to reach the desired level of nine per cent annual growth?**

**Prime Minister:** Indian economy has been affected by the global slowdown. Before the global slow down our economy in the previous four years was increasing at an annual rate of nine per cent per annum. Last year, because of the global slowdown the growth rate declined to about 6.7 per cent. This year we expect the growth rate to be 6.5 to seven per cent. In two to three years' time, I am confident that the Indian economy can bounce back to the growth rate of about nine per cent per annum. I say this for many reasons. Our savings rate is about 35 per cent of our GDP. Our investment rate is about 37 per cent of GDP. With these savings rate and investment rates, we can sustain a growth rate of nine per cent without difficulty. With an investment of 37 per cent and the capital output ratio of four is to one we can easily attain the targeted growth rate of nine per cent per annum, which I expect we will do in the next two to three years.

**Question: How do you see the situation in Pakistan? In this context what can be done by India together with Russia and other friendly nations to effectively contain international terrorism in your area?**

**Prime Minister:** Russia has been a great friend of our country. It has stood by us through very difficult times. We face in the subcontinent the onset of

terrorism aided, inspired and instigated by our neighbour. Russia and India can work together to devise effective counter-terror strategies through coordinating our intelligence and information system. We can help each other because Russia like India has also been the victim of terrorism. We also believe that Russia being a great power can influence the conduct of Pakistan. Our hope is that Russia's influence will be utilised to convince Pakistan that the strategy of using terror as an instrument of state policy is counter-productive, it runs counter to a policy of good neighbourliness. On our part, if Pakistan territory ceases to be used by terrorists, we see immense opportunities for our two countries to work together in cooperation. There are immense opportunities of expanding trade, investment and technology flow between our two countries.

**Question: Mr. Prime Minister, Russia and India have in the past had very large deals but mainly in the defence area. Today we have certain problems, especially with Admiral Gorshkov and other areas, with the defence deals. Are you going to be discussing these and also looking at newer businesses perhaps in the nuclear domain to build nuclear power plants and also enhancing the civilian business between the two countries?**

**Prime Minister:** Cooperation in the field of defence has been a very important aspect of our cooperation with Russia. We have been able to get equipment and technologies from Russia which were not available to us from any other countries. Simultaneously, Russia has played a very important role in helping India to develop its nuclear energy programme, helped us in developing our space programme, and in many areas of science and technology we have actively collaborated with Russia to the enormous advantage of our economy and our polity. When I go to Russia naturally we will review our relationship in its diverse fields, including defence relationship, how we can strengthen, how we can develop new technologies in the field of defence. Of course, Admiral Gorshkov will figure in my discussion and I am confident that we can find practical solutions to the problems that have arisen. Collaboration between our two countries in the field of defence is a very vital aspect of our development. It will stay that way for many years to come. Cooperation in the field of nuclear energy has been a very important pillar of our cooperation with Russia and we have identified now new sites for collaboration with Russia for nuclear power projects. I see enormous opportunities in defence, in science and technology, in atomic energy, in space programme and in the development of our trade and investment relations which have not grown as fast as we both would like them to grow.

**Question:** Prime Minister, I would like to draw your attention to a smaller problem but because of this it is not less important for my people. President Medvedev is very much particular nowadays about pushing forward new programmes of production of good quality and cheap medicines for our people. We have a very good cooperation with India in this field. What can you say about the prospects of Indian investment in technology and in finance for creation of plants for producing drugs in the territory of Russia?

**Prime Minister:** Indian pharmaceutical firms have built up enormous capacities in the field of medicines and pharmaceuticals. World over, in generic drugs Indian companies have acquired a name for themselves. I sincerely hope that Russia and India can explore avenues of cooperation whereby Indian pharmaceutical concerns can help to expand the quality healthcare in particular in the supply of generic drugs to the Russian public at affordable costs and prices.

**Question:** Since the year 2006, in India the programme of national human space flight is being implemented as was proposed by you. How do you estimate the current results of that programme? Is India is cooperating in this field with other countries except Russia?

**Prime Minister:** Russia is the foremost co-operator and collaborator with India in the development of our space programme. In the spacecraft of Chandrayaan our two countries collaborated. Now we are planning a human space vessel. That also will provide enormous opportunities for cooperation between Russia and India. As of now the cooperation that we have with Russia, or the way we want it to grow with Russia, I think is far in excess of any cooperation that we have or we plan to develop with other countries.

**Question:** The issue of visas between the two countries still remains difficult to many people from the Russian side and the Indian side. Are you looking at working on this during your trip or in the near future to increase the validity of the visa making it a ten-year multiple visa.

**Prime Minister:** We are in favour of developing closest possible business and people- to-people contact between our two countries. Whatever obstacles exist in the development of these people-to-people contacts, they should be discussed and effective remedies should be found. If visas are a problem, I think the visa regime needs to be liberalised. We will explore all possibilities to expand cooperation on people-to-people basis.



**670. Press Conference of Foreign Secretary Mrs. Nirupama Rao on the visit of Prime Minister to Russia.**

**New Delhi, December 5, 2009.**

**Official Spokesperson (Vishnu Prakash):** Good evening and welcome to the Press Conference. Foreign Secretary is here to brief you about the forthcoming visit of Prime Minister to Russia. She would be making an Opening Statement and would be happy to take a few questions thereafter. I would also like to introduce a colleague, Mr. Ajay Bisaria, Joint Secretary (Eurasia), who is to the right of Foreign Secretary. May I now invite Foreign Secretary to make her Opening Statement?

**Foreign Secretary (Smt. Nirupama Rao) -** Good Evening to all my friends from the Media,

I am here to brief you today on the Prime Minister's visit to the Russian Federation that begins tomorrow. Prime Minister will be in Moscow for the Annual Summit Meeting with the Russian President, Dmitry Medvedev. This will be the Prime Minister's second visit to Russia this year. You will recall that Prime Minister visited Yekaterinburg in the Russian Federation in June, on his first visit abroad after the formation of the new Government to participate in the BRIC (Brazil Russia India China) and SCO (Shanghai Cooperation Organisation) Summits.

2. As you know, our ties with the Russian Federation are historic, close and uniquely enduring. These ties are based on a strong national consensus in both countries that has cut across ideologies or political conditions. Our bilateral relationship has been re-energized with the declaration of a Strategic Partnership between our two countries during the visit to India in 2000 by the then President Putin. Since then, our partnership has diversified enormously and you can see that today the relationship is a uniquely strong and expanding one, particularly in the fields of defence, nuclear energy, hydrocarbons, space research and science & technology. We are now working to stimulate our relations in the field of bilateral trade and investment. We in India consider Russia to be an old and valued friend which is at the same time a country with a huge untapped potential for increasing our bilateral engagement. The warmth and desire for deepening engagement, we feel, is strongly reciprocated on the Russian side. Prime Minister has recently said that during his visit to Russia and in discussions with President Medvedev, we propose to discuss steps to raise our strategic partnership to the next level.

3. Let me now outline the programme. Upon arrival tomorrow, PM will have dinner with President Medvedev at his dacha, where the two leaders

will get a chance to have an informal conversation before the formal proceedings at the Kremlin begin. On Monday, PM will be meeting President Medvedev for a restricted format meeting as well as for delegation level talks, when a whole range of bilateral, regional and global issues will be discussed. PM will also be holding wide ranging discussions with Prime Minister Putin. The two Prime Ministers will together be attending the closing ceremony of the 'Year of India' celebrations in Russia. Prime Minister, along with Prime Minister Putin, will also address the CEOs Council, which will hold its first full-fledged meeting since it was conceived in 2008. This Council comprises CEOs of some of the biggest and most important companies in India and Russia, and is aimed at stimulating further engagement between the private sectors of the two countries. Prime Minister will also be attending a meeting of Indologists where Russians scholars and academics with an informed interest in India will be presenting their views on the civilizational engagement between India and the Russian Federation.

4. As you know, the last few months have seen a very intensive bilateral engagement with the Russian Federation. Beginning with the State visit of President Patil in September 2009, we have had visits by Commerce and Industry Minister, Shri Anand Sharma, Raksha Mantri, Shri A.K. Antony and External Affairs Minister, Shri S.M. Krishna to the Russian Federation in the months of October and November 2009, when diverse aspects of the bilateral relationship have been reviewed and the path ahead has been charted out. We have also hosted the Ninth Trilateral Meeting of the Foreign Ministers of India, Russia and China in Bengaluru on 27 October 2009, when we had an exchange of views on various issues in a trilateral format. We hosted the Russian Deputy PM Mr. Sobyenin in November and I had detailed Foreign Office level consultations last month with my counterpart, Deputy Foreign Minister Denisov. The Annual Summit Meeting is of course the most important event in our annual calendar and we see it as the principle vehicle to take forward the Strategic Partnership with Russia.

5. Prime Minister will be accompanied by Dr. Karan Singh, President of ICCR, National Security Adviser and officials of the Ministries with the most intense engagement with the Russian side. Several captains of industry will be in Moscow to participate in the CEOs Council which will be co-chaired on the Indian side by Shri Mukesh Ambani, Chairman, Reliance Industries.

6. We expect to sign a few agreements which will reflect the breadth of our relationship and particularly, the depth of our cooperation in the defence sector. The agreements that are expected to be signed during the visit are-

- o Agreement on extending the Programme for Military and Technical Cooperation for the period 2011-2020;

- o Agreement on After Sales Support for Russian arms and military equipment supplied to India;
  - o Protocol to the Agreement on Cooperation in Development and Production of Multi-Role Transport Aircraft (MTA);
  - o Dollar credit line Agreement between Vnesheconombank of the Russian Federation and the Exim Bank of India for the extension of a 100 million dollar credit to Russia for certain imports of equipment from India;
  - o MoU on cultural exchanges between India and the Russian Federation.
7. A Joint Declaration will be issued by the two leaders during the visit on deepening our strategic partnership to meet global challenges.
8. In addition to these, we are currently in the advanced stages of finalizing a bilateral framework Inter-Government Agreement on Peaceful Uses of Nuclear Energy. Several rounds of negotiations have already taken place between our experts and we are hopeful that the agreement will be finalised during the visit. This agreement envisages broad-based cooperation on a range of technologies and know-how in the realm of peaceful uses of nuclear technology.
9. As you are aware, we have an existing agreement with Russia (of 1988) for cooperation in the construction of two 1000 MW nuclear power units. In December 2008, we concluded an agreement for four additional units at Kudankulam. The Government of India has also recently agreed to allocate one more site for nuclear power reactors, supplied by Russia: this is at Haripur in West Bengal.
10. Our defence cooperation has for long been a key element of our relationship. We have moved well beyond a buyer-seller relationship to joint production through the transfer of relevant technologies. In fact, the development of the Indian defence industry has been in large measure due to the strong relationship we have had with Russia and the Soviet Union earlier. A very robust bilateral institutions mechanism exists to discuss the defence relationship. The apex of this structure is the inter-governmental commission headed by the two defence ministers on military-technical cooperation. During the annual summit, this relationship will be reviewed at the highest level. Some of the ongoing flagship projects reflect the depth of this cooperation. These are:
- i) Aircraft carrier Vikramditya or Gorshkov;
  - ii) Multi-role Transport Aircraft

- iii) Fifth Generation Fighter aircraft
- iv) Production of SU-30 MKI aircraft
- v) Production of T-90 tanks

11. Another critical element of our relationship is our cooperation in the hydrocarbon sector. As you know, India's ONGC (Videsh) Ltd. has made significant investments in the Sakhalin I project of about 2.7 billion dollars. We are hoping to intensify this cooperation with further participation in oil & gas fields in the Russian Far-East.

12. As our Prime Minister said recently, Russia is an important factor of peace, stability and security in the world. We view our relationship with Russia as an enduring friendship that has stood the test of the time. Our relations with Russia enjoy a strong national consensus in India. The people of India can never forget the help and support we have received from Russia in difficult moments of our history.

**Question: Can you tell us more about intensifying cooperation in oil and gas? Does it have to do with Sakhalin-III?**

**Foreign Secretary:** As I have just mentioned in my opening statement, cooperation in the field of oil and gas is a very significant sector in our bilateral cooperation with Russia. I mentioned, of course, Sakhalin and the participation of ONGC Videsh Limited. We are also looking at the expansion of this cooperation so that the dimension that we have provided to this interaction in petroleum and natural gas is further strengthened. In fact, Sakhalin-III is also under consideration at the moment.

**Question: Is there any progress on finalising the price for Gorshkov? Will this be taken up there?**

**Foreign Secretary:** Let me say that all issues relating to our defence cooperation with Russia receive the attention at the highest possible level in both our countries. And the issue of Vikramaditya or Gorshkov is under discussion. Its renovation and the costs thereof are under active discussion between the two sides. These discussions are held in an atmosphere of mutual accommodation. I have no doubt that we will arrive at a mutually satisfactory solution very soon.

**Question:** Russia and India have a very good cooperation on Afghanistan. There is sharing of information and both countries are trying to stop the spread of drugs from this area. Will it be discussed in the Annual Summit as to what more steps can the two countries take in this regard?

**Foreign Secretary:** In fact, this was an issue that I was also able to discuss with my counterpart Deputy Foreign Minister Denisov when he was here



last month. Both our countries agree that the resurgence of Al Qaeda and the Taliban in Afghanistan pose a serious threat to peace and stability in our region and the world. Both our countries also agree that the fight against terror cannot be selective and you cannot make facile distinctions between the so-called good and the bad Taliban. Both India and the Russian Federation are committed to a democratic, pluralistic and stable Afghanistan. We are equally committed, and this is the point you made at the outset, to full-fledged efforts by the international community to combat the illegal narcotics infrastructure in Afghanistan.

**Question:** There is a point of view in the Russian media that during the Soviet period relations between our two countries were, if not warmer, much more constructive and active. What is the Indian point of view on this subject? What do you think of the relations nowadays?

**Foreign Secretary:** The relationship between India and the Russian Federation is a time-tested relationship. It is a rock solid relationship. It is multidimensional and it has its own momentum and logic. I believe sincerely and strongly that it is a relationship on an upward trajectory and can hardly be impacted by the paths of other bilateral relationships. So, I think the challenge before India and the Russian Federation today is to further expand and strengthen and deepen our strategic partnership. There is the affirmative nature of this relationship that has stood the test of time. As I said in my opening remarks, we attach the highest value and importance to our relations with the Russian Federation.

**Question: PM Begum Hasina is coming very shortly. Is the issue of ULFA militants still in Bangladesh being taken up before her arrival? Also, have we brought up the issue of this road in Demchok with the Chinese?**

**Foreign Secretary:** As far as the issue of discussing the matter relating to Indian insurgent groups that operate across the border in Bangladesh, this is an issue of ongoing discussion between the Governments of India and Bangladesh. Our Home Secretary level talks have just concluded. I want to say that both sides have a very constructive dialogue on this issue. The cooperation between our two Governments has been very positive. And on the issue of the road in Demchok, I think I have answered this question before. I was asked this a few days ago. You asked me whether we have taken this up with the Chinese. It has been taken up with the Chinese side at one of the flag meetings that we have at the ground level. Let me say that the whole issue of the differing perceptions of the Line of Actual Control in the area around Demchok has been taken up on many occasions with the Chinese side. This is not a new issue that has cropped up in the discourse relating to the boundary question between India and China. We are aware and the Chinese are aware that there are differences in perception

about the Line of Actual Control in this area and both sides are working to resolve these issues peacefully through dialogue and negotiation.

**Question:** I have two questions, Madam. There is a statement made by Pakistan Prime Minister Gilani that they have evidence of India's foul play in Balochistan. What is our response to that? Secondly, there are reports that Paresh Barua is in China. Are we taking it up with China? Do we look forward to take it up diplomatically with China?

**Foreign Secretary:** On the first question that you just asked, we have said this before and I say it now, there is not a shred of evidence to corroborate what the Pakistani authorities have been alleging about the so-called activities by India in Balochistan. Balochistan is an internal affair of Pakistan. It is not our habit, it is not our policy, to interfere in the internal affairs of neighbouring countries or for that matter any country. And I hope Pakistan will follow a similar approach. On China, Paresh Barua is wanted in India for crimes against the Indian state, against Indian people, and we continue to seek his apprehension. We are in touch with our neighbouring countries about these matters. We expect all our neighbours to behave responsibly on this issue.

**Question:** You have just said that the highway issue has been taken up with China. In the meanwhile, is the road construction going on or have we stopped it till we sort this out?

**Foreign Secretary:** I am not aware of any instructions having been passed on to the people working in that area to stop the construction.

**Question:** It seems it is the sixth time that the Prime Minister is visiting Russia. When does the Russian President come to India?

**Foreign Secretary:** We have the system of Annual Summits between India and the Russian Federation and we will be discussing dates for the visit from the Russian side not only during this visit but also through diplomatic channels. Our Prime Minister has invited Prime Minister Putin to visit India and we are very optimistic that that visit will take place in the first half of 2010.

**Question:** There have been suggestions in a section of the media that the format of Annual Summit between India and Russia should be changed. Because of the political reality in Russian Federation, because of Putin and Medvedev duo and the power equation over there, the format of annual summit should be changed. This view was expressed in some sections of the press.

**Foreign Secretary:** The press is free to express its views on such matters. We take note of all these views that are expressed. But I want to say that

our relationship with the Russian Federation is historic. It is close, it is enduring. And this relationship has been re-energised by the declaration of Strategic Partnership which I referred to in my earlier remarks. Given the fact that the bilateral relationship has diversified enormously in recent years - especially in the field of defence, nuclear energy, hydrocarbons, space research, science and technology - obviously you have to stimulate this dialogue, you have to intensify cooperation. And the annual summit meetings play a key role in this regard. I think this is an institution that we value and that we wish to preserve and to take forward.

**Question: You have referred to the Inter-Governmental Framework on civilian nuclear energy. You said it is in an advanced stage of negotiations. Could you just share some thoughts on it? What will be the thrust on it?**

**Foreign Secretary:** Let me repeat that the Inter-Governmental agreement on peaceful uses of atomic energy, that is a framework agreement in this sector, is under discussion between our two sides, and we expect this to be finalised shortly. However, it is important to remember that even before the finalisation of the IGA, cooperation in this important sector has been ongoing between our two countries.

**Question: *We want to know is there any probability of an agreement between India and Russia in the space sector or there will be discussions about a share in Glonnass? Our second question is whether in the case of Admiral Gorshkov there will be finalization of the price? Will the price of Gorshkov not be settled? (free translation from the Hindi text)***

**Foreign Secretary:** On the subject of the aircraft carrier I have already answered a question earlier in this press conference. I invite you to refer to that. The subject is an issue of ongoing discussion between the two sides. We are approaching this in a very positive way from both sides and we hope to arrive at a mutually satisfactory solution regarding the price very shortly. As far as cooperation in the field of space technology goes, this is a critical and crucial area for cooperation between India and the Russian Federation. It has been for some time. We expect the projects that are on the anvil in this regard to be taken forward including the one you referred to just now.

**Question: Madam, there have been reports that the Radar which Russia supplied to us for the Sukhoi fighter planes are also being supplied to China which is presently installed in their J-17 aircraft which China is passing on to Pakistan. Are you planning to take this up with the Russian authorities?**

**Foreign Secretary:** We have seen the reports in this regard and obviously we would discuss this with the Russian side.

**Question: Foreign Secretary, India has Strategic Partnership with a number of countries. How is the one that we have with Russia different? You have been stressing on that.**

**Foreign Secretary:** Yes. It is true we have Strategic Partnerships with a number of countries. But when we define our Strategic Partnership with Russia - and I think my remarks during this briefing point in that direction - you are talking of a time-tested relationship with one of our closest friends. You are talking of a multidimensional relationship, particularly in the field of defence, nuclear technology, hydrocarbons, space, trade, investment. So, the fact that this relationship has so many dimensions to it provides value to the bilateral relationship. Let me say that our strategic partnership with Russia - and we have said this time and time again very emphatically - exists on its own merit and it is not in any way to be seen as diminished by the relationships that we have with other countries with which we have Strategic Partnerships. The relationship with Russia is of crucial importance to India and it will remain so for the future. I only see it being intensified and developed and strengthened in the years to come.

**Question: Madam, you spoke about protocol on MTA. Could you tell us about the progress in FGFA (Fifth Generation Fighter Aircraft) and whether discussions will be held on procurement of additional fighters?**

**Foreign Secretary:** I am not going into details in that regard. I would say that these are issues that are being discussed between the technical experts, the officials in both sectors that are involved in such cooperation, and this is moving forward. This technical level discussion that is under way is a discussion that involves experts, technocrats. The fact, as I mentioned is, it is not a buyer-seller relationship any more. It is a relationship that involves design, development and technology. So, to answer Pranay's earlier question, it is the best example of a Strategic Partnership.

**Official Spokesperson:** Thank you very much. Have a very good evening.



**671. Statement of Prime Minister Dr. Manmohan Singh prior to his departure for Russia.**

**New Delhi, December 6, 2009.**

I am leaving today for Russia at the invitation of President Dmitry Medvedev for the Annual India-Russia Summit. I had earlier visited Russia in June 2009 to attend the BRIC and Shanghai Cooperation Organisation Summits. President Medvedev had earlier visited us in December 2008.

The Annual Summit is the principal mechanism for the advancement of our strategic partnership with Russia. This is a partnership based on the solid foundation of long-standing friendship, deep mutual trust and strong convergence of interests. Over the years, our multifaceted cooperation with Russia has acquired greater depth and maturity through joint efforts. We seek to strengthen these ties further.

At the Summit meeting with President Medvedev, I hope to review the status of our bilateral cooperation, including in the key areas of defence, civil nuclear energy, space, science and technology and hydrocarbons. I will also exchange views with the President on key regional and global issues such as terrorism, recovery of the global economy, energy security, climate change, nuclear disarmament and reform of international institutions.

During the visit, I will also meet Prime Minister Vladimir Putin, under whose Presidency we had established the strategic partnership between our two countries in 2000. Prime Minister Putin and I will jointly attend the closing ceremony of the Year of India in Russia. I also look forward to meeting the members of the India-Russia CEO's Council along with Prime Minister Putin. These events symbolize the mutual desire of both countries to enhance people-to-people contacts, and expand our trade and economic engagement, which is well below our true potential.

I also look forward to interacting with Russian intellectuals and scholars during this visit. We need to build upon the tradition of study and research of each other's countries through greater contacts between the media and academic circles.

I am confident that my visit will be yet another step forward in consolidating our cooperation with Russia and in reinforcing the fact that the India-Russia strategic partnership is a factor of peace and stability in the evolving international situation.



**672. Opening Remarks of Prime Minister Dr. Manmohan Singh  
at the joint Press Conference with Russian President.**

**Moscow, December 7, 2009.**

**His Excellency President Medvedev,**

**Ladies and Gentlemen of the Media,**

I would like to begin by conveying to the Government and people of Russia the deepest condolences on behalf of the Government and people of India on the most tragic incident which took place in Perm and to join them in their mourning today. Our thoughts are with the friends and families of the bereaved.

I thank His Excellency President Medvedev and the people of Russia for the warm hospitality extended to me. This is my second visit to Russia in six months and I am delighted to be back again.

Relations between India and Russia are characterised by deep mutual trust and confidence. They are based on shared interests and common perceptions on global issues. Russia is a major global power and a factor of peace and stability in the international system. India accords the highest priority to its relations with Russia. This is a relationship that stands on its own footing and is not influenced by our relations with any other country.

I am most satisfied with our discussions today.

I conveyed to President Medvedev the special importance we attach to strengthening the economic dimension of our ties. We expect the India-Russia CEO's Council to play a much bigger role in realising this objective. I will be meeting the members of the Council later today together with Prime Minister Putin. We have decided to set a trade target of 20 billion US dollars by 2015. We have identified the areas of energy, Information Technology and Communications, and pharmaceuticals as the new thrust areas for cooperation.

We welcome greater Russian participation in the expansion of our nuclear energy programme.

The successful conclusion of negotiations on an Intergovernmental Agreement on Cooperation in the Peaceful Uses of Atomic Energy is a major step forward in strengthening our existing cooperation in this field.

I reiterated to President Medvedev our keen interest to similarly expand our cooperation in the hydrocarbon sector. Given India's energy needs,

and the world class capabilities of Indian companies in the oil and gas sector, this is an area of vast untapped potential.

The Agreements that we have signed in the field of defence cooperation, in particular on the Programme for Military and Technical Cooperation for the period 2011 to 2020, will provide the basis for an intensive and broad based cooperation in this vital area.

We are grateful for the support given by the Government of Russia for the holding of the Year of India in Russia. We would like to build upon this by focussing on greater exchanges between our youth, institutions of higher learning, parliamentarians, business leaders, media, scientists and researchers.

We also discussed regional issues, including the situation in Afghanistan. Both India and Russia have an interest in a stable, prosperous and moderate Afghanistan, and we have agreed to regularly consult each other on this important issue.

We have also agreed to enhance our cooperation to meet the grave challenges of terrorism and religious extremism that emanate from our region and threaten both our societies.

We reviewed our collaboration in the United Nations and multilateral forums like the G-20. India and Russia can play a significant role in ensuring that the process of global economic recovery is sustained, balanced and inclusive. We have agreed to work towards a successful and comprehensive outcome at the climate change Conference in Copenhagen.

I have invited President Medvedev for the next Annual Summit in Delhi in 2010. We look forward to the visit of Prime Minister Putin in March next year.

These high level exchanges are a defining characteristic of our relations, and reflect the strong political commitment on both sides to continue to strengthen our Strategic Partnership.

Thank you.



**673. Joint Declaration issued following the visit of Prime Minister Dr. Manmohan Singh to Russia for the annual Summit meeting with the Russian President Dmitry Medvedev.**

**Moscow, December 7, 2009.**

**Following** the official visit of the Prime Minister of India Dr. Manmohan Singh, to Russia at the invitation of President of the Russian Federation, Mr. Dmitry Medvedev, for the Annual Summit from December 6 to 8, 2009, **the Republic** of India and the Russian Federation, hereinafter referred to as the "Sides",

**REITERATING** their aim of deepening and strengthening in every way the close, friendly and historic India-Russia bilateral relationship;

**RECALLING** the Treaty of Friendship and Cooperation between the Russian Federation and the Republic of India of 28 January 1993 and the Declaration on Strategic Partnership between the Republic of India and the Russian Federation of 3 October 2000;

**REAFFIRMING** their desire to strengthen international peace, security and stability and to enhance mutually beneficial cooperation between states in order to build a just and democratic world order;

**EMPHASIZING** the importance of ensuring sustainable development, of expanding and modernizing their economies and of improving the well-being of their citizens; hereby declare that:

1. The Strategic Partnership between India and the Russian Federation is the culmination of the long and multifaceted bilateral relations that have flourished between the two countries since the establishment of diplomatic relations in April 1947 and is a key foreign policy priority for both the Sides. This deepening partnership is not impacted in any way by the engagement of the two countries with the rest of the world. It is a time-tested and enduring friendship which is mutually beneficial and which has emerged as a factor of peace and stability in the region and the world.

The Sides recognize that an effective response to the regional and global challenges in the future demands that India and Russia intensify their Strategic Partnership. As two large pluralistic democracies undergoing rapid economic transformation, India and Russia share many interests and viewpoints on global issues. They undertake to take steps to deepen bilateral cooperation and raise their Strategic Partnership to the next level.



India and Russia value their Annual Summit as the principal vehicle to advance their Strategic Partnership.

2. India and Russia share the view that radical changes taking place in the international system, do not just pose new challenges and threats, but also provide opportunities to build a new, democratic and fair multipolar world order-based on collective approaches, supremacy of international law, and adherence to the goals and principles enshrined in the UN Charter.

3. India and Russia share the common commitment to reform the global economic governance system based on the principles of equity and justice, taking into account the need to ensure the full-fledged participation of major economies and developing countries in reforming the world's financial and economic system in line with the new economic realities.

India and Russia note that, in spite of a diverse range of international stake holders and the interlinking effects of globalization, a modern state is the main tool for reconciling public interest with securing the rights, freedoms and interests of individual citizens, and continues to be the basic building block of international relations.

4. The Sides emphasize that the emerging system of international relations should be based on the principle of indivisible security, have a universal character and should encompass all states and all major spheres of international relations. The Sides note that maintaining international peace involves equal security for all states without exception. The security of some states should not be achieved at the expense of the security of others.

5. The Sides are convinced that only collective efforts by the international community as a whole, can successfully meet challenges such as overcoming the global financial crisis, ensuring energy and food security and addressing an issue of global concern such as climate change.

6. India and Russia express their support for international efforts aimed at global, complete and verifiable elimination of nuclear weapons. In this regard, India welcomes the intention of Russia and the United States to conclude a new Treaty on Further Reduction and Limitation of Strategic Offensive Arms.

India and Russia stress that the proliferation of nuclear weapons and its possible link to terrorism poses a threat to international peace and security, undermines security of states, complicates progress toward nuclear disarmament and may negatively affect prospects for wider international

cooperation in the sphere of peaceful uses of nuclear energy. The Sides pledge to work together for global non-proliferation.

The Sides reaffirm their commitment to prevent the deployment of weapons in outer space and to maintain outer space exclusively for peaceful use and cooperation for the sake of all mankind.

7. The Sides are convinced that the international community should enhance efforts to combat terrorism in all its forms and manifestations. The United Nations Global Counter-terrorism Strategy and the respective resolutions of the UNGA and UNSC should be steadfastly implemented, in particular UNSC resolutions 1267, 1373 and 1540. Both Sides call upon the international community to comply with the provisions of international counter-terrorism conventions and protocols including the principle, 'either prosecute or extradite', regarding the persons accused of committing acts of terror. The Sides strongly call for an early adoption of the Comprehensive Convention on International Terrorism. The Sides intend to further develop Indian-Russian bilateral cooperation in combating new challenges and threats, including such cooperation within the framework of the India and Russia Working Group on Combating International Terrorism.

Russia expressed solidarity and support to the Government and people of India in connection with terrorist attacks in Mumbai on November 26-29, 2008 and both Sides underscore the need to bring the perpetrators of the attack to justice.

India supports Russia's efforts to maintain peace and stability in the Caucasus.

India expressed sympathy for the victims of the attack of the "Nevsky Express" by terrorists on November 27, 2009 in Russia, and supports the Government of the Russian Federation in its determination to eliminate terrorism from Russian soil.

8. The Sides welcome the result of the presidential elections in Afghanistan and agree that the people of Afghanistan and the international community face a clear and present danger from terrorist and extremist elements which must be tackled resolutely before peace and stability can be restored in the region.

The Sides emphasize that the resurgence of the Al Qaeda and Taliban in Afghanistan threatens the progress made over the last few years. In this regard, they condemn the terrorist attack on the Indian Embassy in Kabul

on October 8, 2009. They agree that the fight against terrorism cannot be selective, and drawing false distinctions between 'good' and 'bad' Taliban, would be counter-productive. They highlight the need for strict observance of the sanctions regime against persons and entities listed by UNSC Committee 1267. The Sides reaffirm their long-term commitment to a democratic, pluralistic and stable Afghanistan. They are in favour of enhancing the role of the International Security Assistance Forces in combating the illegal narcotics infrastructure in Afghanistan. In this context, India appreciates the convening by the Russian Federation of an International Conference on Afghanistan under the aegis of the Shanghai Cooperation Organisation on March 27, 2009.

9. The Sides share the international community's concern with the continuing acts of piracy and armed robbery off the coast of Somalia. The Sides assert that measures to combat piracy should be implemented in compliance with international law and that persons guilty of acts of piracy must be brought to justice.

10. India and Russia emphasise the urgency of effective international action to combat climate change and in this context, affirm their readiness to continue to work constructively for the success of the UN Conference on Climate Change in Copenhagen in accordance with the principles and provisions of the UN Framework Convention on Climate Change and the Bali Action Plan, bearing in mind the principle of common but differentiated responsibilities and respective capabilities of states.

11. India and Russia agree to enhance bilateral cooperation in the energy sector, including joint projects by Indian and Russian hydrocarbon companies. While promoting bilateral energy cooperation efforts, the Sides also support the modernization of the architecture of the global energy market. The Sides agree to discuss and develop an appropriate international legal system that would promote transactions in the energy sector in a universal, equitable and non-discriminatory manner, taking into account the interests of suppliers, transit states and consumers of energy resources.

12. India and Russia welcome the finalisation of the Agreement on Cooperation in the Use of Atomic Energy for Peaceful Purposes and look forward to developing and intensifying broad-based cooperation between the two countries in the area of nuclear energy including such areas as joint scientific research, implementation of nuclear power projects and setting up of fuel supply arrangements.

On these aspects and in regard to the development and intensification of broad-based cooperation as mentioned in the Framework Agreement, the Sides will conclude specific instruments.

13. The Sides consider effective interaction on timely response to natural and man-made disasters and mitigating their social and economic impact as an important sphere of international cooperation.

14. India and Russia call for strengthening bilateral and international cooperation in countering the threat of extremely dangerous infectious and other contagious diseases.

15. The Sides underline the urgency for ensuring international information security as one of the key elements of the whole international security scenario.

16. The Sides agree to further strengthen their cooperation on issues related to the reform of the UN and its Security Council. The reform of the UN Security Council should be carried out in a manner that reflects contemporary realities and makes it more representative and effective in dealing with both present-day and emerging challenges. Russia considers India a deserving and strong candidate for a permanent seat in an expanded UN Security Council.

17. The Sides welcome the Pittsburgh Summit's landmark decision to institutionalise the G-20 as the premier forum for international economic cooperation and are convinced that this process should be implemented on the principles of equality among all the participants, transparency and mutual consideration of interest. In the context of the international financial and economic crisis, they commend the timely and strong policy response for growth, until durable recovery is assured. They reiterate the importance of the comprehensive package of regulatory measures to prevent recurrence of the crisis. The Sides welcome the Pittsburgh Summit's focus to address reforms of the international financial institutions in order to improve their credibility, governance and effectiveness, and look forward to implementing the G-20 decisions within the agreed timelines. The Sides reaffirm their commitment to avoid protectionism in all its forms. The Sides favour the streamlining of the G-20 process, including defining rules of procedure, ensuring transparency in work methods and equitable rotation of G-20 Summits. In a spirit of friendship and cooperation, they look forward to working closely together, as well as with others, in the G-20 framework.

India and Russia also favour closer cooperation and equal interaction between developed countries and major developing countries in other international formats, including the Heiligendamm - L'Aquila Process.

18. The Sides note the growing efficacy of close multilateral cooperation in the Asia Pacific region as a means to enhance economic cooperation in the region and to maintain regional peace and stability to confront global challenges of security and development of the 21st century. In this context, the Sides express interest in strengthening bilateral and multilateral interaction in different related fields.

19. The Sides consider the interaction in BRIC and RIC formats to be an effective tool to promote strengthening a more balanced and predictable international system as well as a core element to shape a multipolar world order and to ensure sustainable world development in the post crisis setting.

20. Both Sides welcome the progress registered by the BRIC dialogue. They note that the first stand alone BRIC Summit in Yekaterinburg, Russia, in June this year has given it a direction for future growth and added new vistas of cooperation for the coming years. The Sides look forward to early meetings of BRIC Energy and Agriculture Ministers and implementation of other initiatives suggested by the leaders at the first BRIC Summit. The Sides underlined the importance of BRIC Finance Ministers' meetings in the context of G-20 meetings. Noting the Track-II events organized by think-tanks, they express satisfaction that the BRIC dialogue at Track-II level is also progressing well.

21. The Sides welcome the enhanced interaction in the trilateral format and recall the successful holding of the Ninth Trilateral Meeting of Foreign Ministers of India, Russia and China in Bengaluru in October 2009. The Sides appreciate the exchange of views on regional and global issues that was facilitated by this meeting and call for intensified exchanges of information and ideas on the important issues of the day for the benefit of the people of the three countries and for peace and stability in the region.

22. The Russian side appreciates the representation at the level of Prime Minister from India in the Summit Meeting of the Shanghai Cooperation Organisation (SCO) at Yekaterinburg, held on 16 June 2009, as it is indicative of the importance India attaches to the SCO. The Indian side welcomes the increased involvement of Observer states in the activities and meetings of the SCO and seeks a more constructive engagement in the Organization in economic, counter-terrorism and culture related

activities. The Russian side supports India's full membership in the SCO. The Sides recognize that the SCO represents a vast land mass rich in cultural diversity, creativity and resources that has evolved to be an important regional organization promoting peace and stability and fostering economic development in the region.

23. Russia is confident that engagement of India in the Asia-Pacific Economic Cooperation (APEC) will enhance capacity-building and effectiveness of the APEC mechanism, and encourage enhanced trade and investment cooperation in the region. Russia supports India's membership in the APEC and will work towards lifting the moratorium on expanding the APEC's membership.

24. India believes that Russia's involvement in the Asia-Europe Meeting (ASEM) will greatly help to improve interregional cooperation, mutual understanding and confidence within Eurasia, and in this respect India supports Russia joining that dialogue forum at the 8th Asia-Europe Meeting to be held in Brussels in 2010.

25. The Sides express satisfaction at the intensity of the bilateral engagement since their last Summit meeting, including the State Visit of the President of India to the Russian Federation in September 2009. The Prime Minister of India extends an invitation to the President of the Russian Federation to visit India for the next Summit meeting in 2010. The President of the Russian Federation accepts the invitation with pleasure. The leaders look forward to an ever deepening partnership encompassing diverse strategic and other areas of cooperation which would herald a new chapter in the abiding ties of friendship and mutual confidence between India and the Russian Federation.



**674. Statement by Foreign Secretary Mrs. Nirupama Rao to the media on Prime Minister's visit.**

**Moscow, December 7, 2009.**

The visit of Prime Minister to the Russian Federation has demonstrated in ample measure the depth and the strong vitality of the India-Russia Strategic Partnership. It has been a most successful and very productive visit. The discussions held by Prime Minister with President Medvedev and Prime Minister Putin have been substantive and detailed, and the leaders have focused on priority areas of the partnership and how we intend to take these forward through intensive efforts by both sides in the months ahead. The Agreements concluded during the visit have also reflected the great depth of the relationship, its stability and maturity, and the mutually beneficial nature of our bilateral relations. Ours is a partnership that is multi-dimensional in the true sense. It is a partnership of strategic importance, and it is a partnership that works for the development and progress of the peoples of both countries, and for peace and stability in the region and the world. The tradition of Annual Summits between the leaders of India and Russia has served most effectively to impart vision and a forward-looking perspective to our dialogue and cooperation. The momentum of our relations with Russia is indeed strong and dynamic and we will now prepare for the visits of President Medvedev and of Prime Minister Putin to India, at the invitation of our Prime Minister.

PM arrived in Moscow yesterday afternoon on his second visit to Russia within six months, to a warm ceremonial welcome. Later, in the evening, he was hosted by President Medvedev for an informal dinner at his Dacha at Barvikha. The two leaders had a warm and detailed exchange of views on several regional and global issues, including the situation in the Af-Pak region the global financial situation, the role of the G-20, and climate change issues.

This morning, PM went for a solemn wreath laying ceremony at the Tomb of the Unknown Soldier. Thereafter, he proceeded to the Kremlin for a restricted format meeting with the Russian President. They had highly fruitful discussions on a number of bilateral, regional and international issues. This was followed by delegation-level talks, with the participation of senior officials from both sides.

The following bilateral agreements were signed in the presence of the two leaders.

1. Agreement between the Government of the Republic of India and the Government of the Russian Federation on the Programme for Military and Technical Cooperation (MTC) during the period 2011-2020. (The agreement would help enhance the operational capability of the Indian defence forces in the next decade by providing various defence equipment/ systems, and will also facilitate capacity development of the Indian defence industry. The agreement provides for acquisition, licensed production, upgrades and modernization of defence equipment as well as the development of new and advanced weapon systems.)
2. Agreement between the Government of the Republic of India and the Government of the Russian Federation on After Sales Support for the Russian Arms and Military Equipment supplied to the Republic of India. (The agreement would facilitate timely and adequate supply of spares and services for maintaining a high level of readiness and integrated maintenance of Russian-made military equipment supplied to India.)
3. Protocol to the Agreement of the Government of the Republic of India and the Government of Russian Federation on Cooperation in Development and Production of Multi-Role Transport Aircraft of November 12, 2007. (This is an amendment to the existing Agreement.)
4. Agreement between the Government of the Republic of India and the Government of the Russian Federation on Cooperation in Peaceful Uses of Atomic Energy. (The agreement on cooperation in the use of atomic energy for peaceful purposes initialed today marks the culmination of expert-level negotiations, which were going on for the past few months. The IGA signed in 1988 was for the construction of Kudankulam 1 and Kudankulam 2. The IGA signed last year was for the construction of additional reactors at Kudankulam. The IGA initialled today is a broad - based agreement, and lists several areas for cooperation, including R& D, construction of nuclear power plants, supply of uranium etc. The agreement provides for up-front consent for reprocessing of spent fuel and also includes a provision that any termination will be without prejudice to ongoing contracts and fuel supply obligations. In addition, it includes provisions which are common with other agreements such as application of IAEA safeguards, retransfer mechanism, and non-interference in our unsafeguarded programme.)
5. Programme of Cultural Exchanges between the Government of the Republic of India and the Government of the Russian Federation for the Years 2010-12. (The agreement will ensure continuation of exchanges between the two Governments in the fields of art & culture and intensification of people-to-people contacts).



6. Dollar Credit Line Agreement between Vnesheconombank (Bank for Development and Foreign Economic Affairs), Russian Federation and EXIM Bank of India. (The agreement intends to extend a Line of Credit of US\$ 100 million by EXIM Bank of India to Vnesheconombank for financing export of Indian equipment, technology, goods and services to Russia).

The Annual Summit is the apex level mechanism of the India- Russia Strategic Partnership and discussions between PM and President Medvedev spread over the informal diner yesterday evening and today morning covered our extensive cooperation both at the bilateral level as well as on international issues. The discussions, especially on global issues, are reflected in the Joint Declaration adopted at the conclusion of talks. Titled "Joint Declaration between the Republic of India and the Russian Federation on deepening the Strategic Partnership to meet Global Challenges", the Joint Declaration encapsulates a shared vision on many global issues, and reflects the desire of both sides to take their relationship to the next level.

PM also had intensive discussions with Prime Minister Putin this evening. Prime Minister Putin, as the then President, established the Strategic Partnership between India and Russia in 2000. They discussed ways of reinvigorating efforts to enhance bilateral trade and investment relations, science and technology cooperation, proposals for expanding India's cooperation in the development of the hydrocarbon sector in Russia, defence, nuclear and space cooperation.

Following their talks, the two Prime Ministers addressed the India-Russia CEOs Council Meeting, which is an important mechanism for boosting private sector cooperation between the two countries. From the Russian side, the co-chair of the Council, Vladimir Evtushenkov, spoke of the prospects for cooperation in the field of telecommunications. The potential for collaboration in the pharmaceutical industry was stressed. The Indian co-chair, Mukesh Ambani spoke of the opportunities for Russian participation in the infrastructure development sector, and cooperation in pharmaceuticals (including joint development of new technologies in the health sector), as also telecommunications.

The scheduled Closing Ceremony of the Year of India celebrations that would have been attended by PM and Prime Minister Putin was cancelled as a mark of respect for the victims of the fire tragedy in the city of Perm. PM personally expressed his condolences to both President Medvedev and Prime Minister Putin for the incident on behalf of the people of India.



**675. Media Interaction of the Foreign Secretary Mrs. Nirupama Rao on board the Special Flight of the Prime Minister on way back to New Delhi from Moscow.**

**December 8, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** Foreign Secretary is here accompanied by the Media Advisor to talk to you about the Prime Minister's recently concluded visit to Russia. After her opening remarks she will be happy to take a few questions. May I invite you, Madam, for your opening statement?

**Foreign Secretary (Shrimati Nirupama Rao):** Thank you, Vishnu.

Ladies and gentlemen, you would have seen the text of my remarks to all of you as of last evening. I was on my way to the Media Centre but, of course, the weather in Moscow prevented me from reaching my destination. So, I had to turn back and hence you had the written text of my remarks.

All I would like to add to those remarks is that this has been an extremely successful, productive and satisfying visit by any definition. I think most of all it has reinforced the fact that India and Russia have a very close and, as I have said before, rock-solid strategic partnership that works in the interest of both our countries.

You have seen the Joint Declaration that we released yesterday on deepening our Strategic Partnership to meet global challenges. It is a very detailed and elaborate document. I would advise you to read it carefully because in many ways it charts out, it maps out the dimensions of this relationship and speaks about the priority that we attach to it at the political level, the perfect understanding that exists between the leaders of the two countries and indeed at various sectoral levels. This is a very productive partnership. It is a partnership that works in the interest, as I said, bilaterally of both countries, and it also promotes peace and stability in our region and in the world.

Prime Minister's discussions with Russian leaders have been very in-depth, very wide-ranging. As you know, soon after he landed in Moscow he was invited to a private and informal dinner hosted by President Medvedev at his dacha outside Moscow. It was a beautiful setting, wintry Moscow evening with a lot of warmth indoors, and the conversation flowed very freely. The two leaders discussed the situation in our region after briefly dwelling on the bilateral relationship. The bilateral relations were discussed in-depth yesterday morning at the restricted-level talks, at the delegation-level talks. So, during the informal dinner they exchanged views on a wide range of topics.

They began with the issue of the Copenhagen Conference. President Medvedev is going there, as you know, and Prime Minister will also be there at the Summit on the 17th and 18th of December. Then they spoke briefly of the Inter-Government Agreement (IGA) on Peaceful Uses of Nuclear Energy that we initialed yesterday, and how important this agreement is in terms of taking our cooperation forward in the peaceful uses of nuclear energy. We will come to that later perhaps in the Question-Answer Session.

Then they discussed the situation in the region. They spoke of the situation in Afghanistan and Pakistan, briefly on relations with China, and the role of the G20 in the global economic and financial crisis and how Russia and India are viewing the current situation. They both felt some more time will be taken for a complete recovery of the state of global economic health. This was, as I said, an in-depth discussion. During this dinner, Mr. Sergey S. Sobyenin the Deputy Prime Minister was present. There was also Mr. Sergey V. Lavrov, the Foreign Minister and Sergei E. Prikhodko Aide to the President of Russia. From our side, National Security Advisor and I were there.

At the press conference yesterday addressed by both leaders you saw the statements, you heard them speak. I think it was evident to all of you the deep sense of conviction that exists on both sides about the validity and about the total credibility of this relationship in all fields. The agreements that we signed yesterday and the Joint Declaration, of course, have elaborated on the theme of this visit, I think very powerfully and eloquently.

Prime Minister's discussions with Prime Minister Putin were also very very good, extensive, in-depth. As you know, Prime Minister Putin, during his tenure as President of the Russian Federation, was instrumental in the creation of our Strategic Partnership in 2000. In many ways he is an architect of that partnership, has in many ways also seen it grow over the last few years and has been very open and vocal in his advocacy of a very close and intimate India-Russia relationship. That was very evident in his remarks at the delegation-level talks yesterday. The depth of detail and his knowledge of the finest features of this relationship were in evidence throughout.

He has obviously been monitoring progress on this relationship very closely with his aides and other departments of the Russian Government. So, we were able to have a little tour d'horizon of cooperation in defence, science and technology, space, of course the nuclear cooperation, cultural exchanges, trade and investment of course which is the new area of focus I think very

legitimately and very validly, because the potential that exists for bigger and stronger relations in this field is recognized on both sides.

Trade still is at a rather low level considering the size. Both India and Russia are trillion dollar economies but we have at this moment a figure that really does not measure up to the potential. So, we have set targets not only for 2010, 10 billion dollars, but for 2015, 20 billion dollars. We hope the multiplication will go on and we will see dramatic increases of business and trade exchanges.

At the CEOs' Council which met yesterday, the best and brightest of Indian and Russian industry were present there. Both Prime Ministers addressed the CEOs' Council. You have seen the text of their remarks, I am sure. Following this there was a brief interaction. Because of paucity of time I guess we could not take it too much into the evening. From the Russian side they spoke of their interest especially in cooperation and business interaction in telecommunications, pharmaceuticals. And from our side we spoke of the potential and possibilities for Russian investment in our energy sector, in infrastructure development - which is a big strength on their side - and, of course, as they had also said, the telecommunications and pharmaceuticals. Especially in the development of generic drugs which Russia has great use for I think there was a very clear recognition from both sides that this is an area that we must devote and invest more resources, more time and more energy and focus not only at the Governmental level but at the level of the trade and business communities on both sides.

This morning, Prime Minister met with a group of Russian intellectuals drawn from think tanks and universities all of whom have distinguished themselves in various fields of research and intellectual activity. I am not just talking of India-Russia relations but I am talking of issues like relations between Russia and the United States, Russia and China, Afghanistan, sustainable development, Russia today. The whole issue of where Russia stands today after a period of great political change and transition over the last two decades was also very much in focus. So, this was a discussion that spread over a little over an hour.

There were four or five of these intellectuals who gave presentations to the Prime Minister, spoke on the topics I have just enumerated, after which Prime Minister addressed them and spoke about our deep interest in deepening more such discourse at the intellectual level because this relationship is also about ideas, about generating more ideas, more initiatives and the intellectual capital that sustains this relationship, that is

the lifeblood, the oxygen of this relationship. Both sides recognized that we must ensure that there is perfect communication.

A lot of the intellectuals also mentioned that there is a great deal that needs to be done to close the knowledge gap between India and Russia because as times have changed and Russia has transitioned over the last few years - it is a proud democracy - there has been a lot of change in Russian society, in Russian politics. In the process perhaps the extent of focus as far as ordinary people are concerned and at the level of universities and academia on India has in a sense got diluted. I am not saying it has disappeared entirely. I believe that there is a very strong affirmative approach to India and to understanding India better. But now I think we would like to devote much more resources to understanding India more at the academic and intellectual level, at the level of the media, at the level of reporting on India, so that people in Russia could be more informed about developments, about the changes in India, about the strengths of our democracy, about the growth of our economy, the dynamism that is inherent in India's growth as an emerging world power today. All that needs to be articulated to the Russian people and that was also very much stressed by the intellectuals when they spoke to Prime Minister today. And likewise in India we need to do more to spread the word about developments in Russia. That was also stressed.

So, all in all, I believe this was a very satisfying visit and a very successful visit. I think we have reason to be very optimistic about the prospects for future growth of our relations with Russia. As you know, President Medvedev will visit India next year to carry forward the tradition of Annual Summits between our leaders, and Prime Minister Putin has also accepted our Prime Minister's invitation to visit India. That visit is in all likelihood going to take place in March, 2010. So, at the level of the Government of India, at the Foreign Ministry level we have a lot of work, a lot of preparations to complete.

In conclusion I would like to say that this has been a very productive visit and has fulfilled all our expectations. Thank you.

**Question:** We have this Climate Change Summit round the corner. What was the nature of discussion between our Prime Minister and the Russian President on this particular issue? Could you throw some light on that? Secondly, at the CEOs' Council meeting, did the Russian businessmen flag any areas of concern? If they did, what was PM's response?

**Foreign Secretary:** On the second question first. This is the first meeting really of the CEOs' Council. Of course, the CEOs are continuing their

deliberations. They are having meetings beyond what we had yesterday. So, obviously the practical issues that crop up between the business communities of the two sides when they engage in commercial activity would obviously be discussed at that level. Obviously there is a lot that needs to be clarified, needs to be streamlined, and needs to be made easier when it comes to doing business between the two countries. But suffice it to say that at the political level there is a clear sense of direction that we must move forward, that we must remove any roadblocks and obstacles that exist and make doing business easier between the two countries. We are not shying away from recognizing that if the potential has to be realized, and it will be realized, we have to create a bigger bandwidth literally. In the figurative sense we need better bandwidth. But at the CEOs' meeting yesterday we did not really go into these issues. It was basically a very positive and a very forward-looking vision that even the business communities, the CEOs had. They were the top CEOs of both countries there. Mr. Evtushenkov, the Co-Chair from the Russian side, spoke of his very close attachment to India and how this has grown with every visit he has made and he was very positive.

On the Copenhagen Summit, this was touched upon in the meeting between Prime Minister and President Medvedev at the dacha dinner that they had. Both of them are going to Copenhagen. Both leaders said that we should work to build that level of consensus that can ensure a successful and equitable outcome for the Conference of Parties at Copenhagen.

**Question:** Good afternoon, Madam. Just to take forward whatever you have said on the CEOs' Council meeting, off the record lots of Indian CEOs say law and order situation is not right in Russia and it is a very difficult country to do business in. In fact, one CEO even said if our men have to be beaten up by them, they might as well be beaten up in Bihar, why should I send them to Russia? Was this specifically discussed?

**Foreign Secretary:** No, it was not discussed at that time. As I said, they are having further meetings. I agree with you that we have to be frank and we have to be open in this communication and we have that level of confidence on both sides. I think it is necessary that we are able to articulate whatever concerns we have and see how best these can be sorted out. For business to move forward obviously you must have a climate that is conducive to transact business.

**Question:** Secondly, Madam, yesterday after the briefing the JS(XP) told us that Admiral Gorshkov deal was done but there were no details forthcoming. Can we have details of the price and the delivery schedule?

**Foreign Secretary:** No. I am afraid I cannot give you any details. The Russian team is in Delhi at the moment. The negotiating team is in Delhi. I think we moved closer to finalization of a price and we will have to go through the necessary procedures and clearances before we can officially announce it. I would not be able to disclose anything to the media at the moment.

**Question:** Madam, I want to just take you to the Joint Statement. There is a reference in it to the shared perceptions on good Taliban and bad Taliban. Can you just give us a little bit of a context of where that comes from and why?

**Foreign Secretary:** Yes, the facile distinctions, false distinctions between good and bad Taliban. I think Russia and India are on the same page when it comes to recognizing the very serious dimensions of the clear and present danger that we face from terrorism and extremism in the Afghanistan-Pakistan region. The Russians also together with us do not see any validity in the argument that you can distinguish between so-called good and bad Taliban. That distinction just does not exist. Terrorism, extremism in this region are all interconnected. Countries like India and Russia face a similar threat. That is the basis of the arguments that we have put forward as far as the situation in Afghanistan is concerned and how we see the activities of the Taliban. What also came across very clearly in the discussions that Prime Minister had with President Medvedev was that Russia, like India, sees the need for effective tackling of the situation in Pakistan, if you have to come to a satisfactory conclusion of settling the terrorist problems that afflict Afghanistan at the moment.

**Question:** Madam, you said India-Russia relationship is very close and we have had Foreign Office consultations earlier also. What happened to the issue of Russians in India who want to convert their visas into work visas? And why are work permits of Indians not being extended in Russia? I think this has been raised several times. First-time visitors to Russia are detained for long hours at the Russian airports.

**Foreign Secretary:** As far as the issue of employment visas for Russian experts, particularly the government experts who are engaged in defence cooperation projects and also the Kudankulam project, we have worked out arrangements. We have decided to extend their business visas up to 31st December. We have also worked out an arrangement whereby the government experts will be able to have their business visas converted into employment visas in situ. They do not have to leave the country for that. But as far as the other categories of businessmen and other experts who are in India on business visas, they will of course have to go through

the normal processes, leave the country and then apply for employment visas and come back. But I think it has been streamlined to a large extent. In fact, this issue was not raised during this visit. On the Indians in Russia, we are engaged in discussions at the consular level between the Foreign Ministries of the two sides and we hope that we can come to a satisfactory solution soon.

**Question:** Madam, Russia has endorsed our candidature for permanent seat in the UN Security Council. What scope do you see for that? Secondly, what in your view are the implications of our relationship and our cooperation with Russia for our cooperation with the US?

**Foreign Secretary:** On the issue of India's candidature for a permanent seat on the UN Security Council, I trust you have read the reference in the Joint Declaration. Russia has been a strong supporter of our candidature. This is an issue on which, of course, discussions are ongoing within the United Nations. As you know, we are part of the G4 - the Group of Four countries, Japan, Brazil, Germany and India - and we work together. We consult with each other in taking our strategies forward on this issue. Obviously, we have to build a range of support for our case and this is exactly what Government is engaged in at the moment. Our candidature is a very serious one. We feel that by every definition India's case to become a permanent member of the UN Security Council is a very legitimate one. Many of our friends and partners recognize that and endorse our candidature. But obviously there is more work that needs to be done and this is exactly what we are doing within the United Nations. There is also the case for our candidature for a non-permanent seat, which we are contesting for next year. This is also a campaign that is underway and all the time we are increasingly gathering support for our case.

To answer your second question, we have said very clearly that each relationship stands on its own. As far as Russia is concerned, it was said on many occasions during this visit, our relations with other countries do not in any way affect the stability, the solidity and the vitality of our relations with Russia. With the United States, Prime Minister's recent visit to the United States has underlined the importance that we attach to our strategic and global partnership with the United States. This was elaborated in many ways during the recent visit that Prime Minister had to Washington. It just demonstrates the strengths and the effectiveness of India's foreign policy today that we are able to build these very substantive relationships with key partners, and I refer to the United States and Russia.



**Question:** Madam, the Petroleum Secretary is traveling with the Prime Minister. Any firm proposals that were discussed in the energy sector, especially Sakhalin-III which is up for auction?

**Foreign Secretary:** Let me say in case you have not heard of this as yet - this is fresh from the oven - OVL and the Sistema have signed a Memorandum of Understanding this morning, where both sides will jointly source oil and gas assets in Russia and other CIS countries. This is just as of this morning. There are obviously enormous prospects for oil and natural gas cooperation between India and several of the Russian companies because Russia has the largest gas reserves in the world. Now, talking of participation in Sakhalin-III, ONGC and Gazprom have been talking about this for some time. This is about jointly working on the Sakhalin-III project. The decision on the involvement of foreign participation in these projects is expected in early 2010. So, we have stressed our interest even during this visit in the discussions we had at the delegation-level talks yesterday.

**Question:** What was the response on the Russian side?

**Foreign Secretary:** Very positive. I think at the political level the response has been very positive. Obviously we have to work out these details. These are commercial transactions. But OVL and ONGC particularly remains in very close touch with Russian side. Of course, there is also interest in participation in the Trebs and Titov projects in Timan-Pechora region. Again since the ONGC and Rosneft have a very good record of cooperation, a very successful relationship in Sakhalin-I, we hope that the discussions on these projects will also move forward.

**Question:** Away from Russia to the US. FBI has formally charged David Coleman Headley for his role in 26/11 attacks. Will India seek his extradition for 26/11 crimes?

**Foreign Secretary:** I have of course not seen the details because we have been on this trip. I am aware that the details have been released about the investigations that are going on in the David Headley case in the United States. We will have to go back and study this a little more closely. Obviously, we would like to have access in order to interrogate these accused persons. We have been in close touch with the Americans. This is not just today or yesterday. Our contact with the American side, with the FBI on this has been underway for some weeks now. This is a matter that is under investigation. So, at this moment I do not want to say much more than this. I think you should also address this to the Home Ministry. I

understand that the investigations have revealed a lot of very incriminating evidence about the involvement of David Headley in planning the 26/11 attacks and also on possible leads about involvement of persons and conspirators on the Pakistan side also.

**Question:** Madam, of late there have been a lot of violations on Indo-China border. Did our Prime Minister discuss this with Russian President or Prime Minister about these incursions by China? Both are engaging China. That is right. But since Russia is our good and time-tested friend, did you get some assurance or some sort of a positive response regarding our case?

**Foreign Secretary:** I think you are approaching this whole issue from a different angle. We did not go to Russia to seek assurances from the Russian side on China. I think the opportunity was availed of during the discussions Prime Minister had with President Medvedev to discuss the relationship that we are developing with China, and of course the complexities in this relationship. The outstanding boundary question naturally figured in these discussions and the efforts that are underway to seek a resolution to this issue and also, as I said, the complicated nature of the question as it exists today. We did not go into detail about Chinese incursions. We talked about the rise of China, naturally, and the relationship that Russia has with China today, the relationship that we are seeking to build with China, and also the Russia-India-China trilateral arrangement that we have put in place. As you know, the Foreign Ministers of the three countries just met in Bangalore in October. The Russian side and the Indian side, were able to talk about the trilateral cooperation also because trilaterally this concept has acquired more and more substance as these meetings have taken place. We are talking about cooperation in agriculture, in healthcare, at the level of political scientists of the two countries, business and trade ties. So, obviously there has been some momentum that has been created. The Russian side is aware of the complex nature of our relationship with China, the fact that we are obviously closely monitoring the situation in our border areas, the fact that we have taken up with China on every occasion the transgressions that have occurred into our territory, and the need for both sides to maintain a peaceful situation in the border areas.

**Question:** When this question came up, what was the reaction of the Russian leaders?

**Foreign Secretary:** The Russian leaders spoke about the history of their relationship with China and the fact that they had an outstanding border

problem with China until a few years ago and that they settled it a couple of years ago. They fully recognize that border issues are complicated issues. They spoke of their own experience in this regard.

**Question:** Madam, yesterday President Medvedev in the Joint Press Conference had said that there are a lot of concerns about the nuclear arsenals of states, he referred to Iran, and called for a tighter control over the nuclear arsenal. Has India raised its worries with Russia regarding the safety of nuclear arsenal in Pakistan?

**Foreign Secretary:** The issue did come up briefly during the informal dinner that President Medvedev hosted in honour of Prime Minister the day before yesterday. We have on many occasions spoken and expressed our hope and our expectation that Pakistan will continue to safeguard its nuclear assets in a manner that ensures that there is no threat to our region. The Russian side is also sensitized to this issue. I think this was reflected in President Medvedev's response to us. They also discussed, of course, the Iran nuclear issue and recent developments relating to that.

**Foreign Secretary:** Thank you.



**676. Suo Motu Statement in Parliament by External Affairs Minister S. M. Krishna on the Prime Minister's visit to Russia.**

**New Delhi, December 16, 2009.**

I rise to inform the House of the main outcomes of the Hon'ble Prime Minister's recent visit to Russia.

2. The Prime Minister visited Moscow from December 6 to 8 for the Annual India-Russia Summit; these summits have been held regularly since the bilateral relationship was re-energised with the Declaration on Strategic Partnership in 2000. This was the Prime Minister's second visit to Russia in the year 2009, after the visit in June to Yekaterinburg for the multilateral summits of the BRIC (Brazil Russia India China) grouping and the SCO (Shanghai Cooperation Organisation).

3. The Annual Summit marked the culmination of a period of intense high-level engagement with Russia. Rashtrapatiji was in Russia on a very successful State visit in September, 2009. While the Annual Summit remains the principal vehicle to drive the Strategic Partnership, a very effective and robust institutional mechanism is in place to stimulate various aspects of the partnership. I had the opportunity to carry out a detailed review of bilateral relations, as the co-Chair of the Indo-Russian Inter-Governmental Commission, which held its 15th meeting in Moscow in October. My counterpart, Russian Deputy Prime Minister Sergei Sobyenin, visited India last month to prepare further for the Prime Minister's visit. My Cabinet colleagues for Defence, Commerce & Industry and Petroleum & Natural Gas also visited Russia in recent months for discussions on cooperation in specific sectors under their charge. In November, I also had the opportunity to host in Bangalore the ninth trilateral meeting of the Foreign Ministers of India, Russia and China.

4. During his visit, Prime Minister had detailed talks with his host President Dmitry Medvedev and also with Prime Minister Vladimir Putin. The talks covered a wide range of bilateral as well as regional and global matters. Both Russian leaders expressed a strong desire to deepen the traditional friendship and expand it in different directions.

5. Prime Minister and President Medvedev released a Joint Declaration between our countries on "deepening the strategic partnership to meet global challenges". This Declaration reaffirms that the strategic partnership between

us is a key foreign policy priority for both countries. It also emphasises that the enduring friendship between India and Russia is mutually beneficial, has stood the test of time, and has emerged as a factor of peace and stability in the region and the world. The Declaration reflects the strong coincidence in the views of the two countries on regional and global issues.

6. The two sides extensively reviewed economic and trade ties. It was felt that trade had lagged behind the potential at a level of around US\$ 7 billion in 2008. The positive news is that despite the global economic downturn, India-Russian trade is expected to grow at about 8 per cent in the calendar year. A target of US\$ 20 billion has been set up for the year 2015. An agreement was signed between the Russian Bank for Development and Economic Affairs (Vnesheconombank) and the EXIM Bank of India, extending a line of credit of 100 million dollars for financing the export of Indian equipment, technology, goods and services to Russia.

7. In order to give a fillip to business level ties, the Prime Minister and Prime Minister Putin attended a meeting with CEOs of the largest and most dynamic companies on both sides, and discussed ways of promoting trade. The two sides identified enormous opportunities for investments in India in infrastructure development; in the pharmaceutical sector (including the joint development of new technologies in health) and also in telecommunications.

8. Substantive discussions were also held with the Russian leadership on cooperation in the field of hydrocarbon energy. ONGC (Videsh) Ltd made investments of more than US\$ 2.7 billion in the Sakhalin I project, which have ensured both energy security and profit. Both sides expressed a desire to build upon this cooperation through joint ventures and joint projects in new areas of promise in the Russian North and East for exploration of oil and gas. A Memorandum of Understanding was signed between ONGC and the Russian company Sistema for possible cooperation and joint projects in the oil sector.

9. The two sides finalised negotiations on an agreement on cooperation in the peaceful uses of atomic energy, and initialled the agreed text during the visit. The Agreement envisages several areas for cooperation, including research & development, construction of nuclear power plants and supply of nuclear fuels.

10. Russia's desire to intensify R&D cooperation is reflective of India's achievements in nuclear science and technology. Hon'ble Members are

aware that cooperation in the field of atomic energy has been continuing with Russia for more than two decades. We have an existing agreement of 1998 for cooperation in the construction of two 1000 MW nuclear power units. In December, 2008, we concluded an agreement for four additional units at Kudankulum. The Government of India has also recently allocated one more site in Haripur (West Bengal) for nuclear power reactors supplied by Russia.

11. Cooperation in the area of defence remains an important element of the India-Russia relationship. The defence relationship has moved far beyond a simple buyer-seller equation to also encompass joint design and production of defence equipment. The two sides reviewed the status of the ongoing defence cooperation and projects. Three agreements on defence cooperation were signed during the visit. One of these is an agreement extending bilateral military and technical cooperation for ten years beyond 2010. The agreement would facilitate access for our defence forces and defence industry to latest Russian equipment and technology, including for indigenous production. It provides the framework for acquisition, licensed production, upgrades and modernisation of defence equipment as well as the development of new and advanced weapon systems. Another agreement signed relates to after-sales support for the Russian arms and military equipment supplied to India. This agreement would facilitate timely and adequate supply of spares and services for integrated maintenance of Russian-made military equipment supplied to India.

12. The two sides also discussed the long-standing Indo-Russian programme for cooperation in the space sector. It was decided to step up cooperation based on existing agreements in the flagship GLONASS (Global Navigational Satellite System) programme. Both sides expressed satisfaction at the pace of progress in other joint projects like Chandrayan 2 and YOUTHSAT.

13. Cultural exchanges and people to people contacts are a key element in the deepening of Indo-Russian relationship. An agreement was signed during the visit, on the programme of cultural exchanges between the two countries for the period 2010 to 2012. The 'Year of India' in Russia has just concluded with more than 150 different events in 2009, following up on the 'Year of Russia' in India in 2008. The scheduled closing ceremony was cancelled as a mark of respect for the victims of the fire tragedy in the Russian city of Perm. Prime Minister expressed the condolences of the people of India for this tragic event.

14. India and Russia have similar views on regional and international matters. On the situation in Pakistan, both sides expressed concern at the rise in the level of terrorist violence. On Afghanistan, the two sides emphasized the importance of continued engagement of the global community and agreed that drawing facile distinctions between 'good' and 'bad' Taliban could be counterproductive.

15. On the eve of his departure for Moscow, Prime Minister said that he proposed to discuss with the Russian leadership steps to raise our Strategic Partnership to the next level. It is clear from the outcomes of the visit that the relationship has indeed risen to a higher plane. The momentum imparted to the Strategic Partnership by PM's visit, will be sustained next year by the visit of Prime Minister Putin in March and President Medvedev later in the year for the next Annual Summit.



## **SPAIN**

**677. Media Briefing by Secretary (West), Ministry of External Affairs Nalin Surie on the visit of President Shrimati Pratibha Devisingh Patil to Spain and Poland.**

**New Delhi, April 17, 2009.**

Pl. See Document No.656.



**678. Statement by President Smt. Pratibha Devisingh Patil to the media on her departure for a state visit to Spain and Poland.**

**New Delhi, April 20, 2009.**

Please see Document No.657.



**679. Statement of President Smt. Pratibha Devisingh Patil at the reception for the Indian Community and interaction with Students.**

**Madrid, Spain, April 20, 2009.**

Please see Document No.246.



**680. Speech by the President Smt. Pratibha Devisingh Patil at the presentation of the Key of the City of Madrid.**

**Madrid, April 21, 2009.**

Hon'ble Mayor,

Excellencies,

Ladies and Gentlemen.

I am delighted to be here today in this most resplendent City Hall. Madrid has had the honoured status of the capital city of Spain for over four hundred years. While it possesses a modern, cutting edge and almost futuristic, infrastructure, it has preserved the look and feel of its rich history. Through its enormous contribution to all spheres of life, Madrid is truly the heart and soul of Spain. It is a welcoming city and a true meeting point of different cultures.

We are keen to strengthen our bilateral relations with Spain and I have no doubt that the city of Madrid will play an increasingly larger role, be it in the trade, economic and financial aspects or in the cultural, educational and scientific spheres.

Honoring me with the Key to the City of Madrid today, Hon'ble Mayor, manifests the sentiments of friendship and warmth that the people of Madrid have for India and its people. I reciprocate this gesture and wish to convey greetings, as much from the people of India as on my own account: May all the Madrilenos and Spaniards be blessed with success and prosperity as they endeavour to scale new heights!





**681. Speech by the President Shrimati Pratibha Devisingh Patil replying to the welcome remarks of the President of the Spanish Congress.**

**Madrid, April 21, 2009.**

Your Excellency President Bono,

Your Excellency President Rojo,

Ladies and Gentlemen,

It is my first visit to this wonderful country and I am delighted to be here. Spain is well known for its rich cultural heritage, its beautiful landscape and its friendly people. At the outset, I want to convey the warm greetings of the people of India to the people of Spain.

I feel privileged to have been received at the Congress. I am grateful for the courtesies shown. I shall treasure the mementoes that I have received on behalf of the Congress and the Senate.

Bilateral relations between India and Spain have always been cordial and have gained momentum in recent years. We whole heartedly support this trend. My visit to Spain is an expression of the importance that India attaches to a strong relationship with Spain. We seek to promote ties in all fields - political, trade and investment, cooperation in mutually beneficial areas like renewable energy, agriculture and tourism as also enhanced cultural exchanges.

The contribution of parliamentary institutions in this endeavour is crucial. I was glad to learn that parliamentary delegations from both sides have exchanged visits. The President of your Senate had led a delegation to India about two years ago and our Minister for Parliamentary Affairs and Deputy Chairman of the Upper House had visited Spain shortly before that. Such parliamentary exchanges enable a better understanding of each other's political processes. They need to be enhanced.

Both India and Spain are democratic states. The values that are the bedrock of our parliamentary system are tolerance, respect for diversity, freedom of expression and equality before the law. There is full participation of all citizens in the political, economic and cultural lives of our countries. Our representative institutions derive their power and authority from the people.

The biggest democratic exercise on earth is apace in India now. We have had 14 national elections to Parliament since our country became

independent in 1947. We are currently conducting the 15th General Elections and would elect members to the Lok Sabha - the Lower House of our Parliament. Our election process is gigantic in scale. We have 714 million voters. On account of the large numbers involved and the geographical expanse of the country, the electoral exercise, which began on 16th April, will be completed in five phases, spread over a period of 4 weeks. The physical casting of ballot papers has been replaced gradually by electronic voting machines in the entire country, which has helped in faster counting of votes and declaration of results.

The democratic system in India has also been strengthened at the grassroots level. 3.2 million persons out of which 1.2 million are women have been elected as representatives to institutions of local self-government in the villages and municipalities of India. This is by far the largest number of elected representatives ever in history, or anywhere in the contemporary world. It is with the full participation of its people that India is building its future. We are an old civilization but a young nation, with a large majority of a youth population. We aspire for growth and prosperity based on our age old values of harmony and tolerance.

Excellencies,

As I mentioned earlier, the bilateral relationship between India and Spain has been growing in all spheres - political, commercial and cultural. Trade has grown five times to over US \$ 4.5 billion in 2008 from US \$ 900 million in 2000. Both trade and investment flows need to be further bolstered. It is for this reason that I have a business delegation accompanying me. People-to-people contacts between us are increasing through more frequent travels between the two countries. I am glad that there have been regular cultural exchanges between both countries. Let us work together to further strengthen friendship between our two countries.

I thank you for your kindness and your friendship and seek your continued cooperation in our common endeavour to deepen and diversify bonds between our two countries to the mutual benefit of our people.

Thank you.



**682. Speech by the President Smt. Pratibha Devisingh Patil at the State Banquet hosted in her honour by the King and Queen of Spain.**

**Madrid, April 21, 2009.**

Your Majesties,

Excellencies,

Ladies and Gentlemen,

As I undertake this first State Visit by the President of India to Spain, I recall what Gurudev Rabindranath Tagore wrote to Zenobia Jimenez, the wife of the Spanish poet Juan Ramon, in October 1918: "there is something in the atmosphere, and in the physical aspects of your motherland somewhat similar to those in ours" These are also my impressions. The beauty of your country and the affection of the people are obvious attractions. I am deeply honoured by the warmth of the hospitality extended to me and my delegation.

I bring with me the greetings and good wishes of the people of India.

Relations between India and Spain are warm and friendly. The visit of the President of the Government of Spain, His Excellency Mr. Zapatero, to India in July 2006 was successful in providing an impetus to the bilateral relationship and the intensification of our bilateral engagement across various sectors. Subsequent Ministerial, Parliamentary and Track Two exchanges have maintained the regularity in bilateral exchanges.

An important area of congruence in our approach is the fight against terrorism. Terrorism is a scourge that both Spain and India face. Spain's message of solidarity and support after the Mumbai attacks were heartfelt and sincere, and we appreciate them.

We value the interest that Spain's business and industry show in India. Our bilateral trade has been growing significantly year on year and that is appropriate, bearing in mind the size and standing of the economies of our two countries. The challenge now is to give a fillip to the investment relationship, and I understand that in this globalised environment, Indian investors are looking at Spain, and at the same time, we would like India to be an investment destination for Spanish investors. I am also convinced that there are many other areas of cooperation waiting to be tapped for the mutual benefit of our people, for instance, renewable energy, agriculture and tourism.

The links between India and Spain cover many dimensions. The human element is particularly important in this context. The impressive number of Spanish travellers who visit India each year are also a valued resource in introducing the Indian kaleidoscope to Spain. The friendly spirit with which the varied aspects of Indian culture are received in Spain is heartwarming. These include the more than 500 Yoga ashrams in this country that offer an introduction to India's philosophy of life and healthy existence. For the youth and the students of the two countries to have opportunities to interact, our Universities should be encouraged to have exchange programmes that are mutually beneficial.

I wish to make particular reference at this point to the interest that has been shown in contemporary Indian art in recent months. There have been several splendid exhibitions of Indian art that culminated in the Madrid Contemporary Art Fair - ARCO. These have introduced another facet of the Indian landscape in Spain.

The India - Spain partnership progresses not only at the bilateral level but also at the multilateral and the EU levels. India particularly looks forward to the EU presidency of Spain during the first half of 2010, and hopes that India's Strategic Partnership with the EU would further strengthen during this period.

India looks at Spain as a friend. We seek to strengthen the bridges of friendship. There is potential for enhancing our relations in a wide range of fields and it is time to realize the concrete possibilities that exist between our countries.

Your Majesties, we in India fondly remember your visit to India close to three decades ago, in 1982. You were with us to share our joy as we celebrated our Republic Day - commemorating the day on which we adopted our Constitution. India has changed much since then and we hope Your Majesties will be able to undertake another journey to India at an early date to not only personally observe these changes but to add momentum to our bilateral relations.

May I now request all of you to join me in a toast: -

- to the good health and well-being of His Majesty the King of Spain and of Her Majesty the Queen of Spain;
- to the success and prosperity of the people of Spain; and
- to enduring friendship between India and Spain.



**683. Speech by President Smt. Pratibha Devisingh Patil at the Business meeting.**

**Madrid, April 22, 2009.**

Leaders of the Business Delegation from India,

Businesspersons from Spain and India,

Ladies and Gentlemen,

I am delighted to be here today at this joint meeting of the Spanish and Indian Industry. I appreciate greatly the initiative of the organizers of this extremely useful interaction. I especially thank Spain's major institutions, the Superior Council and the Confederation of Employers and Industries, and also the Indian side of the organizers, namely, the Confederation of Indian Industry, the Federation of Indian Chambers of Commerce and Industry and ASSOCHAM who have worked hard to realize this event.

It is a matter of satisfaction to see that trade between our two countries is growing. Last year our bilateral trade crossed the figure of US \$ 4.5 billion. In the last two years it has grown over 50 per cent. Indian companies are present in Spain in the automobile, software, pharmaceutical, energy and infrastructure sectors and are doing well. Many Spanish companies are already present and active in India and thus aware of our growth story.

The Indian economy has witnessed an impressive growth of 9 percent in the last four years. Even today in the midst of the financial crisis, our economy is holding its ground well as compared to many others. Though our growth rate has been affected and fell to 7 percent in 2008, we expect to achieve a similar growth rate in 2009. Our objective remains to grow at between 9 to 10 per cent on a sustainable basis so that we can make a major dent on poverty. To sustain this level of growth, India needs to further strengthen infrastructure building. We have calculated that our needs in the next 5 years would be US\$ 700 billion.

Your interaction with each other today would, I hope, set in motion, long-term collaboration based on the complementarities of our two economies. I would like to highlight six sectors where I see clear synergies between our two countries: infrastructure development, renewable energy, agriculture, R&D, tourism and cooperation in Latin America.

India is committed to creating world class infrastructure in highways, railways, seaports, airports, telecommunications, power generation, logistic parks, cargo handling, and warehouses and so on. Spanish enterprises are well known for executing large-scale projects in infrastructure and we invite them to take a closer look at opportunities unfolding in India in infrastructure development.

Energy is a vital sector for us - over 90 thousand Megawatts of new generation capacity is required in the next seven years and a corresponding investment is required in transmission and distribution networks. As we strive to meet our energy needs, we want to reduce our dependence on traditional sources of energy and increase the share of clean, new and renewable energy sources; in this endeavor, we are desirous of benefiting from Spain's expertise.

Agriculture is an area of priority for us. Last year, our rural market grew at an impressive rate of 25 percent compared to the 7 to 10 percent growth rate of the urban consumer retail market. We want to strengthen growth in agriculture and believe we can benefit from what Spain has achieved in the agricultural sector.

Given its very large pool of highly qualified and trained manpower, India offers attractive possibilities in joint research and development. We can forge mutually beneficial partnerships in areas as diverse as Information Technology, biotech, renewable energy and industrial design.

We wish to further develop our tourism industry. Spain is a world leader in this sector. The wide diversity of Spain's topography ranging from mountains to beaches has been developed well as tourist resorts. As a sub-continent, India too has vast and diverse landscapes and it has a rich cultural heritage. We would like to benefit from Spain's capabilities, capacities and experiences in all segments of the tourism industry including construction and operation of hotels, cruises, maintenance and management of heritage sites and development of other related infrastructure. This sector is open for 100 percent FDI through the automatic route and offers great potential.

In India, small and medium enterprises play a very important role in the economic and business activities of the country. They have added resilience to our economy and are the agents of growth. I understand that in Spain there are a significant number of SMEs in many sectors. Businesspersons of the two countries in this segment should also look at exploring investment opportunities and working together.

We recognize the major influence of Spain in the Latin American region and look forward to working together in exploring mutually beneficial business opportunities in that region. India is now increasingly focused on that region. My very first overseas visit as President was to Brazil, Chile and Mexico.

Our intensified engagement through mutual investments and projects would also have a favourable impact on our bilateral trade. Let us make it a joint endeavor to double our trade in five years.

Before I end, I want to compliment the Spanish business community who are steadfast in their endeavor to further relations with India. Some of them were in Mumbai in the hotels attacked by the terrorists in November last year. I was deeply touched to know that after coming back, they recommended that other delegations from Spain should continue with plans to visit India the very next month.

Ladies and Gentlemen, given the wide spectrum of areas in which our two countries can work together, I am confident that the members of my business delegation and their Spanish counterparts would have satisfactory discussions leading to productive relationships. Many centuries ago, Columbus had sailed for India. I can see the enterprising spirit of Columbus amongst the entrepreneurs and businesspersons present here. May you sail to India for trade, business ventures and investment. I wish you success in this endeavour.

Thank you.



**684. Statement of President Shrimati Pratibha Devisingh Patil on her way back to New Delhi after completely her State visit to Spain and Poland.**

**on board special Aircraft, April 26, 2009.**

Please see Document No.661.



**UKRAINE****685. Press Release issued by the Ministry of External Affairs on humanitarian medical assistance to Ukraine to contain outbreak of influenza A (H1N1).****New Delhi, November 16, 2009.**

In response to the appeal of the Government of Ukraine for humanitarian medical assistance following the outbreak of influenza A (H1N1) epidemic in certain western regions of Ukraine, and taking into account the close and friendly relations between the two countries, the Government of India has decided to urgently donate medicines worth one million US dollars to Ukraine.

As soon as the details of the requirements of specific medicines are finalized, arrangements would be made to rush the supplies to Ukraine.

The humanitarian medical assistance extended by the Government of India would be in addition to the significant donation of medicines already made separately by Indian pharmaceutical companies that have operations in Ukraine. These Indian companies, which are among the largest suppliers of medicines to the Ukrainian market, have come forward on their own to help Ukraine battle the current influenza epidemic.





**UNITED KINGDOM****686. Joint Press Interaction of External Affairs Minister Pranab Mukherjee and the Foreign Secretary of U. K. David Milliband.****New Delhi, January 13, 2009.**

**Official Spokesperson (Shri Vishnu Prakash):** A very good afternoon to you all and welcome to the Joint Press Interaction.

First, the External Affairs Minister of India would be making a statement; next, the Rt. Hon. Foreign Secretary of UK would be making a statement. Sir, the floor is yours.

**External Affairs Minister (Shri Pranab Mukherjee):** Thank you.

Your Excellency, good afternoon. First of all, let me express my regret that we have kept you waiting because we were deeply engaged in conversation, both myself and Secretary Milliband.

I have had a very useful exchange of views and assessments with British Foreign Secretary Milliband. We have had exhaustive discussions covering bilateral, regional and multilateral affairs. India-UK relationship is unique in its historic depth, its complexity and ability to reinvent itself to meet contemporary needs. Our strategic partnership provides the basis for our multi-faceted interaction. Our strong political and economic ties continue to be the foundation of our partnership. Education, research and innovation are assuming importance in the India-UK engagement.

We spent significant time discussing the menace of terrorism, especially the cross-border terrorism, of which India has been a victim. We devoted attention to the terrorist attacks on Mumbai and the way to bring the perpetrators to justice. We have already shared with the British Government the evidence that has emerged linking the attacks with Pakistan. I stressed the need for concerted international pressure on Pakistan to take firm action.

Thank you and now I leave the floor to His Excellency Foreign Secretary Milliband.

**Foreign Secretary of the United Kingdom (Mr. David Milliband):** Foreign Minister, friend, Pranab, it is a great privilege to be back in India and to be in India discussing with you big issues of bilateral, regional and international

concern. I think that it is important to start by saying that we see India as the success story of this region, the success story politically, economically; the success story that in many ways is a beacon around the world as well as around the region. This is in a spirit of partnership and shared endeavour that I am here today.

When I came to India two years ago, I talked about the relationship between Britain and India now being a partnership of equals. Two years ago that was symbolized by the fact that Indian investment in Britain had overtaken British investment in India.

**External Affairs Minister of India:** Last year.

**Foreign Secretary of the United Kingdom:** But it is a partnership of equals that exists from our Prime Ministers down. And our Prime Ministers worked very closely together when they were Finance Ministers and they have carried on that partnership; and I am delighted that we have been able to take forward our work not just meeting in London, not just talking on the telephone, not just meeting at Commonwealth and other meetings but also having the chance to start our dialogue here.

As you say, we have had an exhaustive dialogue, not yet an exhausting one, an exhaustive dialogue that has focused on what you rightly described as the menace that terrorism has shown itself to be in India over the last couple of months. But, of course, you have also pointed out to me that throughout 2008 Indian society was punctuated by a series of terrorist attacks of which the Mumbai terror was only the largest example. We are absolutely clear about the origins of this terrorist attack, and also about the responsibilities that exist in Pakistan to bring the perpetrators to justice. That is something that we have made clear to the Pakistanis directly and will continue to do so.

We also believe strongly that the response of the Indian Government to the Mumbai attacks both in terms of the strengthening of its internal defences but also in the way it has pursued a regional strategy of wisdom and of strength has been exactly the right response. And it is a response that has shown I think a maturity and a determination to tackle the roots of this problem that is wholly correct.

I think that it is also important to stress that there are hundreds of thousands of British citizens of Indian origin and of Pakistani origin who want nothing more than to see these two countries finding a way to live together and they support each other. And that is something that is a message that I want to bring from the British communities both of Indian and of Pakistani

origin who continue to follow events in this part of the world extremely closely, as you know.

I think it is also important to say that as we move into the next part of our discussions, we will look beyond the region to some of the international issues that confront policy-makers. Notably in the foreign policy arena they relate to issues of nuclear proliferation, which is a major concern, they relate to issues of international governance where Britain has put itself at the forefront of calls for reform of the United Nations to give greater weight to countries like India.

And, of course, also the economic crisis that is a global crisis and which has precipitated a series of international meetings that will now culminate in London of the so-called G20, which I think has broken the stranglehold that the G8 previously had on economic debate. I know that Prime Minister Brown values very very highly the dialogue that he has been having and he will continue to have with Prime Minister Singh about how to address the economic issues. And we certainly see the G20 Summit in London not just as an opportunity to send the very clear message about coordinated action for growth, for jobs, as well as on the environment, but also to send a message about how the world needs to govern itself in the future with full and active Indian participation.

So, I am glad to be here and look forward to further talks today with the Prime Minister and with the Home Affairs Minister as well as taking forward my visit to India into rural India tomorrow and to Mumbai on Thursday.

Thank you very much indeed.

**Official Spokesperson:** Now the leaders will take two questions from each side. Given the time constraints, I would earnestly request you to restrict yourself to one question to one leader.

**Question (Mr. Ajay Kaul, Press Trust of India):** My question is addressed to the Foreign Secretary. India has shared evidence about Mumbai attacks with Britain. Do you think it is credible and actionable? Also, do you agree with India's assessment that official agencies of Pakistan could be involved?

**Foreign Secretary:** I think that the intelligence sharing in respect of the Mumbai attacks has been two way. We have been very committed to make sure that any British expertise is at the disposal of Indian and Pakistani authorities. In respect of the links back to Pakistan, I think those are clear. I have said publicly that I do not believe that the attacks were directed by the Pakistani State. And I think it is important to restate that. What is relevant

is the approach of the Pakistani State to the LeT organization and the way the Pakistani State takes on the menace of the LeT organization.

Our approach to the Government of Pakistan has and will continue to be that it is clear where responsibility lies for the Mumbai attacks, with the LeT. It is, therefore, secondarily clear that the Pakistani Government and the whole of the Pakistani state apparatus have a primary responsibility, a fundamental responsibility, to tackle the roots of this organization and to develop new strategies for doing so. That is something that I think is very important that we use our links to Pakistan to take forward and that is certainly what we are determined to do.

**Question (Ms Alex Crawford, Sky News):** Hi, Mr. Milliband! I just wanted to ask a couple of questions. First of all, what are present options if this political strong arming against Pakistan does not yield any results, and so far it does not seem to have? Secondly, do you think the fraud exposed in Satyam Computers has blown a hole in the international confidence in India's IT sector? And, Mr. Mukherjee, if I could, how happy are you with the international community's response in the wake of the Mumbai attacks?

**Foreign Secretary:** Britain has a very strong historical interest, a very strong current cultural interest, and a very strong current geopolitical interest in Pakistan's political development as a more stable civilian-led democracy, but also its economic development and its security development. And the truth is that Pakistan is vital for the security of India, but also vital for the security of Afghanistan. Our engagement with the still relatively new civilian Government in Pakistan but also with other aspects of other organs of the Pakistani state is dedicated very very clearly to say that the modern threat to Pakistan comes from within its own borders, and comes from the terrorism that has claimed the life of Benazir Bhutto in 2007, and has led to a series of terrorist incidents in Pakistan and in India as well. And we see the correct approach as being what the Pakistani authorities call a multi-pronged approach, a security approach, a political approach, and an economic approach. That in our view is the correct strategy. But the difficult thing in counterinsurgency is not to write a strategy; the difficult thing in counterinsurgency is to put it into practice. And that is what the Pakistani Government need to do, and that is what they will have our full support in doing. And I believe that it is very very important that all friends of Pakistan and all friends of stability in Pakistan take forward that multi-pronged agenda as clearly as possible, and that is certainly what I am determined to do and what the British Government is determined to do.

Finally, in respect of the recent economic news in India, I do not believe that one bad apple means that the whole barrel is wrong. Quite the opposite, I think India's economic development has been based on real, sound macroeconomics, on entrepreneurial spirit, and on a zeal for innovation that I think has been a model in many ways to many parts of the world. And I am sure that the Indian authorities will deal with the recent case, today's case, very clearly and very appropriately and already are doing so. And so, I think it will be quite a wrong lesson to learn that this problem is one that points to a wider contagion that you described. It needs to be addressed on its own merits. And, of course, the Indian laws in respect of corporate governance need to be implemented in a hardheaded and clear way.

**External Affairs Minister:** So far as the terrorist attack is concerned, yes, we have received overwhelming support from the international community. Every country has its own perception on how to deal with a situation. And we do believe that this is a problem which is to be addressed collectively by the international community so that the perpetrators of terror attacks are brought to justice. Attack on Mumbai by the terrorists need not be looked at through the prism of Indo-Pak relationship. It is a part of the global terrorist activities. Terrorism has no respect for any boundary. They simply believe in violence and destruction. Therefore, it is the biggest menace to the humanity and it is to be confronted.

In respect of the other areas I do agree with Foreign Secretary that Indian economy, basic fundamentals being strong, and that is why it has been possible despite the meltdown impact over the international money and finance to maintain a reasonable growth, even for this year we are expecting to have around seven to seven and a half per cent, because of our high rate of domestic savings, high rate of investments coming from the domestic savings itself. For example, 37 per cent is our rate of investment and our rate of domestic savings is as high as 35 per cent. Therefore, the marginal are coming from the external sources, we have been able to overcome the impact of the meltdown. And in respect of the recent development, appropriate steps will be taken. One need not hit the panic button for that.

**Question (Ms Geeta Mohan, Headlines Today):** My first question to Foreign Secretary, Mr. Milliband. The Lashkar-e-Toiba (LeT) had morphed into JuD. Now, despite a ban the JuD held a rally in Lahore under a new name flouting the UNSC directive. Pakistan has constantly been on a denial mode. As a Permanent Member of the UNSC, how do you propose to counter it? And then my question to Mr. Mukherjee. India wants the

perpetrators of the Mumbai attacks to stand trial in India. But Prime Minister Gilani ruled out this option in a statement two days ago. What can India do now and would India accept anything short of extradition?

**Foreign Secretary of the United Kingdom:** I think that the responsibilities of the Pakistani state are something that we look to them to fulfill as strong friends of the people of Pakistan, and also as a member of the UN Security Council. I think that the first priority is to bring the perpetrators of this to justice. Now, in this country you know there is a history of people being arrested and then not being prosecuted or brought to justice. In this case it is essential that those who have been arrested are brought to justice, and if they are found guilty then properly punished. And that is an appropriate response to the evidence that has been presented. There is an important legal system in Pakistan. The legal system showed its independence in 2008 in the campaign it led against the previous Musharraf Government. And I think that the lawyers and justices of Pakistan have shown themselves to be people who act without fear or favour.

And I think it is very very important, therefore, that those who have been arrested are brought to trial on the basis of the evidence that has been accumulated. I also think, however, that there is a more fundamental issue which is about how the Pakistani State like any other country challenged by domestic terrorist organization takes on that terrorist organization. And the fundamental way in which you beat a terrorist organization is to take it on politically. And it needs to be taken on politically by Pakistan's leaders in a very frontal and clear way because the truth is that the grievances that the LeT organization seeks to play on in no way justify the actions that they have taken. And the political future of Pakistan depends on focusing not on historic rights and wrongs but on current challenges. And those current challenges are domestic, internal Pakistani challenges - economic, social but also political. I think that many people agree that the history of Pakistan where half of its history has been under military rule is one that has been a recipe for the sort of instability that can, if one is not very careful, spread out across the region. And I think it is vital, therefore, that the civilian Government are helped to succeed in an economic and social and political project as well as the security project.

**External Affairs Minister:** I do hope Pakistan as a member of the international community, is obliged to implement all the international conventions, norms and resolutions adopted by the Security Council to implement anti-terror activities and mechanisms. And also Pakistan as

member of SAARC is expected to implement the SAARC Anti Terror Convention and the Protocol of 2004. I do hope the materials which we have provided to Pakistan, evidences which we have given, they will act on it and they will ensure that the perpetrators of this terror act are brought to justice, and some of the fugitives violating Indian laws who have taken shelter in Pakistan will be handed over to India for their proper justice.

**Official Spokesperson:** I do seek your understanding and once again request you to please restrict yourself to one question to one leader.

**Question (Mr. Dean Nelson, *The Daily Telegraph*):** I would like to address this question to both Foreign Secretaries. What specifically are we expecting Pakistan to do that they are currently not doing? And are we, by pushing the line on the expectation of criminal charges being brought, expecting them to do more than what we could guarantee in our own countries? We have after all seen a number of terrorism trials collapse before coming to trial in the UK.

**Foreign Secretary of the United Kingdom:** As the head of the Security Service explained in London last week, the last couple of years have seen not just significant disruption of terrorist plots in the United Kingdom but also a significant success through the judicial system. And the Pakistani Government have themselves said that they want to prosecute those who have been arrested for the terrible crimes in Mumbai. And I think it is right that they do so. I believe that President Zardari is sincere when he says he wants to tackle the scourge of terrorism in Pakistan. And I think it is vital that the whole of the Pakistani state machine support him in doing that. I also think it is vital that the whole of the Pakistani population recognize that after the bloody years of the last couple of years, terrorism is a threat to Pakistan. Terrorism is not someone else's war in Pakistan. It is their own battle that they need to face if they are to build the sort of secure and decent society that they need. And, so, I do not think unreasonable demands are being made of Pakistan. Instead I think they are demands that are in Pakistan's interest and have been articulated by Pakistan's leaders. That is why I think the maturity and the wisdom, and the strength of the Indian response refusing to lurch into actions that could make the situation worse, has set the right example. And I think it is very important that Pakistan repays that by following through on an agenda for criminal justice that is in the interest of Pakistan as well as in the interest of India.

**Official Spokesperson:** Thank you very much. The Interaction now draws to a close.



**687. Response of Official Spokesperson to a question on British Foreign Secretary Miliband's views on 26/11 Terrorist attack in Mumbai.**

**New Delhi, January 15, 2009.**

Please see Document No.327.



**688. Press Release of the Ministry of External Affairs Re: Foreign Office Consultations between India and the UK.**

**New Delhi, February 7, 2009.**

Foreign Office Consultations between India and the UK were held on 6th February, 2009, in London. The Indian delegation was led by Foreign Secretary Mr. Shivshankar Menon and the British delegation by Permanent Undersecretary Sir Peter Ricketts. The last Foreign Office Consultations were held in New Delhi on 5th September, 2007.

2. Both sides discussed bilateral issues, regional issues pertaining to Europe and the Indian sub-continent and global issues including the current global financial meltdown and reform of International Financial Institutions, the G-20 Summit and Climate Change. Foreign Secretary also met Lord Malloch-Brown, Minister for Asia, Africa and the UN.

3. Both sides expressed happiness at the positive growth in bilateral relations between India and the UK and satisfaction at the strategic partnership which has developed between the two countries over the last years.



**689. Media Briefing by Foreign Secretary Mrs. Nirupama Rao and Secretary (West) in the Ministry of External Affairs Vivek Katju on President's State Visit to UK and Cyprus.**

**New Delhi, October 23, 2009.**

Please see Document No.641.





**690. Departure Statement of President Smt. Pratibha Devisingh Patil on her visits to the United Kingdom and Republic of Cyprus.**

**On Board Special Flight, October 26, 2009.**

Please see Document No.642.



**691. Briefings by Dir(XP) on President's ongoing visit to United Kingdom.**

**London. October 27, 2009.**

**A) Ceremonial Welcome**

The President was accorded a grand ceremonial welcome rich in pageantry in the historical Windsor Castle dating back to about 1000 years (details in the programme booklet distributed by British Foreign Office).

Hundreds of residents/visitors in Windsor warmly greeted the entourage of the President by waving flags as it was taken to Windsor Castle in horse-drawn carriages escorted by mounted cavalry.

**B)** The Queen and the Duke of Edinburgh hosted President and her spouse, as also members of the Indian official suite, over a **private lunch** which was also attended by the Prince of Wales and the Duchess of Cornwall.

**C) Call by the Leader of Opposition, David Cameron MP**

The Leader of the Conservative Party, David Cameron stressed the special relationship between the Conservative Party and India. He expressed support for India's permanent membership of UNSC. He stressed India-UK cooperation in educational sphere.

The President mentioned UK investment in India in the infrastructure sector and opportunities for its further growth. She dwelt on the ties in the field of sports and mentioned in this context the forthcoming Delhi CW Games in 2010.

David Cameron mentioned about the significance of London hosting the 2012 Olympic Games, and also the next CW Games in Glasgow in 2014. He expressed his intention to visit India soon.

**D) Call by the Leader of Liberal Democratic Party, Nick Clegg MP**

Nick Clegg spoke very positively about India-UK relationship and said that his Party is very keen to further develop the close and friendly India-UK cooperation, particularly in the economic field. He advocated more opportunities for investment, and for employment of Indians. The President and Nick Clegg discussed the issues pertaining to climate change. Nick Clegg dwelt on the British policy.

The President mentioned that this was a considerably important sphere for India and we are making all efforts within our own resources. She said that India is keen to work further with international community and informed Nick Clegg of the National Action Plan and eight National missions which include the aspect of mitigation and adaptation. She mentioned that we can do even more in this respect with more international cooperation. The President stressed that the solution in the realm of climate change should be comprehensive, balanced and equitable. She stressed the Indian position of common and differentiated responsibilities and respective capabilities, and mentioned that India would follow these principles while making efforts for sustainable development and improving the living standards of our people. She said that India hoped for successful outcome of international deliberations on climate change, including at Copenhagen. She said that India would welcome further cooperation in Britain in climate change and renewable energy resources. The President mentioned that UK is India's key partner in trade and investment and India wished to further develop this cooperation. She spoke of the role of the Indian diaspora in contributing to the British economy and India-UK relationship. The President mentioned the need for more exchange of parliamentarians of the two countries.

**E) State Banquet**

180 distinguished invitees included (with spouses, wherever applicable): Prince of Wales, Princess Anne, The Duke of Gloucester, Prime Minister Brown, Lord Chancellor Peter Mandelson, the Leader of Opposition David Cameron, the Leader of Liberal Democratic Party Nick Clegg, the Archbishop of Canterbury, British Foreign Secretary, Chief of Defence Staff, National Security Advisor, Lord Desai, Lord Billimoria, Lord Nat Puri, Sir Gulam Noon, Actor Sanjiv Bhaskar, Artist Anish Kapoor, Diplomatic Envoys including the High Commissioners of Pakistan, Sri Lanka and Bangladesh.

In her Banquet speech, the Queen spoke of the close partnership between India and the UK and a long shared history, as well as a new partnership for this century. She spoke of India's emergence in the world stage as one of the main forces shaping the 21st Century. The Queen observed that the 1st anniversary of appalling terrorist attacks on Mumbai will be marked in a month's time. She paid tribute to the courage and steadfastness of the Indian security forces and people in facing the tragedy. She recalled her earlier visits to India in 1961, 1983 and 1997. Stressing the importance of education in bilateral cooperation the Queen said that the UK is proud to have more than 30,000 Indian students in British Universities every year. She pointed out that the first group of Manmohan Singh scholars had just arrived at Cambridge. The queen said that nearly two million British citizens of Indian origin are one of the most dynamic and successful communities of UK and contributing to enrichment of the British society and strength of India-UK ties. The Queen said that she looked forward to launching the Games Baton Relay during the President's current visit and said that 2010 will be a banner year for India which will host the next CW Games.

The President invited the Queen to visit India next year for the Commonwealth Games.

**F)** Earlier in the day, the Queen showed President the items from the **Royal Indian collection**. Some of the important ones include: the Hindustani Diary of Queen Victoria, the Shawl made from hand spun yarn by Mahatma Gandhi presented to the Queen and the Duke of Edinburgh on the occasion of their wedding in 1947, the Banquet speech by President Rajendra Prasad during the Queen's first visit to India in 1961, the invitation on carved wood sent by the President of India to the Queen inviting her to pay the 1st visit, and the exchange of letters concerning establishment of the Indian Republic.

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### **October 28, 2009**

#### **A) Natural History Museum**

During the visit to Natural History Museum, the President acquainted herself with efforts underway for promoting a better understanding of biodiversity of the world and research being undertaken for prevention of various diseases. She visited the Climate Change Wall and butterfly collection at Cocoon. The President also viewed documentary 'Wildscapes'.

#### **B) Handing over of Mahatma Gandhi Memorabilia to the President:**

At a public function at India House, President accepted Memorabilia of Mahatma Gandhi presented by Sir Gulam Noon and Professor Nat Puri.

**C) Call on the President by the Indian Business Delegation**

A FICCI-CII Indian business delegation, which is in London for the India-UK business event during the President's visit, called on the President at Hotel Bentley. It comprised prominent Indian business leaders in the field of IT, manufacturing etc. who have significant business interests in the UK. They were very positive and optimistic about the nature of India-UK business exchanges. Potential for more UK investment in infrastructure and education in India was highlighted. The President encouraged them to continue to work for the promotion of bilateral trade and investment relations.

**D) The Commonwealth Secretary General Sh. Kamlesh Sharma called on the President at Bentley Hotel.****E) Meeting with Prime Minister Gordon Brown**

The President met Prime Minister Gordon Brown at No. 10 Downing Street. The meeting lasted more than 30 minutes. The focus of the meeting was on the strong bilateral economic cooperation.

Prime Minister Brown said that business ties between the two countries were good. A large number of Indian companies were listed on the London Stock Exchange. He expressed UK's keen interest in further promoting India-UK cooperation in the field of education in the context of the growing strategic partnership between the two countries. The discussion between two leaders in this regard also covered institutions of higher education in India, including IIT and a Central University. PM Brown said that UK was again becoming a large destination for Indian students.

The President and Prime Minister Brown exchanged views on various issues pertaining to Millennium Development Goals in the social sector. Prime Minister Brown said that UK was very keen to partner India in socio-economic sector. They discussed various aspects of women empowerment and dwelt on the role of women in contributing to democracy and development.

The President spoke of the need for greater facilitation of participation of Indian IT professionals in UK, which PM Brown assured to look into. PM Brown said that India-UK cooperation in IT was a very important area of the growing bilateral strategic partnership.

Towards the end of the meeting, the sons of Prime Minister Brown, John (6 years) and Fraser (4 years), came in the meeting room and introduced themselves to the President, who enjoyed her conversation with them.

**F) Meeting with HRH Prince of Wales at Clarence House**

The President visited Clarence House, the residence of HRH Prince of Wales. She met the members of the British Asian Trust who briefed her on

the activities of the organisation, of which the Prince is the President, in the social sector in India. Among the areas in which the Trust engaged, mention was made of capacity building, dry land farming, empowerment and self held for women, micro finance etc. The President was informed of the work of the women entrepreneurship development centre in Satara. It was termed as a model which could be replicated elsewhere in India.

**G) Banquet hosted by Lord Mayor of London at Guildhall**

The Lord Mayor of London hosted a gala Banquet in honour of the President at the historic Guildhall of London in the City, which is regarded as the financial capital of the world. The banquet was attended by over 700 prominent invitees from all walks of life, including distinguished representatives of the Indian diaspora.



**692. Speech of President Shrimati Pratibha Devisingh Patil at the Banquet in her honour by the Queen of the United Kingdom.**

**London, October 27, 2009.**

Your Majesty,

Your Royal Highness,

Members of the Royal Family,

Ladies and Gentlemen,

May I first of all take this opportunity to say how happy my delegation and I are to be in the United Kingdom - a country with which we have traditional ties of friendship and cooperation which we greatly value.

My husband, I and members of my delegation greatly appreciate the gracious hospitality that has been extended to us. I am also deeply touched by the sentiments of goodwill which have been expressed, both towards me and my country.

Since my arrival in London, I have been struck by the energy and vitality of the city. London, in the truest sense is a big, old but dynamic city. It represents a microcosm of the world with people of different religions and races living together. It seems to be everyone's city - much like Delhi, the capital of India. The conclusion of a friendship arrangement between our two capital cities was, thus, natural.

Your Majesty,

The ties between India and the UK are built upon shared values and traditions. There are numerous commonalities between our two countries. We are vibrant democracies with a free press and active civil societies. We both believe in freedom, dignity and respect for the individual. Our countries are forward-looking, adapting to the challenges and trying to shape the outcome of the 21st Century. It is these shared experiences and objectives that have helped us to understand each other's vision and concerns leading to broad-based cooperation.

Our two nations reached a new milestone when we upgraded our relationship to a 'Strategic Partnership' in 2004. This symbolises mutual trust and confidence in each other. It also signifies a desire to work together.

Your Majesty,

There is admiration and appreciation for the United Kingdom and its people in India. There is also a sense of familiarity and a friendly feeling even among those who have never visited this country. The support and encouragement we received from the UK in the aftermath of the Mumbai terror attacks, not only from the leadership but also from the common public, from civil society, and the media was most heartening.

India and the UK are natural partners with an impressive array of complementarities. It is not surprising, therefore, that our two countries are now engaged in further strengthening our partnership in different areas including trade and investment, science and technology, education, counter-terrorism, culture, management of the global economy and issues relating to climate change.

Our business communities have confidence in doing business with each other. Bilateral trade is growing and, currently stands at 12 billion Pounds. While the UK is one of India's most important trade and investment partners, India has become one of the largest investors in the UK. These links are set to grow further. Cooperation in the Information and Technology sector is another high point of our relationship. Other sectors tell the same story. Education linkages are expanding rapidly. There are more than 30,000 of our students in the UK. There is a realisation that both India and the UK stand to gain through cooperation in the education sector.

Your Majesty,

The real strength of any relationship lies in the people-to-people contacts. The fact that almost a million people from our two countries travel annually for tourism and business purposes, and that there are over hundred flights a week linking various cities of India and the UK, forms a strong foundation to build on these contacts. The UK is host to more than one and a half million citizens of Indian origin, representing 2 percent of the population

who, I am told, are contributing between 4 to 5 percent to the GDP here. They are also participating in the social and political life of the UK. The diaspora serves as a strong asset in the development of our relationship. We were delighted by the recent award of the 2009 Nobel Prize for Chemistry to a scientist of Indian origin, Dr. Venkataraman Ramakrishnan, who is currently based at Cambridge University in the UK.

Your Majesty,

We are proud to be part of the Commonwealth, which celebrates its 60th anniversary this year. We know that it has an important role to play in shaping opinion on important regional and global issues. As members of the Commonwealth, India and the UK are working together to strengthen this unique institution. Your support to this institution is most valued. I wish the upcoming Heads of Government Meeting in Trinidad and Tobago all success.

India is also hosting the Commonwealth Games in October 2010. Your Majesty, I take this opportunity to invite you to visit India on that occasion. A warm welcome awaits you there. It will also give you an opportunity to see how much India has changed since your last visit in 1997.

In conclusion, I would like to say that our bilateral relations have been, for some time now, perhaps better than they have ever been before. We are conscious of the need to continuously nurture it. As William Shakespeare said and I quote:-

"On such a full sea are we now afloat.

And we must take the current ?.." unquote.

The time has come to look at the present and to realise the potential that the future holds for both our countries in the fullest manner possible.

Your Majesty, with these words, I now propose to raise a toast:

- to the personal good health and happiness of Your Majesty the Queen and Your Royal Highness Prince Philip, Duke of Edinburgh and your family;
- to the continued well-being and prosperity of our two friendly peoples; and
- to the ever-deepening friendship between our two countries.

Long Live the United Kingdom!

Long Live India!



**693. Speech of President Smt. Pratibha Devisingh Patil at a function to hand over of Mahatma Gandhi Memorabilia.**

**London, October 28, 2009.**

On behalf of the Government and the people of India, I thank Sir Ghulam Noon and Prof. Nathu Ram Puri for their generous gesture in making memorabilia relating to Mahatma Gandhi available to us.

Mahatma Gandhi, the Father of the Indian Nation, apart from a great leader, was a deeply humane person and a strong proponent of peace and non-violence. Mahatma Gandhi was not just an individual but a spirit, which not only influenced Indians but also many others around the world. Leaders such as Martin Luther King and Dr. Nelson Mandela were deeply influenced by his philosophy. Even the UN has accepted the importance of his philosophy and has therefore declared his birthday, October 2nd as the International Day of Non-Violence. His philosophy of Ahimsa and Satyagraha inspired millions across India during the freedom struggle and India's independence was won through the unique path shown by him. His vision of a participatory democracy, overall development especially of rural areas and building an equitable society, has been guiding the nation. He has a special place in our hearts and articles associated with him have a special meaning for every Indian.

We look at the efforts of Sir Ghulam Noon and Mr. Puri in procuring Gandhiji's papers and as well as other items gifting them to India, this time and on earlier occasions, as their tribute to Gandhiji and a symbol of their love and affection for India.

We, in India, are proud of Sir Ghulam Noon and Prof. Puri, who have, through their hard work and diligence achieved commendable success in whatever they have pursued. The piece of cloth that I have just received bears the signature of Sarojini Naidu and Pyarelal and some other important persons of those times. Mahatma Gandhi is not just a person to which only Indians can claim ownership, but is a part of humanity as whole. He was indeed a boon for India. The Indian diaspora is a significant asset for India's relationship with the countries where Indians have chosen to make their homes. In UK, the diaspora has carved a niche for itself and is widely respected for its achievements.



I would, once again, like to thank Sir Ghulam Noon and Prof. Nathu Ram Puri for the very commendable gesture they have made. I am sure that Gandhiji's thoughts and ideals have touched their lives as, indeed, it has of many others across the world. Gandhiji's ideology can be a very powerful instrument for building a peaceful and a tolerant world. Let us prove ourselves worthy of his legacy by our actions.



**694. Statement of President Shrimati Pratibha Devisingh Patil after completing her state visit to the Cyprus and the United Kingdom.**

**On Board Specail Aircraft, October 31, 2009.**

Please see Document No.646.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - X**

**INDIA AND THE UNITED NATIONS**

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**695. Press Release issued by the Ministry of External Affairs on the election of Justice Kamaljit Singh Garewal as Judge of UN Appeals Tribunal.**

**New Delhi, March 3, 2009.**

Justice Kamaljit Singh Garewal of the Punjab and Haryana High Court was elected by the UN General Assembly as Judge of the United Nations Appeals Tribunal (UNAT) on 2nd March, 2009 obtaining 154 votes out of 172 cast - the highest number for any candidate. Justice Garewal would serve in the UNAT for a three-year term, beginning 1st July 2009.

UNAT was established by the UN General Assembly in 2007 to deal with internal grievances and disciplinary cases related to UN staff and other employees of the Organization. This was the first election to this body since its establishment.



**696. Press Release issued by the Ministry of External Affairs on Anand Sharma leading the Indian delegation to UN Alliance of Civilizations Forum.**

**New Delhi, April 8, 2009.**

Shri Anand Sharma, Minister of State (MOS) for External Affairs and Information & Broadcasting represented India at the Second Forum of the UN Alliance of Civilizations, held in Istanbul, Turkey, from April 6-7, 2009.

The UN Alliance of Civilizations is an important international initiative aimed at promoting dialogue and advancing inter-cultural understanding. It is strongly supported by world leaders including UN Secretary General Ban Ki-Moon. The meeting in Istanbul was attended by 84 countries and 16 International Organizations including several Heads of State, Government and Foreign Ministers.

Addressing the Forum, Shri Anand Sharma stated that India supports all sincere efforts to promote inter-religious and inter-cultural understanding. He underscored the need to create an enabling environment for dialogue and understanding between cultures and civilizations in a spirit of tolerance, harmony and mutual respect, particularly today when the international economic crisis

may fuel further tensions. In this context, he welcomed all efforts to build bridges of understanding between nations, peoples, religions and cultures.

In his remarks, Shri Sharma highlighted India's tradition of inclusiveness, tolerance and pluralism which has enabled hundreds of millions of Indians to live in peace and harmony in a multi-cultural, multi-ethnic and multi-religious environment. India has always been willing to share its historical experience of centuries of nurturing and celebrating its unparalleled diversity. Shri Sharma underscored the need to combat the scourge of extremism and terrorism and called for a joint effort to tackle this menace. He also stressed on the need for a dialogue amongst civilizations in the true spirit of conciliation and peaceful co-existence.

On the sidelines of the Forum, MOS held bilateral meetings with Foreign Ministers of Bangladesh, Spain, Turkey and Portugal, as well as, interaction with other dignitaries present at the event.



**697. Address by Vice President M. Hamid Ansari at the Book Release Function of the book titled "For the Honour of India : A History of Indian Peace Keeping" by Lt. Gen. Satish Nambiar.**

**New Delhi, May 29, 2009.**

I am happy to be back at the premises of the USI and to release this book that gives an authoritative account of the valiant contribution of our soldiers towards maintaining international peace and security. The book owes its origin to a suggestion of President Kalam; the effort of General Nambiar and his team of collaborators are impressive and commendable.

The term 'peacekeeping' does not figure in the Charter of the United Nations. The impulse for it comes from the first of the four Purposes of the UN, enunciated in Article 1 of the Charter. Secretary General Dag Hammarskjöld, who was said to have had 'almost a religious respect for the Charter', referred to peacekeeping as belonging to 'Chapter Six and a Half' of the Charter.

Over the years, peacekeeping has undergone massive expansion covering today 18 operations deployed in five continents encompassing over 140,000 personnel and budgeted cost exceeding US\$ 7 billion. Its methodology has been subjected to periodic reviews, the most comprehensive of these being the Brahimi Panel Report of August 2000.

This book deals with three distinct aspects of Indian peacekeeping:

- 1) Peacekeeping through the institutional mechanism of the United Nations;
- 2) Peacekeeping undertaken through a multi-national/international commission such in the case of Indo-China;
- 3) Peacekeeping undertaken through bilateral formats such as the IPKF and Operation Cactus in the Maldives. These two were propelled by national security imperatives and are a category apart.

Experience of the last two decades indicates that India's policy preference in an increasingly complex global security scenario is for peacekeeping interventions through UN mechanisms.

**Some characteristics of UN peacekeeping are noteworthy:**

First, peacekeeping operations have multiplied since the end of the Cold War. While there have been only 17 operations during the period 1948-1991, there have been around 45 since 1991. The much anticipated New World Order commenced with a heavy dose of global disorder!

Second, peacekeeping operations have increasingly complex mandates and this is reflected in their nomenclatures - Truce Supervision, Military Observers, Verification, Transition Assistance, Confidence Restoration, Preventive Deployment, Stabilisation and Hybrid Operation, to name a few.

Third, UN peacekeeping operations have become the sole prerogative of the Security Council that defines their mandates and monitors their operation. Troop contributing countries that bear the human, and increasingly the material cost of peacekeeping, are consulted on a semi-formal basis but do not have a defined role in shaping mandates and in mission planning. The countries that do have a say in Council Resolutions often do not participate in their implementation. It is now not remembered that in the Cold War period there were two peacekeeping operations established by UN General Assembly mandates - the First UN Emergency Force and the UN Security Force in West New Guinea. These operations were characterised by negotiations with the participating countries where mission planning was done through an Advisory Committee of member states. Their operational and mission models deserve further study.

Fourth, peacekeeping is straying from traditional mandates. While consent of the parties, impartiality of peacekeepers and the minimum use of force remain cardinal principles, deviations have been devastating. Furthermore, peacekeeping is sought to be juxtaposed into nation-building. The irony of promoting democracy and nation-building through armed peacekeeping is indeed stark.

Fifth, there is an increasing trend to regionalise peace keeping and even to give post-facto endorsement to unilateral action. This raises disconcerting questions since it is only the United Nations that has the universal legitimacy and credibility to undertake this role.

### **Ladies and Gentlemen**

UN Peacekeeping is a product of structural necessity of the global order and the institutional innovation of the United Nations 'to save succeeding generations', as the Preamble of the Charter put it, 'from the scourge of war'. Its theology is still evolving. The underlying dilemma, of reconciling the principle of state sovereignty with the imperatives of a globalising world committing itself to universal norms that transcend national borders, remains unresolved. The emergence of a global civil society, and the enhanced commitment to principles of human rights and other emerging norms for group and state behaviour, is propelling us towards modified patterns of conduct nationally and globally. At the same time selectivity, rather than universality based on principled adherence, determines conduct. The imperative of global order today demands peacekeeping on a vast scale, but the spirit and application of innovation to the UN structures and the Charter principles is lacking.

Despite this, India's commitment to peacekeeping in general and the UN peacekeeping in particular needs no reiteration. We have contributed nearly 100,000 troops, participated in more than 40 missions and 130 of our peacekeepers have made the supreme sacrifice and laid down their lives while serving in UN missions. Some of them are being honoured today at the UN Headquarters. We have acquired vast experience in peacekeeping and have the intellectual capital from our own experience in nation-building to tackle the complex scenario that today's peacekeeping faces. Our military, paramilitary and police forces have the requisite experience to match the challenge. The establishment of the Centre for United Nations Peacekeeping under the aegis of the United Service Institution of India has institutionalised this experience to make it available to other countries.

This book is timely. I am confident that besides enlightening the general public, it will facilitate a more focussed policy debate on the principles and mechanics of peacekeeping.

I once again thank Gen. Nambiar for inviting me to this function.



**698. Statement by Minister of State Smt. Preet Kaur at the Plenary Meeting of the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development.**

**New York, June 25, 2009.**

**Mr. President,**

The United Nations provides a unique forum, with unparalleled legitimacy and inclusivity. This UN Conference on the World Financial and Economic Crisis and its Impact on Development is only the second such gathering held of the United Nations on the financial and economic system and architecture, the first being the UN Conference on the Monetary and Financial System held in Bretton Woods in 1944 with the participation of all the then 44 members of the UN. In that sense, this is a truly historic meeting. It is vitally important that this landmark event coupled with the UN's convening power is used to hear the voice of the entire global community on the extraordinary crisis being faced by the global economy today. Allow me, therefore, at the outset to express our appreciation for all your personal efforts in organizing this Conference.

**Mr. President,**

The global financial and economic crisis was the result of a failure of global regulatory and supervisory mechanisms, excessive speculation and excessive risk taking. This was further aggravated by global imbalances. There is now a general acceptance that the present economic and financial crisis is the worst recession since the Great Depression and the first ever contraction of global GDP in the post-War period. Given the magnitude of the crisis and the widespread meltdown, some have dubbed it the Great Recession.

Developing countries were not the cause of this crisis, but they are amongst its worst affected victims. Their exports have been hit and they are facing vastly reduced capital flows and foreign direct investment. The economic crisis coupled with the food and fuel crises of last year has slowed down their economic growth and casts an ominous shadow on eradication of poverty and achievement of the Millennium Development Goals (MDGs). The human dimension to this crisis is even more frightening with estimates of additional millions being pushed back into extreme poverty.



For governments in developing countries the loss in export earnings and remittances with adverse consequences on employment and growth has meant reduction in the fiscal space for investments in critical infrastructure and social sectors like education, health, etc. as much larger social safety nets have now to be financed. As Prime Minister of India, Dr. Manmohan Singh, had said at the G-20 London Summit: "While India will be able to manage, many other developing countries may not be in the same position and this is where the international community can help. We must ensure that countries hurt by the massive withdrawal of private capital that has taken place, are able to rely upon an increased flow of resources from the international financial institutions. This will help these countries to maintain a higher level of demand than would otherwise be possible and thus help global revival".

**Mr. President,**

Any new thinking for a more sustainable global economic system has to be based on a conscious policy where there is a building up of the capacities of the poorer countries and regions to play a healthy and equitable role in tapping the potential of free market for their prosperity and advancement.

Specific responses to the financial and economic crisis must address both short-term needs, as well as the longer-term imperatives of reforming structures of global governance, including here at the UN and at the Bretton Woods Institutions (BWIs).

These reforms need to redefine the role of institutions of global economic and financial governance to reflect contemporary realities of today while being rooted in pragmatism and collaboration. It is imperative that in key decisions and decision-making processes the voice and real participation of developing countries is substantially strengthened and increased.

The future shape of international governance, including of international financial institutions (IFIs) and the crafting of a new global financial architecture is, perhaps, the most far-reaching element of reform for providing global stability and security.

At the UN, the General Assembly must be revitalized along with a real reform of the Security Council. We believe that this requires expansion in both the permanent and non-permanent categories of the Security Council and reform of its working methods.

The present crisis has once again underscored the need for the Economic and Social Council to be robust and effective in coordinating global responses to global challenges for a better quality of life for the vast majority of humankind.

At the BWIs, the voice and quota reform needs to be accelerated so as to make these institutions both responsive and effective as well as credible and relevant in continuing to play vital roles in global economic affairs. Again, as my Prime Minister had said, "The world has changed greatly since the multilateral institutions were established and the role of these institutions needs to be redefined and their mandate suitably revised. The representation of the developing and emerging market countries in the decision making levels of these institutions also needs to be improved. Better representation is essential if the institutions are to have the legitimacy they need to play their role".

**Mr. President,**

Of immediate importance is the revival of the world economy. Counter-cyclical stimulus measures are, therefore, critical. There must be a substantial increase in lending by international financial institutions (IFIs) and the Multilateral Development Banks (MDBs) with increased limits for developing countries and emerging economies. The capacities of the MDBs to do so, including adequacy of their capital, requires to be urgently addressed.

There is a particular imperative to make good the decline that has taken place in capital flows to developing countries by increased multilateral and bilateral flows, including ODA. Increased resources for international financial institutions are very relevant but conditionalities associated with the use of these resources need to be softened, otherwise their deployment will be counter-productive in the countries affected.

**Mr. President,**

Measures to address the crisis should not create other problems for the future.

We need to address regulatory and systemic flaws. There should be better and transparent regulatory mechanism for capital markets, including the non-banking sector, redefine capital requirements to avoid pro-cyclicality, and avoid build-up of excessive leverage.

There should be a better system of surveillance and regulation. Surveillance should be even-handed with greater focus on the systemically important

institutions. We also need to develop an effective early warning system to spot a build-up of risk. It is particularly important that in any such vulnerability assessment there is no intrusiveness.

In this context, it is particularly necessary that we should not permit protectionist tendencies, not just protectionism of trade in goods, but also protectionism in free flow of persons, protectionism in financial services as well as imposition of non-tariff barriers, to succeed in our response measures.

Developing countries have limited policy space. They must continue to have this space to determine measures that best fit their specific requirements.

**Mr. President,**

Insofar as India is concerned, we have fared much better than others though we are also affected and our growth rates have come down from the nearly 9% average of the past four years to 6.7% in 2008-09.

In response to the crisis, we have made aggressive use of fiscal and monetary policy, with particular focus on fiscal stimulus in infrastructure investment.

Our primary challenge is to get rid of chronic poverty, ignorance and disease, which still afflict millions and millions of our citizens. For this, we need a high rate of growth coupled with measures to make it inclusive.

We have endeavored to achieve this through huge investments in the rural and farm sector, a massive rural employment guarantee scheme, infrastructure development projects, major national food security and rural health missions, and an urban renewal mission.

**Mr. President,**

Leaders of some of the largest economies, the G-20, have met twice in the past months and declared their determination to instill confidence and restore stability to the world economy. They have also pledged to strengthen regulation, reform international financial institutions, reject protectionism and build recovery. The package of US\$ 1.1 trillion to restore credit and growth together with national measures constitutes a global plan for recovery on an unprecedented scale.

India has actively engaged in the G-20 framework aimed at redressing the current global economic situation so as to bring the global economy back to the trajectory of sustained growth.

The Commission of Experts appointed by you Mr. President that included the former Governor of the Reserve Bank of India, Dr Y V Reddy, has also made several recommendations that deserve serious consideration.

Mr. President,

We have a vested interest in the world economy doing well as that is a key enabler for our growth too.

But as we strive for global solutions to this global crisis, we must remember that development or economic growth cannot be slowed, halted or sacrificed in the search for solutions to the crisis.

Thank you.



**699. Extracts Relevant to UNGA Session from the Press Conference by Foreign Secretary Mrs. Nirupama Rao.**

**New Delhi, September 19, 2009.**

**Official Spokesperson (Vishnu Prakash):** Good afternoon and welcome. Foreign Secretary is here to brief you about Prime Minister's forthcoming visit to Pittsburgh for the G-20 summit as also India's participation in the 64th session of UNGA at New York. After her opening remarks Foreign Secretary would be happy to take up a few questions.

Let me also introduce colleagues here with us. To Foreign Secretary's right is Mr. Asith Bhattacharjee, Joint Secretary to UN Division. To my left is Mr. J.S. Mukul, Joint Secretary, TC and Economic Relations, who is also MEA's sou Sherpa for the G-20 process. Ma'am the floor is yours.

**Foreign Secretary (Nirupama Rao)**

Thank you for coming for this briefing which I will do in two parts. First, I will brief you on Prime Ministers visit to Pittsburg, to attend the G-20 Meeting. Thereafter, I will outline the programme and other details of the high level segment of the United Nations General Assembly at UN headquarters in New York where EAM will lead India's delegation.

(For Briefing on G-20 Summit please see Document No.218.)

**I will now turn to the UN General Assembly. EAM will be visiting New York to participate in the High-Level Segment of the 64th Session of the UN General Assembly. EAM is due to reach New York on 20 September and return on 27 September, 2009.**

The 64th Session of the UN General Assembly started on 15 September, 2009. A High Level Event on Climate Change will take place on 22 September at which EAM will represent Prime Minister.

The General Debate of 64th UNGA, where statements are made by Heads of Delegation, will take place from 23 to 30 September 2009. The theme for this year's General Debate is 'Effective Response to Global Crises; Strengthening Multilateralism and Dialogue among Civilizations for International Peace'.

EAM will be speaking at the General Debate on 26 September at around 1700-1730 hrs. On the margins of the General Assembly, EAM will also have bilateral meetings with his counterparts from some countries.

A number of events are being held at the UN in the margins of the General Assembly. These include:

- High Level Event on **Climate Change** (22 September)
- XIV Summit Meeting of the Group of Fifteen (G-15) (25 September) preceded by Ministerial meeting (24 September)
- IBSA Ministerial Meeting by Brazil (21 September)
- G-5 Meeting (22 September)
- Ministerial meeting of the **Group of Friends of the UNSG on Myanmar** (23 September)
- **Commonwealth Foreign Ministers' Meeting** and the Ministerial Meeting on Terrorism (24 September)
- **BRIC** luncheon meeting by Brazil (24 September)
- High Level Meeting on 60th anniversary of establishment of UNRWA (24 September)
- Fifth India-GCC Political Dialogue (25 September)
- Group of 77 (G-77) Ministerial Meeting (25 September)
- Informal Meeting of **SAARC Council of Ministers** (26 September)
- Ministerial Meeting of the Group of Friends of the Alliance of Civilizations (26 September)

**India will be represented at a high level at these events.** Apart from the above, a number of countries are sponsoring other events: the USA is sponsoring an event in the Security Council on Nuclear Disarmament and also a conference with Troop Contributing Countries in UN peacekeeping operations.

The 64th UNGA session is taking place against the backdrop of an unprecedented global economic and financial crisis; the magnitude and extent of which has not been seen since the 1930s. Developing countries, though not responsible for this crisis, have been severely affected by its impact. Recent food and fuel price crisis and the challenge of climate change have threatened the pace of development and also sets the clock back in international effort to achieve the Millennium Development Goals (MDGs).

India's top priority in this session is to reinforce the international community's efforts to face contemporary global challenges of poverty eradication (particularly in view of global escalation of food and energy prices), climate change and sustainable social and economic

development. It is essential that the forthcoming UNGA session builds upon global efforts to mitigate the impact of the financial and economic crisis and assist developing countries in successfully pursuing their developmental agenda.

The credibility of the architecture of institutions of international governance requires urgent reform in keeping with contemporary realities. Along with the reform of international financial institutions, India believes that it should be a priority for the international community to complete the long-pending process of UN reform, including reform and expansion of the Security Council in both the permanent and non-permanent membership categories.

It is a major priority for India to significantly improve international cooperation in counterterrorism efforts. We had presented a draft for Comprehensive Convention on International Terrorism (CCIT) in 1996. We have urged all Member States to make concerted efforts for the finalization and adoption of a CCIT during the current session of the General Assembly.

EAM will represent Prime Minister at a High Level Event on Climate Change being hosted by the UN Secretary General on September 22, 2009 at the sidelines of the UNGA in New York. The objective of this event is to provide political direction and momentum to the ongoing multilateral negotiations under the UN Framework Convention on Climate change (UNFCCC). It will not be a negotiating forum. The event will provide an important opportunity to articulate India's position on the climate change issue and the constructive approach that we are committed to playing in the multilateral negotiations under the UNFCCC leading to the 15th Conference of Parties in Copenhagen in December 2009.

Developing countries like India, which are vulnerable to and are already suffering from the impact of climate change, have an important stake in establishment of a truly global, transparent, rule-based and equitable climate change regime based on the principles of UNFCCC, which takes into account the imperatives of poverty reduction and economic development in developing countries and the historical responsibility of the developed countries.

India's approach on disarmament issues is well known. We believe that the United Nations can play a significant role in strengthening international security by advancing global disarmament goals and objectives. To provide the necessary momentum to international efforts on this issue, India supports the strengthening of the UN Disarmament machinery to promote multilateralism and international consensus.

Overall, the 64th GA session has several important issues on its agenda. For us, articulating the importance of multilateralism and participatory and inclusive international governance system is at the core of our approach. We will be participating in the General Assembly Plenary and Committee deliberations with this in mind.

**Question:** Madam, I just wanted to ask you if you have been able to fix a date for the meeting with the Pakistani Foreign Secretary, and if there is a date fixed for the meeting between the two Foreign Ministers in New York.

**Foreign Secretary:** We are working to fix the dates for the meetings of the Foreign Secretaries and the Foreign Ministers in New York, that is the meetings with Pakistan, and we are in the process of finalising these dates.

**Question:** Madam, I am going to back to Pakistan. We have heard from Mr. Qureshi recently. He says he does not have any expectations from the meeting in New York. What are the expectations Mr. Krishna and the Ministry have of that meeting?

**Foreign Secretary:** Our expectations are that Pakistan should focus seriously, in a concentrated and meaningful manner, on our concerns regarding the issue of terrorism that is directed against India from within Pakistani territory. And this has been consistently stated to the Pakistani side with sincerity, in all detail, by the Government of India and all the officials concerned. It is our expectation, it is our hope that Pakistan will address these concerns in full seriousness and full commitment so that the desired outcome can be reached.

**Question:** Is the Indian Prime Minister likely to meet the Chinese President during the G20 Summit? And, what is the status of India's application with the Asian Development Bank for the Arunachal Project?

**Foreign Secretary:** To answer your first question, there is no meeting that is being planned at the moment between our Prime Minister and his Chinese counterpart or the Leader of the Chinese Delegation to the G20 Summit.

On the issue of the Asian Development Bank project that you referred to, the Country Partnership Strategy that India had presented at the ADB has already been endorsed by the ADB. So, the matter stands there. There is really no pending issue now on that front.

**Question:** The loan application is cleared now?

**Foreign Secretary:** The Country Partnership Strategy has been endorsed by the Asian Development Bank.



**Question:** Madam, my question is on Prime Minister's comment of yesterday. He said in the Iftar party yesterday that he was in touch with the highest level authority in China about the current tension of alleged incursions. I would like if the Prime Minister talked to his counterpart or he talked to President Jintao. If yes, what is the nature of that talk? My supplementary question is that there is a general allegation which is made frequently for the last ten days that MEA is downplaying the incursions which have definitely increased because these are the official figures. Can you just clarify these two issues please?

**Foreign Secretary:** As far as your first question is concerned, let me tell you that we remain in constant touch, India and China, on all issues that are of mutual interest and of mutual concern to us as far as our bilateral relations are concerned and also on issues that go beyond the bilateral context. So, this is a relationship that we have been able to develop and that has matured over the years and has acquired many dimensions. A very important aspect of this relationship is the dialogue that we have been able to sustain, that we have been able to transact and conduct at the highest political level of the two countries. Therefore, the leadership level understandings and the contact and communication remains open at all times. That is the first point I wanted to make.

As far as the second point of the recent Chinese intrusions is concerned, I think enough has been said in the media about these issues in the last few days and perhaps weeks. There has been a certain hype and a certain intensification of volume if I may say, in terms of the manner in which these have been reported upon in the media. Having said that I would only base myself on ground realities and my appreciation of where the relationship stands today, as somebody who has dealt with it for many years now. As far as the intrusions are concerned, there has been no significant increase in the number of Chinese intrusions across the line of actual control in all sections of the India-China border. At the expense of repeating our position, let me do that, there is no mutually agreed or delineated line of actual control between the two countries. So, this is an issue that is yet to be agreed upon between the two sides. What happens, it is an eventuality in such a situation that you find that you have crossings over into what you regard as your side from the other side. This has gone on for a number of years now. This is not a new phenomenon, I would like to point that out. Having said that I would also like to point to the fact that contrary to popular perceptions, the situation along the areas of the line of actual control in the India-China border areas has remained peaceful for a number of decades now. We have mechanisms in place; we have confidence-building measures in place; we have communication links in place that enable each side to reach out to the other

whenever there is a perceived problem or a situation that develops in the areas along the line of actual control.

I would like to underline the fact that these mechanisms have worked well and that there is good communication between the two sides. Whenever the situation warrants it we also take it up at the diplomatic level. So, this is a relationship in which there is regular communication, and there is understanding, and there is recognition on both sides that this is an important bilateral relationship, that outstanding differences between the two sides should be resolved peacefully through dialogue, through communication, as it should be between two nations as large as ours, with international responsibilities like ours, and with bilateral commitments such as ours.

**Question:** Madam, coming back to the China question, do you think in any way this troop movement alongside the border by the Chinese and the Indian side in Ladakh as well as around the area by Chinese side in some way is creating a cycle of mistrust and it can hamper the diplomatic work that had been done in the past with China?

**Foreign Secretary:** You are referring to media reports and I sought to guide your attention to the actual situation in India-China relations. The Chief of Army Staff has already spoken on this issue this morning when he referred to the fact that there has been no increase in the number of intrusions and the situation remains calm. So, I am not here to get into a debate on troop movements. Each country takes steps to safeguard its security in sensitive areas such as border areas but the central fact is that the situation remains peaceful and tranquil. We have open channels of communication with the Chinese side and the Chinese side with us to discuss all outstanding issues that need resolution.

**Question:** Pakistan has repeatedly said that continued stalled Composite Dialogue between the two countries would help those elements who are opposed to peace in South Asia. Secondly, Pakistan has said that any precondition to talks would not help any side and not acceptable to Pakistan. What are your comments?

**Foreign Secretary:** First of all let me say that engagement between India and Pakistan obviously works in the long-term interest of both countries, and there is obviously a potential that exists for that. But, let me also add that we cannot shut our eyes to the threat that exists in terms of terrorism directed against India from Pakistan and the Composite Dialogue is contingent, that process is contingent on an atmosphere free of terrorism and violence. Realising the potential is really not the issue here because the first step we need to take is to squarely address the issue of terrorism.

**Question:** I wanted a clarification on the ADB point. Is there a reference there to Arunachal as disputed?

**Foreign Secretary:** No, there is no reference to Arunachal Pradesh in the sense that you refer to. This is a Country Partnership Strategy looking at development assistance as a package.

**Question:** ....not audible

**Foreign Secretary:** That has nothing to do with the approval of the strategy. I think you are referring to something quite different. There is a Chinese position on the subject, what China has been saying on the issue of Arunachal Pradesh. But here, as far as the Country Partnership Strategy is concerned, it has been endorsed by the Asian Development Bank.

**Question:** Madam, you have just returned from Nepal. How was your visit? Are you going to discuss any specific agenda with Nepal on the sidelines of the UN Summit?

**Foreign Secretary:** I just returned from a very good visit to Kathmandu. It was my first visit there after becoming Foreign Secretary although I have visited Nepal on many occasions in the past. As I spoke to the media at the end of my visit, you are aware of the broad contours of my discussions and my meetings in Nepal. I wanted to say that we attach very important significance to our relations to Nepal, a very close friend, a very close neighbour. Our dialogue with the Government of Nepal and with the people of Nepal with whom we share the friendliest of relations - we only want to see that strengthened and deepened in the future.

**Question:** Madam, what is your reaction or rather Government of India's response on Afghanistan elections? My second question is that there have been repeated ceasefire violations at the borders by Pakistan. I am asking this question because yesterday DG BSF said that we are approaching Ministry of External Affairs to lodge a strong protest with Pakistan. Are we doing it?

**Foreign Secretary:** Thank you for that question on Afghanistan. We have welcomed, as you know, the successful holding of the Presidential and Provincial Council elections in Afghanistan on the 20th of August. As you also know, we have a historical relationship with Afghanistan which is a fellow developing, democratic country. We appreciate the determination of the Afghan people who participated in the election process despite the threats and attacks meant to disrupt the elections. Therefore, we congratulate all democratic forces in Afghanistan. We admire the fact that the elections were conducted by national institutions, unlike the previous elections in Afghanistan. So, it has been an Afghan-led process which will go a long way in strengthening

democracy in Afghanistan. We also welcome the announcement of the preliminary results of all the votes counted, in which President Hamid Karzai has emerged as the leading candidate having secured I believe 54.62 per cent followed by Dr. Abdullah Abdullah at 27.75 per cent. So, we hope for an early and successful conclusion of the electoral process and the finalisation of the results after the completion of legal procedures. I wanted to reaffirm on behalf of the Government of India our commitment to strengthening our strategic partnership with Afghanistan and to reconstruction and development of a pluralistic and democratic Afghanistan.

As far as the question on cross-border firing is concerned, in fact there are certain objective circumstances which you have just referred to. There have been incidents of ceasefire violations apart from infiltration also from the Pakistani side of the Line of Control, which has been at a very high level in the last few weeks. There were cases of rockets being fired across the Punjab border and thereafter there was sniper firing at Border Security Force posts yesterday. There are, of course, mechanisms to deal with this and the DGMOs of the two countries have been in touch, as also flag meetings have been held. But the general issue is that it is the responsibility of Pakistan to see that whoever may be responsible for this from their side should not have the licence to carry out such acts which destabilise the situation.



**700. Intervention by External Affairs Minister at the Round Table during Climate Change meeting at the UN.**

**New York, September 22, 2009.**

Please see document No.767.



**701. Statement by External Affairs Minister S.M. Krishna at the General Debate of the 64th Session of the United Nations General Assembly.**

**New York, September 26, 2009.**

**Your Excellency, Mr. President,**

**Excellencies,**

**Ladies and Gentlemen,**

Please accept my congratulations on your assuming the Presidency of this 64th Session of the United Nations General Assembly. My delegation assures you of our fullest cooperation during your stewardship of this august Assembly that embodies the hopes, aspirations and our shared vision of peace and development for all the people of our planet.

Mr. President,

When this General Assembly ends next year, the United Nations would have completed 65 years of existence. These past decades have seen the world change in fundamental ways. Connectivity defines our global condition, and the challenges that we collectively face are global. The resolution of these challenges, as we are aware, require global approaches and solutions. What may happen in one part of the world has an impact on other regions.

In the context of these rapidly emerging changes and their deep and diverse effect, we must introspect more deeply on whether the United Nations and other global governance structures are geared to effectively meet the challenges that confront us all.

It is of concern that even after more than six decades, international governance structures are neither inclusive nor participatory. Consequently, these structures and institutions have not kept pace or evolved, with the changed nature, the intensity and the depth of contemporary global issues. The question therefore is: are these institutions able enough to address these challenges either adequately or satisfactorily?

The reform and restructuring of the global governance architecture is the critical need of our times and the voice of the developing world, including the small island nations and of Africa, is of principal and core relevance, if we are to have truly participatory and global responses to global challenges.

One need not look too far to identify these challenges. The economic and financial turmoil, which did not begin in the developing world, has affected developing countries the most. Growth has slowed down with recession overtaking many countries. The international response to this challenge has to be not only the measures that have been taken to stimulate economies but more importantly, to find ways to restructure the current international governance system which has failed to respond to the virulence of the financial and economic crisis. To gloss over this structural deficit of the current global financial and economic architecture, would imperil the future of a vast majority of the peoples of this world and presage greater difficulties in the future.

In the face of the current economic and financial crisis, hard-won gains in alleviating poverty, hunger, illiteracy and disease are being reversed. Today, the achievements of the Millennium Development Goals are seriously threatened. Policies of protectionism under these already adverse circumstances will exacerbate the serious situation that many countries face.

It is imperative that the United Nations act in concert to coherently overcome these challenges. India, which is actively engaged in the G-20 and other processes, has always stressed that developing countries must receive priority in any global response to the crisis.

The UN Conference on the financial and economic crisis held in June this year was opportune and provided a useful platform to collectively seek ways and means to respond to the crisis. We now look forward to an early implementation of the follow-up measures agreed to at the Conference, during the course of this General Assembly.

We believe that international trade and commerce has a central role to play in revitalizing global economic growth. We are committed to negotiations in the Doha Development Round. We strongly favour fair and equitable rule-based multilateral trade negotiations, which recognize and address the legitimate demands of the developing countries. India supports resumption of the negotiations at an early date and stands ready to engage with all WTG Members to complete the modalities and addressing any outstanding problems. To support this process, we also organized an international ministerial level conference in New Delhi on 3-4 September 2009.

Mr President,

At the centre-stage of multilateralism and international cooperation is the United Nations.

The UN is a platform where the world meets to express views and undertake commitments on global issues of mutual concern on an equal footing. No wonder then that the Charter of the United Nations begins with the inspiring words: "We the people of the United Nations . . . , ,J! Inclusiveness and collective action, in all aspects of the work of the organization is at the heart of its Charter. This vision must be our lodestar, the guiding principle of all we undertake. India is committed to working with member states to making the United Nations more relevant and tuned in to contemporary realities.

Reforming the United Nations is a matter of the utmost priority. Four years after the 2005 World Summit, there has not been much progress even as newer and more global crises and problems have emerged. We should not let slowness of action weaken the organization in the face of such challenges. Rather, we must work in concert to make it more robust and capable of effective response.

Reform in the three essentials of the Charter i.e. Peace and Security, Development, and Human Rights require our collective attention. The General Assembly must be revitalized in full measure and its role as the anvil of global deliberation must be strengthened. The ECOSOC must become the fulcrum of development. It must be accepted that the Security Council must be strengthened and made more representative by expanding its permanent and non-permanent membership. Ongoing intergovernmental negotiations during the last six months have unambiguously established that an overwhelming majority of Member States share the perspective that expansion in both categories of membership of the Security Council is needed.

Mr. President,

Climate change is one of the most important global challenges that we face today. Developing countries bear a disproportionate share of its adverse effects even though they are not responsible for it. Cognizant of the serious threat that climate change poses, India is engaged in the ongoing negotiations under the United Nations Framework Convention on Climate Change including in the upcoming Copenhagen Conference. India will work for an outcome that recognizes the development imperatives of developing countries and is rooted in the principle of common but differentiated responsibilities and respective capabilities.

We also have to move away from concentrating on 'mitigation' only and ensure that there is a focus on adaptation, which is critical for developing countries. We are hosting a high-level global conference on "Climate Change:

Technology Development and Transfer" on October 22-23, 2009 in cooperation with the United Nations. The objective of this Conference is to help formulate a roadmap for technology in the context of climate change mitigation and adaptation to support the UNFCCC process.

Developing countries must be supported financially, technologically and with capacity building resources so that they can cope with the immense challenges of adaptation. Special efforts are required to develop programmes that address the critical needs of Small Island States and of the most vulnerable countries.

Poverty alleviation and livelihood security are central imperatives for India. For this, accelerated economic growth and energy security are critical drivers. In pursuing our development goals, India has been successful in significantly reducing its energy intensity. India will continue to pursue this path.

India is aware that the continuing volatility in the fossil-fuel markets together with the threat of climate change which makes the development of all renewable and clean energy sources, including nuclear energy crucial. In this context, international civil-nuclear cooperation is important.

India has also taken several independent initiatives to address the issue of climate change. We have put in place a comprehensive policy and legislative framework as well as a National Action Plan on Climate Change with separate Eight National Missions. An unprecedented afforestation campaign has been launched with doubling of the budget for forestry this year to US\$ 1.3 billion and this increase is going to be sustained every year. The Prime Minister's Council has approved National Missions for Enhanced Energy Efficiency, and Solar Energy setting ambitious goals. We are supporting and facilitating major research to assess various aspects related to climate change.

Mr. President,

India attaches the highest priority to the goal of nuclear disarmament and has an impeccable non-proliferation record. We welcome the renewed global debate on achieving a world free of nuclear weapons. This corresponds with India's longstanding and consistent advocacy of nuclear disarmament as one of the highest priority of the international community. We have put forward a number of proposals on nuclear disarmament in the UN, including a Working Paper in 2006, proposing elements to fashion a new consensus on disarmament and non-proliferation.



Last year, at the 63rd UNGA, consistent with India's longstanding commitment as articulated in the Rajiv Gandhi Action Plan in 1988, India reiterated its proposal for a Nuclear Weapons Convention for banning the production, development, stockpiling and use of nuclear weapons and to provide for their complete elimination within a specified time-frame. The international nuclear order cannot be discriminatory. Further, states must fulfill the obligations they have undertaken. Once more, with feeling and with commitment, India reiterates that proposal.

We will continue to engage with key countries to intensify this debate with the hope that greater international understanding could lend itself to a firm commitment for action on nuclear disarmament.

It was in this spirit that we supported adoption of a Programme of Work, including on a Fissile Material Cut-off Treaty (FMCT), in the Conference on Disarmament in May this year. This is consistent with India's position, to work with others in the Conference on Disarmament towards conclusion of a non-discriminatory, multilaterally negotiated and internationally verifiable FMCT, provided it meets India's national security interests.

We remain committed to a voluntary, unilateral moratorium on nuclear testing.

Mr. President,

India stands committed to the safeguarding of international peace and security. Over the past five decades, we contributed more than 100,000 peacekeepers and have suffered the highest number of casualties in these decades. Strengthening the normative basis for peacekeeping operations and giving major Troop Contributing Countries (TCCs) a greater say, will serve to make peacekeeping more effective.

Mr. President,

The barbaric terrorist attack on the innocent people of Mumbai on November 26, 2008 reminds us of the daily and malignant menace that terrorism poses to all countries. There cannot be any justification whatsoever for such mindless terrorist acts. It is our collective responsibility and duty to work together to ensure that terrorists, organizers, perpetrators and supporters of such crimes are brought to justice.

To strengthen the international legal framework of the fight against terrorism, India had proposed a Comprehensive Convention on International Terrorism (CCIT). Discussions on the draft have gone on for far too long. It is time that the Convention be finally adopted. India earnestly calls upon all

countries to make serious efforts in the next few weeks to arrive at a consensus on the text.

Mr. President,

Peace, security, stability and welfare of our neighbourhood is vital for India. There is a new beginning in Sri Lanka; in Nepal strengthening the peace process is in our collective interest; and in Afghanistan, the international community must remain intensively engaged and support its development efforts and the maintenance of peace and stability. India is committed to establishing good neighbourly relations and resolving all outstanding issues with Pakistan through peaceful dialogue.

Mr. President,

In conclusion, I wish to reiterate India's steadfast commitment to the work of the United Nations. Speaking to this Assembly 41 years ago, Prime Minister Indira Gandhi said and I QUOTE ".the United Nations is the trustee of the world's peace and represents the hopes of mankind. Its very existence gives a feeling of assurance that the justice of true causes can be brought fearlessly before the world. This Assembly and the agencies of the United Nations should, in all that they do, sustain those hopes and promote the causes of peace. UNQUOTE. The truth and conviction of these words are more meaningful today than ever before.

Thank you.



**702. Opening Remarks of External Affairs Minister S. M. Krishna on his meetings in New York at his media briefing. New York, September 27, 2009.**

Dear Friends,

Thank you very much for your presence here today.

You know that I have been here in New York for the past week in connection with the annual session of the United Nations General Assembly. I addressed the General Assembly yesterday; I am sure, a copy of my speech is already with you.

It is going to be 65 years next year since the establishment of the United Nations. The global order has since changed dramatically. The UN must also change and reflect contemporary reality. The thrust of my message was therefore the need for change at the UN. Obviously, in this context I underscored the need for an expansion of the UNSC both in its permanent and its non-permanent seats.

Of course, I also used the opportunity to stress the role of the UN to address urgent problems facing the globe. In this context, I urged the urgent adoption of the Comprehensive Convention against International Terrorism, which has been under negotiation at the UN for more than 15 years. On 22nd September I led the Indian delegation for the Climate Change Summit. The delegation included Minister of State for Environment & Forests, Shri Jairam Ramesh, and the Special Envoy of the Prime Minister for Climate Change, Shri Shyam Saran. Our central message was that India has a major interest in ensuring an ambitious and equitable outcome at the climate change negotiations in Copenhagen, which recognizes that developing countries need to pursue growth. Domestically, we are taking many measures to address climate, both on mitigation and adaptation. Many of these will have specific and time-bound goals.

On the sidelines of the UNGA, I attended a number of Ministerial meetings of various groupings of which we are members. These included IBSA (India, Brazil, South Africa), G-5 (India, Brazil, South Africa, Mexico, China) and BRIC (India, Brazil, China, Russia). These meetings were opportune in emphasizing the close coordination India and our partners on various global issues.

I also participated in the Commonwealth Foreign Ministers meeting, the annual meeting of the G-77 Foreign Ministers and the India - Gulf Cooperation Council Ministerial meeting.

You are aware that there were more than 50 requests for bilateral meetings with me. I met the President of Maldives and was able to meet a number of Foreign Ministers at the plurilateral fora and at key bilateral meetings. Our PR had hosted a reception for me, which was attended by the Prime Minister of Nepal, the Vice President of Suriname, and several Foreign Ministers.

My bilateral meetings included the US Secretary of State, the Foreign Ministers of Sri Lanka, Nepal, Singapore, Egypt, Afghanistan, the Secretary General of the Arab League, and as you are aware, just a little while ago, Pakistan.

My meeting with His Excellency Foreign Minister Qureshi was preceded by a detailed meeting between the Foreign Secretaries of India and Pakistan. We had a useful, constructive and candid exchange of views on the present situation in our bilateral relations. We both agreed that the future direction in our bilateral relations has to be one of deeper, sustained and meaningful relations. Being a neighbor, there is an imperative to have a mutually beneficial relationship with each other in the long term interests of our own countries and to realize our national developmental priorities. I utilized this opportunity to convey to Foreign Minister Qureshi our appreciation that for a sustained and meaningful dialogue process to succeed, it is essential to ensure an environment free of violence, terrorism and the threat to use violence. As you are aware, we do have serious and continuing concerns about terrorists and extremist groups in Pakistan which are a national security risk for us and for our people. Foreign Minister Qureshi conveyed to me the seriousness of his Government in bringing to book through their legal process those responsible for the terrorist outrage in Mumbai ten months ago.

Pakistan has taken some steps within its own legal system against those directly responsible for the attack on Mumbai and the processes thus instituted must gather further momentum. We remain concerned about the threat which groups and individuals in Pakistan continue to pose to us. I, therefore, underlined and reiterated in my meeting that concrete and effective steps against these individuals and entities can instill in us the confidence that commitments given by Pakistan that it would not allow its soil to be used for terrorist attacks against India would be adhered to. The case regarding Hafiz Sayeed is also one that concerns us as evidence available with us bring out his major role in the Mumbai Terrorist Attack Conspiracy.

Foreign Minister Qureshi conveyed to me that the trial against those accused for the Mumbai attack would begin shortly and that the Pakistan Government will take steps to see justice done. We will be monitoring developments on this score very carefully.

My meeting with Secretary Clinton reaffirmed the high importance of the unique and multi-faceted partnership between our two countries. PM's visit to Washington in November this year, will help further strengthen and broaden this relationship.

I had a fruitful discussion with Foreign Minister Spanta of Afghanistan and used the opportunity to convey that India stands for political stability and comprehensive development in a democratic Afghanistan.

I had the opportunity to underscore to the Sri Lankan Foreign Minister the importance of rehabilitating and resettling the IDPs on priority, and our hope to see their full integration.



**703. Statement by Minister of State Dr. Shashi Tharoor during the Commemoration of the 15th Anniversary of the International Conference on Population and Development at the 64th Session of the UN General Assembly.**

**New York, October 12, 2009.**

**Mr. President, Sir**

As I am speaking for the first time in the UN General Assembly as the representative of India, please allow me to congratulate you on your election as the President of the General Assembly.

I am honoured and privileged to participate in today's open debate to commemorate the 15th anniversary of the International Conference on Population and Development, which was a major international initiative on an issue of critical importance for India.

**Mr. President, Excellencies, Distinguished Delegates,**

The International Conference on Population and Development (ICPD) held in Cairo in 1994 was a landmark Conference. Overcoming deep divisions among member states, it succeeded in forging an unprecedented global consensus and integrated the diverse range of population, development and human rights issues into a blueprint for 20 years of action, popularly known as the Cairo consensus.

The Programme of Action addressed the complex interrelationships amongst population, economic growth and sustainable development, as well as population distribution, gender equality and empowerment of women, urbanization, migration, data collection and analysis.

For the first time, the population and development issues were dealt with in a holistic manner and individual human beings were placed at the very heart of the development process. There was a substantive effort to clarify the concept of reproductive rights and the programme also emphasized the centrality of reproductive health. It also acknowledged the central role of women and young people in the development process.

In my own country, this led to a shift in the Government's approach towards population stabilization from being target based to one based on making informed and voluntary choices.

The Cairo Consensus provided much of the groundwork for the Millennium Development Goals, which have now become the benchmark indicators for socio-economic development.

**Mr. President,**

I would like to pay tribute today to two women leaders of the UN system who have also been friends and close colleagues of mine: Dr. Nafir Sadik of Pakistan, the Secretary General of the Cairo Conference and a long-serving and effective leader of UNFPA, and Dr. Thoraya Obaid of Saudi Arabia, Dr. Sadik's dynamic and dedicated successor. Their work in promoting the rights of women remains indispensable to the future of our planet. India is bound to applaud and support their efforts.

Today's event offers us an invaluable opportunity to comprehensively review the progress made so far and analyse the challenges that lie ahead. The statements of the Secretary General and the President of the General Assembly have underscored the critical importance of realising the vision set out 15 years ago.

A review would indicate that the global achievements have been mixed at best. There have been slippages internationally as well as in many countries, including my own. It is a matter of regret that globally, we are still far from realizing the goal of universal primary education, infant and child mortality and maternal mortality rates continue to remain high and access to universal reproductive health is still distant in many parts of the world.

Nevertheless, it is my firm belief that these goals are still achievable. Resolute political will and concerted global action are needed to realise these goals. The benchmarks set by the ICPD Conference continue to highlight the onerous task ahead for all of us.

**Mr. President,**

India has been making a steady progress towards realizing the vision of the ICPD and attainment of the Millennium Development Goals. Despite the global economic slowdown, the Government of India has accorded very high priority to the education and health sectors, and has enhanced allocation by 19% to the social sector during the current financial year.

The National Rural Health Mission (NRHM), launched in 2005, is one of the biggest interventions of its kind in the health sector in the world. The NRHM seeks to significantly upgrade effective healthcare throughout India covering

over 600 million people. It aims to improve access of rural people, especially poor women and children, to equitable, affordable, accountable and effective primary healthcare.

The Reproductive and Child Health Programme is one of the main components of the NRHM, and includes the ambitious programme of Janani Surakhksa Yojana (JSY), a safe motherhood intervention to promote institutional delivery with specific focus on poor pregnant women. So far, this programme has benefited more than 10 million women and has emerged as a major successful intervention in reducing maternal and infant mortality. As Dr. Obaid reminded us, no woman should die giving life. In statistical terms, India's Infant Mortality Rate is 55 per 1000 live births. Maternal Mortality Ratio has declined from 301 in the period 2001-03 to 254 in the period 2004-06. These are areas that require major attention on our part and our Government is seized of the problem. As regards the incidence of HIV/AIDS, it remains under 1% and is showing signs of reaching a plateau.

India's Family Planning Programme is one of the oldest in the world. It is based on the voluntary and informed choice and consent of citizens in availing of reproductive health care services. The programme aims at achieving population stabilization by addressing unmet needs through decentralized planning and programme implementation. At primary health care institutions, there has been an integration of the HIV/AIDS programme with reproductive health care.

India's Eleventh Plan recognizes that the "Development of Children is at the Centre of the Plan." This abiding policy commitment to an integrated approach to enhancing young child survival, growth, development and early learning is being translated into action through the Integrated Child Development Services (ICDS) Universalization with Quality Initiative. ICDS is today the worlds' largest early child development programme reaching out to over 78 million young children and pregnant and lactating mothers. There is added emphasis on convergence of services under various schemes and programmes including health, early childhood education and safe drinking water, so as to achieve the desired impact.

India has also embarked on ambitious programmes for human resource development. The Sarva Siksha Abhiyan (Education for All Campaign) launched in the year 2000, is a major national intervention towards achieving universal primary education and allowing us to reap the benefits of a demographic dividend from a young population.



This year the Government of India has brought into force the Right to Education Act. This Act aims to guarantee to each child, up-to the age of fourteen, the right to education. The Government has also launched a Female Literacy Mission this year with the aim of reducing female illiteracy by half, in the next three years.

Gender equity and empowerment have been guiding principles in the development policies of the Government of India. India's planning process is fully committed to enabling women to be equal partners in development. Gender budgeting has been introduced across all the sectors.

We have also moved on empowering women in the area of governance and decision making. The 73rd and 74th constitutional amendments introduced the provision for one-third reservation of seats for women in local self government institutions in India. We now have the distinction of having the largest number of women representatives in local government in the world and some three million of them hold elected office

**Mr. President,**

In these difficult times when the world is still grappling with the adverse effects of an unprecedented global economic and financial crisis, developing countries, where the crisis did not originate, have been the most affected. This threatens to undermine and even reverse the gains made so far in their arduous journey of development. Therefore, the need for donors to honour their pledges and the international community to keep up the stimulus and other efforts to spur the economies of developing countries cannot be overemphasized.

The Government of India remains firmly committed to realizing the vision set out in Cairo 15 years ago and to fulfilling the MDGs by 2015. While we shall certainly do all that we can domestically and within our capacities with our partners in the South, it is imperative that the international community meet its commitments in the global partnership that is critical for a better quality of life for all of us on our shared planet.

Thank you.



**704. Statement by Minister of State Mrs. Preneet Kaur on 'Sport for Peace and Development: building a Peaceful and better world through sport and the Olympic ideal' at the 64th Session of the UN General Assembly.**

**New York, October 20, 2009**

**Mr. President,**

I am honoured and privileged to participate in today's discussion on 'Sport for peace and development: building a peaceful and better world through sport and the Olympic ideal'.

As I am speaking for the first time in the 64th session of the General Assembly, please allow me at the outset to add my voice to that of all the others in congratulating you on assuming the Presidency of the General Assembly.

**Mr. President,**

By its very nature, sport is about inclusion and participation. It brings individuals and communities together and bridges ethnic and cultural divides.

It transcends social-cultural barriers, geographical borders, and promotes peace and harmony.

It also provides for understanding the importance of discipline and leadership.

**Mr. President,**

Sport is an inalienable part of the educational process and an essential component of a child's development.

It also fosters their physical and emotional health and building valuable social connections.

The fundamental elements of sports, including obvious benefits of physical and mental well being, make sports a most useful tool to support the achievements of the Millennium Development Goals.

Moreover, sporting activities have a unique convening power to spur social communication and advocacy.

They are most effective tools for social mobilisation supporting activities such as HIV/AIDS education and immunization campaigns.

In re-channelizing destructive impulses and harmful actions such as drug abuse and involvement in crime, the efficacy of sport cannot be overemphasized.

**Mr. President,**

A mastery over sports was considered as important as the knowledge of scriptures in ancient India.

The education system in modern India is trying to continue and build upon this heritage and respect for sports and physical education.

The effort of the Government of India has been for broad-basing sports and provision of modern sports infrastructure.

**A National Sports Policy was adopted by India in 2001.**

The Ministry of Youth Affairs and Sports in the Government of India has the national level responsibility for sports with the Sports Authority of India being its principal arm for nurturing talent and for provision of infrastructure, equipment, coaching and other facilities.

And, here, if I may add a personal touch - I am, indeed, proud that India's National Institute of Sports is located in my constituency, Patiala and my family has been and is intimately connected with the Olympic movement.

The Government has also encouraged the National Sports Federations to function more efficiently and is also encouraging the active involvement of business and industry in the promotion of sports.

**Mr. President,**

We are proud that New Delhi will be hosting the next Commonwealth Games from October 3-14, 2010.

These games are a unique, world class, multi-sport event held once every four years amongst the member countries and territories of the Commonwealth.

The three core values of the Commonwealth Games movement are humanity, equality and destiny, which were adopted by the games movement in 2001.

These values inspire and unite millions of people and symbolise the broad mandate for holding the games within the Commonwealth.

Last year, India organised Commonwealth Youth Games, a sub-event of the Commonwealth Games in Pune in October 2008.

**Mr. President,**

The founder of modern Olympic Games, Pierre de Coubertin, had said, "Sport must be the heritage of all men and of all social classes".

India is steadfast in its commitment to the Olympic charter and, as in previous years, is cosponsoring in the General Assembly the resolution on 'Sport for peace and development: building a peaceful and better world through sport and the Olympic ideal'.

We are also very pleased that the 2016 Olympics have been awarded to Rio de Janeiro in Brazil, a fellow developing country, and that the 2010 FIFA World Cup will be hosted by South Africa, a first for the African continent. We are also co-sponsoring the resolution on the '2010 FIFA World Cup in South Africa'.

We also wish Canada all success in organizing the XXI Winter Olympic Games and X Para-Olympic Winter Games and commend Singapore's initiative to organize the Youth Olympic Games.

We have no doubt that the hosting of major global sporting events in developing countries would contribute in an immense manner to the advancement of sports in developing countries and spur developmental activities.

**Mr. President,**

Sport is a reflection of the society. The degeneration of values in the society - violence, corruption, hooliganism, deception and drug abuse are also making inroads in sport.

Concerted vigil and resolute action are needed to prevent intrusion of these evils and to protect the noble ideals and spirit behind the Olympic Games and other sports.

It must be our endeavour to promote sports and a culture of sports in our countries. This can only contribute in promoting development, peace, friendship, cooperation and understanding among peoples.

I thank you.



**705. Statement by Minister of State in the Ministry of External Affairs and Head of the Indian Delegation Mrs. Preet Kaur to the High Level Conference on South - South Cooperation.**

**Nairobi, December 2, 2009.**

**Mr. President, Excellencies, and Distinguished Delegates**

I am honoured and privileged to participate in the High Level United Nations Conference on South-South Cooperation.

At the outset, please allow me to express our deepest gratitude to our host, His Excellency President Mwai Kibaki and the Government and people of Kenya, for the warm hospitality and for the excellent arrangements made in Nairobi.

I also wish to express our sincere thanks and appreciation to you, Mr. President, and to the United Nations Secretary General for the painstaking efforts made for ensuring the success at Nairobi.

My delegation associates itself with the statement of Sudan on behalf of the G-77 and China.

This Conference marks the 30th anniversary of the adoption of the Buenos Aires Plan of Action on South-South Cooperation.

It is a valuable opportunity for a comprehensive review and to explore ways and means to further strengthen South-South Cooperation.

**Mr. President,**

Our world is passing through turbulent times. We are confronted with multiple crises - the financial and economic crisis, impact of climate change, concerns on energy, and food security. Even though developing countries are not responsible for these crises, they threaten to seriously impair our development agenda and the progress that we have made so far on the Millennium Development Goals.

**Mr. President,**

We have a vital stake in evolving a more sustainable and equitable global economic system. An important imperative is the reform of global governance structures. The Bretton Woods Institutions need to change their decision-making processes to give adequate vote, real voice and proper

representation to developing countries to reflect contemporary economic realities. At the UN, the General Assembly must be revitalized and act on issues of global concern. The ECOSOC should take real stock of global economic and social issues. And, the Security Council must reflect contemporary realities through an expansion in both permanent and non-permanent categories and by improving its working methods. The global development agenda has to be inclusive, going beyond the Millennium Development Goals and the Doha Financing for Development process. In this context, I would like to emphasize the need to implement the outcomes of the Brussels Programme of Action for the Least Developed Countries, the Almaty Plan for the Landlocked Developing Countries and the Mauritius Strategy for the Small Island Developing States.

**Mr. President,**

India's links with Africa are civilizational and we are committed to develop a comprehensive partnership with Africa. The India-Africa Forum Summit in New Delhi last year was reflective of this affinity and friendship.

We are happy that for our business sector, Africa is a natural partner and numerous Indian companies have large and active ventures that contribute to the economies of both Africa and India. These ventures span critical growth areas including information technology, biotechnology, pharmaceuticals, medical sciences, renewable and non-conventional energy and remote sensing. The Pan African E-Network project that seeks to bridge the 'digital divide' between Africa and the rest of the world is one of the most far-reaching initiatives undertaken by India. We are also happy to see our TEAM-9 initiative with our partners in West Africa and our cooperation with NEPAD bearing fruit. The Government of India has extended over US\$ 3 billion concessional lines of credit to countries in Africa and this figure is now enhanced to US\$ 5.4 billion for the next five years. India has unilaterally agreed to duty-free and quota-free market access to goods from 34 Least Developed Countries in Africa.

**Mr. President,**

India has a unique experience in nation-building given our large, complex and most diverse setting. As we have strived over more than sixty years since our Independence to give our people a better life, we have developed many capacities and capabilities that are critical for development and nation building. It has been our endeavour to share our experiences and knowledge with fellow developing countries. India has partnered to mutual benefit many

of the countries in our region for infrastructure development. We have been in the forefront of pushing for removal of trade barriers in our region and better connectivity. We are happy to be able to contribute to the nation-building process underway in Afghanistan. Recognizing that upgradation of skills, empowerment and capacity building are key development needs, India established the Indian Technical and Economic Co-operation (ITEC) Programme as early as 1964. ITEC is today a major instrument and flagship programme of the Government of India for extending our technical cooperation and assistance to developing countries. It is demand-driven and response-oriented.

The ITEC Programme has, since its inception, expanded manifold and today covers 158 partner countries spread across Asia and the Pacific, Africa, Latin America and the Caribbean, Eastern Europe and CIS countries. As part of the ITEC Programme, India allocates and funds 5000 vocational training slots every year in over 200 short, medium and long-term courses at 42 Institutes of eminence considered to be leading facilities in their field of specialization with many of them gravitating towards hi-tech areas like IT.

ITEC is also a platform for India's partnership for feasibility studies, infrastructure projects and deputation of experts. ITEC has very wide coverage and has acquired a brand image across the developing world. The ITEC Programme fully symbolizes the true spirit of India's commitment and endeavour for South-South Cooperation.

**Mr. President,**

South-South Cooperation has come a long way with a remarkable rise in South-South trade, finance and investment flows over the last decade. From 1995 onwards, South-South merchandise trade grew on an average by 13 percent, reaching 2.4 trillion dollars, or 20% of world trade in 2007. However, the challenges continue to be daunting with poverty eradication, hunger and basic health needs still remaining unmet in many developing countries. North-South cooperation and triangular cooperation involving the North are critical to achieving these objectives. We urge our friends and partners in the developed world to adhere to their commitments. The long-set target of 0.7% of Gross National Income as ODA needs to be honoured as a matter of priority. South-South Cooperation is a much broader and deeper concept than traditional North-South aid-driven cooperation. It is a cooperative partnership between developing countries embedded in the sharing of expertise, knowledge, experiences, technology, and provision of assistance

based on one's national capacities and as an expression of solidarity and mutual cooperation. It is entirely voluntary in nature and furthers national development priorities with national ownership at its centre. However, cooperation between countries of the South is neither a substitute to North-South Cooperation nor should it be used to dilute the quantum of North-South Cooperation or look at it from a traditional donor-recipient perspective. The UN system must further South-South Cooperation and also facilitate triangular cooperation by bringing in resources from the North and harnessing Southern capacities, expertise and experience. This would also help develop capacity within the South, in the implementation process itself. India is happy to participate in triangular cooperation and is an active participant in the Heiligendamm-L'Aquila process and through the India, Brazil and South Africa initiative, IBSA.

India has always remained steadfast in its commitment and efforts to advance the collective cause of the South, bilaterally and within the framework of regional and multilateral groupings. It is with this positive and constructive spirit that we participate in this Conference. South-South cooperation is not a mere phrase for my country, but a way of life, an enduring commitment, a philosophy for growth and development together.

Thank you, Mr. President.







## DISARMAMENT



**706. Statement by Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao to the Disarmament Conference, Geneva, February 3, 2009.**

**Mr. President,**

The Indian delegation congratulates you on your assumption of the Presidency. We would like to assure you of our full cooperation in the discharge of your responsibilities. We would also like to thank you for the able manner in which you have undertaken consultations with the membership of the Conference. We associate ourselves with the Statement made on behalf of the G 21.

We commence the 2009 Annual Session against the backdrop of an uncertain international situation resulting from multiple challenges to global peace and security. As member states of the single multilateral disarmament negotiating forum of the international community, we have a responsibility to work together to fulfill the mandate of this Conference to negotiate multilateral treaties which while addressing the challenges to international security also safeguard our vital national security interests.

That this Conference has been unable to move forward on its main vocation- negotiation of multilateral treaties of universal application- for over a decade now is a cause for disappointment. The obstacles to such progress are not the CD's Rules of Procedure or its Rule of Consensus. We hope that Conference is able to reach common agreement on substantive issues to take forward our work. As in previous years, India will contribute constructively to discussions with the aim of the CD commencing substantive work by reaching consensus on its Programme of Work.

**Mr. President,**

India attaches the highest priority to the goal of nuclear disarmament. India's Prime Minister, Dr. Manmohan Singh reiterated in UN General Assembly on 26th September 2008, India's proposal for a Nuclear Weapon Convention, banning the production, development stockpiling and use of nuclear weapons and to provide for their complete elimination within a specified time frame. This is consistent with India's long standing and steadfast commitment to universal non-discriminatory and total elimination of nuclear weapons which was put forward in the Rajiv Gandhi Action Plan in 1988.

India has put forward a number of proposals at the General Assembly on Nuclear Disarmament. The 63rd session of the General Assembly approved a Resolution sponsored by India on a Convention on the prohibition of use and threat of use of nuclear weapons, which calls upon the CD to commence negotiation on an international convention prohibiting the use and threat of nuclear weapons under the any circumstances. India tabled a working paper (CD/1816) in the CD containing several proposals on nuclear disarmament.

We welcome the renewed and "active debate amongst scholars and statesmen on nuclear disarmament. A number of countries have also launched initiatives to add new life to the global disarmament agenda. Even amongst those nuclear weapon states that were reluctant supporters of nuclear reductions there appears to be a new willingness to ponder over the relevance and future of nuclear weapons. These trends must be further strengthened with the effort to achieve complete elimination of nuclear weapons, rather than ad-hoc steps on non-proliferation, an approach whose limitations we have seen in the past.

We feel that there is a responsibility on the Conference of Disarmament to meaningfully respond to growing international opinion in favour of nuclear disarmament. At the same time, we recognize that these are complex issues and achieving the goal of global nuclear disarmament in a verifiable and irreversible manner will be a long and arduous process. But in order to commence consideration of these complex issues, India would like to reiterate its proposal made last year that the CD consider the appointment of a special coordinator to assist in carrying out consultations on specific measures or a set of measures that have the potential of commanding consensus which can form the basis of a mandate for a possible Ad hoc Committee on nuclear disarmament.

Mr. President,

India supports the establishment of an Ad hoc Committee on FMCT as part of CD's Programme of Work. India was one of the original co-sponsors of UNGA Resolution 48/75L, adopted in 1993 which envisaged FMCT as a significant contribution to nuclear non-proliferation in all its aspects. India was able to join the 1993 international consensus on FMCT as it reflected with clarity the common understanding of the basic objective of the treaty. Clarity on the mandate enabled India to join consensus and on that basis support the negotiations in the Conference on Disarmament on a nondiscriminatory, multilateral and internationally and effectively verifiable treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices in 1995 and 1998.

India has had a consistent position on FMCT. We believe that the CD is the appropriate forum for negotiating the FMCT. These negotiations should be conducted through an Ad hoc Committee or a subsidiary body of the CD in

accordance with its Rules of Procedure and as part of a formal decision by the Conference on its Programme of Work. We believe that common understanding and clarity on the mandate would ensure smooth conduct and successful conclusion of negotiations. India will participate actively to build the necessary international consensus so as to enable CD to move forward on this important issue to negotiate and conclude a universal, nondiscriminatory and verifiable treaty banning the future production of fissile material for nuclear weapons and other explosive devices. It is obvious that the treaty would have to meet India's national security interests.

India supports negotiations with a view to reaching agreement on effective arrangements to assure non-nuclear weapons States against the use and threat of use of nuclear weapons. On this important issue, the CD can make a meaningful contribution by undertaking negotiations of an appropriate agreement in an Ad hoc Committee on Negative security assurances. India has espoused a policy of no first use and non use against non-nuclear States and is prepared to convert these undertakings into multilateral legal arrangements.

There is growing concern that current technological developments, in particular related to ASAT, may impact negatively on the present international legal framework on outer space. We, therefore, support international efforts to reinforce safety and security of space based assets and to prevent the placement of weapons in outer space. There are number proposals on the table, including a draft treaty tabled by Russia and China, which deserve further consideration.

There is no legal regime of universal applicability governing the possession and use of Missiles. Any proposal to address the issues of missiles should be based on the principle of equal and legitimate security and should be universal and non-discriminatory in its application.

Mr. President,

I would like to conclude by placing on record our deep appreciation for the efforts that have been undertaken by you and your predecessors to build on the momentum of previous years, with the aim of finding common ground to enable the CD to commence substantive work. India will work with other delegations to make progress towards our common goal which is reaching consensus on Programme of Work to enable the CD to move forward. We are hopeful that our common efforts will bear substantive fruit in the coming months.

Thank you.



**707. Statement by Minister (Disarmament) at the Permanent Mission to the Conference on Disarmament D.B. Venkatesh Varma at the GGE on Cluster Munitions.**

**April 4, 2009.**

**Mr. Chairman,**

We would like to join other delegations in conveying to you our deep appreciation for your efforts as Chair of GGE on Cluster Munitions. We would like to thank you for the consultations that you conducted during the GGE meeting in February this year and for making available a consolidated text on Cluster Munitions as contained in Annex II of the Procedural Report adopted by the GGE on 20 February, 2009.

**Mr. Chairman,**

India shares the international community's concerns about the humanitarian impact of the irresponsible use of the Cluster Munitions. The use of Cluster Munitions is lawful and legitimate if such use takes into account existing international humanitarian law. India supported the negotiation of an instrument in the CCW consistent with the mandate of the GGE that strikes a balance between military and humanitarian concerns. This mandate reflected the consensus view amongst State Parties of the CCW that efforts must be undertaken to establish common international standards regarding Cluster Munitions. Implicit in the adoption of the mandate was that a common international standard did not exist and it is for the GGE to arrive at agreement on common terms of reference and common applicable standards through negotiation in the framework provided by the CCW. India gave its enthusiastic support, for an international instrument on Cluster Munitions emanating from the CCW given the potential of universal participation, resulting in substantial humanitarian benefits.

**Mr. Chairman,**

During 2008, the GGE held five sessions spread over 7 weeks. In 2009, the GGE met for one week in February. We believe that substantial progress has been made during the 8 weeks of work. Your efforts in attempting to synthesis the proposals and to take forward the work of the GGE as reflected in the consolidated text is indeed commendable. We believe it is a realistic basis for exploring the possibilities of consensus. Like other delegations, India looks forward to making specific suggestions and proposals so that an amended text would have a greater chance of success of gaining consensus.

While exploring the possibility of common agreement, we should also be aware of the limits of consensus as provided by the mandate. It is clear for

various reasons that a comprehensive universal ban on Cluster Munitions is not within the reach of the international community, either in the CCW or outside. Merely prohibiting a certain category of Cluster Munitions may in fact create space in the international market for more advanced varieties, thus forcing countries down an expensive route of technological upgradation of their Cluster Munitions stocks. Here we wish to emphasize that no empirical evidence has been provided in the GGE to date on the real humanitarian benefits of pursuing technological features relating to accuracy or reliability. Similarly, it may not entirely be productive to insist on the efficacy of technical standards agreed in other international instruments negotiated outside the frame work of the CCW. Naturally, it would be difficult for the GGE to accept technical standards established elsewhere like it would be unreasonable for states to assert the protection in the CCW of rights that they have carved out for themselves in other international instruments.

However, India is prepared to look at a phased approach with transition periods aimed at effective regulation of CMs in terms of their use, establish a common technical standard for their reliability and affirm agreed obligations arising from the use of Cluster Munitions in post-conflict situations. If exclusions are to be provided for munitions exclusively designed for anti-runway use or exclusive designed as anti-ship munitions at sea, it would be appropriate to prohibit that such munitions are not used for any other purpose. We also believe that considerable useful work was done last year under the Friend of the Chair on International Humanitarian Law, with regard to protection of civilians, the civilian population and civilian objects, which should be adequately reflected in any future Protocol on Cluster Munitions.

**Mr. Chairman,**

Despite the complexity of issues involved, some of which have been referred to above, we feel that the successful negotiation of a Protocol on Cluster Munitions through the participation of a large cross section of states would make a significant impact on the ground. This is indicative of the potential inherent in the CCW process. Therefore, we should redouble our efforts. Current gaps in positions could also mean that we may need to invest more efforts in seeking common ground either during this session of the GGE or in meetings that state parties may agree to hold in the future. For its part, India remains committed to the CCW process and would spare no effort in contributing to its success. Let me conclude by conveying our deep appreciation for all your efforts this year, a task that you have discharged with a high degree of dedication and professionalism.

Thank you.





**708. Statement by Permanent Representative at the Conference on Disarmament Ambassador Hamid Ali Rao at the plenary meeting of the Disarmament Conference.**

**Geneva, May 28, 2009.**

Mr. President,

We have requested the floor to convey India's position with regard to the draft decision regarding Programme of Work for the 2009 Session contained in CD 1863. We have noted that the draft decision provides the basis for commencement of substantive work of the Conference, an objective that India has consistently supported.

India supports the establishment of a Working Group to negotiate an FMCT. This is in keeping with our position since 1993, when India joined as a co-sponsor UNGA resolution 48/75 L. As a country possessing nuclear weapons we are willing to conclude a universal, non-discriminatory and internationally verifiable treaty banning the future production of fissile material for nuclear weapons and other nuclear explosives devices.

India attaches the highest priority to nuclear disarmament and the elimination of nuclear weapons on a universal and non-discriminatory basis. While disappointed that the CD has not been able to launch negotiations on Nuclear Disarmament, we believe that the CD should continue to explore all possible avenues to make progress so as to respond meaningfully to growing international opinion in favour of a vision of a world free of nuclear weapons.

India will not stand in the way of the adoption of the draft decision contained in CD 1863 in the hope that this will now allow the Conference to commence substantive work. We reserve the right to make remarks on substantive elements of the Programme of work after its formal adoption by the Conference.

While conveying our appreciation for your dedicated efforts, we remain hopeful that our common efforts will bear substantive fruit in the near future.

Thank you.



**709. Statement by Permanent Representative at the Conference on Disarmament Ambassador Hamid Ali Rao in the Plenary after the adoption of Decision on Programme of Work contained in CD 71863**

**May 29, 2009**

Mr. President, we have requested the floor after joining consensus on the Draft Decision for the establishment of a Programme of Work for the 2009 Session contained in CD/1863 where we had, inter-alia, conveyed our willingness to conclude a universal, non-discriminatory and internationally verifiable treaty banning the future production of fissile material for nuclear weapons or other nuclear explosive devices. We wish to place on record India's perspective on the Programme of Work just adopted and spell out the essential basis of India's concurrence for commencement of negotiations on an FMCT.-

2. India supports the establishment of a Working Group to negotiate an FMCT as part of the CD's programme of Work. India was one of the original cosponsors of the UNGA resolution 48/75/L adopted in 1993 on FMCT as it envisaged the treaty as a significant contribution to nuclear non-proliferation in all its aspects. The mandate for the proposed treaty was explicitly reflected in the 1993 UNGA Resolution and reconfirmed by the Shannon Report contained in CD/1299 i.e. to 'negotiate a nondiscriminatory, multilateral and internationally and effectively verifiable treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices'. The scope of such a treaty would focus on the future production of fissile material for nuclear weapons or other nuclear explosive devices.

3. We are committed to participating constructively in the FMCT negotiations in the CD. Our Prime Minister stated in Parliament on 13th August 2006 that India is willing to join only a non-discriminatory, multilateral<sup>^</sup> negotiated and internationally verifiable FMCT, as and when it is concluded in the Conference on Disarmament, provided our security interests are fully addressed. India is a nuclear weapon state and a responsible member of the world community, and would approach these negotiations as such. We will not accept obligations not in keeping with or prejudicial to our national security interests or which hinder our strategic programme, our R&D as well as three-stage nuclear programme. The treaty should not place an undue burden on military non-proscribed activities.

4. India attaches the highest priority to the goal of nuclear disarmament. Speaking at the UNGA on 26 September, 2008, our Prime Minister reiterated

India's proposal for a Nuclear Weapons Convention for banning the production, development, stockpiling and use of nuclear weapons and to provide for their complete elimination within a specified time frame. This is consistent with India's longstanding commitment put forward in the Rajiv Gandhi Action Plan in 1988. Nuclear weapons are an integral part of our national security and will remain so pending the global elimination of all nuclear weapons on a universal, non-discriminatory basis. An FMCT would be a step towards this goal.

5. While joining the consensus on this Programme of Work, we wish to place on record our disappointment that the Conference could not decide on launching negotiations on nuclear disarmament. We feel that there is a heavy responsibility on the Conference on Disarmament, as the single multilateral disarmament negotiating forum, to respond meaningfully to growing international opinion in favour of Nuclear Disarmament. While India has gone along with the establishment of Working Group to exchange views and information on practical steps for progressive and systematic efforts to reduce nuclear weapons with the ultimate goal of their elimination, we believe that the CD should continue to actively explore all possible avenues to advance the Conference's work for actual commencement on negotiations on nuclear disarmament. CD/1863 does in fact include the possibility of future negotiations and we believe that the CD should take concrete steps in that direction.

6. The work of the CD should be conducted in accordance with the Rules of Procedure and on the basis of strict adherence to the Rule that CD shall conduct its work and adopt its decisions by Consensus, to provide the necessary assurance that the security interests of member states shall be fully protected.

7. We would like to conclude by placing on record our deep appreciation for your efforts and those undertaken by your predecessors with the aim of finding common ground to enable the CD to commence substantive work this year. We are hopeful that our common efforts will bear substantive fruit in the years ahead.



**710. Statement by Minister Disarmament at the Permanent Mission to the Conference on Disarmament D.B. Venkatesh Varma at the meeting of the experts of the State Parties to the Biological Weapons Convention.**

**Geneva, August 24, 2009.**

Mr. Chairman,

The Indian delegation would like to convey its congratulations to you on your assumption of the Chairmanship of this meeting. We would like to convey our deep appreciation for all your efforts and that of the Implementation Support Unit for the excellent ground work undertaken for the Meeting of Experts.

India associates itself with the statement made by the delegation of Cuba on behalf of the Non Aligned Movement.

Mr. Chairman,

India attaches the highest priority to the further strengthening of the BWC as it was the first disarmament treaty that eliminated an entire category of weapons of mass destruction. We believe that only a multilaterally agreed mechanism for verification of compliance can provide the assurance of observance of compliance obligations by States Parties and act as a deterrence against non compliance. We also believe that the decision regarding strengthening of the BWC and to ensure its effective implementation should be taken by the Review Conference based on the principle of consensus.

India has consistently underlined the importance of international cooperation with regard to issues related to BWC. While disease surveillance and mitigation remain primarily a national responsibility, it is recognized that disease and epidemics do not respect national borders and biological agents need to be tracked so that they do not enter new regions. This aspect has made international collaboration crucial for epidemic control.

India believes that the promotional aspects of Article X are a crucial element in strengthening the BWC and in achieving universal adherence. While there are several examples of international cooperation, it is also a fact that denial of materials, equipment and technology related to peaceful uses of biotechnology including disease surveillance and control continue to exist and hamper legitimate uses of biological materials for peaceful purposes.

The BWC State Parties should facilitate the fullest possible exchange of equipment, materials and scientific and technical information for the uses of bacteriological (biological) agents and toxins for peaceful purposes consistent with their obligation under the Convention. This would benefit developing countries to meet their development needs, including improving public health and in building a robust biotechnology industry. It would also promote universality of the Convention and would be instrumental in establishing linkages amongst States Parties leading to a higher level of confidence in the Convention. The strengthened implementation of the provisions of Article III would ensure that the cooperation envisaged under Article X is not abused.

Effective export controls are an essential component of international cooperation to ensure that disease causing organisms and pathogens do not fall into the hands of terrorists and are used only for peaceful purposes. India's export control system effectively regulates the export of almost 150 micro-organisms and toxins in the category of bacteria, fungi, parasites, viruses, rickettsials, toxins and plant pathogens. Genetically modified micro-organisms or genetic elements that contain nucleic acid sequences associated with pathogenicity and are derived from the listed organisms are also controlled. India has submitted information on the outbreak of communicable diseases in the country in its 2007 national submission on BWC CBMs.

India attaches importance to the two agenda items for this meeting of experts. -We approach this meeting with an open mind; we will put forward our approach and perspectives and hope to benefit from the presentations made by other delegations. We believe that effective and efficient disease surveillance system is necessary to detect cases of alleged use of biological weapons and suspicious outbreaks of diseases. The threat posed by bioterrorism should be addressed effectively. Natural pandemics such as the recent Avian and H1N1 outbreaks underline that these threats are real and international cooperation to tackle them is imperative.

India has put into place comprehensive systems for disease surveillance to deal with human, animal and plant diseases. The system has been developed in consultation with WHO, OIE and FAO. Our delegation will be making presentations on Disease Surveillance and International Cooperation in terms of capacity building assistance during the course of this week.

We pledge our support for a successful outcome of this meeting of experts.



**711. Statement by Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao at the General Debate of the First Committee of the 64th Session of the United Nations General Assembly.**

**New York, October 8, 2009.**

Mr. Chairman,

It is a pleasure to convey to you our congratulations on your election to the Chairmanship of this Committee and we assure you the full cooperation of the Indian delegation. We would like to associate ourselves with the statement made by Indonesia on behalf of the Non-Aligned Movement.

We commence this year's First Committee deliberations against the background of not only multiple challenges to global peace and security but an accompanying mood of optimism as well that we can find viable and enduring solutions through collective efforts underlined by a genuine spirit of multilateralism. In achieving this objective, as provided by the UN Charter, the General Assembly and the First Committee, dealing with international security and disarmament issues, can play a vital and substantive role.

Mr. Chairman,

India attaches the highest priority to the goal of nuclear disarmament. During the 63rd Session of the UNGA, India's Prime Minister reiterated our proposal for a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and providing for their complete elimination within a specified timeframe. Our policy is consistent with the highest priority to the goal of nuclear disarmament enshrined in the Final Document of SSOD-I and in the Rajiv Gandhi Action Plan of 1988. The Non-Aligned Movement reaffirmed the same objectives during its recent summit at Sharm-el Sheikh.

We believe that just as it was possible to prohibit chemical and biological weapons, through non-discriminatory and global international conventions, achievement of non-discriminatory, global nuclear disarmament is not only possible but that global security would be enhanced by a nuclear weapon free world. Such a vision brings together principle and pragmatism. India welcomes the active debate amongst scholars and statesmen on nuclear disarmament and a number of initiatives launched to add new life to the global disarmament agenda, including by the UNSG in October last year.

There are some encouraging signs, including the declared intention of the United States and Russia to negotiate further cuts in their nuclear arsenals as well as the willingness of the United States, as indicated in President Obama's statement in Prague in April this year, to reduce the role of nuclear weapons in its national security strategy.

The goal of nuclear disarmament can be achieved through a step-by-step process underwritten by a universal commitment to achieve the complete elimination of nuclear weapons. Nuclear disarmament and non-proliferation are mutually reinforcing processes but the overall goal of nuclear disarmament should not be held hostage to nuclear non-proliferation. At the same, we must ensure that non - proliferation objectives are achieved through concerted and cooperative international efforts. Expansion of nuclear energy, which is vital to ensure global energy security and to combat climate change, must be ensured in a manner that does not enhance proliferation risks.

To take forward the global debate on nuclear disarmament, India has suggested the following measures:

Reaffirmation of the unequivocal commitment of all nuclear weapon States to the goal of complete elimination of nuclear weapons;

Reduction of the salience of nuclear weapons in the security doctrines;

Taking into account the global reach and menace of nuclear weapons, adoption of measures by nuclear-weapon States to reduce nuclear danger, including the risks of accidental nuclear war, de-alerting of nuclear-weapons to prevent unintentional and accidental use of nuclear weapons.

Negotiation of a global agreement among nuclear weapon States on 'no-First-use' of nuclear-weapons;

Negotiation of a universal and legally-binding agreement on non-use of nuclear weapons against non-nuclear weapon States.

Negotiation of a Convention on the complete prohibition of the use or threat of use of nuclear weapons;

Negotiation of a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and on their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons with a specified timeframe.

Mr. Chairman,

During its 2009 Annual Session, the Conference on Disarmament reached consensus on a Programme of Work, an important milestone, after more than a decade of impasse. We share the disappointment that the Conference was, thereafter, unable to get down to substantive work. As the single multilateral negotiating forum on disarmament, the CD bears a responsibility to meaningfully respond to the international community's expectations in the disarmament field, particularly on the priority issue of nuclear disarmament.

India is committed to participating constructively in the FMCT negotiations in the CD as part of its Programme of Work. Our Prime Minister stated on 13th August, 2006 that India is willing to join only a non-discriminatory, multilaterally negotiated and internationally verifiable FMCT as and when it is concluded in the Conference on Disarmament, provided our security interests are fully addressed. India is a nuclear weapon state and a responsible member of the world community, and would approach these negotiations as such.

India continues to attach importance to addressing wide-spread international demands for conclusion of an agreement on effective international arrangements to assure non-nuclear weapon states against the use or threat of use of nuclear weapons. As part of its credible minimum nuclear deterrent, India has espoused the policy of 'No First Use' and non-use against non-nuclear weapon states and is prepared to convert these undertakings into multilateral legal arrangements. India is committed to maintaining its voluntary, unilateral moratorium on nuclear testing.

India would support continuing international efforts to strengthen the international legal framework to ensure the safety and security of space assets and to prevent the weaponization of outer space. Issues relating to the possession and use of missiles should be addressed in a sustainable and comprehensive manner through a global process based on the principle of equal and legitimate security.

India attaches importance to the continuing role of the UN in addressing conventional arms control, including regulation of small arms and light weapons in view of the nexus between small arms proliferation and terrorism. We remain strongly committed to the CCW process as being vitally important in strengthening regulation of armed conflict and international humanitarian law. India has ratified all the five protocols.



It will be India's honour to Chair the Annual meeting of States Parties to Protocol V in November this year.

Last year, India welcomed the opening of the new UN Regional Centre for peace and Disarmament in Asia and Pacific in Kathmandu. India will extend all possible support for the Kathmandu Centre to fulfill its mandate.

Mr. Chairman,

As in the previous year, India seeks the support of the First Committee for the following three resolutions:

- a) Convention on the Prohibition of Use of Nuclear Weapons
- b) Reducing Nuclear Danger
- c) Measures to prevent terrorists from acquiring Weapons of Mass Destruction:

We will be making more detailed statements to introduce these resolutions during the time allocated for that purpose.

Mr. Chairman,

We would like to assure you of our full support in ensuring the success of this year's deliberations.



**712. Statement by Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao, at the Thematic Debate on Nuclear Weapons at the First Committee of the 64th UN General Assembly.**

**New York, October 15, 2009**

**Mr. Chairman,**

It gives me pleasure to convey how pleased we are to see you chairing the thematic debate on Nuclear Weapons. India associates itself with the statement on this Cluster by Indonesia on behalf of the NAM.

India has consistently maintained its principled position- it attaches the highest priority to the goal of nuclear disarmament, both as a national position which has enjoyed strong and consistent domestic support as well as a member of the Non-Aligned Movement, which has stood steadfast in its support for global nuclear disarmament. In this context, we recall that the only document on Nuclear Disarmament adopted by consensus by the international community - the Final Document of SSOD I accorded the highest priority to the goal of nuclear disarmament. The Rajiv Gandhi Action Plan of 1988 provided a holistic framework for the complete elimination of nuclear weapons to usher in a world free of nuclear weapons and rooted in nonviolence. We remain committed to that objective.

Speaking at the 63rd session of the General Assembly, Prime Minister Dr. Manmohan Singh reiterated India's proposal for a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and providing for their complete elimination within a specified time frame. India's External Affairs Minister again underlined India's support for a Nuclear Weapons Convention during his address to the UNGA last month.

India has consistently maintained that nuclear disarmament can be achieved through a step by step process underwritten by a universal commitment for global elimination of nuclear weapons. In a working paper submitted to the UNGA in 2006, India suggested a number of measures in this regard, including reaffirmation of the unequivocal commitment by all nuclear weapon states to the goal of complete elimination of nuclear weapons. Consideration could also be given to specific legal measures, including a Global No First Use Agreement and negotiation of a Convention on the Prohibition of the use of Nuclear weapons. Measures to reduce nuclear dangers arising from accidental or unauthorized use of nuclear weapons are also pertinent in this regard.

Addressing the threat posed by all nuclear weapons to international peace and security, requires the global elimination of nuclear weapons on a non-

discriminatory basis. It is clear that while preventing proliferation is important we must not lose sight of the essential principle of the mutually reinforcing linkage between disarmament and non-proliferation, As such, nuclear disarmament cannot be held hostage to absolute success in the non-proliferation field. International efforts in this regard should build the necessary confidence among states so that international treaties and agreements are multilaterally negotiated and freely accepted which remains the true test of their legitimacy and credibility. At the same time, states should fully and effectively implement the obligations arising from the agreements or treaties to which they are parties.

India has acceded to and is in full implementation of the two nondiscriminatory International Conventions banning Biological and Chemical Weapons. India's position on the NPT is well-known. There is no question of India joining the NPT as a non-nuclear weapon state. Nuclear weapons are an integral part of India's national security and will remain so, pending non-discriminatory and global nuclear disarmament.

As part of its credible minimum nuclear deterrent, India has espoused the policy of 'No First Use' against nuclear weapon states and non-use against non-nuclear weapon states and is prepared to convert these undertakings into multilateral legal arrangements.

As the single multilateral negotiating forum on disarmament, the CD bears a responsibility to meaningfully respond to the international community's expectations in the disarmament field, particularly on the priority issue of nuclear disarmament. As a nuclear weapon state and a responsible member of the world community, India is committed to participating constructively in the FMCT negotiations in the CD as part of its Programme of Work.

India welcomes the renewed attention of the international community on achieving a nuclear weapon free world. World leaders, Parliamentarians, distinguished statesman, international groups and NGOs have lent their voice in favor of nuclear disarmament. The shifting currents of informed opinion are now moving in favor of Nuclear Disarmament. As the embodiment of multilateralism, the UN should carry forward this momentum, in recognition of which the UN Secretary General put forward his 5 Point Plan, which inter-alia also includes consideration of a Nuclear Weapons Convention. To sustain the current mood of optimism, follow up action on the ground will be needed, based on a genuine desire to take concrete steps to reduce the role of nuclear weapons in security doctrines, measures to reduce nuclear dangers and universal commitments for global and non-discriminatory nuclear disarmament.

The threat of nuclear terrorism is a formidable challenge facing the international community. We support the strengthening international efforts to address this threat, including improving nuclear security. In this context, we welcome the US initiative to convene a Global Summit on Nuclear Security in 2010.

As in previous years, India will be sponsoring the following resolutions.

First, on behalf of the co-sponsors, I would like to introduce the draft resolution entitled "Convention on the Prohibition of the Use of Nuclear Weapons." This resolution reflects the belief that a multilateral, universal and legally binding instrument prohibiting the use or threat of use of nuclear - weapons will contribute to the process of de-legitimization of nuclear weapons and create a climate for negotiations for an agreement on the prohibition of nuclear weapons. The operative part of the resolution reiterates the call on the Conference on Disarmament to commence negotiations to reach agreement on an international convention on prohibiting the use or threat of use of nuclear weapons under any circumstances.

I also have the honor to introduce on behalf of the co-sponsors the draft resolution on "Reducing Nuclear Danger." This resolution highlights that the hair-trigger posture of nuclear forces carries the unacceptable risk of unintentional or accidental use of nuclear weapons, which could have catastrophic consequences. The operative part of the resolution calls for a review of nuclear doctrines, as also immediate steps to reduce the risk of unintentional or accidental use of nuclear weapons, including through the de-alerting and de-targeting of nuclear weapons. It is a matter of satisfaction that the issues addressed by this resolution have gained greater recognition and acceptance in the international community and we hope that those delegations which had difficulties in the past will reconsider their position in light of these new trends.

On the behalf of co-sponsors, India is tabling, as in previous years, a draft resolution on "Measures to prevent terrorists from acquiring weapons of mass destruction," This resolution highlights the concerns of the international community and calls upon all Member states to take measures aimed at preventing terrorists from acquiring weapons of mass destruction. It underlines that the international response to this threat needs to be at national, multilateral and global level. We hope, as in the past, this resolution will be adopted by consensus and receive the co-sponsorship of an increasing group of countries.

Thank you.



**713. Statement by Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao, at the Thematic Debate on Conventional Weapons at the First Committee of the 64th UN General Assembly.**

**New York, October 20, 2009**

**Mr. Chairman,**

India attaches importance to addressing the challenges posed by conventional weapons in the field of international security. While weapons of mass destruction are rightly accorded priority in the area of disarmament and arms control, conventional weapons and small arms and light weapons constitute an important concern. We associate ourselves with the statement made by Indonesia on behalf of the Non-Aligned Movement.

India is deeply concerned that conventional weapons, including small arms and light weapons, continue to pose a grave danger to the security of States. Their indiscriminate and irresponsible use, including by non-State actors, has caused enormous humanitarian concern. Such weapons disrupt political stability and social harmony, derail pluralism and democracy and hamper growth and development. They fuel international terrorism and internal conflicts thus posing a major threat to the security of states.

The United Nations has had a measure of success in dealing with the threat posed by illicit trade in small arms and light weapons. The Programme of Action adopted in July 2001 outlines a realistic, achievable and comprehensive approach to address the problem, at national, regional and global levels. The integrity of the POA consensus nature must be preserved and strengthened. India will contribute constructively to the Fourth Biennial Meeting of States and the Review Conference on the POA to be held no later than 2012. We believe that national Governments bear the primary responsibility for preventing, combating, and eradicating the illicit trade in small arms and light weapons in all its aspects. There should be a ban on transfers to non-state actors and terrorists groups.

India will also continue to pursue the objective of a non-discriminatory, universal and global ban on anti-personnel mines in a manner that addresses the legitimate defence requirements of States. Landmines continue to play an important role in the defence of States that have long land borders with difficult and inhospitable terrains. The process of complete elimination of antipersonnel mines will be facilitated by the availability of military effective, non-lethal and cost-effective alternative technologies.

The CCW Convention remains the only forum of a universal character that brings together all the main users and producers of major conventional weapons, thus ensuring that the instruments that emerge have greater prospects of making a meaningful impact on the ground. India is privileged to be part of the small group of countries that has ratified all the instruments of the CCW package and will have the honour of chairing the Third Annual Meeting of States parties to Protocol V. India has also proposed a broad based dialogue to consider a new and strengthened format of the CCW Convention that would by common agreement, reaffirm and strengthen the application of international law in regulating and protecting the victims of warfare.

We share the international community's concerns about the humanitarian impact of the irresponsible use of cluster munitions. India has contributed actively to ongoing discussions to negotiate an instrument in the CCW consistent with the mandate of the GCE adopted in November 2007 that strikes a balance between military and humanitarian concerns. We look forward to further discussions in the CCW Meeting in Geneva in next month.

India has provided regularly its national submissions to the UN Register of Conventional Weapons, which is an important instrument of confidence building. India participated actively in the GGE on continuing operation of the UN Register on Conventional Arms. Careful consideration should be given in future work of the GGE to new class of equipment that are now being used in combat operations before they are included in the Register. India also attaches importance to further consideration of providing transparency in military expenditures, which is the hall mark of democratic states.

India participated actively in the Open ended working group on the ATT. We note that that the Group acknowledged that respective responsibilities exist for both exporters and importers to address the current situation, based on the principles established in the United Nations Charter, in a non-discriminatory manner. The Open-ended Working Group also recognized the need to address the problems relating to unregulated trade in conventional weapons and their diversion to the illicit market. Considering that such risks can fuel instability, international terrorism, and transnational organized crime, the Group supported that international action should be taken to address the problem.

We hope that future consideration of the ATT in the UN should be undertaken based on a step by step process, in an open and transparent manner with no artificial deadlines while recognizing that prospects of an instrument of universal acceptance would be enhanced through a consensus driven decision making process and outcome. It is vitally important that any such instrument should be consistent with the right of self-defence of states and their right to protect their legitimate foreign policy and national security interests.



**714. Statement by Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao at the First Committee on thematic discussion on the UN Disarmament Machinery.**

**23 October 2009**

**Mr. Chairman,**

The UN, in accordance with its Charter, has a central role and primary responsibility in the sphere of disarmament. This Committee is the embodiment of our faith in the benefits of collective action and of multilateral approaches in resolving global issues concerning international security and disarmament.

As the single multilateral negotiating forum on disarmament, there is a heavy responsibility on the Conference on Disarmament to make progress on the international disarmament agenda. We remain committed to efforts, consistent with the rules of procedure, aimed at the CD reaching consensus on its Programme of Work to commence early substantive work. Since its decisions impact on national security of its member states, it is logical that the CD conduct its work and adopt its decision by consensus.

India attaches high importance to the UNDC, which is the deliberative leg of the triad of the disarmament machinery put in place by consensus by SSOD I. As the universal deliberative forum, it provides for in-depth consideration of specific disarmament issues for submission of recommendations to the General Assembly and can help bring back coherence and consensus to the currently fragmented international disarmament agenda.

The UNSG has given his personal priority to nuclear disarmament and has put forward his 5 point plan, which inter alia, makes reference to a Nuclear Weapons Convention. The Secretary General's Advisory Board on Disarmament matters should be more representative so that it can reflect on the broadest range of views and opinions. Its focus should remain the broader vision of global disarmament issues, rather than as a preparatory committee of one or another treaty.

The current optimism in the field of disarmament should be backed by concrete steps to strengthen the ODA. In particular, we would like the Geneva branch of the ODA to be strengthened to facilitate the implementation of permanent treaty bodies under the UN such as the BWC and the CCW.

In a similar vein, UNIDIR the designated UN Institute to undertake independent, in depth and long term research on disarmament issues deserves greater support from the regular budget of the UN, in terms of facilitating its research work with enhanced staff on a sustainable basis. We would like UNIDIR to retool itself to be in the forefront of research on nuclear disarmament, a task that cannot be accomplished when it is dependent overwhelmingly on voluntary contributions. UNIDIR publications are a valuable resource base and must be disseminated widely.

We believe that UN efforts to promote and encourage disarmament and non-proliferation education based on the recommendations of the 2002 UN study will foster-greater awareness and strengthen global collective will in favor of global disarmament objectives.

India has welcomed the opening of the new UN Regional Centre for peace and Disarmament in Asia and Pacific in Kathmandu last year. India will extend all possible support for the Kathmandu Centre to fulfill its mandate and in this regard will make a financial contribution.





**715. Statement of Minister Disarmament at the Permanent Mission to the Conference on Disarmament D.B.Venkatesh Verma at the Third Annual Conference of States parties to Protocol V of the CCW.**

**November 9, 2009**

**Mr. President,**

India is privileged to hold the presidency of Third Conference of High Contracting Parties of Protocol V. We would like to convey our appreciation to Ambassador Borisovas of Lithuania for his diligent efforts for ensuring the successful conduct of the Second Conference.

India is fully committed to the CCW Convention and the humanitarian principles that it embodies India had held the Presidency of CCW in 2002-3 when the Protocol was negotiated. We were among the group of first 20 countries Which ratified the protocol that led to its entry into force. We firmly believe that implementation of commitments undertaken in Protocol V should make a real difference on the ground.

We are pleased to note that the number of High Contracting Parties to this Protocol has increased from 48, at the time of the Second Conference to 61 this year. Universalization should continue to be a priority in the coming year as well.

Timely implementation of obligations contained in Protocol V is of high significance. This includes submission of national reports. Following the adoption the revised Generic Electronic Template for effective implementation of Article 4 (Recording, Retaining and Transmission of Information). India is in the process of taking follow up action in terms of its national adoption and dissemination in its arm-forces.

India pays particular attention to the use of generic preventive measures for purposes of ensuring safety and security of munitions for the entire life cycle design development, production, storage, transportation, periodic checks for reliability etc. The GICHD handbook 'A Guide to Ammunition Storage' and the UN Classification System of Regard Divisions and Compatibility Groups have been used extensively by our armed forces.

We would like to convey our appreciation to all the coordinators for their efforts in preparing for this annual Conference. The working papers and proposals prepared by them are a very good basis of discussions. As this protocol is still in its early stage, we should be mindful of the importance of early universal adherence and full implementation of existing obligations of the Protocol. We will also like to take this opportunity to thank the CCW Secretariat for the work they have put in for success of this meeting.



**716. Statement of Permanent Representative to the Conference on Disarmament Hamid Ali Rao at the Eleventh Annual Conference of the States Parties to Amended Protocol II to the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons which may be deemed to be excessively injurious or to have indiscriminate effects.**

**November 11, 2009**

**Mr President,**

It is a pleasure to convey our congratulations to you on assuming the Presidency of the 11th Annual Conference of Amended Protocol II. We would also like to convey our appreciation to the two Friends of the President, Mr. Abderrazzak Laassel of Morocco and Mr. Reto Wollenmann of Switzerland for their efforts for laying the ground work for this meeting.

India has fulfilled all its obligations with regard to Amended Protocol II. Since 1st January 1997, India has not produced any non-detectable mines. All anti-personnel mines in stock have been fitted with metallic rings in order to make them detectable. India also observes a formal moratorium on export of landmines. India supports the approach, enshrined in Amended Protocol II, which addresses the legitimate defence requirements of States, especially those with long borders. We attach importance to regular submission of National Reports under Amended protocol II.

We have undertaken a number of measures to address humanitarian concerns, arising from indiscriminate use of landmines, in accordance with the international humanitarian law. Information regarding our obligations under Amended Protocol II has been disseminated to the Armed Forces by its inclusion in the syllabi of military courses, through seminars and distribution of handbooks, etc. Information on mines is disseminated among the civilian population of the area and the media in order to increase public awareness and avoid civilian casualties. Whenever and wherever the army has used mines for defensive military operations, the mines have been laid within fenced perimeter and well-marked. GPS and GIS based systems are used for assistance in recording of the position of mines. Post-operations, these mines have been cleared by trained troops.

**Mr President,**

India's armed forces have not used mines for maintenance of law and order or in internal security situations, or even in counter-insurgency or

for combating terrorists and terrorist organisations, including those that have indiscriminately used improvised explosive devices and mines, The Corps of Army Engineers in India continue to aid civil authorities in defusing and clearing such devices. Conceited efforts have been made to rehabilitate casualties from such cases by providing monetary compensation, employment and assistance, including prosthetics for mine victims. India ratified the Convention on Rights of Persons with Disabilities in October 2007.

#### **Mr President**

Some reports have commented on increase in casualties in India perceived to be related to landmines. Such reports are misplaced as they do not distinguish between casualties caused by landmines and improvised explosive devices, I would also like to reiterate India has not used landmines for counter insurgency or counter terrorist operations or for maintenance of law and order or internal security situations. However, mines are used by terrorists groups and Indian security forces have recovered mines of foreign origin from these groups.

India supports technical cooperation and exchanges in mine clearance technology, equipment and training and urges States Parties, in a position to do so, to contribute to such measures. India remains committed to international de-mining and rehabilitation efforts and is ready to provide its technical assistance and expertise in this area.

India is one of the largest contributors to the UN peacekeeping operations the world over. Besides participating in national, regional and international workshops and seminars, we have carried out de-mining operations in Cambodia, Angola and Afghanistan. In Cambodia, we deployed de-mining supervising teams in 1991-93. This year, the training for the Royal Cambodian Armed Forces (RCAF) was carried out from 15 January 2009 to 04 February 2009 in Cambodia, After training several de-mining platoons, de-mining of specific areas was entrusted to these teams, resulting in hundreds of square kilometers of land being cleared of mines, Responding to their request we are training the Cambodian army de-mining team on an annual basis. The trained Cambodian army detachments have undertaken de-mining operations in Sudan under the aegis of UNMIS, starting from mid-2007. We have also gifted de-mining equipment to Cambodia in September last year, In Angola., we had undertaken large scale de-mining operations under the UN umbrella In 1995. The Indian, Government has successfully completed

the construction of road Zaranj to Delaram in Afghanistan which involved extensive demining operations as the road had been heavily mined.

**Mr. President,**

India attaches high importance to consideration of TEDs in the CCW process, TEDs are the cause of a large number of casualties and have a deep socio-economic impact. TEDs are being frequently used by terrorists and non-state actors. While we recognize that in some instances the problem of ICDs is related to abandoned or unexploded ordnance and is, therefore, linked to Explosive Remnants of War covered by Protocol V, in our experience terrorists and non-state actors establish an elaborate supply chain that goes beyond the region in which IEDs are used. In fact, in our experience these supply chains have trans-border dimensions.

The discussion under AP-II should aim at identifying key elements in the supply chain that can be prohibited or regulated in a more focused manner by states parties. These measures can include marking and tracing of key components; increase security of stockpile and their transportation and measures to prevent unauthorized manufacture and trafficking are also relevant. Stricter export controls may be necessary. It is also important for violators to be prosecuted and punished according to law as it would act as a deterrent against use of IEDs by terrorists and NSAs. While there is scope for cooperation among states in terms of exchange of detection equipment and counter measures, it is also important to maintain confidentiality so that terrorists and non-state actors are not able to create new versions of IEDs. While efforts are undertaken within the CCW process to address IEDs, these should be consistent with other International efforts on counter terrorism. India has an open mind with regards to eventual outcome of these discussions in terms of in-depth consideration of issues and exchange of experiences or drawing up of best practices, or other agreed measures.



**717. Statement by the Permanent Representative to the Conference on Disarmament Ambassador Hamid Ali Rao at the Meeting of the States Parties to the BWC.**

**December 7, 2009**

Mr. Chairman,

Allow me first of all to convey congratulations on your assumption of the Chairmanship of this meeting. We would like to convey our deep appreciation for your efforts and those of the Implementation Support Unit for ground work undertaken during the past year and especially during the Meeting of Experts in August. We assure you of our full cooperation in the discharge of your responsibilities.

India associates itself with the statement made by the delegation of Cuba on behalf of the Non Aligned Movement.

Mr. Chairman,

The BWC is the first disarmament instrument that bans the development, production, stockpiling and use of an entire category of weapons of mass destruction. India believes that norms against biological weapons enshrined in the Convention must be upheld, particularly in view of the threat of bio-terrorism. India fully supports initiatives to strengthen the Convention, ensure its full implementation by all States Parties and to make it universal. We believe that only a multilaterally agreed mechanism for verification of compliance can provide the assurance of observance of compliance obligations by States Parties and act as deterrence against non-compliance. We believe that the decision regarding strengthening of the BWC and its effective implementation should be taken by the Review Conference on the basis of consensus. States Parties should also give consideration to preparations for the next Review Conference.

The topic of this year's meetings viz. international cooperation in disease surveillance, detection, diagnosis and containment is of special relevance considering the global spread of H1N1 and other pandemics in the past few years. India has consistently underlined the importance of international cooperation in issues related to BWC. While disease surveillance and mitigation remains primarily a national responsibility, it is recognized that disease and epidemics do not respect national borders and harmful biological agents need to be tracked so that they do not enter new regions. This aspect has made international collaboration crucial for epidemic control.

Mr. Chairman,

India believes that the promotional aspects of Article X are a crucial element in strengthening the BWC and in achieving universal adherence. While there are several examples of international cooperation in disease surveillance and control, it is also a fact that denial of materials, equipment and technology related to peaceful uses of bio-technology continue to exist and hamper legitimate uses of biological materials and should be addressed in the framework of the Convention.

The BWC State Parties should facilitate the fullest possible exchange of equipment, materials and scientific and technical information for the uses of bacteriological (biological) agents and toxins for peaceful purposes. This would benefit the developing countries to meet their development needs, including improving public health and build a robust biotechnology industry. It would also promote universality of the Convention and would be instrumental in establishing linkages amongst States Parties leading to a higher level of confidence in the Convention. The strengthened implementation of the provisions of Article III would ensure that the cooperation envisaged under Article X is not abused.

- The previous Review Conferences of BWC have recognized that international cooperation must be long-term and systematic. However, after more than two decades of the coming into force of BWC this goal remains only partially realized. Our view is that while all bilateral and multilateral avenues for cooperation must be explored in the context of disease surveillance and control, the framework provided by the Convention must be fully implemented, especially through the implementation of Article X. In this context, India supports the NAM Working Paper presented to the Meeting of Experts in August 2009 for the establishment of a mechanism for full implementation of Article X.

Mr. Chairman,

India has put into place a comprehensive system for disease surveillance to deal with human, animal and plant diseases. The system has been developed by taking into account the guidelines issued by WHO, OIE and FAO. India participates actively in disease reporting mechanisms set up by these organizations. India is implementing the International Health Regulations (IHR 2005) of WHO which came into force in June 2007. India will be forwarding shortly its 2009 national submission on BWC CBMs.

As a developing country with significant capabilities in the biotechnology sector, India is both a provider and a receiver of assistance in various areas related

to biotechnology. India has provided assistance to African, SAARC, ASEAN and other countries in the form of training facilities, exchange of materials, medical aid etc. One such project is the "Pan-African e-Network Project" under which India has utilized its expertise in the pharmaceutical and biotechnology industries and Information Technology to provide ingenious technology-led solutions in public health to African countries.

Export controls are an essential component of international cooperation to ensure that disease causing organisms and pathogens do not fall into the hands of terrorists and are used only for peaceful purposes. India's export control system effectively regulates the export of almost 150 micro-organisms and toxins. Genetically modified micro-organisms or genetic elements that contain nucleic acid sequences associated with pathogenicity and are derived from the listed organisms are also controlled.

Mr. Chairman,

We have taken note of your Synthesis Paper reflecting a broad range of issues covered during the Meeting of Experts. We would like to acknowledge that the Meeting of Experts held in August this year was useful and productive. The Meeting provided us an opportunity to understand the disease surveillance systems of various countries, and importantly, it highlighted several examples of international cooperation, as well as difficulties faced by many developing countries in obtaining equipment, material and technology for peaceful uses under BWC. The Working Papers and presentations made by national delegations and international organizations contained many useful ideas and suggestions. Our experts from capital actively participated in the Meeting of Experts and shared information on India's capabilities and perspectives.

India will be submitting a working paper elaborating India's experience in international cooperation in the context of Article of the BWC, including on disease surveillance and control. During this meeting we will also share our experiences in dealing with HINI Pandemic.

Mr. Chairman,

In conclusion, I would once again like to stress the importance of international cooperation in BWC related issues and the full and effective implementation of Article X of the Convention. I assure you of my delegation's support for the success of this Meeting.

Thank you.



**INDIA'S FOREIGN RELATIONS - 2009**

**SECTION - XI**

**INDIA AT THE UNITED NATIONS**



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**718. Statement by Deputy Permanent Representative at the UN Ambassador Ajai Malhotra at the resumed 10th Special Session of the UN General Assembly.**

**New York, January 15, 2009.**

**Mr. President,**

We are meeting today on the margins of a serious crisis in West Asia. It is a crisis that impacts upon the stability of the region and beyond, to the world at large. We deeply regret the loss of all civilian lives - every innocent life lost is one too many. It is important that there is an end to the vicious circle of violence and counter-violence.

Speaking on the situation in Gaza, the Prime Minister of India, Dr Manmohan Singh, expressed concern at the rise in tensions in the region as a result of the attack on Gaza that has led to the needless loss of lives of so many innocent men, women and children. He said "India has strongly condemned these incidents and it is our hope that the international community would get together and help restore peace in the region as soon as possible. I wish to reiterate our unstinted and unwavering support for the just Palestinian cause". We support ongoing initiatives, including that of the UN Secretary-General, for an immediate, durable and fully respected ceasefire as called for by UNSCR 1860 (2009), with which all parties should comply.

**Mr. President,**

In your circular letter of January 7, 2009, you have specifically asked this Assembly to "consider the ongoing humanitarian situation". The deteriorating situation in Gaza has drawn the attention of the Government of India and the plight of the population has become heart rending. The daily time table of a three-hour cease fire does not appear to be producing any favourable changes in the situation. The situation on the energy front appears extremely grim as nearly three-fourths of the Gaza population is now without any electricity and the prospects, with no fuel oil available, appear even more serious. The situation on the food front in Gaza is no better. Some 750,000 people are without access to food. We express serious concern at the plight of the million and half Gaza civilians living in a permanent state of fright. There is therefore an urgent need for assured humanitarian access for provision of essential commodities in Gaza.

Given the scale of the humanitarian disaster unfolding in Gaza, and the escalating number of civilian victims, in response to the Flash Appeal made recently by United Nations Relief and Works Agency (UNRWA), India is extending assistance of US\$ 1 million for use by the Agency to provide shelters, cash assistance and essential household items to the affected

families in Gaza. India has also announced a grant of \$10 million as budgetary support for Palestinian National Authority, besides an additional sum of US \$10 million in project assistance.

**Mr. President,**

In parallel to all this, we must urgently reinforce our collective message that all actions that run counter to the commitments of the parties under the Roadmap must cease. India remains steadfastly in support of a political solution, based on the Road Map and the Arab Peace Initiative. It is important to move forward towards the early creation of an independent, sovereign and viable State of Palestine, living side by side with Israel, within secure and internationally-recognized borders.

**Mr. President,**

India wants to see the creation of an environment for the earliest possible resumption of dialogue under the peace process and it seeks an immediate end to the suffering of the people of Gaza.

Thank you, Mr. President.



**719. Statement by the Counsellor at the Permanent Mission at the UN Dr. Anupam Ray on Agenda Item 3-First regular session 2009 of the Executive Board of UNDP/ UNFPA: Resumption of UNDP Country Programme in Democratic People's Republic of Korea.**

**New York, January 21, 2009.**

**Mr. President,**

The Government of India supports the early resumption of UNDP operations in DPR Korea in accordance with the proposals submitted by UNDP for consideration by the Executive Board. The Government of India is of the view that UNDP activities and the developmental agenda should be guided entirely by development objectives.

Thank you,



**720. Statement by Minister at the Permanent Mission at the UN Tranjit Sandhu on United Nations Peacekeeping Operations at the Security Council.**

**New York, January 23, 2009.**

**Mr. President,**

Before I begin, I should inform you that Ambassador Sen is indisposed, and he has asked me to represent him at this debate today.

Thank you for arranging this debate on a critical and very visible aspect of the work of the United Nations. Peacekeeping is a subject that involves the larger membership of this world body, and it is entirely appropriate to consider how this crucial activity can be improved, especially at the current juncture. Today, over 140,000 personnel have been authorized to serve as peacekeepers in 18 operations that are deployed across five continents, at a total budgeted cost of \$7.2 billion. These statistics illustrate the size and scale of the task that peacekeeping involves. The thoughtful briefings provided separately by the Under Secretaries-Generals for Peacekeeping and Field Support illustrate several of the challenges in this regard. Suggestion made by them merit greater consideration by all stakeholders, within and outside this Council. We also align ourselves with the statement to be made by the distinguished representative of Morocco on behalf of the NAM.

While the number of peacekeeping operations may not have increased greatly in the last decade, there has been an unprecedented surge in the number of peacekeepers deployed. This surge has generated enormous challenges, not merely because of the numbers involved but also because of the manner in which some missions have been established, the mandate provided to them, and not the least, the tools they have been provided. From this standpoint, it is a very welcome step that this Council has scheduled today's discussion on peacekeeping at this juncture, and India felicitates France for doing so under its Presidency of the Council this month. Mr. President, Article 24 of the Charter defines the functions and powers of the Security Council in the maintenance of international peace and security. That Article begins by underscoring that these powers were being conferred on it "in order to ensure prompt and effective actions by the United Nations".

However, when the Council is neither prompt nor effective in its consideration of such challenges, it ceases to discharge its primary responsibility. There are a number of examples which are perhaps best not elaborated at this

junction, although some of these have been mentioned by previous speakers. It is in this context that the powers of the Council in the context of its operational efforts in the maintenance of peace and security need to be read in consonance with Article 44 of the Charter. In the current international context, that Article should be read to imply that the Council should invite non-Council Members to participate in the decisions of the Security Council concerning the employment of contingents of that Member's armed forces. Clearly, therefore, the Charter visualized peacekeeping as a tool jointly invented and honed by the Council and the General Assembly. It was not intended to be an attribute of the power accorded to the Council by the Charter. Regrettably, in reality, the Security Council has completely monopolized its hold on UN Peacekeeping operations.

The corollary of this is of course the fact that the Council bears major responsibility for the situation as it exists. It is therefore timely for the Security Council to seriously make an in-depth review of the situation as it obtains today, including the question of whether it should continue to have exclusive monopoly of establishing and running peacekeeping operations. Mr. President, India has been a leading proponent of the view that the mechanism of triangular consultation between Troop Contributing Countries, Security Council and the United Nations Secretariat must be energized. In this context, we do note the holding of Private Meetings under the format established by Resolution 1353, and the increase in the frequency of briefings by the Secretariat for TCCs.

However, such briefings continue to be held on quite literally on the eve of renewal of Mission mandates, making them proforma exercises, as there is little real scope for serious or meaningful discussion. We reiterate the imperative of involving TCCs both early and fully in all aspects and stages of mission planning. This should include the stage of preparation and planning of the operation, in the monitoring and conduct of an operation, and finally, in the evaluation of an operation, including the identification of lessons learnt. Their views, if found reasonable, must be reflected in mission mandates. It must be borne in mind that today, many of those who have the final say in Security Council resolutions often do not participate in their implementation, and are therefore not called upon to bear the brunt of criticism when Missions face difficulties if their mandate is unrealistic or the means authorized inadequate.

In this context, Mr. President, the draft Concept Paper circulated in the context of today's debate-the start of a "collaborative process"-does not appear to envision substantive collaboration in the context of the involvement

of Troop Contributing Countries. I must reiterate that the experience of functioning in an operation gives Troop Contributing Countries a unique ability to contribute to the planning process. TCCs can assist the Council making appropriate, effective and timely decisions on operations. The 2008 Report of the Special Committee on Peacekeeping Operations acknowledged this and called for substantive consultations with Troop Contributing Countries during all stages of PKOs. It is time that these recommendations are implemented in letter and spirit, in order to achieve meaningful outcomes. These should include moving towards an integrated approach, and to establish effective strategic oversight by those members-inside and outside the Council--with stakes in a particular peacekeeping operation.

**Mr. President,**

There are a few more specific points that I should like to underscore. Firstly, it must be reiterated that there can be no peacekeeping operation when there is no peace to keep. That is to say, peacekeeping must be built upon a peace agreement that is credible, not the other way around. Secondly, troops are contributed by contributing countries to a larger cause: that of peace in far off lands. The safety and security of UN peacekeepers must be of paramount concern to this organization, in whose name they serve. The tally of sacrifice by peacekeepers in the years past underscores these concerns. Furthermore, India fully supports implementation of a policy of zero tolerance with regard to conduct and discipline of troops, including sexual exploitation and abuse. There is a need for raising awareness of those entrusted with managerial and command responsibilities as well as establishment of standards of conduct, training and investigation. Careful preparatory training, in terms of a multi-cultural, pluralistic and tolerant outlook, is as important as swift punitive action once culpability is established.

It is also desirable to evolve professional training programmes for peacekeepers in consultation with Member-States. Here too, the experience of troop contributors with a long history of assisting in peace operations should be fully drawn upon by integrated training service. We are in support of greater cooperation by the United Nations in peacekeeping efforts. However such programmes must be in accordance with Chapter VIII of the UN Charter. The United Nations cannot absolve itself of its responsibility under the Charter for the maintenance of international peace and security. The real challenge before the UN is to strengthen peacekeeping without regionalizing it. Mr President, India stands committed to continue to assist

the United Nations in maintenance of international peace and security. India has a proud history of contributing to UN peacekeeping, which dates back to the inception of this activity in the 1950s.

Over the decades, India has contributed nearly 100,000 troops and participated in over 40 missions, including in some of the most challenging operations. We salute the 118 personnel of Indian forces, as well as peacekeepers from other countries, who have made the supreme sacrifice in the interests of world peace, while serving in various UN missions. Mr. President, we look forward to constructive and meaningful engagement with the Security Council to carry the debate forward and ensure fruition of our joint efforts, in this very visible activity of the United Nations. We hope that through our collective efforts, we can evolve greater coherence and integration in the process of identifying solutions to the challenges before international peacekeeping.

Thank you, Mr. President.



**721. Statement by the Deputy Permanent Representative at the UN Ambassador Ajai Malhotra at the NAM Ministerial Conference on the Advancement of Women towards the Millennium Development Goals.**

**Guatemala City, January 23, 2009.**

**Madam Chairperson and the First Lady of Guatemala, Her Excellency Mrs Sandra Torres de Colom,**

**Excellencies,**

**Distinguished delegates,**

It is an honour to participate in this second NAM Ministerial Conference on the Advancement of Women. We are particularly grateful to the Government of Guatemala for the excellent arrangements made and for the warm welcome and traditional hospitality extended to us in this beautiful capital city.

**Madam Chairperson,**

The set of Millennium Development Goals [MDGs] that are to be achieved by 2015 form a minimum core of development objectives that must be met in order to provide a better quality of life to humankind. They envisage gender as a cross cutting and overarching theme. Unfortunately, the mid-term MDG review, carried out in 2008, reveals that progress so far has been mixed and considerable gender gaps remain. The resource crunch at the international level and inadequate forward movement at the domestic level are standing in the way of our achieving the MDG goals. It is particularly disconcerting that most donors are not on track to meet their stated commitments under MDG 8, which envisages a global partnership as a key element to the universal attainment of the MDGs. We need to more determinedly confront the challenges before us.

**Madam Chairperson,**

Women's education and empowerment has a positive and enlightening impact on the lives of men and children. Women are agents of social justice and social change and without their full emancipation there can be no real social progress or sustained socio-economic growth. Besides an effective policy framework and a comprehensive approach to women's empowerment, we also need progressive legal provisions, the active



involvement of women in planning and decision making, and the creation of a database of gender disaggregated information as a monitoring tool. Furthermore, we need to secure new and additional financial resources, and the transfer of appropriate technologies, and buttress it all by sharing experiences, expertise and data amongst ourselves.

**Madam Chairperson,**

Given the diversity within NAM, no single approach can address women's empowerment and gender equality issues. Nevertheless, for any approach to succeed it would inevitably have to include speedy implementation of legislative and policy measures for the greater empowerment of women, besides gender mainstreaming at all levels. Additionally, the gap between de jure and de facto equality needs to be sharply reduced, with policies implemented to secure a changed reality on the ground.

**Madam Chairperson,**

New avenues for South-South cooperation in the field of advancement of women need to be identified by crystallising practical suggestions and methodology for enhanced cooperation among NAM member states. Economic empowerment of women can be realised through the creation of viable income generation activities, while cross learning can play an important role in enhancing skill development. For example, exchange programmes covering Self Help Groups from NAM countries can enhance their exposure and open avenues for learning new skills and promoting market development, benefiting all concerned.

**Madam Chairperson,**

We must also collectively think of progressing our agenda beyond the Beijing Platform for Action and the achievement of the MDGs. While pursuing gender equality goals there is a need to move ahead and also consider issues such as the growing female migration that is being largely driven by a desire for increased income, as well as the impact on women of the global crises affecting food and finance. We could also consider exploring enhanced legal protection for women migrants, as well as engendering trade related protocols. Future NAM meetings may also like to look at the impact on women of natural calamities, besides man-made ones.

**Madam Chairperson,**

Over one million Indian women at the grassroots level were brought into political decision making following the reservation thirteen years ago of

one-third of all urban and local self-government posts in India for women. A similar reservation of seats for women in the Indian Parliament remains under consideration by the Government. India's Joint Parliamentary Committee on Empowerment of Women independently monitors equality and empowerment of women and ensures that Indian legislation is gender responsive. India's planning process is fully committed to enabling women to be equal partners in development, while gender equity and equality are key guiding principles that we pursue. We are undertaking gender budgeting and creation of a database of gender disaggregated information to enable us to better appreciate whether our women are properly benefiting from the policies and programmes instituted for them. Moreover, India's planning focus has shifted beyond mere empowerment of women to recognising them as fundamental agents of sustained socio-economic change and development.

**Madam Chairperson,**

NAM has consistently played a crucial role on important global issues, such as decolonization, apartheid, Palestine and a non-discriminatory approach to disarmament and development. Socio-economic and developmental issues are also major themes for substantive South-South cooperation and solidarity. We look forward to NAM's continued leadership of efforts to secure the advancement of the status of women.

In conclusion, I would like to reaffirm India's unstinted support for NAM activities in advancing the status of women through promoting gender equality and securing women's empowerment -- legal, political, educational and socio-economic empowerment -- on a sustained basis.

Thank you, Madam Chairperson.



**722. Statement by Counsellor at the Permanent Mission at the UN Arindam Bagchi at the handover ceremony of the Chairmanship of the Group of 77.**

**New York, January 23, 2009.**

**Mr. Chairman,**

I would like to join others before me in felicitating your Excellency on your election as Chairman of the Group of 77 for 2009. We wish Sudan the very best for its tenure as Chair of our Group, a task that we are confident will be discharged efficiently. I would also like to convey India's deep appreciation to Antigua and Barbuda for the leadership it provided to the Group during the past year. My felicitations go to Ambassador John Ashe and his team for their able and dedicated efforts in promoting the Group's interests at various UN fora during the past year. We are particularly satisfied that a Small Island Developing State has successfully led the G-77.

Indeed, the continuing success of our Group has been in its ability to project the needs and concerns of all its members, including the Least Developed Countries, the Landlocked Developing Countries, the Small Island Developing States, the African countries and others who are vulnerable and need our special support. This spirit of unity and solidarity among developing countries must be maintained and strengthened.

As has been noted by others, the year 2008 presented a set of complex and special challenges for developing countries. The ongoing financial crises, which was caused by developed country markets and whose end appears nowhere in sight, has made our development challenges even more acute. The financial crisis must not be an excuse for the developed countries to renege on the fulfilment of their commitments.

The crisis has also demolished the myth that the need for reform is limited to developing countries. Clearly, a global and comprehensive effort is required, both to address the short-term effects and the need for long term reform, with effective participation by developing countries. A global governance regime, that does not reflect the realities of today and give adequate voice and participation to developing countries, cannot succeed.

The Monterrey Review Conference was yet another challenging event. It is a tribute to our collective efforts that despite the grave economic circumstances in which the meeting was held, we were able to protect our interests. We must ensure effective follow-up of its decisions.

The ongoing climate change negotiations in the UNFCCC demonstrate clearly that the support and willingness that we expect from the developed countries is lacking. The Group of 77 must continue to maintain its unified approach, based on the principle of "common but differentiated responsibilities", which recognizes the differences in the contribution of developed and developing countries to global environmental problems as well as the differences in their respective financial and technical capabilities to tackle such problems.

It is a matter of satisfaction that the South Fund was operationalised during 2008, as also the successful holding of the Twelfth Inter-governmental Follow-up and Coordination Committee on Economic Cooperation among Developing Countries in Cote d'Ivoire. South-South technical and economic cooperation is the bedrock of our solidarity. In this regard, I would like to reiterate India's readiness to further expand and intensify our South-South cooperation initiatives with our developing country partners.

The solidarity of Group was clearly demonstrated yet again during various negotiations in New York, including the strengthening of the Development Pillar, Human Resources management reforms, ICT reforms, Administration of Justice, Law of the Sea issues, etc. The approval by the GA of UN Secretary-General's proposals regarding the strengthening of the Development Pillar of the UN Secretariat is a welcome first step in addressing the critical gaps that exist between the organization's capacity to deliver on the development related mandates. We look forward to the continued solidarity of the Group in furthering issues of common interest.

Before concluding, permit me to reiterate our best wishes to Sudan in its efforts during 2009 to articulate the concerns of developing countries.

Thank you, Mr. Chairman.



**723. Remarks adapted from the extempore remarks of the Permanent Representative at the UN Ambassador Nirupam Sen at the meeting of the Open Ended Working Group.**

**New York, January 26, 2009.**

At the outset, I wish to thank you, Mr. Chairman, for organizing this meeting. At our last meeting on 19 January 2006, one UFC member termed GA Decision 62/557 as "contentious". This is indeed shocking - it only demonstrates that while the UFC uses the mantra of consensus, it does not respect decisions actually taken by consensus. "Good faith" appears to be limited to a slogan. Similarly, there seems to be no respect for the GA Rules of Procedure which enjoy consensus: the attempt is to impose rules that suit a minority. It is, therefore, strange to suggest that the only proposal is the Canadian proposal, as was done by some members of the UFC. There is a proposal that was adopted, that exists and that enjoys consensus - the established GA Rules of Procedure. It is clear that this lack of respect for consensus decisions has been guiding UFC's efforts in presenting documents whose contents have been categorically rejected by the membership. Using terms like principles, procedures, modalities, objectives, etc. cannot hide the real attempt to resuscitate old and rejected ideas. I had commented on the paper circulated by Canada and Malta at the last meeting. Our views have only been strengthened by a more detailed reading of the document. Let me reiterate - this document can only be seen as an attempt to reopen unanimous Decision 62/557. The document itself is based on an earlier paper presented by Argentina and Spain. In fact, it is interesting how the UFC attempts to show that various ideas have emerged during these OEWG meetings. However, the reality is that it is the UFC that is periodically re-circulating its rejected ideas, while the overwhelming majority wants intergovernmental negotiations to commence urgently.

I commented last time on the Canada/Malta Paper immediately after it was presented. It is astonishing that those who propose the principle of democracy, oppose voting. Do they not vote in their democracies? Again we have such gems like ensuring full ownership and ensuring the full accommodation of the interests of all regions. All GA Decisions have the ownership of the General Assembly members. The African Union is the only region that has articulated its interests as a region on Security Council reform. No other region has been able to do this. In this sense, one cannot accommodate what does not exist. The principle is therefore part tautology,

part absurdity. "Negotiated solution" was rejected on 15 September 2008 not because anybody is against negotiations but because after prolonged negotiations that would widen to the maximum extent the area of agreement, a vote may become necessary. The final step may not be possible without this because of the wide gulf between two opposing viewpoints. One of the Permanent Members said that the objective of the reform is better representation, specially of developing countries. We agree with the sentiment but disagree with expressing only a part of the objective. We cannot be selective.

It is also not necessary to discuss the objective of the reform. It was adopted at the highest level by consensus in the World Summit Outcome Document of 2005 which says that the Council should be reformed "in order to make it more broadly represented, efficient and transparent and thus to further enhance its effectiveness and the legitimacy and implementation of decisions." One cannot also selectively use historical memory or forget the past. In December 1992, the General Assembly invited member states to present their views on reform. One hundred responded. The overwhelming majority wanted to make the Council more representative; increase the influence of the South and break the monopoly of Permanent Members. In the OEWG at that time, a majority was clearly in favour of increasing Permanent Members. One is therefore forced to conclude, is that the only reason for discussing the objective of the reform is to go on discussing the objective till, through sheer exhaustion, you make it concise with your objective. Our view is shared by most other delegations - let me stress that the forty countries of the L.69 group have formally conveyed in writing to the PGA that they cannot accept the introduction of concepts in the papers submitted by the UFC as these amount to reopening Decision 62/557 under the guise of discussing framework and modalities. Thus, we do not agree with any of the proposals presented by the UFC. We hope that this would be clearly reflected in your presentation to the informal GA plenary.

Let me also clarify our position on how the work of the OEWG is to be concluded. The last part of para (c) of Decision 62/557 clearly mandates the Chair of the OEWG to present the results of the consultations to an informal GA plenary before 1 February 2009. It does not talk about an OEWG report, as some of our UFC colleagues have emphasized. In any case, given the lack of consensus, there can be no report of the OEWG. Rather, you are mandated to convey to the informal GA plenary the results of the consultations. Presumably, this would be through an oral statement by you. We agree with one of the Permanent Members and other members

that the presentation should be oral. The logical basis of this is that there is no agreement and therefore no justification for a written presentation. The result can be summed up easily. Some members of the UFC periodically re-circulated ideas rejected on 15 September and, not surprisingly these were again rejected. That is the sole net result of so many weeks of consultations. Most delegations feel that GA rules of procedure are sufficient to cover framework and modalities of the intergovernmental negotiations. With the above action by you, Mr. Chairman, no further action of the OEWG is required.

In any case, as we have been stressing for some time, commencement of intergovernmental negotiations is not dependent in any way to the work of the OEWG. Let me recall the term "so far" in para (d) of Decision 62/557, which makes it abundantly clear that the GA plenary would only take note of what the OEWG has done till September 15, 2008; it is not bound to take note of what the OEWG does subsequently. One of the members of the UFC asked why para (c) at all figures in Decision 62/557 if the OEWG is not supposed to agree on framework and modalities. The reason is clear: in terms of this Decision, the OEWG is free to come up with ideas; if these are useful, they would be taken on board; if not, not. Some delegations have highlighted that negotiations will be held in "informal" plenary of the GA, rather than in "formal" plenary - as if to impute that the negotiations are not really formal or serious. This is yet another futile attempt to delay and complicate the process of UNSC reform. As we are all aware, all negotiations are held in the informal GA Plenary, and in fact on most occasions in "informal informals". This does not detract from the seriousness and importance of such negotiations. There are clear rules and procedures that guide these processes, and, most importantly, these negotiations continue to the UNGA negotiations. It is abundantly clear that negotiations on UNSC reform in informal plenary of the GA are under the authority of the UN General Assembly.

The UFC is therefore simply trying to obstruct and delay negotiations through these artificial distinctions between informal and formal plenary. One of the UFC members also said that in informal plenary there are no records and no voting, he should look up the repertory of practice the Conference on the Law of the Sea did maintain records for informal plenaries but carried a different number. The informal plenary also conducted a secret ballot regarding the seat of ITLOS and International Seabed Authority which was then included in the final text of the convention. During the discussion, I was often reminded of what the political philosopher Thomas Hobbes once

said: "If the theorem of Pythagoras is against your interest, you would strenuously deny its truth". This is exactly what the UFC has been doing. It was amusing to hear one member of the UFC speak of others not understanding the question and therefore not knowing the answer in an examination. It is quite clear that if there is one examination that the UFC would fail, it would be an examination in geometry. There is little point in deluding oneself, trying to delude others, and by trying to delude others further delude oneself. The time has now come to commence intergovernmental negotiations. Let us not shy away from this unanimous decision, or attempt to shackle the negotiations before they even start. As we have seen for the last so many years in the OEWG, further procedural discussions cannot move the process forward. The meetings of the OEWG during the 63rd session have clearly demonstrated the futility of further efforts in this body. We therefore urge you, Mr. Chairman, to fully implement Decision 62/557 and convene an informal GA plenary to commence intergovernmental negotiations.





**724. Ex-tempore remarks by Permanent Representative at the UN Ambassador Nirupam Sen at the Informal Plenary of the General Assembly.**

**New York, January 29, 2009.**

We thank the President of the General Assembly (PGA) for his presentation of the results of the consultations of the Open Ended Working Group (OEWG) since the start of the 63rd UN General Assembly Session and express our appreciation of the hard work done by Ambassador Zahir Tanin, Permanent Representative of Afghanistan who has chaired these meetings.

We are grateful to the PGA for announcing that the inter-governmental negotiations will commence on February 19th. We look forward to receiving his Work Plan and the short term Schedule of Meetings on the five key issues. In addition, we join the couple of speakers who have just spoken in stating that the best way to organize these negotiations would be for the PGA to prepare a composite paper that would aggregate, under each of the five key issues, the positions and proposals of the member states which is the basis for negotiations in terms of the unanimously adopted Decision 62/557. This would make possible systematic negotiations on these proposals and help to simplify the range of options for Security Council reforms as well as reveal the range of support.

One of the Permanent Representatives from the Uniting for Consensus spoke of listening to the small states. We have now listened to the voice of the small states - to Singapore, to Saint Vincent and the Grenadines, to Barbados. We endorse entirely what they have said. As the PGA has said, our lodestar will be Decision 62/557, the UN Charter, the World Summit Outcome Document, the relevant UN GA Rules and Procedures and the repertory of practice. As Saint Vincent and the Grenadines said, and I would like to reiterate this, the views of the member states can be taken into account only to the extent that they are consistent with these documents. The Rules of Procedure already exist: there is no need to re-invent the wheel.

The PGA now, and once before, spoke of the OEWG's great achievement of September 15, 2008. It is useful to examine in some detail the basis of this achievement. It was only made possible when legal advice showed that a vote could be taken in the OEWG and physical preparations were made for voting and there was a readiness to vote. In short, the achievement was not of the OEWG but in spite of the OEWG, not of following the OEWG's

traditions and conventions but of breaking with these, of basing ourselves on the GA Rules of Procedure. In short, it was an achievement of the GA Rules of Procedure and shows that they have to be the lodestar.

In conclusion, let me recall the Latin saying: "Hic Rhodus, hic salta" (the rose is here, dance here). This is what the Uniting for Consensus were trying to tell us in the OEWG but we found that what they offered were not roses but artificial and painted flowers. In spite of this, by blocking or trying to eliminate real flowers they were not able to hold back the spring. We look forward to the spring.

I thank you sir.



**725. Statement by Permanent Representative at the UN Ambassador Nirupam Sen on Agenda Item 3 [A] - Follow-up to the World Summit for Social Development and the 24th Special Session of the General Assembly -Priority Theme: Social Integration at the 27th session of Commission for Social Development.**

**New York, February 5, 2009.**

**Madam Chair,**

On behalf of the delegation of India, I would like to convey our warmest felicitations to you on your election. I assure you of my delegation's full cooperation and support in guiding the deliberations of this Commission. I also congratulate other members of the Bureau. We associate ourselves with the statement made by Sudan as Chairman of the Group of 77.

**Madam Chair,**

The Copenhagen World Summit for Social Development of 1995 and the 24th Special Session of the General Assembly recognised that economic development, social development and environment protection were interdependent and mutually reinforcing components of sustainable development and a better quality of life. It also acknowledged that social development should be accorded high priority for the well being of humankind and for the creation of a "society for all". It identified that addressing socio-economic problems of poverty, employment, social integration and an inclusive decision making process was the main pillar of social development.

**Madam Chair,**

Social integration was considered an important commitment as it was necessary to foster a stable, safe and just society in order to not only promote and protect human rights and fundamental freedoms but also to develop non-discrimination, tolerance, respect for diversity, equality of opportunity, solidarity and participation of all in society. In the 13 years since the World Summit, modest progress has been achieved in social integration, with setting up of a Treaty Body to address the issue of the disabled, adoption of a UN Declaration on Indigenous People's, as well as adoption of several commendable Programmes of Action for various social groups. However, international action needs to be commensurate with appropriate national action at governmental level.

**Madam Chair,**

There is no "one size fits all" solution for social integration at the national level. As most countries have evolved their own policies and programmes for social integration, this multidimensional concept still needs to be well understood and addressed. This is particularly important now, as the world is passing through difficult financial and food crises, which has a direct impact on various national programmes. More so, these exacerbate social imbalance, and makes vulnerable groups more susceptible. This also leads to social tensions, further threatening social cohesion. The Commission for Social Development has rightly identified social integration as the priority area for 2009-2010. This will encourage a closer evaluation by all, of the concept of social integration and help countries to learn from each others experience.

**Madam Chair,**

In India, we have been using a social integration approach since our independence by ensuring that despite different backgrounds, age, sex, ethnicity, religion or region, social development is accessible to all and there is no barrier to anyone in his or her overall development. To illustrate this, in our Constitution, we have introduced the concept of universal adult suffrage for all citizens of India, above 21 years, regardless of sex, ethnicity, religion, physical status. Also, all regions have been given proportionate representation, based on the total population, in the national Parliament. The concept of grassroots governance also matured as we enacted the Panchayati Raj System in the 1990s, enabling each village to elect its own decision making body at the village level, to decide on developmental activities. This concept is a unique example of social integration, as reservations have been provided to various communities as well as to women to get elected so that they can actively decide on social development programmes affecting their community in a targeted manner. The framers of our Constitution were right. As the authority on constitutional law, Granville Austin, said: "The leaders" leap of faith that constitutional democracy and a constitutionally pursued social revolution would succeed" has "been justified". The social Jacobinism of the formerly marginalised has been expressed entirely through democratic electoral politics and has led to equality of groups and not just individuals, leading to social integration.

In order to address an affirmative government role in improving the economic conditions of the society, a series of five year developmental programmes have been introduced. Currently, we are implementing the 11th Five Year Plan for the period 2007-12. These programmes use the concept of social integration to mainstream policies and programmes in all sectors by evolving a comprehensive strategy with an inclusive development philosophy. Thus,

the current Five Year Plan, with the objective of empowering women politically, educationally, economically and legally, has made gender a cross-cutting theme in all its programmes. Apart from planning from above, there is grass root mobilisation from below. The National Rural Employment Guarantee Scheme not only gives 100 days employment to every rural household and greatly improves wage levels but, because it is demand-driven, has been revolutionary instrument of empowerment, of breaking down social inequalities and ensuring social dignity.

**Madam Chair,**

In addition to making the process of social integration inclusive and participatory by including all in governance, a significant process of transparency has also been introduced in India in 2005, with the enactment of "Right to Information? Act. By it, each citizen is given a right to seek information regarding government action or inaction, thereby, lending a voice to the citizens to review Government policies. This has also encouraged a more participatory approach by people and has made government functionaries more responsive and accessible to society in general and people in particular.

Mainstreaming of social policies into macroeconomic policies is necessary, not just at the national level, but also at the international level. Poverty, ignorance and disease still afflict millions of people and the commitment to achieve the ambitious targets set by the Millennium Development Goals, which is essential not just for global prosperity and welfare, but also for social development, still remains a challenge. With the current financial crisis exacerbating this challenge, there is a greater need for developed countries to fulfil their commitment of transferring financial resources to the developing countries and reaching the target of 0.7% of Gross National Income as ODA as a matter of priority.

**Madam Chair,**

In conclusion, we reiterate our resolve to promote social development and achieve greater social integration of youth, senior citizens, the disabled, women and other groups in national and international economic activities. Towards this end, we welcome the priority theme of social integration of the Commission and hope that the outcome of its deliberations will help states to develop more socially inclusive and cohesive development policies and programmes in future.

I thank you, Madam Chair.



**726. Remarks adapted from the extempore remarks by Permanent Representative Ambassador Nirupam Sen at the Informal meeting of the General Assembly plenary on Security Council reform.**

**New York, February 19, 2009.**

**Mr. Chairman,**

Let me begin by expressing my appreciation of the leadership of the President of the General Assembly and of the manner in which you have conducted the process since your appointment. Today marks only the formal and not the substantive commencement of intergovernmental negotiations on the comprehensive reform of the UN Security Council. Substantively, today cannot be seen as the beginning of negotiations. In this sense, my colleague and friend, the distinguished Permanent Representative of Saint Vincent and the Grenadines was right. We have not in this sense, implemented Decision 62/557 which was supposed to be our lodestar. If we continue in this way, we would simply be continuing the OEWG under another name and thereby contravening Decision 62/557 in substance just as we have not implemented it in terms of dates since actual negotiations will begin on March 4 instead of by February 28.

Today has finally come after 15 years of consultations in the OEWG with no concrete outcome, and it has come despite Herculean efforts by a minority to block any possibility of real negotiations. Today, in a formal sense, is a historic turning point but this minority is still trying to ensure that history does not turn. I will not dwell on the rather sad fate of those who have tried to hold back the wheels of history.

**Mr. Chairman,**

At the beginning of your statement, you had referred to the misspelling in one of the San Francisco documents - "The untied nations". While I agree with the point you made, there are cases like the present one where some untying is useful and necessary - untying ourselves from the OEWG, from its style and methods, from its numbing, paralyzing touch. You also spoke of moving from the antechamber to the negotiating hall. As we have seen today, there are some countries who would like to keep us in the antechamber for ever. One of them spoke of the ambition of a few but even if this were to be so, it is as nothing compared to the ambition to those who

are attempting to keep us in this antechamber for ever. It was astonishing to hear proposals that were defeated on 15 September 2008 that totally failed to get support in the OEWG being resuscitated. I am glad you reiterated what the President of the General Assembly stated on January 29, namely that our guiding principles would be the UN Charter, UN Rules and Procedures (naturally including the GA Rules of Procedure), the World Summit Outcome Document and past practice. As stated by a majority of speakers on January 29, inputs from member states can only be taken on board if they are in consonance with these documents and sources.

**Mr. Chairman,**

The frequency of meetings must be increased - the work plan currently envisages a meeting every two weeks which is inadequate. As it stands, the work plan is more plan than work. As you know in the fairy tales, all work and no play is supposed to lead to dullness. But the reverse - in this case all plan and little work - would lead to even greater dullness. I agree with the remark by the Permanent Representative of Malta that we should listen to the small states. We can make a good beginning by listening to Solomon Islands and Saint Vincent and the Grenadines who have called for at least two meetings a week, a call endorsed by South Africa, Nigeria and many other states. Solomon Islands has one of the smallest missions in the UN and if they are comfortable with two meetings a week ( an index of their commitment to reform and their understanding of its urgency) then we would suggest meeting twice a week to keep the momentum - exact dates of the meetings should be informed in advance. The minority that opposes this, again does not want progress or even actual negotiations.

The most important issue is that there be a document or text on which to negotiate and focus on. Only then can negotiations be fruitful. The PGA has referred to a summary of proposals included in A/62/47 - this is a welcome recognition in principle of the need for a composite text. However, the document referred to does not automatically translate into a document on which negotiations can be held. Instead, we need to arrange all the proposals under various key issues. We would request you again to prepare such a document. Delegations could then be asked to focus their response on the various options available under each key issue. The previous speaker said that this would circumscribe and make less inclusive the negotiations. We do not see how: all proposals of member states till the eve of March 4 can be included in the composite paper and on March 4 during negotiations any member state is free to include a proposal that has not been included or

make an additional proposal for inclusion. If such a composite paper is not made available, we will end up with a repeat of the OEWG format - statements by various delegations on each of the key issues. We don't need to repeat this process - this has been going on for 15 years. The minority that does not want real negotiations looks forward to wasting March, April by simply making statements on proposals and thereby converting the Informal GA Plenary into an OEWG. We cannot accept this. One of our friends quoted an English statesman. Let me refer to another political figure who said that certain types of negotiations become like picking up mercury with a fork. Another political figure said that we should then use a spoon. The minority I have referred to should examine its own recent history and it will see that this is entirely Mephistophelean: they have achieved the opposite of what they wanted; they achieved the opposite of what they wanted on 15 September 2008; they achieved the opposite of what they wanted in the OEWG; and they will achieve the opposite of what they want now: they will compel us to use fairly quickly the spoon of the formal GA Plenary.

**Mr. Chairman,**

In conclusion, let me make an important practical point. We would recommend for the negotiations an interactive format rather than the format of prepared statements so that member states can react immediately to specific proposals and ideas. From your own experience today, it is clear that there should be no pre-determined sign up sheet for the list of speakers. Member states wishing to react to specific proposals or aspects of proposals specifically and concretely should simply raise the flag and react. We have to have actual negotiations and not waste time with yet another round of set statements. I shall not dwell on the substance of reform which I shall do when we negotiate on each theme but I would like to, before closing, endorse what our African colleagues have said, a point that was emphasized by many of them, specially the current Chair of the African group - it is not just a question of under representation of Africa but of its non representation in the permanent membership.

I thank you, Sir.





**727. Intervention by Deputy Secretary Ministry of Environment and Forests Ms. Saheli Ghosh Roy during the Thematic Discussion on "Small Island Developing States" during IPM to CSD-17.**

**New York, February 23, 2009.**

- SIDS, like many developing countries, have been particularly affected by the current financial crisis. This needs need to be given particular attention.
- SIDS must also be supported in their efforts to prepare National Adaptation Plans of Action, and implement projects identified by such Plans.
- In the spirit of solidarity that governs South-South cooperation, India has been honoured to contribute to the development efforts of SIDS by sharing its experience and expertise, as well as intellectual and technological resources.
- In its cooperation efforts with SIDS, India has shared the experience gained from addressing similar concerns in the large number of small islands within its territory.
- Overall, India has committed project aid of US\$ 70 million to SIDS, in addition to US\$ 350 million in concessional loans and credit lines.
- However, efforts by fellow developing countries like India can only supplement the efforts required from the international community. Developed countries must, with a sense of urgency, fulfil their obligations of adequate financial resources, technology transfer and capacity building.
- International support must be in line with national priorities identified by the SIDS themselves.
- The most important element is implementation, rather than new commitments.



**728. Statement by Counsellor at the Permanent Mission at the UN Dr. Anupam Roy on United Nations Peacekeeping at the Substantive Session of the Special Committee.**

**New York, February 24, 2009.**

**Madam Chair,**

Let me begin by congratulating you and other members of the bureau on your election. My delegation attaches the greatest importance to the issue of Peacekeeping and to the work of the Special Committee on Peacekeeping Operations. We will cooperate with you fully in conducting the business of this session. My delegation would like to take this opportunity to align itself broadly with the statement made by the Delegation of Morocco on behalf of the Non-Aligned Movement. We thank Under Secretaries-General Alain Le Roy and Susan Malcorra for their remarks. We take note of the report of the Secretary General on the recommendations of this Committee.

**Madam Chair,**

There has been an enormous expansion in the activities of the United Nations Peacekeeping Operations. According to the figures in Under Secretary General Le Roy's statement yesterday, the number of UN peacekeepers has increased almost ten-fold in less than a decade. This expansion shows no signs of abating. 18 UN missions are already in the ground and 2 more have been mandated by the UN Security Council. To this expansion has been added an increasing complexity in the mandates of the missions, the evolving operating environments in which peacekeepers function, the ever-changing nature of conflict, and burgeoning logistical and support requirements of these missions.

Any organization that faces such demands would be hard pressed to manage such changes. It would, therefore, be safe to assume that much action, and deliberation, is required to ensure the ability of the United Nations and of the Departments of Peacekeeping Operations and Field Support to bear this heavy and growing burden.

**Madam Chair,**

As Member States, it is our responsibility to give clear instructions to the DPKO, DFS and the peacekeepers and provide them the resources and the authority to successfully conclude their mission. The mandates of the

missions, the resources made available and the command and management structures of the operations should not by themselves become burdens.

The first step in this process is to ensure that Troop Contributing Countries, who bear the overwhelming majority of the human, and increasingly, the material costs of peacekeeping operations, have a clearly defined role of shaping mandates. The process of consultations between the Security Council, Troop Contributing Countries, and the Secretariat to achieve clear and achievable mandates must become a meaningful process. Triangular consultations between them are vital and must take place at an early stage and in a structured manner. Triangular consultations must also be held whenever mandate changes are being contemplated. In a time of increasingly robust mandates, this would ensure clarity on the part of the Member States about the objective of the mission and how it is to be achieved. For this clarity, the experience of the TCCs is a necessary input when defining a mandate.

Troop Contributing Countries also have the intellectual capital, derived from recent experience in nation-building, to deal with the situations that many of the current peacekeeping missions seek to manage and improve. Many TCC military, paramilitary and police officers also have a range of operational and staff experience that are of an order and nature that would be difficult to match. This ability, experience and knowledge do not, unfortunately, seem to find reflection in the policy formulation and planning processes in the DPKO and DFS. In view of the considerable experience that TCC candidates have, it is odd to be told that suitable candidates are not available for appointments from TCCs at senior management levels. This deficit in levels of representation from TCCs, in the planning process, in all stages and aspects of UNPKOs, requires urgent rectification in order to ensure greater effectiveness in functioning of DPKO and DFS.

**Madam Chair,**

We have taken note of the observations of the Secretary General in his report to this committee (A/63/615) about the restructuring of the DPKO - in particular that the institutional capacity and operational capability of UN peacekeeping has increased markedly. We have also taken note of the comments of Under Secretary General Le Roy that the restructuring processes are nearing completion. We would like to know more about the efficiencies, economies and capabilities that have been augmented by this process. We have taken note of the sections of the report that deal with coordination between the DPKO and DFS. We would be particularly interested to know about the functioning of the Integrated Operational Teams and whether they have been able to improve delivery of services in a resource-efficient manner.

**Madam Chair,**

We endorse the observation of the Secretary General that the role of the police in bridging the security gap has become a key feature in UN Peacekeeping Operations. It has been our experience that civilian police and para-military capacities are often more appropriate for dealing with the types of situations that the United Nations is increasingly likely to face in respect of peacekeeping in the years to come. We accordingly follow, with interest, the functioning of the Office of the Rule of Law and Security Institutions in general and the office of the Police Advisor in particular. In this context we have noted that the Standing Police Capacity has commenced operations. We have also taken note of the proposal to create another Standing Capacity to deal with justice and correctional systems in the Office of the Rule of Law and Security Institutions.

While on the subject of civilian peacekeeping, my delegation would like to convey its belief that the brunt of adverse security environments is borne by the weak and the deprived, and by women and children. In this context India strongly favours the induction of more female peacekeepers and encourages the DPKO to be more proactive in this process. The recognition accorded to the work of the female Indian Formed Police Unit in Liberia is an indication of the usefulness and impact of female peacekeepers in such situations.

I would like to take this opportunity to reiterate our position that we are in favour of a policy of zero tolerance in respect of disciplinary and conduct issues. We strongly favour efforts to raise awareness of those with managerial and command responsibilities and the establishing of standards of conduct, training and investigation. Careful preparatory training in terms of a multi-cultural, pluralistic and tolerant outlook is as important as subsequent swift punitive action, once culpability is established.

**Madam Chair,**

It is important for my delegation to stress the fundamental nature of the Guiding Principles of Peacekeeping. Of particular importance are impartiality and the principle of consent of parties. Peacekeepers should go only where there is a peace to keep, i.e. where there is a credible peace agreement. The reversal of this sequence can lead to and has led to disastrous consequences.

My delegation would also like to point out that troops are contributed by contributing countries to a larger cause: that of peace in far off lands. The safety and security of UN peacekeepers must be of paramount concern to this organization, in whose name they serve.

**Madam Chair,**

A number of initiatives are underway to look at ways and means to strengthen the instrument of UN Peacekeeping in the context of the challenges that it will face. The Security Council and this Committee are seized of the matter. The Secretariat, Under Secretary General Le Roy has briefed us, is preparing its own internal review, the "New Horizons" report. A number of other efforts are also underway. My delegation would like to stress two points in respect of these efforts. Firstly, my delegation would like to stress that duplication must be avoided and the need for all these initiatives to complement each other. Secondly, and equally importantly, there is a need to consult and harvest the experience and insight of those who have actually participated in Peacekeeping in the field and in the Secretariat.

India stands solidly committed to assist the UN in the maintenance of international peace and security. We have a proud history of UN peacekeeping dating back to its inception in the 1950s. We have contributed nearly 100,000 troops, and participated in more than 40 missions. India has also provided and continues to provide eminent Force Commanders for UN Missions. We salute the 118 Indian peacekeepers, as well as those from other countries, who have made the supreme sacrifice and laid down their lives while serving in UN Missions.

**Madam Chair,**

In concluding my delegation would like to point out that peacekeeping is a prime example of how innovation can be applied to the principle of the Charter. The fact that that this word is not mentioned in the UN charter has not prevented the construction, over the last six decades, of an edifice that has become a cornerstone of international diplomacy. We are at a time when the demands on the institution and on the Member States are unprecedented in their scale and intensity. My delegation believes that unless Member States apply this sense of innovation to the structures of the UN and principles of the Charter, the United Nations will face a crisis that will handicap its ability to bear the responsibilities of keeping peace in the world in the years and decades to come.

Thank You.



**729. Intervention by Deputy Secretary, Ministry of Environment & Forests Ms. Saheli Ghosh Roy during the Thematic Discussion on "Africa" during IPM to CSD-17.**

**New York, February 26, 2009.**

- We associate ourselves with the statement made by the Chair of G-77.
- The themes of this implementation cycle are particularly to Africa - it is therefore fitting that Africa is also being considered as a thematic issue.
- Despite the severe constraints faced, African countries have been making special efforts to achieve their development goals. It is critical that the international community provide concrete assistance to these efforts through provision of greater financial resources, technology transfer and capacity building, particularly in the current global financial scenario.
- We would like to emphasize the importance institution building and capacity development, which lays the true foundation of sustained growth. There must be easier access of African countries to developed country markets. There must also be a focus on actions that add value to African exports.
- India has been privileged to have been able to contribute to African development efforts through South-South cooperation. While these have been highlighted during previous statements at the CSD, the establishment of the India-Africa Forum Summit last year deserves to be highlighted. Let me reiterate our Prime Minister's commitment that "it is our intention to become a close partner in Africa's resurgence".
- As part of this commitment, India will offer credit lines worth US\$ 5.4 billion dollars over the next five years to African countries, apart from grants worth US\$ 500 million. The number of scholarships to African students is also being doubled. Focus areas of cooperation include creating regional and pan-African institutions of higher education, particularly in science, IT and vocational education, infrastructure and industrial development, well as investing in R&D in renewable energy and agricultural development. In addition, India announced a Duty Free Tariff Preference Scheme for LDCs, which would also be applicable to the 34 African LDCs.
- However, efforts by fellow developing countries cannot replace the need for actions by the developed countries. We hope CSD 17 would spur greater efforts towards implementation of their commitments.



**730. Statement partly adapted from extempore remarks by Permanent Representative at the UN Ambassador Nirupam Sen, during negotiations on UN Security Council Reform at the Informal Plenary of the General Assembly.**

**New York, March 4, 2009.**

**Mr. Chairman,**

I thank you for convening this meeting and for your efforts towards changing the format of our meeting.

As regards the various options presented, we remain convinced that genuine reform of the UNSC can come only from an expansion in both its permanent and non-permanent membership. This is the option that the overwhelming majority support. There is no question of second preferences regarding this - any reform that does not expand the permanent membership will be incomplete and futile.

Some have argued that since first preferences of all cannot be fulfilled, the interim option is the best way forward. This is fallacious - the number of countries that oppose the interim model far exceed those that oppose the proposal to expand both permanent and non-permanent membership. Hence, the intermediate model cannot be defended as having the largest, or even a large, support. The interim model has been rejected by many African states, by the overwhelming majority of small states, by the L-69 group and its supporters. A representative of the UFC spoke of the under representation of Africa. The problem is far more serious: Africa's non-representation in the Permanent category. Any proposal that does not address this does grave injustice to Africa's aspirations to equality. The terms "intermediary", "intermediate" and "interim" have been described by some speakers as the same. They are very different. It is important to note precisely what we mean. "Intermediary" means go between or facilitator. Therefore the only intermediary model is you yourself Mr. Chairman. "Intermediate" is simply something in between without balancing either the weight of numbers or political weight. "Interim" is implicitly predicated on a common understanding of "interim to what" since it is transitional. As currently put forward, the "intermediate" model is simply reform for the sake of reform like art for arts sake, purely mechanical reform that would not address any of the real problems, provide no check or balance to

permanent members, no institutional memory to ensure optimal decision making and its wide acceptance. In short, it would give the illusion of reform and thereby set back real reform. It would merely add to numbers and would make the Security Council unwieldy without making it effective. It would not empower African or other developing countries. It will simply postpone a decision that there is no reason to suppose would be any easier after 10 years than it is now. In short, the "intermediate" model represents the kind of compromise described by Lord David Cecil: "an agreement between parties to do what most of them agree to be wrong". It is worth recalling that the main feature of this model, immediate re-election, was introduced in the League of Nations. It neither worked well nor helped the League of Nations work well. In fact, shortly thereafter, the League of Nations collapsed (I am not suggesting that this was the only reason but it certainly did not help to prevent the collapse). When I listen to the supporters of the "intermediate? model, I am therefore reminded of what the great American novelist Thomas Pynchon asks in his "Against the Day" (I have had occasion to refer to him in the course of an earlier debate): "What are they doing here, so late in history" with "the dismal metonymies of the dead behind them?"

A leading light of the UFC has proposed regional seats that will permit longer / more frequent presence on the Council. We believe that the current non-permanent seats are actually regional seats, that permit each region to be represented at all times. If the reference is to the "intermediate approach" of new longer-term seats, but with incumbents from particular regions, or to new non-permanent seats / longer-term seats with immediate reelection, this is truly disingenuous! Both alternatives actually seek to benefit individual countries, under the guise of correcting regional under-representation! What is more, with the possible exception of Africa, no region has reached the stage. As the response to the current economic crisis, particularly as it manifests itself in Eastern Europe, shows this is true of even the European Union. If this UFC member is so sure of his position, why did this position not carry in the June 22, 2007 EU Summit which took decisions on an EU high representative backed by an EU external service but had nothing to say about regional EU seat in the UNSC.

The other suggestion of reserved seats reserved for Small States, and for Medium-sized States, and the OIC (as another UFC member proposed) actually deals with allocation of seats, and is not a proposal for a new category of membership. However, I would like to emphasize that current allocation of non-permanent seats is on regional basis, and



the UFC proposal seeks to them on non-regional basis, contradicting its other proposal of regional seats! It should make up its mind what it wants. The logic has to be consistent: if it wants to discuss non-regional seats then let us discuss seats for the NAM, G-77, etc. Moreover, the categories mentioned are not recognized UN groups, rather than SIDS, LLDCs or LDCs (which could be considered). However, we should discuss the details of this under the issue of representation. The leading light of the UFC who referred to OIC opposed permanent membership. He is obviously not acquainted with para 73 of the OIC Communiqué of April 2008 even if there was the slightest reason to suppose that he has read it: the OIC Communiqué speaks of representation in both categories, which logically includes the permanent category. He has to make up his mind whether he belongs to UFC or OIC. Or is he following the example of Mr. Facing Bothways in Pilgrim's Progress, or in this case the Pilgrim's Regress?

There is an overwhelming demand for improvement in the UNSC's working methods, of greater transparency and access, of making it more inclusive. There have been numerous efforts to improve UNSC working methods, particularly by non-permanent members. However, these efforts have not succeeded, and this is a reflection of the reality that reform of working methods requires a change in the composition of the permanent members of the UNSC, who would be held accountable for introducing these working methods. The S-5 proposal could not even be put for adoption. The General Assembly actually adopted a very radical proposal on working methods in its Resolution 267 (III) of 14th April 1949. Not one of these has been implemented for more than half a century. This proves the point. This assertion is also borne out by the fact that an expansion of only non-permanent members was carried out in 1965. This did not result in the improvement in the working methods - it is unrealistic to expect the situation to change now. Non-permanent members remain excluded from the core decision making of the UNSC, and increasing their numbers will not change this fact.

Access and participation of non-Members, particularly small island states and landlocked countries and other vulnerable countries, in the work of the UNSC is crucial to any reform effort, apart from a dedicated seat for them. Given that non-permanent seats, including those occupied by some of these countries, have not resolved the problem, the only effective response is to elect new permanent members, who can be held accountable for implementing this, through a review.

Another representative of the UFC confused elections with accountability. Are all non-permanent members accountable? Even in the case of a clean slate? It is incorrect that accountability of the UNSC would increase with more non-permanent members. There are already 10 non-permanent members against only 5 permanent members, and each non-permanent seat is filled by election. Yet, greater accountability has not been achieved. Clearly, the solution will not be found only by adding more non-permanent members, who will face the same structural problems of today in ensuring that the UNSC is more accountable. Accountability also is not only of individual members but of the Council to the General Assembly. Have non-permanent members have brought this about? We need new permanent members, who will be able to ensure a real change, and be held accountable for doing this through the initial election and mandatory review / reviews. The most fruitful way therefore is the one suggested by a small state, Singapore, namely that we should negotiate how to ensure the accountability of new permanent members.



**731. Statement partly adapted from extempore remarks by Permanent Representative at the UN Ambassador Nirupam Sen, during the Inter-governmental Negotiations in Informal Plenary of the General Assembly.**

**New York, March 5, 2009.**

**Mr. Chairman,**

I am taking the floor again to respond to some points made by a leading light of the UFC. The UFC dilemma between trying to promote regional seats (which exist) and non-regional seats is evident, and cannot be resolved. They keep on stating that permanent members cannot promote regional interests - perhaps this is why the UNSC is composed of permanent national seats and permanent regional seats. However, if regional interests are paramount, then what is the need for non-regional representation?

On the other hand, if countries define themselves more by non-regional groupings, why should we insist on promoting regional interests, particularly when most regions do not have common political positions? On the one hand they are proposing regional seats which already exist. All non-permanent members are elected from permanent regional seats. If the issue is that they should be chosen by the region then this is clearly the case when there are clean slates. On the other hand they are proposing dedicated seats for cross regional groupings, such as OIC or Small States (there is no such recognized grouping in the UN and we should really speak of SIDS, LDCs etc. whose aspirations we support). To propose two opposite things at the same time is against logic, common sense and practicality. We cannot proceed with negotiations at all if we move simultaneously in two opposite directions. If the UFC really wants such dedicated seats (and SIDS representatives have just now told us that they object to being used as pawns) then let them propose dedicated seats for SIDS, LDCs, LLDCs, NAM, G-77 and several other groupings and we could then also discuss new permanent members all elected globally. We can then abandon the regional basis for a further expansion. But let us be serious and consistent.

While paying lip service to Africa (like to SIDS) the UFC has been dismissive of African aspirations to equality. UFC has repeatedly been trying to interpret the African demand for permanent representation as rotation/regional seats, despite clear statements by Africa that they do not merely want this. There is always an African country on the Council - thus, there is "permanent representation". They correctly are not satisfied with this injustice. They want

new permanent members from Africa (to be chosen by Africa), and all of UFC efforts cannot square this circle. Similar problems exist with the UFC interpretation of the OIC position, on which I elaborated yesterday. Another leading UFC member's argument on the legitimacy of the UNSC is divorced from reality. He argued that UNSC's legitimacy is derived from the Charter, which is technically correct. By this logic, how is legitimacy related in any way to the Council being more transparent, democratic and accountable?

This assertion clearly demonstrates that there is more to legitimacy than just being approved by the Charter, and this can only be achieved if there is genuine restructuring of its permanent membership. The leading light of the UFC defined legitimacy in terms of accountability which, according to him, means that all members except the P5 must be subject to regular scrutiny through GA elections. This is patently false and misleading - only with new elected permanent members, subject to review, can there be accountability. One cannot confuse elections with accountability: even when there is a clean slate are non-permanent members accountable. To whom? Moreover, the key is accountability of the Council to the GA, and not just accountability of individual countries.

If accountability ended at elections, we should have had the most accountable UNSC since we have elections by 2/3rd of the UNSC membership every two years. Especially after the 1965 reform non-permanent members should have ensured this. Have they managed to do so? Is UNSC accountable to the GA? Regarding criteria for membership, we have always supported any objective criteria. UN Charter defines some criteria. To say that there can be no objective criteria is untenable. We ourselves have said that among criteria by which the performance of new permanent members could be judged is their commitment and success in introducing new working methods (in spite of Resolution 267(III) of 14th April 1949 adopted by the then GA with its radical working methods there has been no improvement in more than half a century). Clearly, without new permanent members there would not be fundamentally new working methods. The leading light of the UFC, however, mentioned criteria such as not having border problems, conflict with neighbours and other countries etc. Firstly, it is the sovereign right of every country to decide what is necessary for its security. Secondly, if these criteria are to be used, several current permanent members would be disqualified. Therefore, let us be serious and practical instead of trying to score debating points. The distinguished representative of the UFC claimed that there is widespread support for the interim model.

Out of 112 countries that took the floor, only 34 could accept such a model and that too if we count both first and second preferences. On the other hand, more than 55 countries expressed a first preference for expansion in both permanent and non-permanent categories; the African representatives who spoke said categorically that they were speaking on behalf of the African Union countries; if one therefore includes the African Union countries who did not take the floor more than 100 countries support expansion in both permanent and non-permanent categories. It seems that the UFC representative's arithmetic is as shaky as his ability to address the real problems.

He said that the G-4 proposal was crafted by Razali and is 15 years old. Incidentally, the G-4 proposal is a substantial development on the original Razali formula. I would like to mention that the interim model of re-electable members was introduced in the League of Nations (shortly before it collapsed) in 1926. It seems to us better to discuss a proposal that is 15 years old than one that is 73 years old. Mr. Chairman, I would therefore suggest that we move to negotiations on what really enjoys majority support - expansion of permanent and non-permanent categories of membership, together, of course, with the issue of review. We are also prepared to discuss how we can have a dedicated seat for SIDS and LDCs within this framework of reform. We would urge you to prepare a composite text accordingly which can serve as the basis for negotiations.

I thank you, Sir.



**732. Statement partly adapted from the extempore remarks of the Permanent Representative at the UN Ambassador Nirupam Sen during negotiations on the Question of the Veto at the informal General Assembly Plenary.**

**New York, March 16, 2009.**

**Mr. Chairman,**

Let me join my colleagues in thanking you for your circular letter, for holding this meeting and for conducting this negotiating process. The veto was not god-given. It is part of what the ancient Greek historian Herodotus called *ta genomena ex anthropon* or "things that result from human action" and therefore can be modified by human action. As the distinguished Permanent Representative of Algeria pointed out, the veto was exercised on behalf of political formations that no longer exist. States and empires have broken up and decolonization has brought into the General Assembly the majority of its membership. World War-II and the Cold War are both over and the Permanent Members can no longer either manage the world economy or world peace. The veto effectively keeps significant areas of interest outside the ambit of the UN which is inadmissible.

After the massive failure of governance, represented by the collapse of the financial system, any absolute claim to governance is mere hubris. The Charter is a kind of treaty. The Vienna Convention on the Law of Treaties sees a change of circumstances as "autonomous ground of non-application" of the treaty (supported by the International Court of Justice). There is a school of thought that says that no restrictions can be placed on the use of veto. There is another that says that restrictions should be placed. Let me point out that there already are at least two restrictions on the veto in the Charter - one explicit and one implicit. The first significantly is in the very article that enunciates the veto namely 27.3. This very article states that Permanent Members who are party to a dispute cannot vote (and therefore cannot veto) decisions under Chapter 6 (specific settlement to disputes) and under article 52.3.

In actual fact, Permanent Members have mostly violated this article and this restriction. Unless there is the peer pressure of new Permanent Members held accountable through reviews, how do we ensure implementation of this Charter restriction? Incidentally, US Senator Tom Connally, US delegate to the GA of November 15, 1946 had said that the purpose of this restriction was to "prevent a party to a dispute being judge

of its own cause, to establish in the Charter a principle of justice which is elementary in every legal system. We would not permit a party to a lawsuit to sit as a member of the jury." This is the old principle of Roman jurisprudence: *nemo debet esse iudex in propria sua causa*. What we have just heard would leave this principle and the restrictions to continue to be breached. Similarly the spirit of articles 31 & 32 is that once the Security Council has the view that a member state's interests are affected, that member state has to be heard; a Permanent Member should not veto such a majority view; in actual fact the veto or the threat of veto has been often used in such cases.

Without new Permanent Members, how is this restriction to be implemented? Apart from the veto, there are articles like Article 39 (threat to peace and security) which have been amended de-facto by Permanent Members to redefine threats to peace and security or articles like Article 44, under which TCCs should take part in debate and decision making on peace keeping mandates, which have never been used. There is a school of thought that says that the veto cannot be amended and a school of thought that says that it should be amended. The short point is that the veto has been amended but the amendment has been informal and therefore legally infirm. Article 27.3 of the Charter clearly speaks of "the concurring votes" of permanent members.

Therefore, Charter commentaries of 1946 make it amply clear that abstention was the equivalent of a veto. It is not treated as such any longer. The Charter can only be amended by procedures set out in Articles 108 and 109. Therefore, this informal amendment is really law making by law breaking. What is more it is to the detriment of the General Assembly. The legal principle of estoppel prevents the GA from challenging a UNSC decision with an abstention by a permanent member as illegal or invalid because of acceptance over a fairly long period of time. But it cannot even demand further continuation of the practice. The permanent members can give it up any time and go back to the earlier interpretation, without legal problem. Thus it is they who are amending the Charter, not the General Assembly. There were to permanent members who were represented at Deputy Minister level at the meeting in Rome on February 5, 2009. His Excellency Foreign Minister Frattini, summing up the discussion, stated "we should also realistically review the question of the veto". Since they hold the principle of consensus, it would be useful to know if these Permanent Members agreed to have their veto realistically reviewed. Practical restrictions that could be considered is a qualified veto i.e. confined to Chapter VII; non-use in a range of issues that have nothing to do with

peace and security such as a change in how a peacekeeping operation is financed, the Council seeking the advisory opinion of the ICJ, bringing a question to the GA, electing the Secretary General, reverse veto.

There is a widespread demand of civil society for non-use in cases of ethnic cleansing, war crimes, crimes against humanity. On the model of the US Constitution overriding the veto by 2/3rds votes of the General Assembly could also be considered. The demand that whenever a veto is used it should be explained is reasonable in purely legal terms: Gustav Radbruch, an authority on international law, has formulated the famous Radbruch formula. In terms of Article 25, even if a Member State disagrees, it has to implement but law requires a reason for obedience. Most important of all, even if restrictions are accepted and enacted, how would they, like the restrictions already in the Charter, be implemented without new permanent members elected and then held accountable for implementing them through reviews.

Article 27(3) requires concurrence of the permanent members - thus, once we have new permanent members, the requirement of their concurrence, or their right to veto as is commonly stated, is automatic. The concept of extension of veto to new permanent members is, therefore, misleading as Article 27(3) would have to be specifically amended if we have to deny the veto to new permanent members. In this sense, the proposal of the African Union is logical and in the spirit of the Charter. A few delegations have argued that new permanent members without veto rights will not make any difference to the functioning of the Council, and hence there should be no new permanent members.

The automatic corollary of the argument is that new permanent members must be given the veto right, apart from the fact that addition of new permanent members, with their institutional memory and long-term engagement horizon, is the only way to ensure any real reform of the Council. A leading light of the UFC stated that without the veto, new permanent members cannot wield influence, and there will be no change in the working methods. On the other hand, they are happy to sell us the idea that non-permanent members, who certainly will not have the veto, and will be there for shorter terms, will be able to deliver reform. Another, at an earlier meeting, said that they had been against the veto in 1945 and continue to be. This tragically demonstrates the power non-permanent members have over the reality of UNSC decision making. Thus behind all the tall talk of equality, the UFC is deeply status quoist. We have been told by a leading light of the UFC that "extending the veto would not redress inequality.



It would aggravate it, further gum up the decision-making mechanism and that we should have "gradual limitation of the veto". There are three issues here: equality, efficiency and restrictions. The UFC proposal would leave the monopoly of the P-5 untouched, there would be no equality with the P-5. Without the pressure of initial election and subsequent accountability of new permanent members and their peer pressure, there would be no movement towards greater equality. As for restrictions, without new permanent members held accountable for them, how do we achieve these? As we have seen even if they were enacted in the Charter, how do we ensure their implementation? The question is legitimate - how do we ensure efficiency through extending the veto and expanding numbers? Actually we would then have real efficiency unlike the fake one that exists now. Firstly, decisions would be more optimal, widely accepted, reducing the need for force. Most important of all with more numbers and more veto the only way to ensure efficiency is through majority voting and non-use or at least greatly restricted use of the veto.

This incidentally is the only way also to empower non-permanent members and shift the balance of power. The Uniting For Consensus does not want any of this and hence its proposals. Since both efficiency and optimality favour this, the only reason for denying veto and permanence (through the interim model and the UFC proposal) could only be that this is an attempt to recreate apartheid in the UNSC on the premise that developing countries cannot handle either the veto or permanence - a continuation of the historical imperial project. Our national position has been and remains that veto should be extended to new permanent members. As a measure of our flexibility and willingness for compromise, we had agreed to deferring only the use of the veto till the Review Conference. The African Union (and this is understandable) did not wish to defer use. Now they are being absurdly offered the compromise of giving up permanence also. This is truly an attempt to impose an imperial compromise. The UFC's leading light offers them "the possibility" that African members "unanimous negate vote" could stop a decision which would mean that the possible veto of all the African members would be equal to a single European veto. On the other hand, he speaks of "an appeal first and foremost to the permanent members to accept significant limitations on the veto". What if they do not respond to his appeal? Thus while pretending to transcend Orwell's world, the UFC is only perpetuating it.



**733. Statement by Permanent Representative at the UN Ambassador Nirupam Sen on the situation in Afghanistan and UNAMA at the Security Council.**

**New York, March 19, 2009.**

**Mr. President,**

Thank you for scheduling today's debate on Afghanistan and the UN Assistance Mission in that country. This is of immediate and abiding interest for India. We also welcome the latest report of the Secretary-General, while thanking SRSG Kai Eide for his comprehensive briefing.

**Mr. President,**

The latest report paints a bleak picture of the situation in Afghanistan. We accept these facts; we cannot but recognize that the Afghan people continue to be confronted by the twin challenges of deteriorating security and by a sense that the peace dividend is reducing. At the same time, the international community is simultaneously challenged by a renewed security challenge from the Taliban and the Al Qaeda, and by increasingly-vocal questions over the utility of our collective effort.

And yet the report also holds out elements of hope. We see steady progress in the UN's effort to efforts to reform the Interior Ministry and the police, the work of the various Economic Ministries, and the steady gains in reducing poppy production. It also notes as a sign of progress the fact that the Independent Election Commission of Afghanistan will organize the forthcoming elections. Further, the fact that elections are being contested hotly is a good augury. We are hopeful that the elections will be free, fair and transparent, and that the Afghan people will exercise their rights in such a manner. At the same time, we in the international community must ensure that during the run-up to the elections, the gains secured collectively in Afghanistan are built up, not eroded in any manner. We also strongly condemn the terrorist attack today on representatives of the Afghan people.

While the report, in our view, correctly identifies these positive developments as a window of opportunity to consolidate progress, there is a need to address misgivings over our collective purpose. Let us be clear: the world cannot afford to abandon Afghanistan again. Despite the strains, this Mission remains vital, not only to the aspirations of the long-suffering Afghan people, but for the security and stability of the region and beyond. Doubts, hesitation and divergences in our approach to the Taliban and Al Qaeda weaken our collective will. They also invigorate our foe. Therefore, apart from continued application of force wherever terrorist groups are active, we must work

together to deny them safe havens, financing and political and material sustenance, whether within Afghanistan or across its borders. The application of force wherever terrorists gather must harmonize with the larger political objective, and UNAMA must play an important role in this essentially political task. Since messaging is important, it is also essential to have greater clarity regarding the ideas being discussed in the public domain. Reconciliation is one of these. The UNSG's latest report subjects this discussion to important caveats. Not the least of these is the idea that reconciliation must be an Afghan-led process, within the parameters of the Constitution of the land. Further, it must be pursued from a position of political and military strength. To this, I would add that the process needs to be undertaken with strategic clarity and with unity of purpose. In the absence of consensus amongst concerned international parties over the key questions of reconciliation: with whom and how such a process runs the risk of opening up divisions amongst us, rather than amongst the elements with whom we seek to reconcile. Furthermore, we must get beyond attempts to distinguish between "good" and "bad" Taliban: such efforts are unworkable.

**Mr. President,**

From this standpoint, it is helpful that the international effort is moving towards a more cohesive and integrated approach. We fully endorse the notion that coordination must be based on genuine Afghan leadership, and on recognition of the fact that there is no purely military solution. It is precisely for this reason that India strongly supports efforts to build Afghan capacity. It is not only appropriate but essential to invest in such capacity. Without this, we run the risk of placing responsibility without ensuring that our partners have the means to shoulder it. In this context, India welcomes the continuation of the useful role provided to UNAMA vide UN Security Council Resolution 1806 last year. We see this as a logical corollary of the Afghan National Development Strategy, adopted formally last year, which is a guide map for the international assistance effort in Afghanistan. UNAMA and the Government of Afghanistan have made commendable progress together since UNAMA received this new mandate, and it is essential to build upon these first promising signs resolutely. This effort needs to be supported with greater resources for the UN mission, and greater commitment to alleviating the humanitarian challenge in Afghanistan, especially, given the impact of rising food prices and adverse climatic events. India is working to mitigate the humanitarian impact, including through our recent decision to send a quarter of a million tonnes of wheat to Afghanistan, although most regrettably, we continue to face political difficulties in overland transport and transit to Afghanistan.

**Mr. President,**

Taking these points as reference, I should like to underscore India's firm and unshakeable commitment to the international effort in Afghanistan. For India, the stabilization of Afghanistan is integrally connected with our security. It is for this reason that while we are outraged by attacks upon our people and symbols of our friendship with Afghanistan, we cannot be deterred by these criminal acts. Not only has our commitment to Afghanistan crossed US \$ 1.2 billion, we have attempted to the best of our ability to expand the range and variety of our projects. Thus Indian assistance spans the gamut of operations from infrastructure projects such as the Zaranj-Delaram highway, to institutions such as the Parliament Building in Kabul. We have also simultaneously targeted local projects that will provide a peace dividend in the shortest possible period of time, ranging from cold storage plants to equipment for schools and hospitals. Through these efforts, we maintain capacity-building as a core element of our work in Afghanistan. It is in support of this core task that India has agreed to increase the current allocation of 500 seats each in capacity building and scholarship programmes.

Turning to the regional aspect, Mr President, we need greater efforts to embed the stabilization of Afghanistan within regional processes, for this country to regain its key role as the crossroads of South, West and Central Asia. This includes regional economic processes, such as the South Asian Association for Regional Cooperation. Such efforts are in the collective interest of the entire the region: hindering this not only affects Afghanistan, but equally each of us in the region. We therefore need efforts to expand, rather than hinder, trade, transit and transport ties. That is, in our view, the best way of bringing the regional dimension into the discourse on Afghanistan.

**Mr. President,**

In conclusion, India believes that challenges in Afghanistan need to be seen in their totality. We must analyze where we are today from the perspective of the past eight years. Every step forward has been hard-won, but each step is a measure of distance away from the destruction of the past. It is for this reason that we must continue to emphasize the progress achieved, rather than bemoan the challenges remaining. It is also for this reason that we should set our sights on realistic and achievable goals, not expectations that are unrealistic in the local context. If we are truly committed to an Afghan-led process of prioritization of tasks, we should concentrate on where Afghanistan has come from, rather than where we would individually like it to be. I thank you Mr. President.



**734. Remarks adapted from the extempore remarks by Permanent Representative at the UN, Ambassador Nirupam Sen at the Inter-governmental negotiations on UN Security Council Reform in the Informal Plenary of the General Assembly.**

**New York, March 24, 2009.**

**Mr. Chairman,**

Let me begin by appreciating your leadership and thanking you for your letter of March 20, 2009. This afternoon, you asked us to be sharp and short. I can do something about the sharpness; shortness is more difficult but I shall try my best. Permit me to read out a slightly detailed extract from your letter which is essentially from document A/61/47: However, a wide number of delegations felt that, at this stage, the non-permanent members of the Security Council, although proposed on a regional basis, could not represent their respective regions. Rather, as members of the Council, they should have a global accountability and an obligation to the international community as a whole. In addition, many delegations were of the view that the concept of regional seats, given the different character of each regional group as well as the existing differences in their internal working procedures, was not feasible at this stage. Although the composition of the existing regional groups was challenged as not accurately reflecting geopolitical realities, there seems to be a wide understanding that the restructuring of the current system is not realistic. The majority is thus still of the view that the principle of the equitable geographic distribution should be exercised through the existing structures." I have listened carefully to all statements and remarks with only a very short break when I had to go and speak on the Modalities Resolution on the June Economic Conference. It is amply clear that the situation remains exactly what it was in A/61/47. This is where the majority remains. And the situation will not change however often we discuss this. We cannot move beyond this. This only reinforces the need for a composite text on which we can actually negotiate.

The Charter speaks of member states being elected on the basis of their contribution to peace and security and keeping in mind equitable geographical distribution. This distribution is between different regional groups. In the case of clean slates, the regional groups concerned occasionally show a greater measure of agreement. It is not possible to go beyond this. The leading light of the UFC used the term "Masters of the Universe. This is usually applied to

investment bankers, brokers and hedge fund managers: they certainly follow only their self interest as the financial and economic crisis demonstrates. But representatives of the UFC claim that member states speak only for their national interest. Of course they do, but not only or exclusively.

They often consult the interest of their regions, of the international community and especially of the functional groups to which they may belong. That is why there is a NAM caucus even in the Security Council. The other difficulty with the UFC proposal is that most of the time there is no regional interest. How do you represent something that does not exist? What is the regional interest of Asia (the regional group does not discuss any political or economic issue), GRULAC, WEOG? There is not even a regional interest or support for regional seats. Therefore if the UFC really believes in the regional interest, it should give up the proposal on regional seats. With the possible exception of Africa, regions do not have the kind of unity that would justify regional seats. Even in the case of the EU (which is not a regional group in the UN) the present economic crisis shows the distance from this kind of unity. In some EU states fiscal policy is difficult because the benefit will go to others in other EU countries.

As for monetary policy, the European Central Bank cannot go further because there is no political backing. Even the European Parliament has the power to oppose rather than to propose. It has not gone very much beyond Bismarck's Reichstag. In purely geographical terms Europe is simply the western peninsula of Asia. In actual fact, EU coordination in the UN is that of a functional group like NAM. The UFC therefore should not talk of regional seats. If it wishes to discuss the creation of new functional seats, then it should talk of seats for representatives of NAM, G-77, SIDS; UFC speaks of regional seats for OIC and Arab League, neither of which is a regional organization: they are also functional organizations.

A UFC representative spoke of sauce; let us consider donuts. This inconsistency and welter of contradictions in the UFC proposals is like sub-optimal and even irrational choice taught in college philosophy courses: a person goes to Dunkin' Donuts and is told that they have chocolate, raisin and plain donuts; he chooses the raisin donut. After a few minutes, he is told that they also have sugar glazed or glaze donuts. In that case he says he would choose a chocolate donut. A couple of UFC representatives spoke of regional accountability. Even in the case of clean slate, is the member state accountable to his region? In any case, since he is elected by the General Assembly, he is accountable to the GA. The only way of ensuring complete regional accountability is for the region to propose a

candidate and for him to be accepted without any election process. That a proposal whose logical consequence is abolishing election should emanate from the UFC is not surprising. Ultimately, how do you ensure accountability except through review and challenge? It is therefore logical to elect new permanent members who would be held accountable in this manner, to the General Assembly, and who can bring about a real change.

My distinguished friend, the Permanent Representative of Canada, mentioned the need to have working methods where TCCs are fully consulted. Many of us may not know that it is Canada that got Article 44 included in the Charter for which we are grateful. The Article states that if a non-member of the Security Council provides armed forces then, if it desires, it can "participate in the decisions of the Security Council concerning the employment of contingents of that Member's armed forces." Please note - "decisions" (meaning voting), not just consultations. This Article has remained a dead letter. Canada has been several times a non-permanent member of the UNSC. Was it able to operationalise this Article? That is the case for expansion of permanent membership.

We need new permanent members who would be held accountable not only for implementing new provisions of the Charter (after amendment) but even existing provisions. As many countries from Africa group have pointed out, their demand is not for regional seats but for two permanent members: having stated that they want the same privileges and prerogatives as existing permanent members, the Ezulwini Consensus can have no other meaning. For a long time, the leading lights of the UFC have repeated the charge of national selfishness against those who, in their view, aspire to permanent membership. Let us therefore closely examine the proposal of the selfless UFC, these paragons of regional virtue and altruism. As the Charter makes clear, non-permanent members are elected from regional groups. In this sense, the regional seat is permanent though the individual member's tenure is for two years. The leading light of the UFC has proposed regional seats. Presumably these are longer term seats than the existing regional seats. But whether a seat is two years or longer, it really does not matter to a region since it is always represented. So, the proposal will only benefit some countries (the leading lights of the UFC hope it would be the larger members of the UFC) while pretending that the region is benefiting.

Furthermore, this logically means that the proposal implicitly acknowledges what the leading light of the UFC is trying to avoid accepting - that the duration of membership is important for real reform: any genuine reform, involving a change in the co-relation of forces in the UNSC will only come

through new permanent members, elected and held accountable. A close examination will show a similar disguised national interest behind the UFC's proposal on the veto, namely that rotational regional seats should be given the veto, which supposedly will make these seats the same as permanent national seats. Surprisingly, this argument is made by the same group that vehemently argues against any extension of the veto to new permanent members. Ironically, given the lack of a common regional position in most cases, such a veto will effectively become a national veto.

The leading light of the UFC also misinterpreted the proposal made by the distinguished Permanent Representative of Jamaica on behalf of the Caricom. He was perfectly clear that he was neither arguing for a regional seat nor a functional non-geographic seat, outside existing categories. His proposal was squarely within existing categories based on equitable geographic distribution. The proposal could also include LDCs and LLDCs. When we discuss the details, it would be perfectly simple to also take care of the fact that the numbers of SIDS may be different in different regional groups. For instance, specific dedicated seat/seats distributed to regional groups could at any time be filled by a SIDS/LDC/LLDC (which are recognized groupings) and these seat/seats could rotate among Asia, Africa and GRULAC in the ratio 2:2:1. As for the phrase "master of the universe", used by the leading light of the UFC, let me say that we do not think that he is less eloquent. We think that he is equally eloquent, in fact more eloquent. The point however is that a false argument is like a false coin - it is found out and rejected not because it has less lustre but because it has inferior weight.

I thank you, sir.





**735. Statement by Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri on Agenda Item 4 - general debate on National Experience in Population Matters, Contribution of the Programme of Action of the International Conference on Population and Development to the Internationally Agreed Development Goals including the Millennium Development Goals at the 42nd session of the UN Commission on Population Development.**

**New York, April 1, 2009.**

**Madam Chairperson,**

We congratulate you and other members of the Bureau of the 42nd Session of the Commission on Population and Development and assure you of India's support in your conduct of the proceedings of this Commission. My delegation would like to express its appreciation to the Secretary General for the reports that have been prepared for the Commission and also to the distinguished keynote speakers who have made excellent presentations in the course of the Conference. My delegation associates itself with the statement made by the Group of 77.

**Madam Chairperson,**

The Government of India accords the highest importance to promote development with social justice i.e. inclusive growth. Indeed, this is the objective of the 11th Five Year Plan, which commenced from 2007-08. We are also making major efforts to attain the Millennium Development Goals and other Internationally Agreed Developed Goals, which are encompassed by several of the objectives and targets laid down in our national Five Year Plans.

**Madam Chairperson,**

A key weapon against poverty is employment. This is particularly so for a country like India, with its large population. In this context the Government of India is implementing a unique programme, the National Rural Employment Guarantee Scheme, to ensure minimum levels of employment in rural India. This would also lead to creating productive infrastructure throughout the country. This scheme has an annual allocation of USD 2.5 billion and guarantees 100 days of work to every household.

**Madam Chairperson,**

The National Rural Health Mission (NRHM), launched in 2005, is one of the biggest interventions of its kind in the health sector in the world. The NRHM seeks to significantly upgrade effective healthcare throughout India covering over 600 million people. It aims to improve access of rural people, especially poor women and children, to equitable, affordable, accountable and effective primary healthcare. Reproductive and Child Health Programme is one of the main components of the NRHM, and includes the ambitious programme of Janani Surakhksa Yojana (JSY), a safe motherhood intervention to promote institutional delivery with specific focus on poor pregnant women. So far, this programme has benefited more than 10 million women and has emerged as a major successful intervention in reducing maternal and infant mortality.

**Madam Chairperson,**

India's Family Planning Programme is one of the oldest in the world. It is based on voluntary and informed choice and consent of citizens while availing of reproductive health care services. The programme aims at achieving population stabilization by addressing unmet needs through decentralized planning and programme implementation. At primary health care institutions, there has been an integration of HIV/AIDS programme with the reproductive health care.

**Madam Chairperson,**

India has also embarked on ambitious programmes for human resource development. The Sarva Siksha Abhiyan (Education for All Campaign) launched in the year 2000, is a major national intervention towards achieving universal primary education and allowing us to reap the benefits of a demographic dividend from a young population. The Government aims to raise public spending on education, collectively at Centre and State levels, to at least 6% of GDP in a phased manner, with half of these amounts to be spent on primary and secondary education.

**Madam Chairperson,**

Gender equity and empowerment have also been guiding principle in the development policies of the Government of India. India's planning process is fully committed to enabling women to be equal partners in development. Gender budgeting has been introduced across all the sectors. The 73rd and 74th constitutional amendments introduced the provision for one-third

reservation of seats for women in local self government institutions. India has the distinction of having the largest number of women representatives in local government in the world. Madam Chairperson, The Annual Report of the Secretary General on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development for this Conference (E/CN.9/2009/5) makes for worrying reading. The demand for resources has grown dramatically since the targets were agreed upon in 1994 at the International Conference on Population and Development. The Conference targets are simply not sufficient to meet the current needs of developing countries in the critical areas of family planning, reproductive health, and STD/HIV/AIDS. It is a matter of great concern that the donor assistance for family planning as a percentage of all population assistance has steadily declined from 55% in 1995 to a mere 5% in 2007. We fear that in the absence of adequate flow of funds, the progress made so far will be negated.

**Madam Chairperson,**

This meeting is being held in exceptional times when we are faced with a global financial and economic crisis that is seriously affecting developing countries even though they have not been the cause of it. This adverse impact should not be further exacerbated through the remedies that have inherent protectionist tendencies, limit foreign workers and goods, apart from creating non-tariff barriers that work against developing countries.

Thank You Madam Chairperson.



**736. Statement by the Acting Permanent Representative to the UN Ambassador Manjiv Singh Puri during the Interactive Thematic Dialogue on the Global Food Crisis and the Right to Food at the 63rd session of the UNGA.**

**New York, April 6, 2009.**

**Mr. Chairman,**

Thank you for giving me the floor.

We associate ourselves with the intervention on behalf of the G-77. Food security is critical for developing countries. It is also the key to achieving the right to food. Increasing world population and the fact that in large parts of the globe even basic nutrition needs remain unmet, require a focus on both increase in food production and its access.

The current global financial and economic crisis poses additional challenges in achieving food security in developing countries. However, the global crisis should not be an excuse to dilute ODA and other commitments. Measures to address the crisis must not worsen the situation either.

Agricultural production and productive capacity must be enhanced, particularly in developing countries. This is especially important to ensure their food security. And, food aid must not discourage local food production. Nor should there be attempts to encourage major reliance on imports in the case of such a basic need as food.

High agricultural subsidies in developed countries have steadily undermined the agricultural productive capacity of developing countries, and distorted global agricultural trade. These must be significantly reduced if not eliminated.

Food security has also been affected by increasing use of food crops such as corn and soybean for producing bio-fuels in some developed countries with agricultural surpluses. It is important to ensure that this trend is effectively checked and better alternatives to produce bio fuels are developed for retaining the primacy of the food crops for food purpose. Volatility in food prices, as witnessed in the spike of last year, does not help either the farmer or the consumer. Therefore, the structural problems at the root of such volatility need to be addressed. We must not also ignore the fact that agriculture is a livelihood issue for millions of poor farmers and their dependents in developing countries. In many countries, these constitute the vast majority of the populations. Rural and agricultural investments

must be enhanced. Climate change is exacerbating agricultural situation in developing countries.

To cope with its adverse impact on food production, developing countries will be required to invest ever more on introduction of climate-resistant varieties and drought management of crops at the very least. These vastly increased investments add ever more to their already existing development challenges. An appropriate policy framework to conserve genetic biodiversity particularly in the developing countries is essential for ensuring food security on sustainable basis. As far as India is concerned, a National Mission on Sustainable Agriculture is a key component of our National Action Plan on Climate Change. Technology can be a key transformation agent in food production and we should be willing to look at what science can make available. The CGIAR and other international research organizations have played an important role in the past in promoting food security. There is no reason why they or other similar institutions in the public domain should not be harnessed again for securing food for all. Regional initiatives, like food banks, have potential for immediate impact. In our region, at the New Delhi Summit of the South Asian Association for Regional Cooperation [SAARC] in 2007, a SAARC Food Bank was set up to manage emergencies caused by natural and manmade calamities and food shortages, and to supplement national efforts to provide food security. Mr. Chairman, In our efforts to achieve the MDGs, the incidence of poverty in India declined from 36% in 1993-94 to 27.5% in 2004-05. We are also making determined efforts on the question of reducing the proportion of people who suffer from hunger.

We are also cognizant of significant challenges that we face in the area of nutrition, especially child nutrition. Even today, 46% of children below three years of age are severely underweight, while a large proportion women and children are anemic. India has been feeding 17% of the world's population on less than 5% of the world's water and 3% of its arable land. Over a period of time, major efforts have been made to increase agricultural output, and ensure food security and self-sufficiency. As a result of such efforts, in the year 2008-09, food-grain production in India reached a record level of 231 million tonnes. This year too, we are expecting the same level of production. As you know, India is the world's second largest producer of both wheat and rice. India has taken a strategic initiative for augmenting production of food crops.

The National Food Security Mission aims at achieving 20 million tonnes of additional food-grain production by targeting high potential, but low productivity, regions in the country. Being well aware of the need for growth

in both agriculture and the rural sector, especially inclusive growth, increased public investment, along with policy reforms for leveraging private sector participation, in the agriculture sector are being undertaken by the Government of India. Other major measures include large-scale action to build rural infrastructure, waive bank loans to small and marginal farmers, provide minimum guaranteed rural employment in a big way and enhance access to rural credit.

Moreover, to ensure remunerative returns to farmers, the minimum support price for various food-grains, which is set by the Government, has been increased for incentivising farmers to produce more food grains and for improving the terms of trade for farm sector. While agriculture supports about 58 % of our population, it contributes only about 17% of our GDP- thus, an average farmer earns much less as compared to the National per capita income. This fact is well recognized by us and the National Policy for Farmers formulated in 2007 lays a special emphasis on improving income of the farmers not only through improvement in crop yield levels but providing them a reasonable opportunity for employment in the non-farm sector. Already an Action Plan has been drawn up by us in this regard.

Moreover, to combat undernourishment, India operates the world's largest targeted Public Distribution System, as well as world's largest nutritional intervention programmes, 'Mid-day meal' programme for the school children and Integrated Child Development Scheme for pre school children, lactating and expectant mothers. Mr. Chairman, Clearly, food security is a global challenge. We must promote global cooperation, and a full implementation of the global partnership for development, so that the objectives of food security and food for all can be achieved.

Thank you.



**737. Intervention by Acting Permanent Representative at the UN Ambassador Manjiv Singh Puri during negotiations on "Size of an Enlarged Council and Working Method of the Security Council".**

**New York, April 7, 2009.**

**Mr. Chairman,**

Thank you for giving me the floor, and for recognizing that this is my first intervention during these negotiations. Also, permit me to congratulate you on your role as Chair of this process and to commend your skillful handling of this process.

We must be cognizant that the principal objectives in enlarging the council are to make it reflect contemporary geopolitical realities, improve its representativity, especially representation of developing countries which comprise the vast majority of UN membership, and reform its working methods, and thereby enhance its legitimacy and effectiveness.

The G-4 framework resolution proposes an enlarged council of 25 seats, with 11 permanent members and 14 non-permanent members. We believe this is the most optimal size of an enlarged council. The proposal for 25 seats would add 6 permanent members (Africa-2, Asia-2, LAC-1, West Europe and Other Group-1) and 4 new non-permanent members (Africa-1, Asia-1, EE-1, LAC-1). In terms of regional representation, size of population and consideration of representation, the proposed expansion would ensure that the realities of today's world are incorporated into the Security Council. Even with 25 members, the ratio of UNSC members to that of the UNGA will be lower than what the ratio was in 1945.

Naturally any reform process should make any institution more effective and efficient. We should not see a casual link between size and efficiency in an institution's working methods and its established rules of procedure. Therefore, whatever may be the size of an organization, unless the working methods are efficient, it is clear that the Council will not function in a better manner. In every sense, therefore, the question of size is relative to the Charter responsibilities and appropriate representativeness in that optimal size which, as we mentioned, the G-4 Framework Resolution contains. We are conscious that an enlarged Council must be effective and efficient. However, arbitrary or artificial limits to size will not assist us in finding a solution that will achieve our principal objectives.

**Mr. Chairman,**

Let me now turn to the issue of working methods.

Some delegations feel that issue of working methods should be left to the UNSC itself. Certainly, the UNSC should work towards improving its working methods, and we are happy that some steps have been taken - like the issue of UNSC Note No. S/2006/507 of July 19, 2006.

However, Article 24.1 stipulates that UNSC acts on behalf of the larger membership in discharging its primary responsibility for the maintenance of international peace and security. Hence, the UNGA has a legitimate role in deliberating upon the working methods of the Council.

There must be greater transparency in the UNSC's work. Access to documentation and information is an issue of particular concern. The tendency of the UNSC holding closed meetings should also be curbed.

Articles 31 and 32 of the Charter must be fully implemented, by consulting with non-Security Council members on a regular basis, especially members with a special interest in the substantive matter under consideration by the Council. Non-members must be given systematic access to subordinate organs of the UNSC, including the right to participate.

Participation of Troop Contributing Countries in decision making of peacekeeping operations must be ensured, instead of mere proforma consultation. This should cover the establishment, conduct, review and termination of peacekeeping operations, including the extension and change of mandates, as well as for specific operational issues. Charter mandates in this regard remain unfulfilled.

**Mr. Chairman,**

Genuine reform in the working methods cannot be achieved without a comprehensive reform in the membership of the Council, with expansion in both permanent and non-permanent categories. In this context, I should like to recall that one delegation this morning advised us to "put aside" expansion in permanent membership. In doing so, it became clear that the objective of that intervention was to press for expansion of the Council's membership - not a genuine reform of the Security Council. And this afternoon, a couple of distinguished delegates have also suggested expansion only in the elected category, i.e. non-permanent membership, once again shying away from real reform of the Council, while finding strange satisfaction in the current state of affairs in the UNSC, including in its working



methods, leaving major regions without any effective voice and participation in the UNSC.

Let us recall that an expansion in only the non-permanent category was tried in 1965. And, it is clear that this did not even achieve reform of working methods. This was not for want of serious effort by the many who have served as non-permanent members over the years, seeking to discharge their fundamental responsibilities, but because, as is public knowledge, non-permanent members are not in the core of decision making in the UNSC. They also face difficulty in adjusting to the Council's working methods.

Real change and reform in the Security Council, the call for which is heard in an overwhelming manner at the UN, cannot come from merely expanding the number of non-permanent members. Only new permanent members, held accountable to the wider membership through review, would be truly effective. They also provide the necessary institutional memory to follow through and implement far reaching changes. New permanent members would also provide the necessary peer pressure through example.

It is, therefore, imperative that for real reform, also of work methods, there be a change in the composition of the Security Council by expansion in both permanent and non-permanent categories.

I thank you Mr. Chairman.



**738. Statement by the Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri at the meeting of the Ad hoc Working Group on the Revitalization of the General Assembly.**

**New York, April 15, 2009.**

**Distinguished Co-Chairs,**

We congratulate the two Co-Chairs [Ambassadors of Norway and Ecuador] for their appointment and express our readiness to work constructively in this process. We would also like to express our appreciation for the two previous Co-Chairs, the Ambassadors of Paraguay and Poland, who undertook a thorough examination of all aspects of this issue. I hope that the relatively thin attendance today is neither reflective of the lack of interest in this critical issue of revitalisation of the General Assembly nor that all is in order and no action needs to be taken. My delegation aligns itself with the statement made by the distinguished Chair of the Non-Aligned Movement.

**Distinguished Co-Chairs,**

Since the very beginning, India's position on the entire issue of revitalization of the General Assembly has been guided by its desire to have a more effective United Nations. India wants an organization that is truly responsive to the priorities and aspirations of the Member States, particularly for the developing countries, who constitute the vast majority of the membership. Its working methods must also embody efficiency. India believes that the General Assembly will only be empowered if its position as the chief deliberative, policy-making and representative organ of the United Nations is respected in letter and in spirit.

Indeed, the strengthening of procedures, working methods, documentation etc and ensuring due follow up are important steps in that direction. But more important is the need to continue the focus on substantive measures to restore and enhance the role and authority of the General Assembly in exercising control over legislation, material and manpower, and its role as the chief oversight organ of the UN. Being the voice of the international community, the General Assembly must have a greater say in the process of selection of the Secretary General. Though, several mechanisms have been proposed to put in place a more inclusive and transparent procedure for the appointment of the Secretary-General, consistent with Article 97 of

the Charter, there is hardly any progress in this regard. The revitalization process also implies that the General Assembly take a lead in setting the global agenda and restore the centrality of the UN in this regard. The convening power of the United Nations must be used more decisively in this regard.

The fundamental disparity of authority between the Security Council and the General Assembly must be addressed. And, it is important that a truly representative body such as the General Assembly have a much greater say in the international economic and financial matters. The General Assembly's competence in areas such as the process of standard-setting and codification of international law must be scrupulously respected. The issue of maintaining a balance between the various principal organs of the UN, preventing encroachments upon the mandate of the General Assembly and of making the Security Council more accountable to it must also be addressed. This, in-fact, demands that the composition of the Security Council, especially in its permanent membership, be reflective of contemporary realities. Distinguished Co-Chairs, Before I end, let me re-emphasise the need to discuss substantive measures that would strengthen the role of General Assembly as the chief deliberative, legislative and policy-making and representative body of the international community. You can expect our constructive support and participation in your efforts.

Thank You



**739. Intervention by Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri during negotiations on "Relations between the Security Council and the General Assembly".**

**New York, April 20, 2009.**

**Mr. Chairman,**

Thank you for giving me the floor. Let me express our appreciation for your efforts in chairing this negotiation process.

**Mr. Chairman,**

The United Nations was established to save succeeding generations from the scourge of war, reaffirm faith in fundamental human rights, ensure respect for international law and promote social progress and better standards of life in larger freedom. A General Assembly was created, where all Member-States would have a place. And, a Security Council with permanent and non-permanent members was set-up along with the ECOSOC, The Trusteeship Council, the International Court of Justice and a Secretariat. Of these, the UNSC is unique. Five UN Member-States, its permanent members, exercise a key role in its decision making. It also acts on behalf of the larger membership and has been conferred the primary responsibility for the maintenance of international peace and security.

This concept of acting on behalf of all Members and the key role of the permanent members in reaching a decision in the UNSC must be central to the relationship between the UNSC and the UNGA. These demand that the composition of the UNSC, especially in its permanent membership, embodies contemporary reality. This is critical to ensure that its decisions carry both actual legitimacy and reflect accountability. The Council also needs to be transparent in its functioning.

A fundamental reform of the composition of the UNSC is, therefore, key not only to improve the functioning of the Council and the UN as a whole but also to improve the relationship between the UNSC and UNGA.

This must include expansion in both permanent and non-permanent membership, and address the under-representation of developing countries, which comprise the vast majority of UN membership. The uniqueness of the relationship between the UNSC and the UNGA is also evident from the Charter provisions. While Article 15.2 mandates the UNGA to receive and consider

reports from all other UN organs, there is a specific Article viz. Article 15.1, which mandates reports from the UNSC, both annual reports and special reports. This is reiterated in Article 24.3. There have been efforts to improve the annual reporting from the UNSC to the UNGA.

Nevertheless, the annual report largely remains a compilation of events, with a bland listing of meetings and outcome documents. An analytical content to the report for better informing the Member-States the underpinning of the Council's decisions is lacking.

This is perhaps reflective of the fact that the UNSC remains insufficiently representative, its working methods remain non-inclusive, and its activities remain extremely opaque. The mandate of special reports has almost been forgotten by the UNSC.

The issues of working methods reform, particularly access by non-members to documentation and the work of the UNSC; genuine consultations with TCCs; and the right of participation of non-members with a special interest, are also crucial to improving relationship between the UNSC and the UNGA. In addition, the issue of UNSC's Charter mandate is relevant to today's discussions.

The Council should remain focused on its mandate and not try to re-define 'threats to international peace and security'. Such efforts only serve to encroach upon and undermine other principal organs, especially the General Assembly. This should not be the case at all.

**Mr. Chairman,**

It is unrealistic that changes in the issues that I have highlighted can be made without a genuine reform of the membership of the Council. Such reform, with built-in review, cannot come from merely expanding the number of non-permanent members. Earlier in the day, some delegations attempted to artificially summarize areas of agreement. But, ironically, these same delegations refuse to acknowledge that the overwhelming majority are for expansion in both the permanent and non-permanent categories. I agree with the delegations that were clear that the key issue is expansion of the Council. And, in this let us hear the voice of the overwhelming majority.

Thank you



**740. Statement by Member of the Indian Delegation Ms. Ranjana Gupta at the 8th session of the UN Forum on Forests on Forests in a Changing Environment: [A] Forests and Climate Change; [B] Reversing the loss of Forests Cover, Preventing Forests Degrading in all types of forests and combating desertification, including low forests cover countries; and [C] Forests and Biodiversity Conservation including protected areas.**

**New York, April 21, 2009.**

**Mr. Chairman,**

Sustainable Forest Management (SFM) is a broader term used to refer to a management paradigm which focuses on ecological, sociological and economic principles in tandem. The National Forest Policy, 1988 and the forestry management practices in India are based on the principles of Sustainable Forest Management. The progress made by the country towards achieving the four Global Objectives on Forests and the implementation of the NLBI has already been elaborated. However, in the context of climate change and REDD India has been in favour of an umbrella approach comprising different policy options, approaches and activities including conservation, sustainable management of forests (SMF), and increase in forest cover. India favours a comprehensive REDD mechanism, and seeks financial incentives of compensation for enhancement of carbon stock as a consequence of following the policy options of conservation and sustainable management of forests (SMF). In COP 13, India used the term Sustainable Management of Forests (SMF) and the term got incorporated in the Bali Action Plan and COP decision on REDD (decision 2.CP/13). For the purpose of REDD, SMF can be understood as improvement in existing cover and increase in forest / tree cover (FTC), i.e.,  $(\text{harvest} < \text{increment}) = \text{net addition}$ . SMF includes maintenance as well as increment of forest carbon stocks by means of improvement in the quality of existing stocks and expression in forest area with activities like afforestation and reforestation (AR).

Government of India is promoting Afforestation & Reforestation (A&R) projects under Clean Development Mechanism (CDM) of the Kyoto Protocol. Upto February, 2009 the National CDM Authority has accorded Host Country Approval to 9 eligible projects under CDM A&R. It is understood that these projects are under validation and are likely to apply for registration with CDM Executive Board in due course, and thereby generate Carbon Credits. Climate Change Division of Ministry of Environment & Forests is presently also

involved in Capacity building of CDM A&R in three States namely Jammu & Kashmir, Madhya Pradesh and Jharkhand in collaboration with GTZ. It is proposed to add 5-6 more States shortly under this programme for which GTZ has agreed in principle.

Regarding reversing the loss of forest cover, preventing forest degradation in all types of forests, combating desertification, Forests and biodiversity conservation including protected areas; adequate policy and legal provisions exist. Indian Forest Act, Forest Conservation Act, Wildlife (Protection) Act are for the effective conservation of Forests & wildlife resources in the country. India has a National Forestry Action Plan & National Wildlife Action Plan (2002-16), which gives policy direction for the management of the Forestry & wildlife sector. As stipulated in the legislation and Action Plans, establishment of Reserved Forests & Protected Areas (PAs) form the core of India's conservation strategy. India has national Schemes and Programmes for strengthening the effective management of Forests & wildlife resources. India's national Protected Area covers around 4.8 % of country's geographical area. India currently has 99 National Parks, 515 Wildlife Sanctuaries, 43 Conservation Reserves and 4 Community Reserves. Besides there are 37 Tiger Reserves and 26 Elephant Reserves. India has established a National Wildlife Crime Control Bureau in 2007 to combat illegal trade in wildlife and its derivatives.

The National Biodiversity Action Plan has been prepared within the broad framework of National Environment Policy & National Forest Policy. In pursuance to the CBD, India had enacted the Biological Diversity Act in 2002 following a widespread consultative process. The Act gives effect to the provisions of the CBD. It also addresses access to biological resources and associated traditional knowledge to ensure equitable sharing of benefits arising out of their use to the country and its people, thereby contributing to achieving the third objective of the CBD.

The UNFF can play a key role in creating complementarities among the forest-related conventions and relevant forest organizations, bodies and processes for the better use of resources, expertise, less likelihood of overlaps of duplication of efforts, better communication and dissemination of information.

Thank you, Mr. Chairman.



**741. Statement by Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri at the open consultations on Strengthening Government of Operational Activities for Development on the UN System for Enhanced System-Wide Coherence.**

**New York, April 24, 2009.**

**Mr. Chairman,**

We would like to thank you for organising informal consultations on the "Strengthening governance of operational activities for development of the UN system for enhanced system wide coherence paper. Our thanks also to the Deputy Secretary-General.

At this stage we do not propose going into the details but would like to assure you of the willingness of our delegation to constructively engage in this process.

My delegation associates itself with the statement of the Joint Coordination Committee of G-77 and NAM.

**Mr. Chairman,**

India's basic position is guided by the fact that the UN's operational activities for development must meet the needs and aspirations of developing countries. They, i.e. developing countries, must be the primary drivers and national ownership and leadership be a real fact in UN's development programmes.

And, the best way to ensure national ownership is to truly plug into national development plans steering clear of any conditionality based "from us to you" approach, which is common among major MFIs, and which has resulted in even the largest players on the money and finance side admitting to stigmas being attached to their actions. In this context it is extremely important to remember the high legitimacy of UN development representatives in their host countries. This should not be compromised in any manner, especially by involving them in activities that have intrusive connotations.

**Mr. Chairman,**

Elimination of duplication, overlapping and fragmentation, are laudable objectives in themselves, but we should be vary of confusing this with



complimentarily. The UN, which is neither a Bank nor a Fund, has provided a home to several new ideas and acted as a crucible for several of these development thoughts. This richness in diversity must not be lost sight-off in our endeavours for strengthening coherence and coordination.

Developing countries are varied and have differing requirements. This demands that we eschew a "one size fits all" approach. We must also clearly recognise the criticality of funding, especially its adequacy, and, of course, predictability. And, here, sad to say, we are woefully inadequate as far as the response is concerned.

**Mr. Chairman,**

We welcome any move that would strengthen GA and ECOSOC's supervision over the entirety of UN Development Operations and find it difficult to accept that we as Member-States are not sufficiently coherent. The idea of a small Advisory Board that could provide an effective input may appear to be a sound one but in examining it we must remember that some years back the size of ECOSOC was increased as a larger body provides greater legitimacy and there are demands all around for universalization of governing bodies.

We must also be careful that creation of new bureaucratic structures should not simply add further layers in the search for further coherence. Coherence of UN agencies, in any case, must not undermine policy space and policy flexibilities of developing countries, which are required in accordance with their national priorities and circumstances. The key test is not how coherently or unified the UN entities are in carrying out their activities but how effectively they are able to deliver to developing countries in implementing their, i.e. the developing countries, nationally determined plans.

Thank you.



**742. Extempore Remarks by Chief Economic Adviser of the Government of India Dr. Arvind Virmani at the Special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development.**

**New York, April 27, 2009.**

**Madam President,**

Let me start briefly by noting some of the implications of the financial crisis which are by now well accepted facts, which have been pointed out today. The current global crisis is the worst since the Great Depression i.e. it is broad-based and affects all elements of the global system, including goods and services, trade financial flows of every dimension, FDI, equity, debt and issues of migration and flows of people. Now as a consequence, the relative importance of each of these differs across the countries, giving rise to different mix of impact. The needed response is, therefore, different for each country or region. This highlights the need for flexibility in important action that several earlier speakers have pointed out.

Secondly, again the world recognized, the crisis has originated in the developed countries and in particular the financial sector. What this means is that as a consequence there has been a negative effect on the critical but intangible drivers of growth what is variously referred to as confidence, sentiment or expectation. Therefore, financial sector stabilization and macro-economic rebalancing is critical to restoring and sustaining confidence and positive sentiment.

Thirdly, again as well recognized now, the crisis has been transmitted rapidly to the developing countries and is likely to increase poverty and deprivation in these countries. Consequently, better understanding of the links between these shocks and the impacts will help in devising region and country-specific solutions of the kind that many earlier speakers have talked about.

Fortunately, the need for urgent global coordinated action has been recognized as indicated by some of the decisions taken at the G-20 Summit. From all these, the agreement to expand the resources of the IMF and the ADB and to bring forward quota reviews in the IMF and the increase in agreement to increase FDIs. As noted earlier, this will increase flows by \$ 1.1 trillion. However, besides the physical resource flows, it is

very important to recognize that this will help developing countries that need assistance and restore confidence in emerging markets. That is linked to the issue of confidence that I have pointed out earlier, which will affect private flows and private investment, which played a very important role in the last six years.

Third point I would make is that, which has not been so widely mentioned, is that the move towards a stronger regulation, which was an improved supervision, is absolutely essential to avoid repetition of these crisis in future, as noted by the UN report. The leaders have discussed and agreed on broad direction for improvement in regulatory and supervisory structures for the world financial system. But implementing these will take a considerable amount of time. Further, they will be carried out by the Financial Stability Forum and the Basal Committee on Banking Supervision, the two key standard-setting bodies, broadening representation in these bodies has, therefore, been a very important improvement from earlier times with a very restricted and limited to the rich developed countries.

Finally, I note that the wide spectrums of initiatives taken by the World Bank is, as the speaker from World Bank also noted, I think is encouraging because of the flexibility and the open- mindedness with which the World Bank has approached these issues.

Thank you.



**743. Intervention by Joint Secretary Ministry of Environment and Forests Rajneesh Dube, during "General comments on the Chair's draft negotiating text", at the plenary of the 17th Session of the Commission on Sustainable Development.**

**New York, May 4, 2009.**

**Madam Chairperson,**

At the outset, please accept my delegation's congratulations on your election as Chairperson of the CSD 17. We are confident that under your able guidance, the Commission will successfully complete its work. We also wish to associate with the statement made by the Representative of Sudan on behalf of the G-77.

**Madam Chairperson,**

The text on Rural Development should recognize that there is a need to move towards a rights-based framework to secure entitlements of the rural poor to basic needs.

Climate change has emerged as a major issue in sustainable development. Negotiations on climate change must respect the principle of common but differentiated responsibilities and respective capabilities to achieve an ambitious and equitable outcome. India has launched a National Action Plan on Climate Change, which is a major initiative involving eight national thematic missions.

**Madam Chairperson,**

Robust agricultural growth requires greater investment in the agriculture sector, consistent with the national agriculture and land use policies. Enhanced agricultural productivity coupled with scientific use of post harvest technologies needs to be linked to an equitable multilateral trading system which promotes greater market access for the agricultural exports of the developing countries. It will ensure that agriculturists, landless labourers and marginal sections of rural communities in the developing world do not fall below the poverty line.

**Madam Chairperson,**

Critical, innovative technologies in the areas of agriculture and combating drought and desertification have remained out of the reach of developing

countries largely due to the existing IPR regime. We need to make tangible progress in the CSD 17 towards evolving a new paradigm shift that balances rewards for the innovator with the imperatives of sustainable development.

Capacity building is a key imperative for developing countries. India has been, and will continue to be, honoured to be associated with South-South cooperation initiatives for capacity building for participatory and community development approach, and with providing technical services for developing scientific programmes.

**Madam Chairperson,**

The declining trend of ODA is a serious cause for concern to the developing countries, particularly in view of the current economic downturn and needs to be immediately reversed. We urge the CSD to facilitate the transfer of new and additional resources to mitigate the adverse impact of food, fuel and financial crisis being faced by the developing world.

Our engagement with the draft outcome document will be guided by these perspectives. We look forward to a constructive and meaningful Session.

Thank you, Madam Chairperson.



**744. Statement by Minister of State for Environment and Forests Namo Narain Meena at the Round Table on Responding to Food Crisis through Sustainable Development during the high level segment of the 17th session of the Commission on Sustainable Development.**

**New York, May 13, 2009.**

**Mr. Chairman,**

Ensuring food security for its citizens has been a focus of India's development efforts. We have, among other measures, improved both agricultural output as well as productivity. An example of our success is that India is the world's second largest producer of both wheat and rice. However, our land and water resources are under considerable strain. Despite accounting for only 2.4 per cent of the world's geographical area and 4 per cent of global water resources, India supports about 17 per cent of the world's human population.

This problem is expected to intensify, with increasing food grain demand and falling per capita water availability. India's policies and programmes are, therefore, oriented towards sustainable agricultural practices and sustainable development.

India's National Action Plan on Climate Change includes a National Mission on Sustainable Agriculture as a key component.

We have launched a National Food Security Mission, which aims at a substantial increase in production of rice, wheat and pulses. A national agriculture development scheme has a primary focus on incentivizing local governments to increase the share of agriculture in their development plans.

Other measures aim at integrated rural development, including improving the economic well being of farmers, avoiding diversion of agricultural land for other purposes, appropriate land-use planning, promotion of bio-fertilizer, crop diversification, micro irrigation systems, and judicious use of organic, soil nutrients and chemical fertilizers. In addition, we are actively promoting integrated management of land and water resources through watershed development programmes and holistic development of rainfed areas. Local government participation has been particularly successful in these efforts.

**Mr. Chairman,**

Sustainable development, however, cannot be addressed without addressing poverty, especially in developing countries, where millions depend for their livelihoods primarily on the natural resource base of their immediate environment. Poverty eradication measures must, therefore, be the centrepiece of national development efforts, as well as of the international agenda. Growth and development in developing countries is key. The ongoing financial and economic crisis must not be an excuse to dilute ODA and other commitments, or to institute protectionist measures in any form. Development cannot be halted or sacrificed in the search for solutions to the crisis.

**Mr. Chairman,**

A major challenge before all of us is that of climate change. Ongoing negotiations under the UNFCCC must ensure that the development imperatives of developing countries are fully taken into account, with the outcome being ambitious and equitable. The outcome must fully respect the principle of common but differentiated responsibilities and respective capabilities in letter and spirit. High agricultural subsidies in developed countries must be significantly reduced if not eliminated. The international community must actively facilitate development and transfer of technology to developing countries in a cost-effective manner. Collaborative R & D between the developed and the developing countries needs to be promoted in particular. The existing IPR regime must also be revisited in a way that ensures a balance between reward for innovators with a common good of humankind.

Before concluding, Mr. Chairman, let me emphasize the importance of South-South cooperation. India is very happy to share its useful and wide-ranging experience in various fields with fellow developing countries.

Thank you, Mr. Chairman.



**745. Statement by Minister of State for Environment and Forests Namo Narain Meena at the Round Table on realizing Green Revolution in Africa during the high level segment of the 17th session of the Commission on Sustainable Development.**

**New York, May 14, 2009.**

**Mr. Chairman,**

India is happy that a round table has been dedicated to a critical issue as far as Africa is concerned i.e. the issue of realizing a Green revolution in Africa. Despite the severe constraints faced, African countries have been making special efforts to achieve their development goals. It is critical that the international community provide concrete assistance to these efforts through provision of greater financial resources, technology transfer and capacity building, particularly in the context of the current global financial scenario. We would like to emphasize the importance of institution building and capacity development, which lays the true foundation of sustained growth. There should be easier access for African countries to developed country markets. There must also be a focus on actions that add value to African exports. We also recognize the indigenous and traditional knowledge available in Africa, and stress the need to use such knowledge in development efforts.

**Mr. Chairman,**

India has been privileged to have contributed African development efforts as a partner in South-South cooperation. In this context, the establishment of the India-Africa Forum Summit last year deserves a special mention. Let me reiterate our Prime Minister's commitment that "it is our intention to become a close partner in Africa's resurgence".

Our Prime Minister also announced a series of important and new initiatives at the summit that are aimed at strengthening our existing partnership with Africa. These include the Duty Free Tariff Preferential Scheme for the 50 least developed countries, 34 of whom are in Africa. This scheme will cover 94% of India's total tariff lines and, more importantly provide preferential market access on tariff lines for 92.5% of the global exports. Most of the products covered by these tariff lines will be agro-products. India will offer credit lines worth US\$ 5.4 billion dollars over the next five years to African countries, apart from grants worth US\$ 500 million. The number of



scholarships to African students is also being doubled. Focus areas of cooperation include creating regional and pan-African institutions of higher education, particularly in science, IT and vocational education, infrastructure and industrial development, well as investing in R&D in renewable energy and agricultural development. India already has an active cooperation programme with our African partners in the agriculture sector. This includes capacity building programmes such as vocational training in agriculture and agro-processing sectors including cashew nut, coconut, coir, fisheries, and training of African agricultural scientists at various levels. A number of public/private partnership projects in the agricultural sector have been promoted and developed. Indian investors have also played an active role in Africa's agricultural sector. Mr. Chairman, Efforts by fellow developing countries cannot replace the need for actions by the developed countries. We hope that CSD 17 would spur greater efforts towards implementation of their commitments. On our part, India will continue working with countries in Africa in realizing their national development goals.

Thank you.



**746. Statement by Secretary Ministry of Environment and Forests Vijai Sharma at the Round Table on Integrated Management of Land and Water Resources for sustainable agriculture and rural development during the high level segment of the 17th session of the Commission on Sustainable Development.**

**New York, May 14, 2009.**

**Mr. Chairman,**

Land and water are closely interwoven into the matrix of rural livelihoods.

India accounts for about 2.4 per cent of the world's geographical area and 4 per cent of global water resources, but supports about 17 per cent of the world's human population and more than 15 per cent of the livestock. The need for providing food and water for the growing population while sustaining the natural resource base has emerged as one of the main challenges for India in the 21st century.

Growing water scarcity, frequent occurrence of drought as well as degraded soils that suffer from nutrient depletion, low organic carbon, salinity, water logging, toxicity build-up, development of hard pan and loss of fertile top soil through erosion, apart from poor rural infrastructure are significant challenges in meeting the Millennium Development Goals of sustainable development and reducing hunger. This situation is further compounded by climate change.

Against this background, India has been taking a variety of measures. India is developing an index-based weather insurance instrument to provide increased support to small and marginal farmers.

In order to provide early warning, a number of national agencies are working closely with each other to monitor agricultural drought once every two weeks on a real time basis during the main crop seasons in India.

Sixty percent of India's arable land is rain-fed, with variable rain patterns involving long dry spells. Thus, to augment groundwater supplies and to enhance rainwater use efficiency, India is implementing an Integrated Watershed Management Programme in mission mode.

The watershed programmes are used as an entry point activity for converging livelihood programs in the watersheds through a holistic systems approach. Our long experience with various watershed management programmes show that these are an effective strategy for

addressing the problems of rain-fed areas in an integrated manner, as well as an engine for inclusive growth and poverty alleviation. It may be noted that the average cost-benefit ratio of the watershed programmes in the country is 1:2, with an internal rate of return of 27%.

Some of the approaches adopted in the programmes include rainwater harvesting and conservation, increasing crop productivity, integrated nutrient management, diversification of crops and cropping systems, micro-enterprises to benefit women and vulnerable groups, and diversification of livelihood options.

There is also a high-level inter-ministerial National Rainfed Area Authority to address all aspects of sustainable and holistic development of rainfed areas, by converging and synergizing numerous ongoing programmes.

Moving away from a stand-alone project approach to a programmatic approach to combating land degradation, India has formulated in collaboration with the Global Environment Facility and the World Bank a Sustainable Land and Ecosystem Management (SLEM) Country Partnership Programme.

India has recently launched under the National Action Plan on Climate Change, a National Mission for a "Green India" under which six million hectares of degraded forest land would be afforested by 2018. This would be one of the largest afforestation programmes in the world.

**Mr. Chairman,**

"Broad based and inclusive growth" is the main strategy of India's developmental planning. This involves targeted interventions aimed at assisting the poor and the vulnerable.

We are also adopting institutional and policy mechanisms, particularly by adopting participatory approaches for sustainable management of natural resources, such as joint forest management initiative, farmer participatory action research programs for water management, participatory integrated watershed development, and participatory irrigation management in irrigated areas. These aim to build the social and institutional capital, particularly in rural areas, for sustainable management of natural resources. These significant strides made by India notwithstanding, there still remains a long way to be traversed in view of the enormity of the task.

Thank you.



**747. Statement by Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri at the open consultations on 'Strengthening the System-wide Funding Architecture of development activities of the UN for Development.'**

**New York, May 19, 2009.**

**Mr. Chairman,** Thank you for organising these informal consultations on the "Strengthening the system wide funding architecture of development activities of the United Nations for Development." Let me also thank the Deputy Secretary General for her presence. At this stage, we do not propose going into the details but would like to assure you that we will be constructively engaged in this process. It is also of critical importance to look at the issue of financing along with governance. India, of course, associates itself with the statement of the Joint Coordination Committee of G-77 and NAM.

**Mr. Chairman,**

These consultations are taking place during exceptional times when we are faced with the gravest economic and financial crisis since the inception of the present international monetary and financial institutions. Developing countries, though hardly responsible, are its worst victims. While even before this crisis, the key issue also for MDG attainment was quantity of financing available, the requirement for enhanced

ODA is all the more critical now when developing countries are facing an increased curtailing of capital flows. Quantity, Mr. Chairman, therefore, remains the most important issue regarding financing for development, including the UN's development activities. Moreover, developing countries must be the drivers and national ownership and leadership must be a real fact in the UN's development programmes, which must be directed towards the needs and aspirations of developing countries. By their universal and voluntary nature, the UN operational activities for development are best suited to truly plug into national development plans steering clear of any conditionality based "from us to you" approach which is common among major MFIs. Therefore, exploring ways and means to enhance core, predictable, timely and without conditionalities funding for the UN is critical to achieving the objective of making the UN deliver coherently, relevantly and effectively. Unfortunately, during 2002-07, the annual growth in ODA contributions

channeled via the UN slowed from the previous decadal annual rate of 9.9% to 5.6% while the growth in bilateral ODA grew 6.1%. Moreover, the share of core funding in some of the key UN funds and programmes has come down from around 80% to 30% in the fifteen years since 1991. This continuous decline in core resources as a proportion of total resources provided through the UN and the preference for other multilateral and bilateral routes, which invariably have more conditionalities, is a matter of much concern.

The increasing imbalance between core-and non-core resources while adversely affecting effectiveness and coherence of UN Development Cooperation, is also detrimental to the normative, analytic and research capabilities of the UN entities in the long-term. It also pressurises the funds, programmes and agencies to re-orient their activities towards those that attract funding, which invariably means following donor agendas. In this context, let me underscore the need for credibility among developing countries. We are discussing the credibility among donor countries, but more important is the credibility among the recipient countries. Mr. Chairman, The recommendations in this paper to increase resources flows, including providing minimum of 50% of system wide contributions as core/regular funding, channelizing at least 50% of system-wide non-core extra budgetary resources to thematic funds linked to strategic plans of UN entities and through innovative mechanisms to increase voluntary funding are timely and pertinent. Though not addressed in the present paper, the fact remains that the development pillar of the UN has been sidelined in terms of budgetary allocations in the last 10 years. Available statistics indicate that the total budgetary allocation for development pillar has gone down from 22.2% in 1997-98 to 17.8% in the 2008-09. The development pillar remains the top priority for an overwhelming majority of Member States and is a necessary condition for durable peace and security. Funding architecture with or without structural reforms needs to be strengthened to really strengthen the development pillar.

Mr. Chairman, before I conclude, let me reiterate that in pursuing the effectiveness of UN development efforts the diverse needs and different stages of development of Member States must not be overlooked. Indeed, no one-size-fits-all. Moreover, national ownership, priorities and leadership must remain the key drivers of the UN development programmes. Thank you.



**748. Statement by Joint Secretary and Financial Advisor in the Department of Economic Affairs of the Ministry of Finance Deena Dayalan at the annual session of the UNDP/UNFPA Executive Board.**

**New York, May 26, 2009.**

**Mr. President and distinguished delegates,**

Let me congratulate Ms. Helen Clark on her appointment as UNDP Administrator. We hope the UNDP would further broaden its engagement in carrying out operational activities for development under her leadership. Let me also congratulate you and other board members for guiding the UNDP Board. We look forward to working constructively with you and other members of the board during the course of this meeting and for the rest of the year. My delegation associates itself with the G-77 Statement.

The Meeting of this Board is being held in exceptional times when we are faced with the gravest and deepest economic and financial crisis since the inception of the present international monetary and financial institutions. Developing countries, though hardly responsible, are its worst victims. While even before this crisis, the key issue also for MDG attainment was quantity of financing available, the requirement for enhanced ODA is all the more critical now when developing countries are facing an increased curtailing of capital flows. We hope that the UNDP operational activities on the ground will not be undermined due to reasons of non-availability of funds.

**Mr. President,**

UNDP, being the largest UN Programme for the operational activities of development, has the major responsibility to ensure that the operational activities are aligned firmly with the priorities of the National Government and on principles of national ownership and leadership. It must ensure effective cooperation and coordination with other UN agencies, which is critical for efficiency and effectiveness of UN operational activities for development.

UNDP must also continue to focus on its key priority areas, particularly on poverty reduction. The analysis of the Annual Report indicates that despite earlier recommendation for paying specific focus to poverty reduction efforts, the progress has not been as desired. The allocation of USD 1.26 bn out of total allocation of USD 4.7 bn needs to be increased further and this

particular focus area must be given due priority and attention. UNDP's direct support to poverty reduction programmes, both at macro and micro levels, depending on the needs of host government are of particular interest to developing countries.

India supports and encourages UNDP to continue with its efforts towards capacity building, and achieving gender equality and empowerment of women. UNDP needs to systematically increase mainstreaming of South-South cooperation while carrying out its mandated tasks.

**Mr. President,**

India contributes annually USD 4.5 mn to regular resources (core) of UNDP besides providing support to the local office and is one of the largest contributors to its regular

budget among the developing countries. Besides, India makes a substantive contribution to South-South cooperation efforts.

In India, though UNDP's contribution of around US \$ 190-250 million for a period of 5 years (2008-12) is nominal, Government of India appreciates this particularly in areas of capacity building, programme implementation and pilot programmes in green-field activities.

Thank you.



**749. Intervention by Permanent Representative at the UN Ambassador Hardeep Singh Puri during the informal plenary meeting: Exchange 1 of the Second Round of Negotiations on the question of Equitable Representation on and Increase in the membership of the Security Council and Related matters at the 63rd session of the UN General Assembly.**

**New York, May 26, 2009.**

**Mr. Chairman,**

Thank you for giving me the floor.

As I am speaking for the first time in this forum, so ably presided over by you, I would like to begin by appreciating your skillful efforts in conducting these negotiations through a very comprehensive first round. I would also like to thank you for your overview of the first round of the negotiations.

Your efforts deserve both the appreciation and gratitude of the members of this forum. Anyone who is entrusted the task of guiding a process that seeks real change, that seeks to forge ahead despite a few who secretly desire just the opposite, is bound to elicit both bouquets and brickbats. This is not new, and only serves to confirm that at last, we are perhaps inching towards genuine negotiations, rather than the endless process of statements in the Open-Ended Working Group. Therefore, Mr. Chairman, let me reiterate our unflinching support for your tireless efforts

There are some amongst us who would like you to merely replicate the OEWG process, or generate activity with the repetition of the same arguments of the first round, so that they can then claim that we are making progress. Any attempt to seriously move the process forward, or to attempt new approaches, is seen as a threat to their real and unstated desire to perpetuate the status quo.

If the status quo were representative, effective, responsive or fair, we could have lived with it. But as is clear to all, this is not the case, and the UNSC is in urgent need for reform. Hence, my delegation would urge you not to be disheartened in your efforts. Real change comes only when people rise above the ordinary, and do not get tempted to take the path of least resistance. We have the fullest confidence that you, Mr. Chairman, will persevere towards real change.



And this real change must involve greater representation for Africa on the UNSC, including in the permanent membership. It is, therefore, important that you carefully note the difference between the response of the African Group, and that of the others.

During the first round, the African Group, like most other delegations, had highlighted their preference for an expansion in both permanent and non-permanent categories. They had also reiterated other demands of the Ezulwini consensus, including the right of veto for new permanent members. Their primary concern with the overview, as eloquently stressed by many African countries, is the preeminence the overview gives to the intermediate approach. Naturally, they do not want the way forward to proceed in a direction that goes against the expressed desire of the overwhelming majority. Thus, their suggestions appear to suggest a constructive approach, with the objective of fully incorporating the African position in the overview.

On the other hand, a few countries have focused on criticizing your efforts from a completely negative perspective. All they can suggest instead is to repeat the practices and procedures of the past, knowing fully well that this will not take the process forward. We must reject such notions outright. We are also surprised at the vituperative attack on your efforts as a facilitator on the grounds that yours is a limited mandate, etc.

Clearly, such concerns did not deter those delegations that now adopt a critical attitude from warmly welcoming the facilitators' reports in the past, when such reports appeared to argue more explicitly for an intermediate approach despite the overwhelming support for an expansion in both categories. Even last Friday, one delegation of that group was trying to argue in support of such an approach. We must avoid such cherry-picking. My delegation appeals for consistency in our responses. Without this, mutual trust, so often quoted by some as indispensable, cannot exist. At this juncture, Mr. Chairman, let me clarify that we, too, are neither entirely comfortable nor entirely satisfied with the overview. Our preference would have been for an overview that conveyed clearly the 'sense of the house' during the first round of negotiations, particularly with regard to identifying the issues that enjoy support from the overwhelming majority of Member States.

As one African delegation correctly argued last Friday, a proposal that enjoys the support of 53 countries cannot be placed at the same level as that supported by one country. In the same vein, the proposal for expansion in permanent and non-permanent membership, which enjoys overwhelming

support, should have been explicitly highlighted. Nevertheless, we stand ready and will engage constructively in this process and will work with the overview presented by you which constitutes a good starting point for the second round of negotiations. If necessary, this could be expanded to include proposals that might not have been included. It would also be useful to quantify the support each proposal enjoyed in the first round. Based on this, we would recommend that we now intensify our efforts, and move towards an outcome that inter alia includes proposals that enjoy wide support, including expansion in both the permanent and non-permanent categories, improvement in working methods of the Council and on the relationship between the Council and the General Assembly.

Let me now turn to the issue of the review.

At the outset, allow me to also emphasize that we do not believe that the review should be looked at only in the context of the intermediate approach. As the G-4 proposal indicates, we see a review process in the context of an expansion in both permanent and non-permanent membership, as well as other reforms that we may agree to.

India has steadfastly emphasized the importance of the UNSC reflecting contemporary world realities. This is crucial also to ensuring its legitimacy, credibility and effectiveness. In fact, the fundamental basis and motivation for our work is that the UNSC continues to reflect the world of 1945, rather than the world of today. It is, therefore, crucial that we institute a robust process of review of the UNSC as part of the reforms that we undertake. Moreover, such a review must be mandatory. Article 109 of the UN Charter visualized a General Conference to review the Charter within 10 years after its adoption. This never materialized. We believe that a strong review mechanism would also go a long way to allay the fears of some delegations against locking out further reform.

Against this background, we would propose a review after 15 years from the date of entry into force of the amendments. This should be comprehensive, looking at all aspects of the UNSC. In this context, we would also look favourably at the concept of periodic reviews, say every 15 years. This would ensure that the UNSC continues to reflect realities as prevalent. We would be willing to engage in discussions on the concept of challenge to permanent members provided the bar for such a challenge is commensurate with and not less than the bar for permanent membership of the UNSC. In the spirit of interactivity, allow me also to respond to some of the comments made during the debate.

One phrase used repeatedly by a small group is flexibility. They reiterate how they have been flexible whilst no one else has demonstrated such flexibility. Let me respond briefly. In reality, the flexibility they espouse is anchored on one real position i.e. there should be no new permanent members. It is important to understand this, and once we look at their proposals from this perspective, it is abundantly clear that far from showing any flexibility, they have not moved an iota. Let us, therefore, be wary and not get carried away by repeated assertions of flexibility.

Before concluding, permit me also to refer to a reference made by one delegation on the reasons for his country not joining the L.69 Group. Whilst I am not personally aware of any invitation having been extended, naturally each country is free to join, or not, any grouping. I am both reassured and delighted to note the importance the L.69 Group evokes.

Thank you, Mr. Chairman.



**750. Statement by Joint Secretary and Financial Advisor in the Department of Economic Affairs of the Ministry of Finance M. Deena Dayalan at the annual session of the UNDP/UNFPA Executive Board.**

**New York, May 27, 2009.**

**Mr. President,**

We congratulate you and other members of the Bureau for successfully providing directions to the functioning of the UNFPA. We look forward to working constructively with you and the other members of the Board during the course of this meeting and for rest of the year. We also thank the Executive Director for her introductory remarks and the statement.

Let me also express our appreciation for the efforts of UNFPA towards accelerating progress and national ownership of the programme of action of the International Conference on Population and Development (ICPD). India welcomes the focus on population and development, reproductive health and rights and gender equality. India strongly supports UNFPA's consistent support to the national programmes, particularly those aimed at realization of the MDGs.

**Mr. President,**

This meeting is being held in exceptional times when we are faced with a global financial and economic crisis that is seriously affecting developing countries. We hope that the UNFPA would not be constrained by inadequate funding, which could seriously undermine its efforts in implementing the strategic plan 2008-11. We, therefore, strongly support the UNFPA's advocacy of the donors commitment to meet the target of 0.7% of gross national income for ODA and 0.15 to 0.2% to the LDCs.

We support the proposal to extend the strategic plan till 2013 as per the recommendation 62/208 of the last Triennial Comprehensive Policy Review (TCPR). We expect that with the latest reorganization, UNFPA will be better equipped to handle the challenges ahead and effectively manage its country operations.

While we are happy to note that the UNFPA has been able to augment its total resources during 2004-2008 from USD 494 mn to USD 795 mn, the overall decline of regular resources in % centage terms from around 65% to 54% is a cause for concern.

The analysis of the international population assistance efforts by major donors during the 2006-2009 period indicates that within the total funding of US \$ 10.6 billion, the share of UN System of US \$ 127 million is just

around 1%. The UNFPA must therefore, redouble its efforts to attract voluntary funding, particularly for its regular resources.

We are concerned that though there has been an increase in flow of financial resources for the International Conference on Population and Development (ICPD) programme of action, the investments in health systems of the developing countries has lagged behind. As highlighted in Executive Director's report, funding for family planning has decreased dramatically, which is critical element of reproductive health, particularly for reducing maternal mortality. We are afraid that in absence of adequate investments, the gains made so far will be reversed.

**Mr. President,**

The Government of India is appreciative of the work being undertaken by UNFPA in India. The contribution of UNFPA as reflected in its country programmes has grown from US \$ 46.40 Million under the Country Plan-1(1974-79) to US \$ 65 Million under Country Plan-7 (2008-2012). The Country Plan-7 as approved by Government of India, includes US \$ 60 Million from regular resources and another US \$ 5 Million from Other Resources. While this is but a small part of the total funds proposed to be invested by India in its Reproductive and Child Health Programme Phase-II, the strength of UNFPA lies in its partnership, technical support and the access to global best practices that it brings to our national efforts. We welcome UNFPA's role in addressing the skewed sex ratio in the country through a variety of advocacy and action oriented interventions.

Government of India appreciates the decision of UNFPA, to join the pool financing along with the World Bank and the DFID in support of the Reproductive And Child Health Programme by contributing US \$ 65 Million from the CP-7 resources. The resultant sector-wide approach will, we hope, assist Government of India to expedite attainment of the MDGs and at the same time enhance the scope of participation of the UNFPA in the related programmes of the country.

In conclusion, GOI appreciates the UNFPA's contributions in India and around the world. We hope that the UNFPA's will redouble its efforts to have access to enhanced funding

and effective implementation of the Strategic Plan, including timely annual reviews of country programmes, which would be helpful in realizing the MDG targets.

Thank you Mr. President.



**751. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri at the Ad-hoc Working Group on the Revitalization of the UN General Assembly.**

**New York, June 5, 2009.**

**Distinguished Co-Chairs,**

I am taking the floor for the first time in this Working Group. Permit me, therefore, to begin by expressing my sincere appreciation for your efforts for these comprehensive discussions in an open, inclusive and transparent manner. Your work plan, which we are now following, forms a useful basis to focus on specific issues for achieving tangible results. Let me also reiterate that we will be constructively engaged in this process.

**Distinguished Co-Chairs,**

The topics for today's meetings cover a large gamut of important issues relating to the role of the General Assembly. Our considered view is that role of the General Assembly as the chief deliberative, legislative, policy-making and representative body of the international community needs to be strengthened and that we need to take up substantive issues in this Working Group. Obviously, visibility and outreach of the General Assembly are important too. While concrete proposals in this regard should be considered, we believe that real visibility of the General Assembly can only be generated if the Assembly takes important decisions or contributes meaningfully to important decisions. A critical issue in this regard is the appointment of the Secretary-General.

As we are all aware, the mandate for the appointment of the UN Secretary-General flows from Article 97 of the UN Charter. This inter alia states that "The Secretary

General shall be appointed by the General Assembly upon the recommendation of the Security Council". Clearly, this Article envisages a role for both the General Assembly as well as the Security Council. The modalities of the appointment process have, however, come to be governed by para 4(d) of Resolution 11(1) of 24 January 1946. This states that "It would be desirable for the Security Council to proffer one candidate only for the consideration of the General Assembly, and for debate on the nomination in the General Assembly to be avoided. Both nomination and appointment should be discussed at private meetings, and a vote in either the Security Council or the General Assembly, if taken, should be by secret

ballot." It is important to emphasize that these restrictions arise from a General Assembly resolution, rather than a Security Council resolution, and certainly not from Charter provisions.

Further, the tone of the para is recommendatory, rather than mandatory. It would appear strange that while we all promote the principles of transparency and an inclusive selection process, the General Assembly willingly agreed to impose such restrictions on its own Charter mandate. The reason for Resolution 11(1) was the context of the post-1945 world, where it was preferable that the cold-war adversaries agree on a common candidate before putting forward the name. And these concerns were not unfounded. Let us recall that in 1950, the Security Council informed the General Assembly about its inability to agree on a recommendation on the appointment of a Secretary-General, upon which the General Assembly decided to extend the tenure of the first Secretary-General Trygve Lie by three years. However, more than sixty years since the adoption of Resolution 11(1), we live in a different world. While the Security Council itself must change to reflect contemporary realities and expand its membership in both permanent and non-permanent categories, the General Assembly cannot remain bound by self-imposed restrictions reflecting an era gone by. We believe that the General Assembly, being the voice of the international community, must fully exercise its Charter role in the process of selection of the Secretary General. A more inclusive and interactive selection process would also enhance the authority and effectiveness of the Secretary-General, as well as increase the confidence of all Member States in the Secretary-General.

And the need for changes in the process of appointment of the Secretary-General has been recognized by all Member States for some time now. General Assembly resolution

51/241 of 22 August 1997 and 60/286 of 9 October 2006 outline in detail proposals on improving this process. These proposals include making full use of the Charter provisions on the GA's power of appointment; due regard to regional rotation and gender equality; the possibility of the President of the General Assembly consulting with Member States to identify potential candidates endorsed by a Member State; encouraging formal presentation of candidatures for the position of Secretary-General in a manner that allows sufficient time for interaction with Member States; and requesting candidates to present their views to all States members of the General Assembly. Clearly, what is required is the necessary political will to implement these changes.

Many additional suggestions have also been made, including amending Resolution 11(1) to permit a panel of names; formulating more detailed guidelines and criteria for selection of the Secretary-General; as well greater exchange of views and dialogue with all candidates during the selection process. These deserve to be given serious consideration. Only with real changes can we ensure that the General Assembly exercises its judgement in the matter of the appointment of the Secretary-General, rather than merely rubber stamping proposals by the Security Council while ensuring that the appointment process does not become a divisive issue between the General Assembly and the Security Council. Indeed, as envisaged in the Charter, this is a process that involves both these organs and needs to be carried out in a collaborative exercise respecting each others mandate. The issue of timing of these changes is also important. Some argue that since the appointment of a new Secretary-General is not on the horizon, this issue does not need to be addressed with urgency. On the contrary, such a situation provides the right opportunity to address this issue impartially and objectively.

Thank you.





**752. Intervention by Permanent Representative at the UN Ambassador Hardeep Singh Puri during the informal Plenary meeting: Exchange 2 of the Second Round of negotiations on the Question of Equitable Representation on and Increase in the Membership of the Security Council and Related Matters at the 63rd session of the UN General Assembly.**

**New York, June 12, 2009.**

**Mr. Chairman,**

Permit me to reiterate my delegation's support to your efforts in guiding this process of intergovernmental negotiations.

At the outset, I would like to emphasize the need to ensure that the second round does not end up being a mirror image of the first round.

In this regard, we appreciate your efforts to impart focus to the discussions, while not ignoring the sanctity of the proposals made by Member States. We hope you will continue with the determination to go for real progress, rather than take the path of least resistance by only repeating the past. In your endeavours, we would urge you to be guided by the objective of achieving genuine reform, rather than being cowed down by a small minority intent on blocking any progress. It is with the same goal that my delegation, despite some concerns that your overview did not quantify support for each proposal, engaged constructively and accepted your overview as a good starting point for the second round of negotiations.

**Mr. Chairman,**

During the discussions today and yesterday, a large number of delegations referred to the inevitability of reform. As students of history, our view is that in the instant case, this so-called inevitability is based not on fatalistic determination but on reform that is long overdue.

This is illustrated by the fact that the UNSC was set up for the world of 1945, and its only reform took place 45 years ago! This contrasts with a world order which has been transformed beyond recognition since 1945. A reorganization is definitely long overdue, hence inevitable.

The increasing dissatisfaction at the non-representative composition of the UNSC cannot but adversely affect its credibility - a consequence that we

believe is underway. No one, however vociferous, can arrest the movement of history. There are a few who oppose real change, either by filibustering or attempting to put roadblocks. While they may succeed in slightly deferring the change that is inevitable, they do so at the cost of making the UNSC lose more credibility and effectiveness. Such actions also do a disservice to multilateralism.

**Mr. Chairman,**

As part of the work plan presented in the overview, today's discussions focus on composition of the UNSC. This provides an important opportunity to examine many of the core issues on UNSC reform in an integrated manner, including discussion on their interlinkages.

During the first round of negotiations, it was clear that an overwhelming majority spoke in support of the need to expand the UNSC in both permanent and non-permanent category. If the negotiations are to make genuine progress, we need to move ahead with this option. Thus, our discussions from now on should focus on the option outlined in para 14(b)(i) of the overview viz. enlargement in both categories of membership - permanent and non-permanent two year seats. Let me reiterate that there can be no real reform without an expansion in both membership categories.

We have in the past tried the option of an expansion only in the non-permanent category - it has not worked. It is only with new permanent members that the UNSC can truly reflect contemporary world realities, and thereby enhance the credibility, legitimacy and representativity of the UNSC. Further, only new permanent members, with their institutional memory and permanent presence, can ensure a real change in the power structure of the UNSC, and ensure its accountability to the membership at large. Needless to add, genuine improvement in the working methods will also remain a mirage without these changes.

**Mr. Chairman,**

As regards the size of the UNSC expansion, we continue to believe that an expanded UNSC of 25 seats, with 11 permanent and 14 non-permanent members, remains the most optimal option. The geographic regional distribution of these would be the following - of the 6 new permanent members, 2 each would be from Asia and Africa, while 1 each would be from Latin America and WEOG. The 4 additional non-permanent seats would be distribute equally amongst Africa, Asia, Eastern Europe and Latin America.

Such an expansion would provide the appropriate balance between the need for greater representation, including addressing the under-representation of developing countries, and the need to ensure that the UNSC does not become unwieldy. Let me assure everyone, Mr. Chairman, that India is acutely conscious of the need for the UNSC to be efficient and effective. The UNSC has the primary responsibility for the maintenance of international peace and security. It is in our collective interest that this body is able to discharge its functions effectively, in real-time. Our proposal would also permit the UNSC to reflect contemporary realities, a key requirement for enhancing legitimacy and credibility. We would, therefore, propose that negotiations focus on options 14(a)(ii) and 14(c)(i).

Of course, it is also possible to consider rotation of non-permanent seats across geographical regions in order to ensure that some member of a particular recognized cross-regional group like SIDS, LDCs or LLDCs is always serving as a UNSC Member. Such a system is already in place informally between the Asian and African Group. We also must not forget the requirement in Article 24(2) of the UN Charter that in the election of members to the UNSC, due regard should be specially paid, in the first instance to the contribution to the maintenance of international peace and security and to the other purposes of the UN.

Let me also highlight that once elected, each member of the UNSC is expected to represent the interests of the entire membership. It is this that provides legitimacy to the actions of the UNSC. Of course, each member is free to be sensitive to the interests of any regional group that it belongs to. However, we must keep in mind that the membership of the UNSC, as indeed of the UN itself, is composed of nation states.

**Mr. Chairman,**

You have attempted to identify negotiables under the various options. In the light of our discussions, we need to be more focussed. We would, therefore, recommend that following this round, we take up the proposals that enjoy the maximum support. Detailed discussions should then be conducted on the various possible negotiables under each option. This would permit moving towards an outcome that includes proposals enjoying wide support, inter alia expansion in both the permanent and non-permanent categories, and improvement in the working methods of the UNSC.

Before concluding, Mr. Chairman, let me comment that I was particularly struck by the growing inconsistencies in the statements of some of those

who want to stand in the way of history. They loudly proclaim that they support Africa and other under-represented groups. Yet their actions oppose the core demand of Africa of an expansion in both permanent and non permanent categories.

They insist that they have shown flexibility, while in reality their core position to see no new permanent members remains unchanged.

They have no hesitation to state that the first round demonstrated support for the intermediate approach, and even call for tabulating support. But they remain at the forefront to block any attempt to genuinely quantify support for any proposal.

Listening to this welter of inconsistency, I am left wondering whose game this group is playing. Are they speaking for those who seek to maintain the inequitable status quo, or those whose cause they claim to champion, or just giving expression to their own insecurities.

Thank you.



**753. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri at the General Assembly Plenary meeting on Implementation of the Declaration of Commitment on HIV/AIDS and the Political Declaration on HIV/AIDS.**

**New York. June 16, 2009.**

**Mr. President,**

I would like to thank you for convening the plenary meeting on HIV/AIDS. This stocktaking is timely and pertinent and deserves to be fully utilized for reviewing the progress made so far and reinforcing the commitment of the international community towards combating the global HIV/AIDS pandemic. Coming as it does at a time when the world is confronted with a severe economic and financial crisis, it is of critical importance to ensure that the global efforts, particularly international financial and donor commitments, are further strengthened to reduce and reverse the incidence of HIV/AIDS. Otherwise, we risk reversing the gains made so far and there will be opportunity costs for the future. We must work together at the inter-governmental level towards enhancing governance and coherence in global institutions with a view to exploiting their synergies and promotion of international solidarity.

The UNAIDS has played a major role in enabling Member States put effective coordination and implementation mechanisms at the country level. However, developing countries are at the margins when it comes to playing a meaningful role in UNAIDS governance. This has led to a situation when the developing countries have not been able to get the resources channeled in accordance with their needs. At times, Member States have not been able to utilize grants by the Global Fund. With the new partnership of UNAIDS with the Global Fund, a mechanism must be put in place which ensures the Global Fund's accountability to multilateral framework.

There is need for UNAIDS to ensure that there is progressive strengthening of the developing countries role in strategic resource planning, country presence, grant disbursement, implementation and Monitoring and Evaluation. In terms of functioning, it must reflect the democratic and broad-based nature of the UN itself. This would be helpful in strengthening the sense of ownership among developing countries and also increase the effectiveness of the Programme.

**Mr. President,**

The HIV/AIDS pandemic and its response encompass several cross-cutting sectors and policy issues ranging from political, social, economic, human resources, trade, investments to IPRs. Developments in any of these areas have invariably an impact on the effectiveness of global, regional and national responses. Therefore, it is important that related policy initiatives and developments are formulated and implemented keeping in mind the overarching objective of fight against HIV/AIDS.

A holistic approach that includes effective prevention strategies and access to low-cost affordable treatment for all is essential to effectively combating this pandemic. This not only requires mobilization of additional resources, but also their efficient utilization. Despite concerted national and international efforts, only 30% of those who need anti-retrovirals are receiving the drugs according to UNSG's report and shortfalls are expected to continue.

**Mr. President,**

India is uniquely positioned as a source of low priced and effective generic retro-virals, which could fill this critical gap. Our companies and research have produced triple anti-retroviral as well as paediatric formulations that make life far easier for patients. India is also at the forefront of global efforts to develop a vaccine against HIV/AIDS. Unfortunately, there have been certain developments in the recent past, which are counter-productive to global efforts for providing affordable treatment for all and also undermine the public health dimension of the TRIPS Agreement.

During the last few months, several consignments of generic drugs of Indian companies have been seized in transit by the Dutch customs authorities including a shipment of Indian-made antiretroviral drug for HIV/AIDS treatment bound for Nigeria on grounds of alleged violations of domestic patents and trademarks. These generic drugs in question were perfectly IP legitimate generic drugs in both India and the destination countries. Several developing countries, NGOs and UN agencies including WHO and UNITAID have expressed their concern at these developments.

**Mr. President,**

Government of India attaches the highest importance to protection and enforcement of IPRs in accordance with the TRIPS Agreement. However, it does not see the Agreement

as divorced from the Objectives and Principles as set out in its Article 7 and 8 and definitely does not support efforts to enshrine new, maximalist TRIPS plus provisions in other forums. The action of the Netherlands customs authorities to seize generic drugs, traded between developing countries in full conformity with international disciplines, runs counter to the spirit of the TRIPS Agreement, the resolution 2002/31 of the Commission on Human Rights on the right to enjoy the highest standards of physical and mental health and also the GA Resolution 60/262 on Political Declaration on HIV/AIDS. It is pertinent to recall that the TRIPS agreement as amended at Doha in 2001 allows "compulsory licensing" powers to the 'national governments' in case of drugs meant to fight endemic diseases. While we have taken up the matter bilaterally as well as in the WTO, it raises a key question whether developing countries, even abiding by international agreed commitments, do not have the right to have access to affordable medicines for their citizens?

**Mr. President,**

India recognizes that political commitment is essential to combat HIV/AIDS. Our National Council on AIDS is chaired by the Prime Minister and the State Councils by the Chief Ministers. This political commitment at the highest levels has been critical in containing the epidemic. Under its direction, a multi-sectoral response is underway involving participation of the private sector, civil society and key government departments.

India has a low adult HIV prevalence of 0.36%. However, in absolute terms it is estimated that the HIV positive population is around 2.46 million and is the third largest in the world. Enormous efforts have been made to contain and roll-back this epidemic during the past decade. The HIV/AIDS policies and guidelines in India view this as a developmental problem rather than a mere public health issue. The Third National AIDS Control Programme is integrated with various development programmes like the National Rural Health Mission (NRHM), Reproductive and Child Health (RCH) programme and the Revised National Tuberculosis Control Programme (RNTCP). The focus of all these programmes is prevention of HIV transmission.

The National AIDS Control Programme in India is based on the premise that prevention is better than cure. It is committed to ensuring universal access to HIV AIDS prevention. 75% of the National AIDS control programme's budget is allocated to execution of Preventive services, particularly among groups with high risk behaviour such as commercial sex workers, injecting drug users, truckers and migrant labour.

Counselling and testing services, which started in a few centres in 2000, are now provided in nearly 5000 facilities and are provided free to all Indians. This scaling up of testing facilities has resulted in the detection of 1 million HIV infections. It is planned to further increase the number of tests by 300% in the next five years and bring it to 22 million annually by 2012.

The Government of India recognizes that the stigma and discrimination associated with the disease can be as bad as the physical suffering. A comprehensive communication strategy on HIV/AIDS developed by the Government addresses this issue along with the classical prevention aspects. Special attention is being given to youth and women, who are often the worst sufferers. An adolescent education programme covers more than 100,000 schools.

The efforts to promote an enabling environment and reduce societal discrimination of persons infected with HIV and their families are being made involving civil society, political leadership, grass root level workers, self help groups and others. A government policy document on gender equality and a law on AIDS are being finalized that will, among other things, address these issues.

In India the Government has actively involved civil society in the war against HIV/AIDS. As of 2006, 1080 NGOs and Community Based Organizations have been enlisted by the National AIDS Control Programme to deliver targeted interventions. Despite resource constraints and competing priorities, the Government remains committed to ensuring that no Indian dies of AIDS because of lack of treatment. Presently, around 200,000 of our citizens are currently being provided anti retroviral therapy and treatment for opportunistic infections. Blood monitoring services to determine when HIV positive persons might require treatment also provided free. We are also trying to make available second line drugs.

**Mr. President,**

We have come a long way since we committed ourselves to goals related to the HIV/AIDS pandemic. In the moving words of one of our leaders, HIV is "a most deadly scourge, a disease that is not a medical or a scientific subject alone but a poignant social issue as well". India is fully committed to effectively responding to the HIV/AIDS pandemic in a multi-pronged, multi-sectoral and multi-dimensional way.

Thank you.





**754. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri on the Report of the Secretary - General on the Peace-building Fund.**

**New York, June 17, 2009.**

**Mr. President,**

I have the honour to introduce, on behalf of the co-facilitators Sweden and India, and other sponsors, a draft resolution on the United Nations Peace-building Fund, as contained in document A/63/L.72.

I should like to mention also, since the draft resolution was tabled before the Assembly, the following countries have also become co-sponsors: Belgium, Benin, Brazil, Czech Republic, Egypt, France, Germany, Ireland, Israel, Italy, Jamaica, Netherlands, Peru, Poland, Portugal, Republic of Korea, Slovakia, Spain and the United Kingdom of Great Britain and Northern Ireland.

The resolution before you is the outcome of a longer process. That process began with an informal process to identify the essence of the views of interested Member States on the operation of the Peace-building Fund and its relationship with the Peace-building Commission. These discussions built upon a mandated assessment of the Fund by an independent evaluation, the response of the management to this evaluation, and a useful assessment of the Fund by the Advisory Group of the PBF.

The views expressed on this basis by Member States were then distilled into a non-paper that was to serve as an input for the draft report of the Secretary-General on the Peace-building Fund, and its terms of reference. The subsequent report of the Secretary-General then put forward a revised set of terms of reference for the operation of the Peace-building Fund. That became the point of departure for the draft UNGA resolution that we are to adopt today.

Since it is on the basis of these informal consultations that we have not only worked with the Secretariat to revise the terms of reference for the Peace-building Fund, but also to bring it to the implementation stage, it is only fitting that on behalf of Sweden and India, I extend our sincere appreciation to all delegations for the constructive spirit in which the consultations took place.

**Mr. President,**

The purpose of this entire exercise was to ensure that the revision of the terms of reference for the Peace-building Fund would help improve the efficiency and effectiveness of the Fund. The intention is that the Fund should be able to expeditiously provide short-term emergency funding to create quick-wins in the early stage of peace consolidation. Equally, it should be able to provide

catalytic funding to help address the causes of conflict over the medium term. The revised terms of reference will contribute towards this end, along with continuing efforts to improve the management structures of the Fund.

The spirit of the revised terms of reference is as important as the text. It is important, therefore, to recall that the revision of the terms of reference was guided by two broad objectives. The first was to enhance the Fund's capacity to serve as a flexible, responsive and focused resource for peace-building support, including through rationalizing and simplifying the structure and architecture. The second objective was to enhance and maximize the synergy between the Peace-building Commission and the Fund through provisions for enhanced transparency and consultation. The relationship with the Peace-building Commission, and all donors, needs to be managed creatively, so as to utilize synergies in existing peace-building strategies.

The terms of reference would be implemented through updated policies and guidelines that would address management and administrative issues. The Peace-building Support Office should develop these guidance documents in close cooperation with the UNDP, as the Fund's administrative agent, as well as other relevant United Nations organizations, and the Advisory Group. Management processes should be transparent to ensure continued support from Member States and other stakeholders.

**Mr. President,**

The Secretary-General will submit an annual report to the General Assembly on the operation and activities of the Fund. At the sixty-sixth session, this report will include the findings and recommendations from the next comprehensive independent evaluation. Similarly, the Peace-building Support Office will also organize regular briefings on the performance of the Fund with Member States. An annual meeting is aimed at providing all stakeholders with the opportunity for a thorough review of Fund performance, results and emerging lessons. The annual event will also provide an opportunity to regularly replenish the Fund. We look forward to such regular interactions as a means to ensure maximum transparency and participation of Member States in the peace-building process.

**Mr. President,**

On behalf of the co-facilitators and the sponsors, I sincerely hope that the procedural draft resolution contained in document A/63/L72 can be adopted by consensus. We are grateful for the support of all delegations in this regard.

Thank you Mr. President



**755. Intervention by the Joint Secretary (Energy Security) in the Ministry of External Affairs Sanjay Verma during the Interactive Thematic Dialogue on "Energy Efficiency, Energy Conservation and New and Renewable Sources of Energy" at the 63rd session of the UN General Assembly.**

**New York, June 18, 2009.**

**Mr. Chairman,**

Over the last few years, India has achieved a growth rate of over 9%. While this has reduced somewhat following the economic crisis, India needs to maintain a growth rate of about 8 percent over the next 25 years to eradicate poverty and meet its human development agenda. Energy is critical to these efforts. India's per capita consumption of energy is amongst the lowest in the world, and a third of the world average. Further, we are also conscious of the need for energy efficiency, and have taken various national measures in this regard, including a national Energy Conservation Act in 2001. Energy efficiency across all sectors of the economy is essential to enable decoupling of energy supply growth from economic growth, while ensuring that energy service demands are met. In this regard, let me highlight that India's energy intensity of 0.18 kg of oil equivalent-kgoe- per dollar of GDP expressed in purchasing parity terms is actually lower than the OECD average 0.19 kgoe/GDP-PPP. India, however, remains an energy deficit country, importing nearly three-fourths of its crude oil. Accordingly, India's energy policy aims to supplement, complement, substitute and eventually replace fossil fuel-liquid, gaseous and coal, in that order. We have achieved some success in this regard. Grid power from renewables stands at over 14000 MW, accounting for about 9% of the installed capacity of the country. Of this 14000 MW, nearly 70% is contributed by wind.

India is developing and deploying renewable energy systems / devices through voluntary measures, without any targets, as per our national priorities and circumstances. India aims to facilitate development of indigenously designed, developed and manufactured new and renewable energy products and services that are reliable, convenient, safe, efficient and affordable and which are at par or even excel international standards, specifications, performance parameters and are lower in cost. The major drivers for deployment of new and renewable energy in India are poverty alleviation, economic development and energy security. However, our

renewable energy programme also has a positive contribution towards making the environment clean. We have embarked on this despite our low GHG emissions profile.

To illustrate, India's GHG emissions in 1994 were 1228 million tonne of CO<sub>2</sub> equivalent, which is less than 3% of the global GHG emissions. In per capita terms, it is one-fourth the global average, one twenty-fifth the US average or one-tenth the EU average. India attaches great importance to the ongoing UNFCCC climate change negotiations. It is vital that these negotiations remain under the UNFCCC mechanism and its Kyoto Protocol, and not be held through partnerships outside these processes. The prescription of de-carbonization targets by such partnerships may ultimately adversely impact on the energy mix of the member countries. We therefore would like to stress that the choice of energy mix needs to be left to the member countries in line with their national priorities. Emergence of a consensus on this vital global issue under the UNFCCC mechanism is required to redress and contain the climate change problem. The Clean Development Mechanism has been used as an instrument to assist developing countries and reduce emissions of developed countries. A number of CDM projects have been hosted in India. However, India is concerned about the CDM mechanism not being up to the expectations in terms of revenue and technology inflows, especially for renewable energy, for which both technology and cost reduction are of immense importance. India has always articulated its concerns regarding the fair and equitable treatment for the developing countries while discussing the issue of sharing the GHG mitigation burden. India has also emphasized the need for placing clean technologies under public domain for their effective transfer to developing countries. In this context the TRIPS Agreement requires a judicious balance between rights of the creators and the societal concerns at large. Just like the treatment of public health concerns under the TRIPS Agreement, new and renewable energy technologies should also be made available at reduced costs to the developing countries.

As regards technology transfer pertaining to new and renewable energy technologies, the following are key:

The development of renewable energy technologies requires a concerted global action through joint research, design and development, so as to reduce high developmental costs and provide a conducive policy framework to encourage mainstreaming of renewable energy. Developed countries need to closely involve the developing countries to jointly develop new and renewable energy technologies, products and services that would eventually make their deployment cost-competitive.

Developed countries need to play a proactive role in facilitating transfer of new and renewable energy technologies to developing countries by reducing technical and licensing costs in the short term with a cap at 0.7 percent of turnover and eventually rolling back of these costs to zero percent.

Developed countries should provide access to researchers and technologists from developing countries to their research institutions. New and renewable energy technologies, products and services to be treated as non-commercial goods and services. Existing new and renewable energy technologies to be placed in public domain.

**Mr. Chairman,**

Our meeting today is significant in our attempts to consider the energy issues, particularly new and renewable energies. We look forward to these deliberations contributing constructively towards our future efforts. Thank you.



**756. Intervention by Permanent Representative at the UN Ambassador Hardeep Singh Puri, during the Informal Plenary Meeting: Exchange 3 of the Second Round of Negotiations on the Question of Equitable Representation on and Increase in the Membership of the Security Council and Related Matters at the 63rd Session of the UN General Assembly.**

**New York, June 22, 2009.**

**Mr. Chairman,**

Let me begin by reiterating my delegation's support to your efforts. We urge you to continue to remain steadfast in guiding this process toward real reform. During my last intervention I had commented on the inevitability of reform, and the futility of arresting the movement of history.

Let me reiterate that attempts to merely make cosmetic changes, limit our efforts to actions that we know will not succeed, or block progress altogether through procedural manoeuvrings, are doomed to fail against the inevitability of a reform that is long overdue. I urge those that seek to follow this unenlightened path to rise above their own self-interest and insecurities and join the overwhelming majority in the greater good for all of humanity.

**Mr. Chairman,**

The issue of the veto, including the extension of veto to new permanent members, has come up repeatedly during our deliberations. As we all know, there is no reference to the veto as such in the Charter. It is only Article 27(3) that stipulates that UNSC decisions require the concurring votes of its permanent members. Separately, Articles 108 and 109(2) mandate ratification by permanent members for any amendment to the Charter to enter into effect.

Thus, once we have new permanent members, the requirement of their concurrence, or their right to veto as is commonly stated, is automatic.

The concept of extension of veto to new permanent members is actually misleading as Article 27(3) [and Articles 108 & 109] would have to be specifically amended if we have to deny the veto to new permanent members.

Our national position has been and remains that veto should be extended to new permanent members. This is predicated on the logical and principled

position that there can be no discrimination within the same category of members of the Security Council.

Indeed, we believe that new permanent members should have the same responsibilities and obligations as the current permanent members. This principle is upheld by many other delegations.

However, we recognize that this is not as yet universally accepted. We have also heard concerns voiced by a large majority over the use of the veto. Such concerns have merit. Any objective analysis of the historical record of the use of the veto will demonstrate that its usage has more often not contributed to the credibility of the Security Council. In fact, in some instances, the use of the veto has manifestly led to the diminution of its credibility.

It was in deference to such concerns that in the G-4 proposal of 2005, we accepted that new permanent members should not exercise the right of veto until the question of the extension of the right of veto to new permanent members had been decided upon through a review.

Some have argued that new permanent members without veto rights will not make any difference to the functioning of the Council, and hence there should be no new permanent members. This is a disingenuous argument. In fact, the automatic corollary of the argument is that new permanent members must be given the veto right! I must emphasize that new permanent members, with their institutional memory and permanent presence, is imperative to genuine reform of the UNSC.

Interestingly, the same delegations that feel that permanent members without the veto will make no difference are happy to push the view that non-permanent members, who certainly will not have the veto, and will be there for shorter terms, will be able to deliver real reform! A large number of delegations have called for a variety of restrictions on the use of the veto. While we could discuss these in detail, we remain skeptical about the feasibility of implementing such restrictions. In fact, the best hope of implementing such restrictions lies in the force of example that new permanent members, accountable to the general membership through a review process, would bring.

**Mr. Chairman**

Let me now turn to the issue of the relationship between the UNSC and the UNGA. Both these bodies are Charter organs of the UN. And it is naturally

important that relationships between Charter organs be effective and harmonious, in accordance with Charter provisions.

However, the importance of the relationship between the UNSC and the UNGA goes beyond this. Article 24(1) of the Charter contributes to making this particular relationship unique, by stipulating that in carrying out the primary responsibility for the maintenance of international peace and security, the UNSC acts on behalf of all Member States.

The composition of the UNSC, where the permanent members exercise a key role in its decision making, also contributes to the singularity of this relationship. The reporting requirement of the UNSC to the UNGA further highlights the special relationship between these organs. While Article 15.2 mandates the UNGA to receive and consider reports from all other UN organs, a separate and specific Article viz. Article 15.1 requires the UNSC to report to the UNGA, both annually and through special reports. This requirement is underlined in Article Article 24.3. Nevertheless, it is the concept of acting on behalf of all Members and the key role of the permanent members in reaching a decision in the UNSC that are at the heart of the relationship between the UNSC and the UNGA.

It is therefore imperative that in order to improve and strengthen this relationship, the UNSC must reflect contemporary realities, particularly in its permanent membership. Only then can we address the problems of credibility and legitimacy of the UNSC, and ensure its accountability to the membership at large.

This reflection of contemporary realities is certainly not feasible without an expansion in both the permanent and non-permanent categories, and addressing the under-representation of developing countries.

Your overview, Mr. Chairman, has suggested options to enhance the relationship between the two bodies including through adherence to their respective mandates, enhanced reporting by the UNSC, and regular consultations between the UNSC and the UNGA. We certainly agree with all these. The UNSC's reporting, in particular, must be improved and made more analytical, instead of merely being a compilation of events as is often the case.

It is also vital that the UNSC adheres to its mandate, instead of trying to re-define 'threats to international peace and security'. Such efforts encroach upon and undermine other principal organs, particularly the UNGA. Desisting from doing so will assist in improving the relationship between these two organs.



**Mr. Chairman,**

I would add that an improvement in the working methods of the UNSC would also be crucial to enhancing the relationship between the UNSC and other bodies, including the UNGA. For instance, the shortcomings of the Council's reports to the UNGA are reflective of its insufficient representativeness and its non-inclusive working methods.

Let me also stress that since the UNSC acts on behalf of all Member States, the UNGA has a legitimate role in deliberating upon the working methods of the Council.

The options listed in the overview under working methods are all important. Better access for non-members of the UNSC; the need for transparency and consultation; rigorous implementation of Article 31 & 32 on the right of participation of non-members with a special interest in the substantive matter under consideration; and participation of Troop Contributing Countries in decision making of peacekeeping operations are all vital elements in improving the working methods of the UNSC. In this regard, we are happy that the S-5 Group has submitted an updated set of measures for improving the working methods of the UNSC. These deserve serious and careful consideration. However, that brings us back to the basic question - how do we ensure that all these worthy proposals to improve the working methods are implemented, instead of being left on paper. Recent experience of efforts to discuss our way into improvements of the working method of the Council have not generated commensurate results.

Exhortation will not produce the change we desire. Nor is it realistic to expect real changes by merely adding more non-permanent members. We tried this more than 40 years ago, and the fact that we are still discussing these issues speaks eloquently of the results, or lack thereof, of that effort.

That we did not succeed is not due to any lack of effort by many non-permanent members. But they were not, and have never been in the core of decision-making of the UNSC, especially with regard to its working methods. And their transient status has never permitted them to ensure real and lasting changes. It is evident that genuine reform in the working methods cannot be achieved without a comprehensive reform in the membership of the Council, with expansion in both permanent and non-permanent categories. And this is the demand of a clear and overwhelming majority. Only new permanent members can be truly effective in securing such reform. They will provide the necessary institutional memory to follow

through and implement far-reaching changes. They would also be accountable to the wider membership through a review. As mentioned, they will also provide the necessary peer pressure through example.

**Mr. Chairman,**

We have now had two rounds of negotiations, focusing on all elements of the reform process, individually and together. The overwhelming majority of Member States has unambiguously stated it wants to see real reform, with expansion in both permanent and non-permanent membership.

It is but natural that we should now focus on this option in the next round. While we are ready to discuss all options, we believe that this has already been done many times. Attempts to now focus on proposals that enjoy marginal support are not productive. They will only serve the benefit of those who wish to stand in the way of inevitability of change.

I hope you will take this into account so that the third round of negotiations will be focused and action oriented, concentrating on the proposals that enjoy the maximum support, perhaps through a negotiating text. Detailed discussions should then be conducted on the various possible negotiables under each option.

Thank you.



**757. Statement by Minister of State for External Affairs Mrs. Preneet Kaur at the Plenary meeting of the United Conference on the World Financial and Economic Crisis and its Impact on Development.**

**New York, June 25, 2009.**

**Mr. President,**

The United Nations provides a unique forum, with unparalleled legitimacy and inclusivity. This UN Conference on the World Financial and Economic Crisis and its Impact on Development is only the second such gathering held of the United Nations on the financial and economic system and architecture, the first being the UN Conference on the Monetary and Financial System held in Bretton Woods in 1944 with the participation of all the then 44 members of the UN. In that sense, this is a truly historic meeting. It is vitally important that this landmark event coupled with the UN's convening power is used to hear the voice of the entire global community on the extraordinary crisis being faced by the global economy today. Allow me, therefore, at the outset to express our appreciation for all your personal efforts in organizing this Conference.

**Mr. President,**

The global financial and economic crisis was the result of a failure of global regulatory and supervisory mechanisms, excessive speculation and excessive risk taking. This was further aggravated by global imbalances. There is now a general acceptance that the present economic and financial crisis is the worst recession since the Great Depression and the first ever contraction of global GDP in the post-War period. Given the magnitude of the crisis and the widespread meltdown, some have dubbed it the Great Recession.

Developing countries were not the cause of this crisis, but they are amongst its worst affected victims. Their exports have been hit and they are facing vastly reduced capital flows and foreign direct investment. The economic crisis coupled with the food and fuel crises of last year has slowed down their economic growth and casts an ominous shadow on eradication of poverty and achievement of the Millennium Development Goals (MDGs). The human dimension to this crisis is even more frightening with estimates of additional millions being pushed back into extreme poverty.

For governments in developing countries the loss in export earnings and remittances with adverse consequences on employment and growth has meant reduction in the fiscal space for investments in critical infrastructure and social sectors like education, health, etc. as much larger social safety nets have now to be financed. As Prime Minister of India, Dr. Manmohan Singh, had said at the G-20 London Summit: "While India will be able to manage, many other developing countries may not be in the same position and this is where the international community can help. We must ensure that countries hurt by the massive withdrawal of private capital that has taken place, ..... are able to rely upon an increased flow of resources from the international financial institutions. This will help these countries to maintain a higher level of demand than would otherwise be possible and thus help global revival".

**Mr. President,**

Any new thinking for a more sustainable global economic system has to be based on a conscious policy where there is a building up of the capacities of the poorer countries and regions to play a healthy and equitable role in tapping the potential of free market for their prosperity and advancement.

Specific responses to the financial and economic crisis must address both short-term needs, as well as the longer-term imperatives of reforming structures of global governance, including here at the UN and at the Bretton Woods Institutions (BWIs). These reforms need to redefine the role of institutions of global economic and financial governance to reflect contemporary realities of today while being rooted in pragmatism and collaboration. It is imperative that in key decisions and decision-making processes the voice and real participation of developing countries is substantially strengthened and increased.

The future shape of international governance, including of international financial institutions (IFIs) and the crafting of a new global financial architecture is, perhaps, the most far-reaching element of reform for providing global stability and security. At the UN, the General Assembly must be revitalized along with a real reform of the Security Council. We believe that this requires expansion in both the permanent and non-permanent categories of the Security Council and reform of its working methods. The present crisis has once again underscored the need for the Economic and Social Council to be robust and effective in coordinating global responses to global challenges for a better quality of life for the vast majority of humankind.

At the BWIs, the voice and quota reform needs to be accelerated so as to make these institutions both responsive and effective as well as credible and relevant in continuing to play vital roles in global economic affairs. Again, as my Prime Minister had said, "The world has changed greatly since the multilateral institutions were established and the role of these institutions needs to be redefined and their mandate suitably revised. The representation of the developing and emerging market countries in the decision making levels of these institutions also needs to be improved. Better representation is essential if the institutions are to have the legitimacy they need to play their role".

**Mr. President,**

Of immediate importance is the revival of the world economy. Counter-cyclical stimulus measures are, therefore, critical. There must be a substantial increase in lending by international financial institutions (IFIs) and the Multilateral Development Banks (MDBs) with increased limits for developing countries and emerging economies. The capacities of the MDBs to do so, including adequacy of their capital, requires to be urgently addressed.

There is a particular imperative to make good the decline that has taken place in capital flows to developing countries by increased multilateral and bilateral flows, including ODA. Increased resources for international financial institutions are very relevant but conditionalities associated with the use of these resources need to be softened, otherwise their deployment will be counter-productive in the countries affected.

**Mr. President,**

Measures to address the crisis should not create other problems for the future.

We need to address regulatory and systemic flaws. There should be better and transparent regulatory mechanism for capital markets, including the non-banking sector, redefine capital requirements to avoid pro-cyclicality, and avoid build-up of excessive leverage.

There should be a better system of surveillance and regulation. Surveillance should be even-handed with greater focus on the systemically important institutions. We also need to develop an effective early warning system to spot a build-up of risk. It is particularly important that in any such vulnerability assessment there is no intrusiveness.

In this context, it is particularly necessary that we should not permit protectionist tendencies, not just protectionism of trade in goods, but also protectionism in free flow of persons, protectionism in financial services as

well as imposition of non-tariff barriers, to succeed in our response measures. Developing countries have limited policy space. They must continue to have this space to determine measures that best fit their specific requirements.

**Mr. President,**

Insofar as India is concerned, we have fared much better than others though we are also affected and our growth rates have come down from the nearly 9% average of the past four years to 6.7% in 2008-09. In response to the crisis, we have made aggressive use of fiscal and monetary policy, with particular focus on fiscal stimulus in infrastructure investment.

Our primary challenge is to get rid of chronic poverty, ignorance and disease, which still afflict millions and millions of our citizens. For this, we need a high rate of growth coupled with measures to make it inclusive. We have endeavored to achieve this through huge investments in the rural and farm sector, a massive rural employment guarantee scheme, infrastructure development projects, major national food security and rural health missions, and an urban renewal mission.

**Mr. President,**

Leaders of some of the largest economies, the G-20, have met twice in the past months and declared their determination to instill confidence and restore stability to the world economy. They have also pledged to strengthen regulation, reform international financial institutions, reject protectionism and build recovery. The package of US\$ 1.1 trillion to restore credit and growth together with national measures constitutes a global plan for recovery on an unprecedented scale.

India has actively engaged in the G-20 framework aimed at redressing the current global economic situation so as to bring the global economy back to the trajectory of sustained growth.

The Commission of Experts appointed by you Mr. President that included the former Governor of the Reserve Bank of India, Dr Y V Reddy, has also made several recommendations that deserve serious consideration.

**Mr. President,**

We have a vested interest in the world economy doing well as that is a key enabler for our growth too. But as we strive for global solutions to this global crisis, we must remember that development or economic growth cannot be slowed, halted or sacrificed in the search for solutions to the crisis.

Thank you.



**758. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri on 'Thematic Debate on Peacekeeping' at the United Nations Security Council.**

**New York, June 29, 2009.**

**Mr. President,**

Thank you for organizing this thematic debate. With over 100,000 peacekeepers, a US\$ 8 billion budget and expanded mandates, Peacekeeping remains at the heart of the activities of the United Nations. India aligns itself with the statement by Morocco on behalf of NAM.

**Mr. President,**

India has been an active participant in peacekeeping since the word itself was invented in 1956. We have, over the past five decades, contributed more than 100,000 peacekeepers to 40 UN operations. We continue to provide troops and policemen to the most difficult operations that the UN conducts. India sends these soldiers and policemen under the flag of the United Nations because it is steadfast in its commitment to the Charter of the United Nations, and because it believes in the principles for which the United Nations stands for.

**Mr. President,**

Let me put things in perspective with an example. Even as I speak to you, more than 5000 Indian soldiers and policemen are deployed in MONUC. They are the cutting edge in translating this Council's words into deeds. And, they do so in exceedingly challenging circumstances. I would also like to point out India is amongst the largest contributor of air assets to UN operations.

We have also, in a practical demonstration of our progressive record on gender issues, deployed an all-women Formed Police Unit in Liberia - the first and only such unit. We, therefore, bring to this table an unique combination of commitment to peacekeeping and of knowledge and of experience of peacekeeping of which we are very proud.

**Mr. President,**

The world of peacekeeping today is very different from what it was two decades ago. In 1986, one Under Secretary General, an ASG, 3 D-2 level officers and 3 professional officers with, a budget of approximately US\$

240 million managed about 10,000 peacekeepers. The number of peacekeepers is now about 140,000; the budget for the present year is US\$ 8 billion; and the Under Secretary General and his staff have become the DPKO, DFS and PBSO with the 1300 jobs being sought for peacekeeping on the support account last year.

**Mr. President,**

The talk of a crisis in peacekeeping has been present throughout this period of expansion and refuses to go away. Be that as it may, let us examine what the main elements of this crisis are.

In his statement to the Special Committee on Peacekeeping Operations made on January 23, 2009, the Under Secretary General for Peacekeeping, Mr Alain Le Roy highlighted a number of them. These include "sheer overstretch"; a "wide gap" between supply and demand for the numbers and types of personnel; and, the absence of critical enabling capacities such as air assets.

**Mr. President,**

It is a self-evident truth that there is no scarcity of the personnel and capacities of the type that the United Nations requires. There are enough troops, enough policemen, enough civilian experts, enough capacities and enough helicopters available to the international community. That is not the problem. The problem is that there is reluctance on the part of Member States to make these available to the United Nations.

We need to carefully examine the reasons behind this state of affairs and collectively take the steps that are required to rectify matters.

**Mr. President,**

A major issue that we all must tackle is the nature of the Security Council's mandates and the manner in which they are generated. Related to this is the question of whether the mandates have any correlation to the ability of the organization to deliver. Mandates are increasingly "robust" and place peacekeepers, most of whom come from Member States not represented in this Council, in non-permissive environments. They are faced with situations where they are more frequently being called upon to use force not just to defend but to enforce mandates. We fully endorse Under Secretary General Le Roy's statement that peacekeeping mandates have become too broad and too all encompassing. We also agree that the limits of "robust" peacekeeping are not properly defined.



For a country like India which has thousands of troops and policemen on the ground, the lack of clarity in mandates has practical repercussions. We have been receiving feedback from our personnel on the ground that questions of substantive interpretation of the mandates - with repercussions beyond the immediate - are often left to the judgment of mission personnel in the ground. This is a difficult situation, particularly for military officers, who operate best when there are unambiguous instructions and objectives. Unrealistic mandates have led to situations where mission personnel are forced to ask national contingents to undertake tasks and utilize COE in a manner that is inconsistent with the legal framework under which they are deployed.

We reiterate the Brahimi recommendation that mandates be clear and achievable. We also reiterate that this will not be possible without substantively involving countries who contribute manpower and resources to Peacekeeping Operations.

Consultations with and briefings for TCCs and PCCs do take place more frequently but they are pro forma in nature and skirt around substantive issues with little or no scope for meaningful discussion. The most recent change in the Rules of Engagement and Concept of Operations in case of MONUC was communicated to the TCCs after they had been notified by the Under Secretary General during a consultation meeting.

**Mr. President**

You will agree that being informed is not the same as being consulted.

This exemplifies the manner in which the spirit of UNSC Resolution 1353 is being systematically undermined and raises doubts about the seriousness of the Security Council about addressing the reasons behind the crisis.

**Mr. President**

We reiterate the imperative of involving TCCs and PCCs both early and fully in all aspects and stages of mission planning. This should include the stage of preparation and planning of the operation, in the monitoring and conduct of an operation, and finally, in the evaluation of an operation. This should feed into a process where the views of TCCs and PCCs feed into the generation of mandates. It is only by doing so that Article 44 of the Charter will be obeyed in letter and spirit.

**Mr. President**

The operating environment for Peacekeeping has changed. The conventional wisdom that Peacekeepers must be drawn from the ranks of the military is an idea whose time is past. India believes that the future of Peacekeeping, and at least a part of Peacebuilding, lies in the development of Police and Rule of Law capacities in UN missions.

The development of these capacities must be relevant to the situations where they are to be applied. India strongly believes that the most relevant capacities in this regard are present in Member States that have gone through successful post-colonial nation building exercises. The experience that these nations have in building and nurturing institutions, particularly those relating to the development of robust security mechanisms that operate in visible, open and democratic environments, need to be taken into account as the DPKO develops its capabilities in this area.

A peacekeeping operation is effective when it succeeds in enabling national capacities. Training national security personnel is a key determinant of success in this area. This issue, which is sometimes dealt with in the discourse on "Security Sector Reform" needs greater attention. My delegation is of the view that training capabilities need to be inbuilt in the Force Generation process by which contingents are raised.

**Mr. President**

My delegation believes that mission support is another area that requires sustained attention. One of the principal objectives behind the realignment of DPKO and creation of the DFS was the improvement of mission support. We reiterate, in the context of this realignment, the imperative requirement of unity of effort and the need to establish clear command and control structures, coherence in policy and strategy, effective coordination and integration, as well the preservation of unity of command from Headquarters to the field.

We would also like to draw your attention to the importance of a lean and efficient support operation. UN Peacekeeping Operations are essentially military operations. As a general principle we believe that the DFS needs to model itself on well run, simple and efficient military logistical operations.

**Mr. President**

We have taken note of the New Horizons report. We would like it be an exercise that takes a clear, hard look at where the DPKO and DFS require

to focus. We have engaged with the DPKO on the study and are looking forward to continuing this engagement in a constructive manner during the process of generating the report. It is not, however, our impression that the product of this study will influence the manner in which the fundamental issues raised above are being addressed.

**Mr. President,**

The statement made on behalf of NAM raises a number of pertinent issues including the importance of developed countries sharing the burden of peacekeeping. NAM, which contributes 80% of UN Peacekeeping personnel, expects that its concerns inter alia including those relating to security of personnel, reimbursements and selection procedures will be taken into account in the deliberations amongst Member States.

**Mr. President**

I would also like to take this opportunity to salute the peacekeepers from India and from other nations who laid down their lives while serving in UN missions.

**Mr. President,**

In concluding, I reiterate India's commitment to work with the UN in the maintenance of international peace and security including through the mechanism of Peacekeeping. We further reiterate our commitment to participating in the process of strengthening Peacekeeping in order to increase its relevance and effectiveness. We will also, where we deem it necessary and relevant, be willing to consider the deployment the capacities that are required by Peacekeeping operations in the years to come.

We look forward to continuing our engagement with other stakeholders in this process.

Thank You.



**759. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri in the Security Council on the Situation in Afghanistan.**

**New York, June 30, 2009.**

**Mr. President,**

Thank you for scheduling today's debate on the situation in Afghanistan. This is of immediate and abiding interest for India, as a close neighbour and civilizational partner of Afghanistan. Mr President, India welcomes the positive perspective reflected in the UNSG's report and the briefing by SRSR Eide regarding the three interlinked strategic shifts in Afghanistan. For India, the litmus test of cost-effective investment in assistance programmes is to ensure that these are aligned closely with Afghan priorities, and that they contribute to capacity-building. We endorse the UNSG's exhortation to the international community to maintain its broad and multinational presence. This is indeed not the time to reduce our efforts, but to enhance them in a coordinated manner. This has been our consistent position, even in the dark days of the attack on our Embassy in Kabul last July. The UNSG's report is a clear riposte to the voices questioning the utility of our collective effort. In response, we must stand behind the "civilian surge" and the expansion of Afghan capacity, both in word and deed. That implies strongly supporting priority areas identified by our Afghan partners, including agriculture, energy, private sector development, and capacity-building. JCMB XI took useful decisions in this regard. We must also support the expansion of the UN presence-undertaken at our collective exhortation-financially and administratively.

At the same time, organizational difficulties and political debates notwithstanding, the second national and Presidential election since 2001 should be more of a cause for satisfaction. We recognize that there are calls for to ensure that the elections are free and fair. Naturally, elections need a level playing field. But let us recognize that vibrant political debate is itself a hopeful sign. Energetic debates do not always imply the unravelling of the political process. We need also to be mindful that too much external advice often acts conversely and undermines domestic institutions. From all these standpoints, the moment has come for us to more vocally recognize and support growing Afghan capacities. Too much time has been spent berating Afghan actors for various failings, instead of placing them in the correct perspective: establishing a modern government after decades of

war, displacement and privation was never going to be an easy task. We must no longer continue to miss the woods for the trees.

**Mr. President,**

On the negative side, the security situation remains deeply worrying. It does not take much foresight to predict that the coming six months will be difficult, most of all, for the Afghan people. Assymmetric warfare and complex terrorist attacks are being mounted and the well-springs that sustain such terror show no signs of being drained. We need to ponder deeply over how best this can be achieved. In this context, we continue to have reservations regarding the language used in UN reports to describe terrorist attacks. Surely such operations are not being mounted by "anti-government elements" or "insurgents". We welcome the progress recorded by the Afghan National Army, especially as the expansion of ANA capacity is the only viable guarantee of a successful conclusion to military engagement in Afghanistan. We note with appreciation the efforts being made by third countries to strengthen ANA capacities. Mr President, This brings me to reconciliation. While this is often a corollary of military strategies, in Afghanistan, this is a matter that requires great caution. Successive reports of the UNSG, and resolutions here and in the UNGA, have underscored that this should be an Afghan-led process, within the parameters of the Constitution of the land. It has also been reiterated that this must be pursued from a position of strength. We must consider if we are at this juncture as yet.

Reconciliation requires strategic clarity, unity of purpose, and due recognition of the nature of those with we seek to reconcile with. Without consensus amongst relevant parties over key issues, such as reconciliation with whom and how, we may well be dividing ourselves; not those we seek to "peel away" from terrorist groups. It is for this reason that we must go beyond unworkable divisions between "good" and "bad" Taliban. We have equally to be mindful that in pursuing these distinctions we are projecting impressions of weakness, desparation or a defeatist mentality.

**Mr. President,**

I should like to reaffirm our unswerving commitment to helping our Afghan partners to the fullest extent of our capabilities. Stabilizing Afghanistan is not only integrally connected with our own security, it is also connected to the civilizational legacy of our friendship. That is why attacks upon our people and symbols of our friendship only serve to outrage us and redouble

our commitment to Afghanistan. Our commitment to Afghanistan has now crossed US \$ 1.2 billion. It includes the widest range of activities; from a cold storage plant in Kandahar to a power transmission line to Kabul. We are building the Parliament Building, while simultaneously targeting community based local projects that provide quick peace dividends, such as schools and hospitals. In all of this, capacity-building is a core element. It is in support of this core task that India has expanded the current allocation of 1000 seats in our institutions for capacity-building and scholarship programmes by 35%.

Turning to the regional aspect, Mr. President, stabilization of Afghanistan must be a central part of regional processes, if it is to regain its role as the crossroads of South, West and Central Asia. This includes regional economic processes, such as SAARC and the Regional Economic Cooperation Conference on Afghanistan. These benefit the entire region. Hindering these processes affects Afghanistan, and the region as well. We must expand, rather than hinder, trade, transit and transport ties, including overland transit and trade. That is the best way of bringing the regional dimension into play in a positive manner.

**Mr. President,**

In conclusion, we note the UNSG's commitment to provide us with benchmarks of progress in his next report. It is a good step especially if these are result-based

rather than timeline based. We look forward to participating in the discussion on these benchmarks, with the full ownership of the Government of Afghanistan.

I thank you Mr. President.



**760. Statement by First Secretary (Economics) Ms. K. Nandini at the Permanent Mission at the UN in Geneva at the General Debate of the Coordination Segment of the 2009 Substantive Session of the Economic and Social Council.**

**Geneva, July 10, 2009.**

**Mr. President,**

The current format of the coordination segment, where this segment follows-up on the Ministerial Declaration of the previous year, with particular focus on the role of the UN system in implementing the Declaration, has proved to be quite successful. This format ensures that our deliberations in the high-level segment do not remain a one-time event, and that there is an appropriate follow-up mechanism. In this context, we are happy to participate in today's discussions on the implementation of the 2008 Ministerial Declaration, which took up the issue of sustainable development. My delegation would like to thank the UN Secretariat for the detailed background reports that have been made available for our deliberations. We also wish to associate ourselves with the statement delivered on behalf of the Group of 77. Mr. President, The 2008 Ministerial Declaration clearly recognized the importance of an integrated approach to sustainable development, with emphasis on its three pillars of economic development, social development and environmental protection.

It is important that the UN system, in its efforts to assist developing countries pursue sustainable development, remains fully cognizant of this. We must remember that poverty eradication and development are overriding priorities for developing countries. The UN must strengthen its development assistance activities, and the international community must provide adequate resources to UN entities. This is particularly relevant in the context of the ongoing economic crisis. This crisis threatens to reverse development gains made over the years. Abilities of developing countries to respond to the adverse social impacts of the crisis are sharply constrained by its negative fiscal impact. It is imperative that the UN system respond appropriately to assist developing countries. And ECOSOC must fulfill its mandated role of coordinating the activities of the various UN entities so that the UN's response is comprehensive and holistic.

**Mr. President,**

Last year's Ministerial Declaration identified a number of areas for specific action. These include energy, climate change, bio-diversity, desertification, agriculture, rural development, integrated water management, urban

planning, food security, gender equality, among others. The various UN entities that are tasked with specific mandates in these areas must enhance their efforts to assist developing countries. Further, there must be clear member-state involvement in and oversight of inter-agency mechanisms of the UN, particularly since their recommendations are proposed to be used as a guide for the activities of individual UN entities. The Commission on Sustainable Development is the most appropriate forum to provide a holistic perspective on sustainable development. We would encourage different UN entities to more actively incorporate the guidance of the Commission in their work. Technology has a crucial role to play in our efforts at sustainable development. It is important that the UN promotes transfer and dissemination of environmentally friendly technologies in developing countries. We believe that Capacity building is another area where the UN should play a more active role.

**Mr. President,**

Climate change has emerged as a vital issue in our efforts at achieving sustainable development. We look forward to an ambitious and equitable outcome of the forthcoming Copenhagen Conference of Parties of the UNFCCC.

Insofar as the UN system is concerned, it must make greater efforts to assist developing countries in the areas of adaptation and technology. Efforts to assist developing countries must fully respect the principle of common but differentiated responsibilities. Before concluding, Mr. President, let me briefly touch upon the issue of integrated and coordinated follow-up to the outcomes of the major UN conferences. This is another important role that ECOSOC discharges. In this context, we are concerned that future reports under this agenda item would no longer review how the UN system contributes to the integrated and coordinated follow-up. Instead, it has been proposed that future reports will focus on efforts countries themselves have made to promote integrated follow-up of conferences. It may be noted that the current report has itself highlighted the close cooperation between ECOSOC and the Commission on the Status of Women. We believe that it is this approach that needs to be further promoted, particularly with funds and programmes, where the report notes a lack of success. National actions are adequately reviewed through the AMR. It would, therefore, be desirable not to reorient the report under this agenda item away from action taken by the UN system.

Thank you Mr. President.





**761. Statement by Acting Permanent Representative at the UN Manjeev Singh Puri on the Agenda item 'Post-conflict Peace-building' in the Security Council.**

**New York, July 22, 2009.**

**Mr. President,**

At the outset, let me thank you for scheduling today's debate. It is a topic that is very relevant to the *raison d'etre* of the United Nations. I also welcome the report of the UN Secretary-General on peace-building in the immediate aftermath of conflict, which underpins today's discussion.

**Mr. President,**

The report collates several significant findings and recommendations. Key among these is the need for a more coherent and effective international engagement during the brief window between the cessation of conflict and the establishment of a peace process, and the more complex process of ensuring that such processes remain on track. There are clearly two levels of intervention in support of a peace process. The first is at the national and local level, and the second is at the regional and international level. Both processes must move in lockstep.

However, having said that, there are several elements of detail that require attention. These include the need to ensure that the supporting external interventions focus on delivering a peace dividend, expanding national capacity and ensuring the expansion of basic economic capacity so that surplus labour-especially the youth-can be gainfully employed. Such efforts need to be based on recognition of the complexity of post-conflict scenarios. Not all peace processes and agreements address the underlying causes of conflict. Similarly, not all local actors are untarnished by the rigours of conflict. Yet we need to work pragmatically with actors and circumstances as we find them, not as we would wish them to be.

From this standpoint, it is important to ensure that priority-setting is a local endeavour. It is both politically unworkable and strategically perilous for the international community to involve itself in determining national priorities. Sustainable peace requires genuine national ownership of the process, not a process that is nationally-owned only in times of difficulty. It is therefore essential that from the outset, peace consolidation efforts are focused upon expanding the capacity and competence of the local government to deliver services. Without this, there can be no national ownership or development,

and without either, there will be no sustainable peace. There is a particular contribution that the nations of the South can make in this context, both with regard to providing training and services, and with regard to providing appropriate technologies. These potentialities need to be explored further.

**Mr. President,**

At the same time, there is also a need for greater efforts to align regional and international efforts in multilateral fora. Through better alignment and coordination, we can conceivably achieve more coherent interventions and inputs on the ground. This requires better horizontal as well as vertical coherence. That is to say, we need more coherent efforts by the international community to integrate sometimes disparate efforts in dealing with cross-cutting themes in a peace building context. Too often, the well-meaning efforts of the international community tend to be at cross-purposes, thereby undermining the collective effort.

Similarly, vertical coordination is also required, in particular, within the UN and its Agencies and Programmes, to ensure that a common objective is matched by a clear roadmap to that objective. Coordination and consultation between the UN and the international financial institutions, especially the World Bank, must also be expanded. The report clearly recognizes that if the UN is to be a lead actor in the process of peace building in the immediate aftermath of conflict, more must be done to improve its efficiency. It is of course positive that the report recognizes such lacunae. It is also important that the report implicitly recognizes that of itself, the significant convening power that the UN brings to the table is not enough. Thus section V of the report dwells at length on the means by which the UN and its Funds and Programmes may be able to contribute more effectively to the process. Naturally, while practitioners on the ground would be able to better assess the potential efficacy of such measures, perhaps in time, more deep-rooted reform will be required.

**Mr. President,**

I should like to conclude by highlighting the need for further consideration and discussion on the complex issue of post conflict peacebuilding. We need to be able to frame this debate within a conceptual framework that tries to answer certain larger questions regarding the purposes and principles of international involvement in post-conflict peace consolidation. These include the question of where early recovery fits within the larger continuum of peace keeping and peace-building, and where the transition

from peacekeeping to peacebuilding, and from peacebuilding to peace consolidation and development begin. We also need to ask ourselves how international investment-both money and political will-can be expanded in support of peace building. In that context, there is clearly a need to expand the role of the Peacebuilding Commission and to deepen its strategic relationship with the Security Council, the General Assembly and the ECOSOC.

I look forward to a continuing dialogue on this subject in this and other fora within the UN.

I thank you.



**762. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri on Implementing the Responsibility to Protect at the UN General Assembly Plenary.**

**New York, July 24, 2009.**

**Mr. President,**

I would at the outset like to place on record my delegation's appreciation to you for convening these discussions. I would also like to record our appreciation to the Secretary General for the presentation of his report entitled "implementing the responsibility to protect" before the General Assembly on 21st July 2009.

**Mr. President,**

The discussions so far have left some of us deeply disturbed. Perhaps, it is a sign of the troubled times we live in that these discussions continue to reveal both a sense of helplessness and deep intellectual acrimony in finding the political will to prevent the recurrence of the four identified mass atrocities. It has been India's consistent view that the responsibility to protect its population is one of the foremost responsibilities of every state. The right to life is one of the rights from which no derogation is permitted even in time of emergencies. This is a cardinal obligation under our Constitution. The International Covenant on Civil and Political Rights, which has 164 States Parties, also has this as its core obligation.

Para 138 of the World Summit Outcome document clearly demands that the international community encourage and help states to exercise their responsibility to prevent genocide, ethnic cleansing, war crimes and crimes against humanity and support the UN in establishing an early warning capability. Capacity building and early warning are indeed critical to ensure that these four mass atrocities do not recur. The report of the Secretary-General has very well identified several proposals under pillars 1 and 2 in this regard. These should be worked on intensively by the international community.

**Mr. President,**

Protection of populations is identified by the Secretary General as a defining attribute of sovereignty and Statehood in the 21st century. Sovereignty as responsibility has, however, always been a defining attribute for nation states where safeguards for protection of fundamental rights of citizens are constitutionally provided. In the international arena, in so far as the identified four mass atrocities are concerned, we have a specific Convention on the Prevention and Punishment of the Crime of Genocide and several

other legal instruments which not only lay down extensive obligations of the States towards their citizens but also hold them accountable where necessary. In fact, the entire human rights regime is fundamentally predicated on this.

The responsibility of the international community has also been identified, be it for war crimes or genocide. For example, under the Genocide Convention, on request of a State Party, the competent organs of the United Nations can take such action under the Charter of the United Nations as they consider appropriate for the prevention and suppression of acts of genocide.

Regrettably, despite all the safeguards and obligations, the international community has in the past failed in its duty to respond to mass atrocities even when they were a clear threat to international peace and security. It is for this reason that this issue came up for consideration in the 2005 World Summit.

**Mr. President,**

The World Summit Outcome document was a large omnibus document that tried to find common ground on a vast array of issues of global interest. While, of course, disagreement prevented the document from addressing disarmament, we also need to accept that on the issue of responsibility to protect there was a cautious go-ahead. Discussions to provide doctrinal, policy and institutional life to paragraphs 138 and 139, if they are to be faithful to the 2005 document, must therefore, not lose sight of this fact.

**Mr. President,**

Since words have meaning, it would be useful to recall that in Para 139, the international community was enjoined to use appropriate diplomatic, humanitarian and other peaceful means, and I would like to repeat, peaceful means, to help protect populations in the specific situations of genocide, ethnic cleansing, war crimes and crimes against humanity.

Willingness to take chapter VII measures can only be on a case-by-case basis and in cooperation with relevant regional organizations with a specific proviso that such action should only be taken when peaceful means are inadequate and national authorities manifestly fail in discharging their duty. These measures, Mr. President, not only have to be used as a last resort but have to be in conformity with the provisions of the UN Charter.

Moreover Mr. President, we also have to be realistic. We don't live in an ideal world and, therefore, need to be cognizant that creation of new norms should at the same time completely safeguard against their misuse. In this context, responsibility to protect should in no way provide a pretext for

humanitarian intervention or unilateral action. To do so would not only give responsibility to protect a bad name but also defeat its very purpose. Perhaps finalization and adoption of the definition of aggression under the Rome Statute would assuage to some extent the concerns regarding the misuse of this idea.

As students of history, we should remember that to disregard the lessons of history makes us vulnerable and commits us to the folly of repeating mistakes of the past. The need for extra vigilance, therefore, cannot be overemphasized.

**Mr. President,**

The 2005 World Summit Outcome document provides the parameters regarding the application of responsibility to protect to the four identified mass atrocities. Our deliberations must therefore, be within this framework. Sticking to these parameters is important in view of the very general linguistic meaning that the expression responsibility to protect can invoke. We are all aware that even after 2005 there have been attempts to disingenuously use responsibility to protect, also at the highest levels in the international community!

It is, therefore, important that the UNGA discusses these issues holistically in an open, inclusive and transparent manner so that in developing this new idea, we ensure that it will be used only for its stated purpose and that the potential for its misuse is minimized.

**Mr. President,**

The Secretary General's report examines some of the most heinous events during the UN's watch and notes the issue of mandate and means. Even a cursory examination of reasons for non-action by the UN, especially the Security Council, reveals that in respect of these tragic events that were witnessed by the entire world, non-action was not due to lack of warning, resources or the barrier of state sovereignty but because of strategic, political or economic considerations of those on whom the present international architecture had placed the onus to act.

The key aspect, therefore, is to address the issue of "willingness to act". Here, of course a necessary ingredient is real reform of decision making bodies in the UN, especially the Security Council in its permanent membership, to reflect contemporary realities and make them forces for peace and capable of acting against mass atrocities.

Thank You.



**763. Statement by Permanent Representative to the UN Ambassador Hardeep Singh Puri on peacekeeping in the UN Security Council.**

**New York, August 5, 2009.**

**Mr. President,**

Let me begin by thanking you for organizing this debate on Peacekeeping. India attaches the greatest importance to the issue of Peacekeeping. This is the second time within a space of six weeks that I am speaking in this chamber on this topic. This is indicative of the importance that my delegation attaches to engaging in the ongoing deliberations on this subject in the Council and in other fora. My delegation would like to take this opportunity to align itself broadly with the statement made by the Delegation of Morocco on behalf of the Non-Aligned Movement. Mr. President, A number of initiatives, including the initiative by the delegations of the United Kingdom and France, are presently underway to take stock of the current state of peacekeeping.

Their efforts are being supplemented or complemented by those of the Security Council Working Group and the Secretariat's New Horizon project. A number of common themes run through these parallel efforts. The draft Presidential Statement circulated amongst Member States, which we have studied carefully, attempts to come to grips with some of these issues. Without going into the merits of whether a Presidential Statement is the appropriate format for addressing these issues, we would like to express our appreciation for the work that has gone into the document. We find some of the ideas and recommendations useful and timely.

**Mr. President,**

As a nation that has provided and continues to provide the United Nations thousands of soldiers and policemen, in addition to a large proportion of operating air assets, we feel that the nature of the Security Council's mandates and the manner in which they are generated is an area of major concern. Mandates are too broad and have very little correlation with the ability of the organization to deliver. We reiterate the importance of the Brahimi committee recommendation that mandates be clear and achievable. We also reiterate that this will not be possible without substantively involving countries who contribute manpower and resources to Peacekeeping Operations. Mr. President, India is not unfamiliar with the concept of "robust"

peacekeeping. In December 1962, an Indian officer, General Dewan Prem Chand, led an acclaimed UN military operation, largely with Indian troops deployed in ONUC, which ended the Katangese secession and restored authority to the Congo government. ONUC, where India lost 39 peacekeepers, was the first UN "robust" peacekeeping operation. This operation was conducted in response to a clear mandate arrived at after consultations. Today we receive feedback from our personnel on the ground that questions of substantive interpretation of the mandates - with repercussions beyond the immediate - are often left to the judgment of mission personnel in the ground. This is a difficult situation, particularly for military officers, who operate best when there are unambiguous instructions and objectives. Unrealistic mandates have led to situations where mission personnel are forced to ask national contingents to undertake tasks and utilize COE in a manner that is inconsistent with the legal framework under which they are deployed.

**Mr. President,**

We take note, with appreciation of the thrust of the Statement on the question of triangular consultations. We would here once again draw your attention to our most recent experience in respect of MONUC where changes in the Rules of Engagement and Concept of Operations were communicated to the TCCs after they had been notified. I will reiterate that being informed is not the same as being consulted. Mr. President, We also take note of the Council's intention to increase interaction with the Secretariat during drafting of a mandate on the rule of law and peace-building dimensions of an operation. We believe that the future effectiveness of the United Nations in the maintenance of peace and security in the context of peacekeeping lies in its ability to harness national governance capacities in affected countries. These national capacities, as the post-colonial experience in many societies reveal, usually exist in ample measure. The challenge lies in applying the capacities and knowledge of countries that have undergone successful post-colonial nation-building exercises to these situations. The Council therefore needs to expand the ambit of its consultations to include these countries. The UN Secretariat has a predilection for codification. Doctrines and benchmarks are constantly being written and updated. While we have no argument with the need to set standards, we need to remind ourselves that standards should be set in a manner which is realistic and relevant to the operating environment in which UN peacekeepers deploy. Doctrines and standards must not become like mandates - statements rather than a blueprint for action.



**Mr. President,**

Field Support needs far greater attention. It is our view, based on the experience of supporting the large contingents that we currently have under deployment, that the Department of Field Support needs far greater internal coordination and client-orientation. It has also been our view that the Department of Field Support needs to function as a military support operation with a lean command structure. We feel that there is a need for far greater engagement of Member States on functioning of the DFS. Mr. President, In concluding, I would salute the peacekeepers from India and from other nations who laid down their lives while serving in UN missions. I would also like to reiterate India's commitment to work with the United Nations in the maintenance of international peace and security including through the mechanism of Peacekeeping. Thank You.



**764. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri on informal meeting of the Plenary on the Intergovernmental Negotiations on the Question of Equitable Representation of and Increase in the Membership of the Security Council and other matters related to the Council in UN General Assembly**

**New York, September 1, 2009.**

**Mr. Chairman,**

Thank you for your energetic efforts to move this vital process forward. We appreciate your dedication and the courage you have consistently displayed in the discharge of your duties. I reiterate India's continuing support for you in this regard.

We are today at the beginning of the third round of negotiations. Looking back at the first two rounds, two messages emerged loud and clear: first, that an overwhelming majority of member states believe that the status quo is untenable, in response to which genuine reform of the UN Security Council is essential. Second, substantive reform requires an expansion in

both permanent and non-permanent categories of membership, and significant improvement of the Security Council's working methods.

I am encouraged that that these facts are duly reflected in your letter of July 16. In fact, if anything, your letter perhaps understates the clarity of the second message. Nonetheless, a good start has been made in concentrating on proposals that genuinely reflect the sense of this body.

During the first two rounds, we have looked at the five key issues both in isolation and combinations. So it is appropriate that today we look all these issues in a composite manner.

Let me therefore reiterate our firm conviction that only an expansion of the membership of the UNSC in permanent and non-permanent categories will be credible, effective and genuine. Only such measures will meet the aspirations of the membership at large. The G-4 framework resolution of 2005 proposed six new permanent members and four additional non-permanent members. We remain convinced that this is the optimum expansion that meets both the tests of representativeness and manageability.

Naturally, new permanent members would have the same rights and responsibilities as existing permanent members, including that of the veto. Nevertheless, recognizing the complexity of the issue, the G-4 proposal offered to defer its utilisation until a review is undertaken.

**Mr. Chairman,**

We see the reform of the working methods of the Council as a key objective of our collective effort. Several useful proposals have been presented over the years that the OEWG meandered along. Perhaps out of sheer fatigue, even the Council discussed this a few times, with a few small steps being taken in this regard. This is useful, but not enough. The efficacy and legitimacy of the Council cannot be enhanced by tinkering at the margins. The many useful suggestions made by delegations here must be seriously considered.

Nevertheless the problem we face is not what the elements contain, but their implementation. The reality is that however good these ideas may be, they will not be implemented unless the structure of the Council is changed. And that will happen only when the Council stops reflecting the world of 1945. Hence effecting serious reform of the working methods of the Security Council is integrally connected with its composition.

**Mr. Chairman,**

The views of delegations have been eloquently presented and reiterated during the past few months of negotiations. We must now move beyond repetition of well-known positions and focus discussions to make real progress. Your vision of this third round is an effort towards that end.

However, we continue to harbor apprehensions over the notion of an intermediate model. First of all, it is unclear that a discussion on this model will serve the interests of finding a solution that garners requisite support. Apart from the limited support of a few here, and at that as a tepid second preference, it is unclear if this proposal can satisfy the central demand voiced repeatedly by members for genuine reform. Some have tried to portray the intermediate approach as a compromise solution. I remain unconvinced since it is unclear what this is a compromise between. As we see it, an interim solution appears to limit expansion of the Security Council solely to the non-permanent category.

Therefore it can hardly be a sign of flexibility to support an option that currently does not include a sense of a compromise at all. Therefore, in keeping with your suggestion that we focus on "what has commanded the most support", we see little point in discussing a proposal that is in essence a negation of the core demand of the membership, i.e. expansion in both permanent and non-permanent categories of membership. Perhaps it would be more useful to use the day earmarked for discussing an interim model for a discussion of the specificities of the various models suggested for expansion of both categories of membership.

Thank you.



**765. Statement by Permanent Representative at the UN Ambassador Hardeep Singh Puri at the meeting of the UN General Assembly Plenary on the Intergovernmental negotiations on the Question of Equitable Representation on and Increase in the Membership of the Security Council and other matters related to the Council.**

**New York, September 2, 2009.**

**Mr. Chairman,**

Thank you for your dedicated efforts as Chair of our inter-governmental negotiations on this important issue.

Let me place on record our satisfaction at the fact that these negotiations are finally focusing on the reform model that clearly enjoys the support of an overwhelming majority of Member States.

This is a step in the right direction, even though it has taken years of going around in circles in the open-ended working group. Even in these negotiations, we have spent far too much time avoiding this issue rather than dealing with it directly.

Unfortunately, even today, there are some amongst us whose principal objective in attending these meetings sometimes seems solely to ensure that there be no progress whatsoever, either today or in any meeting that substantively discusses expansion in both categories of membership of the Security Council.

Some of these colleagues have even criticized your decision to hold today's meeting on the specious argument that this represents a "selective" choice of one of the five key issues. It is hard to find merit in this somewhat self-serving claim. The fact is that today's discussions are on the model with expansion in both current membership categories. Naturally, the details of this model, and its variations, obviously encompass all the five key issues, for instance as in the G-4 proposal. Moreover, this model also represents an integrated approach to all five key issues, which has been a repeated demand of these very colleagues.

Therefore, to these distinguished colleagues of mine, the naysayers, I would say: do not remain on the wrong side of history. It is evident that we are at a juncture where the prospects of substantive reform of the Security Council are visible. To remain in this negative mould only defers the inevitable; it does not change it.

It is essential that we collectively promote this process, to ensure that the desire of the vast majority of the membership of this Organization for genuine reform can be fulfilled.

In this effort, Mr. Chairman, you have a key role to play. You have correctly, and courageously, noted that today's topic has commanded the most support. It is only logical therefore that henceforth, we focus our attention on this model alone, and not on other options that do not command the support of more than a handful of States.

While this is obvious to most of us, it would perhaps have been more accurate to state that this model enjoys the support of an overwhelming majority, and that it is only a handful of countries that persist in their opposition to this model. If we are to have a serious negotiation aimed at reaching substantive conclusions in the near future, we should focus our attention ahead, and not revisit old and discredited arguments.

**Mr. Chairman,**

Permit me to digress for a moment to refer to a few intriguing comments that I heard in the pre-lunch from some colleagues, who defy both empirical fact and recent developments to question the level of support enjoyed by the reform model with expansion in both categories of membership.

Despite the fact that I learnt my mathematics in the land that introduced the concept of zero to the world, I confess to being baffled by the new system of mathematics that these colleagues seem to use. The issue is simple - only 12, or at best 15, delegations have ever objected to an expansion in the permanent membership. The rest, even the P-5, have not objected, not once, in repeated rounds of open negotiations, or even in the OEWG process that preceded it.

Yet, using specious and wordy arguments, this tiny minority would have us believe that most delegations are not in favour of expanding the UNSC in both categories.

**Mr. Chairman,**

Listening to these specious arguments, I utilized the lunch break to look for inspiration. I found it in Lewis Carroll's classic work, "Through the Looking Glass..." With your permission, Mr. Chairman, let me quote you some inspiring passages from this classic work:

"The time has come," the Walrus said, "To talk of many things: Of shoes, and ships, and sealing-wax Of cabbages, and kings. And why the sea is boiling hot-- And whether pigs have wings."

"But wait a bit," the Oysters cried, "Before we have our chat;"

For some of us are out of breath, And all of us are fat!" "No hurry!" said the Carpenter. They thanked him much for that.

There are several other inspiring pieces, Mr Chairman, but the reality is they, the minority, who are very well aware of the overwhelming support enjoyed by this model. They are equally aware of the fact that it is they who stand on the wrong side of the tide. Hence their vociferous objections, in the forlorn hope that stridency can substitute for a lack of numbers. If there is genuine doubt about the basic premise that most delegations support expansion in both categories, then, my knowledge of mathematics tells me that we should test the hypothesis scientifically. So, let me ask, why do they not want us to schedule a straw poll to ask who really objects to an expansion in both categories? I suspect the results would clearly demonstrate that this is a small minority. Perhaps this is already evident to them, hence their desire to avoid further highlighting their isolation.

I think there is little doubt in this hall, or elsewhere in the building, which model my delegation prefers.

Suffice therefore, for me to underline for the record that we see a need to increase the membership of the UN Security Council by 6 permanent and 4 non-permanent members. Two each of the new permanent members would be from Asia and Africa, and one each from Latin America and Europe. The four new non-permanent seats would be equally filled between Asia, Africa, Latin America and Eastern Europe. This was the proposal put forward by the G-4 in draft resolution A/59/L.64. It remains our preferred option.

Naturally, new permanent members would have rights and responsibilities on parallel with existing permanent members, including the right to the veto. However, they would not exercise the veto power until the question of the extension of the right of veto to new permanent members is decided through a review after 15 years from the date of entry into force of the reform measures.

Indeed, as various rounds of discussions demonstrate, this remains the most comprehensive proposal. It is also the tidiest. No other option comes remotely close to satisfying the varying concerns of the membership in this important issue.

**Mr. Chairman,**

Clearly, today we no longer need to debate which model to follow. Instead, we should concern ourselves with the details of how to expand the membership of the Council in both permanent and non-permanent categories. Instead, we must discuss variants of this model tabled by several member states, for instance by the African Group, identify the most suitable option, and then discuss which variant to implement at the earliest.

We must carry out a rigorous evaluation of each variant of this broadly-acceptable model, and build up a package on which our views can converge.

Only then can we address the leitmotif of these negotiations: that the UNSC no longer represents the interests of the collective membership, and therefore cannot discharge its functions on behalf of all Members. Enhanced representation of developing countries is a crucial requirement in rectifying this unacceptable state of affairs.

**Mr. Chairman,**

How should we proceed from here? The way forward is clear: we must begin work by identifying the various proposals made by delegations regarding ways of expanding membership of the Council in both categories. Thereafter, detailed negotiations can commence urgently.

We count on you, Mr. Chairman, to take us forward along this path. You can be assured that my delegation will extend the fullest support to you in an effort to focus our collective energies-and time-in negotiations on specific options for reform of the UN Security Council in both permanent and non-permanent categories of membership.

Thank you.



**766. Statement by Special Secretary, International Organizations and Political issues in the Ministry of External Affairs Vivek Katju, at the Informal Plenary Meeting of the General Assembly on "Intermediate model" at the United Nations.**

**New York, September 3, 2009.**

**Mr. Chairman,**

At the outset, I would like to express my appreciation for you, Mr Chairman, and to greet colleagues here as I take the floor for the first time on the reform of the UN Security Council, which remains an issue of abiding interest for all of us.

**Mr. Chairman,**

I wish to commend your impartial leadership of these intergovernmental negotiations and your willingness to listen to all shades of opinion, including on an intermediate model, which is not in consonance with the desire of the majority of member states. As you have correctly noted, Mr Chairman, the majority favours expansion of the Security Council in permanent and non-permanent categories of membership.

It is for this reason that India had suggested earlier this week that we might find better use for our limited time today. Colleagues have argued, and I believe convincingly, that the focus of this round of negotiations should be forward-looking. That obviously means we should focus on the details of what Member States desire, which is reform and expansion of the Security Council in both existing categories of membership.

In suggesting we make better use of our time, my delegation was not motivated solely by its apprehensions on the intermediate approach. Equally, it was predicated on the fact that the intermediate model does not address the core demand of Member States. i.e, genuine reform of the Security Council. That being so, it is hard to see how it helps us to engage in a discussion on this issue since this model does not appear to garner overwhelming, or even requisite, support.

While we are open to general explorations of ideas and proposals, we need clarity on the utility of such general ideas. What is the intermediate model "intermediate" to? For those of our UFC colleagues who present this notion as a sign their "flexibility"--which, as we know, is a distillation of



the old wine of limiting expansion to the non-permanent category in the new bottle of flexibility, we need to ask ourselves, in what way is it "intermediate"? If it is in the sense of a "compromise", where is the "compromise" on their part, since this is essentially limiting us to expansion in the non-permanent category.

For those of us who believe that an intermediate solution is essentially an interim measure, in that it postpones a decision until it is easier for those who have opposed expansion of the Security Council in both categories for fifteen and years and more, I can only say that we are deluding ourselves to believe that a comprehensive solution will be easier to find later. Indeed, one can argue that the quest for a lasting solution would be stymied by an interim structure.

It is sometimes suggested that the intermediate model is a stepping stone to a permanent seat. If that is so, it would be better to say so directly and proceed with discussions on the model of expansion in both categories, which commands majority support.

**Mr. Chairman,**

Not making the right choices will mean that the problems that currently beset the UNSC will persist in the future. It is for this reason that we think we need to be practical and forward-looking. It is clear that the so-called intermediate model does not enjoy wide support, even as a second preference. Let us instead discuss the variations on the model of expansion of both categories. That would be sensible.

Now, Mr. Chairman, that you have shown your willingness to allow all possible views to be heard, it would make sense to focus our future efforts on the model that commands majority support: that is, expansion in both current categories of membership. We look forward to continuing these negotiations of the GA in informal plenary in the forthcoming 64th session on this basis. We would therefore support Germany and others who have suggested that progress made in negotiations over this year should be summarized, so that we can build upon the progress achieved. The suggestion that we have a workplan and a timetable for such discussions in the 64th UNGA session is also useful.

I thank you, Mr. Chairman.



**767. Intervention by External Affairs Minister at the Round Table during the Climate Change meeting at the UN .**

**New York, September 22, 2009.**

**Hon'ble Co-Chairs.**

Permit me to begin by appreciating the admirable manner in which you are guiding our discussions. I am also appreciative of the Secretary General for convening this meeting. It is imperative that our meeting galvanizes political momentum for the real negotiations at the UN Framework Convention on Climate Change.

**Hon'ble Co-Chairs,**

India faces one of the most enormous development challenges in the world. Nearly 200 millions live on less than 1\$ a day and nearly 500 million do not have access to modern sources of energy. Our overriding priority, therefore, has to be eradication of poverty for which we must address our energy poverty and use all sources of energy, including fossil fuels. Climate change has now posed for us a huge adaptation challenge too as we are severely affected. We have a major interest in ensuring a substantive and constructive outcome in Copenhagen and we will be part of the solution, even though India has not caused the problem in any way. The outcome must be rooted in equity and respect the provisions and principles of the Convention, especially common but differentiated responsibilities and also historical responsibility. It must also ensure that developing countries can pursue accelerated development, also so that they have the resources to cope and adapt to climate change.

**Hon'ble Co-Chairs,**

The background paper for today's event has posed important questions with the one on lifestyles, perhaps, being the most pertinent. Here we cannot get away from the fundamental fact that unsustainable lifestyles and patterns of production and consumption in the developed world have caused climate change. This cannot continue. And, the way forward must ensure that developing countries can pursue growth and poverty eradication. Scientific evidence suggests limiting global emissions by the middle of this century to a level that would keep the temperature rise to 2 degrees Celsius. It is imperative that this aspirational global goal includes an equitable burden sharing and that all citizens of the world have an

equal right to the global resource of the atmosphere. Moreover, developed countries must commit and deliver on significant reduction in their emissions of at least 40% by 2020 from the agreed 1990 baseline.

**Hon'ble Co-Chairs,**

India's per-capita emissions are only around 1 tonne of CO<sub>2</sub> equivalent per annum, which is a quarter of the global average and half that of the developing countries as a whole. Moreover, our contribution to the stock of carbon dioxide is negligible. We have also repeatedly reaffirmed that our per-capita emissions would never exceed the average per capita emissions of the developed countries, even as we pursue our development objectives. We are taking many domestic adaptation and mitigation actions on a voluntary and systematic basis. These include national missions and other actions in the area of solar energy, extensive deployment of renewables, use of clean coal technologies, boosting energy efficiency, adoption of green building codes, large scale reforestation efforts and promotion of green agriculture, among others. Many of the mitigation efforts in different sectors like energy, transport, industry, agriculture and forestry will have specific quantitative and time-bound domestic goals, with even mid-term deadlines, that would enable our national democratic institutions to monitor and check their implementation.

The creation of mechanisms along with provision of financial resources and access to technology which will enable us to upscale our national efforts is an important expectation that we have from Copenhagen. Naturally, efforts that are supported by external sources will be subject to international monitoring, but it is important that the ambition levels of domestic actions are not crimped by an international review obligation. And while private funding is important, government commitment for funding, both for mitigation and adaptation, has to be a key element, to ensure predictability and to catalyze other flows. For new green technologies to be deployed effectively in the developing world, rewards for innovators would need to be balanced with the needs of humankind. This, along with collaborative R&D activities, I believe is the critical piece of the climate puzzle. In this connection, I would like to mention here that India is organizing a major conference on technology cooperation for climate change in collaboration with the United Nations in Delhi in October this year. This Conference will feed into Copenhagen substantively.

**Hon'ble Co-Chairs,**

Climate negotiations should be focusing on the developed countries from where the problem has emanated and who are reluctant even to meet their commitments on emission reduction, let alone provide technological and financial support to developing countries on the vast scale that is required. Instead, the onus for action is sought to be shifted to developing countries, which have contributed little to the accumulation of greenhouse gasses and face the huge burden of adaptation. Protectionist trade and border tax response measures, which basically seek to protect their competitiveness, are being talked about in developed countries under the garb of climate change. And, regarding financial resources for developing countries, even in so far as the minimalist amounts that appear forthcoming; all efforts are underway to ensure that their governance remains outside the UNFCCC and squarely in control of developed countries. There is a tide of change in world economic relations. Climate negotiations should not seek to stem this tide.



**768. Statement by the External Affairs Minister S. M. Krishna  
at the General Debate of the 64th Session of the UNGA.**

**New York, September 26, 2009.**

**Your Excellency, Mr. President, Excellencies, Ladies and Gentlemen,**

Please accept my congratulations on your assuming the Presidency of this 64th Session of the United Nations General Assembly. My delegation assures you of our fullest cooperation during your stewardship of this august Assembly that embodies the hopes, aspirations and our shared vision of peace and development for all the people of our planet.

**Mr. President,**

When this General Assembly ends next year, the United Nations would have completed 65 years of existence. These past decades have seen the world change in fundamental ways. Connectivity defines our global condition, and the challenges that we collectively face are global. The resolution of these challenges, as we are aware, require global approaches and solutions. What may happen in one part of the world has an impact on other regions. In the context of these rapidly emerging changes and their deep and diverse effect, we must introspect more deeply on whether the United Nations and other global governance structures are geared to effectively meet the challenges that confront us all. It is of concern that even after more than six decades, international governance structures are neither inclusive nor participatory. Consequently, these structures and institutions have not kept pace or evolved, with the changed nature, the intensity and the depth of contemporary global issues. The question therefore is: are these institutions able enough to address these challenges either adequately or satisfactorily? The reform and restructuring of the global governance architecture is the critical need of our times and the voice of the developing world, including the small island nations and of Africa, is of principal and core relevance, if we are to have truly participatory and global responses to global challenges. One need not look too far to identify these challenges. The economic and financial turmoil, which did not begin in the developing world, has affected developing countries the most. Growth has slowed down with recession overtaking many countries. The international response to this challenge has to be not only the measures that have been taken to stimulate economies but more importantly, to find ways to restructure the current international governance system which has failed to respond to the virulence of the financial and economic crisis. To gloss

over this structural deficit of the current global financial and economic architecture, would imperil the future of a vast majority of the peoples of this world and presage greater difficulties in the future. In the face of the current economic and financial crisis, hard-won gains in alleviating poverty, hunger, illiteracy and disease are being reversed. Today, the achievements of the Millennium Development Goals are seriously threatened. Policies of protectionism under these already adverse circumstances will exacerbate the serious situation that many countries face.

It is imperative that the United Nations act in concert to coherently overcome these challenges. India, which is actively engaged in the G-20 and other processes, has always stressed that developing countries must receive priority in any global response to the crisis. The UN Conference on the financial and economic crisis held in June this year was opportune and provided a useful platform to collectively seek ways and means to respond to the crisis. We now look forward to an early implementation of the follow-up measures agreed to at the Conference, during the course of this General Assembly. We believe that international trade and commerce has a central role to play in revitalizing global economic growth. We are committed to negotiations in the Doha Development Round. We strongly favour fair and equitable rule-based multilateral trade negotiations, which recognize and address the legitimate demands of the developing countries. India supports resumption of the negotiations at an early date and stands ready to engage with all WTO Members to complete the modalities and addressing any outstanding problems. To support this process, we also organized an international ministerial level conference in New Delhi on 3-4 September 2009.

**Mr. President,**

At the centre-stage of multilateralism and international cooperation is the United Nations. The UN is a platform where the world meets to express views and undertake commitments on global issues of mutual concern on an equal footing. No wonder then that the Charter of the United Nations begins with the inspiring words: "We the people of the United Nations....." Inclusiveness and collective action, in all aspects of the work of the organization is at the heart of its Charter. This vision must be our lodestar, the guiding principle of all we undertake. India is committed to working with member states to making the United Nations more relevant and tuned in to contemporary realities. Reforming the United Nations is a matter of the utmost priority. Four years after the 2005 World Summit, there has not been much progress even as newer and more global crises and problems have emerged.

We should not let slowness of action weaken the organization in the face of such challenges. Rather, we must work in concert to make it more robust and capable of effective response. Reform in the three essentials of the Charter i.e. Peace and Security, Development, and Human Rights require our collective attention. The General Assembly must be revitalized in full measure and its role as the anvil of global deliberation must be strengthened. The ECOSOC must become the fulcrum of development. It must be accepted that the Security Council must be strengthened and made more representative by expanding its permanent and non-permanent membership. Ongoing intergovernmental negotiations during the last six months have unambiguously established that an overwhelming majority of Member States share the perspective that expansion in both categories of membership of the Security Council is needed.

**Mr. President,**

Climate change is one of the most important global challenges that we face today. Developing countries bear a disproportionate share of its adverse effects even though they are not responsible for it. Cognizant of the serious threat that climate change poses, India is engaged in the ongoing negotiations under the United Nations Framework Convention on Climate Change including in the upcoming Copenhagen Conference. India will work for an outcome that recognizes the development imperatives of developing countries and is rooted in the principle of common but differentiated responsibilities and respective capabilities. We also have to move away from concentrating on "mitigation" only and ensure that there is a focus on adaptation, which is critical for developing countries. We are hosting a high-level global conference on "Climate Change: Technology Development and Transfer" on October 22-23, 2009 in cooperation with the United Nations. The objective of this Conference is to help formulate a roadmap for technology in the context of climate change mitigation and adaptation to support the UNFCCC process. Developing countries must be supported financially, technologically and with capacity building resources so that they can cope with the immense challenges of adaptation. Special efforts are required to develop programmes that address the critical needs of Small Island States and of the most vulnerable countries. Poverty alleviation and livelihood security are central imperatives for India. For this, accelerated economic growth and energy security are critical drivers. In pursuing our development goals, India has been successful in significantly reducing its energy intensity. India will continue to pursue this path. India is aware that the continuing volatility in the fossil-fuel markets together with the threat of

climate change which makes the development of all renewable and clean energy sources, including nuclear energy crucial. In this context, international civil-nuclear cooperation is important. India has also taken several independent initiatives to address the issue of climate change. We have put in place a comprehensive policy and legislative framework as well as a National Action Plan on Climate Change with separate Eight National Missions. An unprecedented afforestation campaign has been launched with doubling of the budget for forestry this year to US\$ 1.3 billion and this increase is going to be sustained every year. The Prime Minister's Council has approved National Missions for Enhanced Energy Efficiency, and Solar Energy setting ambitious goals. We are supporting and facilitating major research to assess various aspects related to climate change.

**Mr. President**

India attaches the highest priority to the goal of nuclear disarmament and has an impeccable non-proliferation record. We welcome the renewed global debate on achieving a world free of nuclear weapons. This corresponds with India's longstanding and consistent advocacy of nuclear disarmament as one of the highest priority of the international community. We have put forward a number of proposals on nuclear disarmament in the UN, including a Working Paper in 2006, proposing elements to fashion a new consensus on disarmament and non-proliferation. Last year, at the 63rd UNGA, consistent with India's longstanding commitment as articulated in the Rajiv Gandhi Action Plan in 1988, India reiterated its proposal for a Nuclear Weapons Convention for banning the production, development, stockpiling and use of nuclear weapons and to provide for their complete elimination within a specified time-frame. The international nuclear order cannot be discriminatory. Further, states must fulfill the obligations they have undertaken. Once more, with feeling and with commitment, India reiterates that proposal. We will continue to engage with key countries to intensify this debate with the hope that greater international understanding could lend itself to a firm commitment for action on nuclear disarmament. It was in this spirit that we supported adoption of a Programme of Work, including on a Fissile Material Cut-off Treaty, in the Conference on Disarmament in May this year. This is consistent with India's position, to work with others in the Conference on Disarmament towards conclusion of a non-discriminatory, multilaterally negotiated and internationally verifiable FMCT, provided it meets India's national security interests. We remain committed to a voluntary, unilateral moratorium on nuclear testing.



**Mr. President,**

India stands committed to the safeguarding of international peace and security. Over the past five decades, we contributed more than 100,000 peacekeepers and have suffered the highest number of casualties in these decades. Strengthening the normative basis for peacekeeping operations and giving major Troop Contributing Countries (TCCs) a greater say, will serve to make peacekeeping more effective.

**Mr. President,**

The barbaric terrorist attack on the innocent people of Mumbai on November 26, 2008 reminds us of the daily and malignant menace that terrorism poses to all countries. There cannot be any justification whatsoever for such mindless terrorist acts. It is our collective responsibility and duty to work together to ensure that terrorists, organizers, perpetrators and supporters of such crimes are brought to justice. To strengthen the international legal framework of the fight against terrorism, India had proposed a Comprehensive Convention on International Terrorism (CCIT). Discussions on the draft have gone on for far too long. It is time that the Convention be finally adopted. India earnestly calls upon all countries to make serious efforts in the next few weeks to arrive at a consensus on the text.

**Mr. President,**

Peace, security, stability and welfare of our neighbourhood is vital for India. There is a new beginning in Sri Lanka; in Nepal strengthening the peace process is in our collective interest; and in Afghanistan, the international community must remain intensively engaged and support its development efforts and the maintenance of peace and stability. India is committed to establishing good neighbourly relations and resolving all outstanding issues with Pakistan through peaceful dialogue. Mr. President, In conclusion, I wish to reiterate India's steadfast commitment to the work of the United Nations. Speaking to this Assembly 41 years ago, Prime Minister Indira Gandhi said and I QUOTE "the United Nations is the trustee of the world's peace and represents the hopes of mankind. Its very existence gives a feeling of assurance that the justice of true causes can be brought fearlessly before the world. This Assembly and the agencies of the United Nations should, in all that they do, sustain those hopes and promote the causes of peace". The truth and conviction of these words are more meaningful today than ever before.

Thank you.



**769. Statement by the Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri at the meeting to Review the Implementation of UNSC Resolution 1540.**

**New York, September 30, 2009.**

**Mr. Chairman,**

I congratulate you on this initiative to convene an open meeting to review the implementation of the UN Security Council resolution 1540. I assure you of our constructive participation in these deliberations.

India recognizes that proliferation of weapons of mass destruction is a major challenge facing the international community. We fully understand the dangers of WMDs falling into the hands of terrorists. We have therefore supported the general objectives of UNSCR 1540. The resolution was in harmony with our own General Assembly resolution "Measures to prevent terrorists from gaining access to WMD", which was first introduced in 2002 and is adopted by consensus.

Since the adoption of the 1540 resolution we have taken additional steps to further strengthen our existing legislative and regulatory mechanism for exercising controls over WMDs. A major step was the enactment of the WMD Act in June 2005. The Act provides for an integrated and over-arching legislation on prohibiting unlawful activities in relation to WMDs, their delivery systems and related materials, equipment and technologies. The Act criminalises a range of unlawful activities in relation to WMDs and their means of delivery. Industry outreach activities are undertaken on regular basis in different parts of the country to sensitize exporters and industry to various aspects related to the 1540 resolution. In addition, training programmes are organized for officials connected with the administration of dual-use export goods.

India filed its first report on UNSCR 1540 in November 2004. This report was followed by two addendums in January and February 2006. An update to these reports and addendums was filed in April 2009, focusing on developments of the past three years and the draft matrices circulated by 1540 Committee.

India has contributed to the work of the 1540 Committee, including through nominating an Expert, Dr. V. Siddhartha, who worked for the Committee for a two year term.

We have noted that a large number of countries have taken measures to implement the resolution at a national level and have reported to the Committee. We support efforts to prepare guidelines for handling assistance requests by countries and to find means to address the most commonly found gaps in the implementation of 1540. It is important that these activities are performed only at the request of a country and keeping in mind the varying national capacities, procedures and systems. Based on specific requests by countries, India remains ready to assist them bilaterally in capacity building and fulfilling their obligations under UNSCR 1540.

The resolution is global in its reach and should be taken forward along with everyone so that broader synergies are utilized for its better implementation. The involvement of regional organizations may need to be carefully considered since this subject is rather specialized in nature, and capability and expertise at the level of regional or sub-regional organizations may not be often available.

Thank you.



**770. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on Women and Peace and Security at the Security Council.**

**New York, October 5, 2009.**

**Mr. President,**

Let me begin by congratulating you for assuming the Presidency of the Security Council.

We are happy to participate in today's open debate on "Women and Peace and Security". The theme of today's discussion "responding to the needs of women and girls in post-conflict situations for sustainable peace and security" is both timely and pertinent. India attaches very high importance to ensuring concrete action in this area and welcomes the report of the Secretary-General.

**Mr. President,**

We had co-sponsored UN Security Council Resolution 1888, which was adopted last week under the Presidency of the United States, and we are also happy to co-sponsor the resolution 1889 adopted today.

Nevertheless, let me underscore that the issue of "Women and Peace and Security" has implications which are cross-cutting as well as multi-dimensional. Therefore, the need for discussing these issues in the universal forum, the General Assembly, cannot be over-emphasized.

India has consistently held that greater participation of women in areas of conflict prevention, peace negotiations, peace keeping and post conflict reconstruction is the sine qua non for lasting peace and security.

As far as the UN is concerned, its achievements have been at best modest, particularly in terms of deployment of women in peacekeeping forces. Women, presently, comprise only 8 percent of UN police officers, and about 2 percent of the military personnel deployed in UN peacekeeping operations. Given the critical role of the UN in peacekeeping operations and peace building in post-conflict countries, we firmly believe that the UN must lead by example. Precisely for these reasons, India has contributed a female peacekeeping unit of 100 personnel, which is presently deployed in Liberia. This mission in Liberia stands out as the only one of its kind among the ongoing UN peacekeeping operations.

**Mr. President,**

We commend the work of Secretary-General in mainstreaming the gender perspective in the UN recruitment process. We hope that this process will be institutionalised at the earliest and that we achieve a gender balance in the UN system, especially in the field, where it is most required. There is also much need for ensuring greater representation of women in high decision-making positions at the UN.

**Mr. President,**

It is a matter of deep regret that the international community has to repeatedly debate the issue of sexual and other forms of violence against women and girls in situations of armed conflict. This abhorrent behaviour has to be unequivocally, unambiguously and resolutely condemned, whether perpetrated by parties to armed conflicts, peacekeeping personnel, including its civilian component, or humanitarian actors.

**Mr. President,**

The promotion and protection of the human rights of women and girls in armed conflict continue to pose a pressing challenge. There should be no tolerance for gender based violence. All cases of gender based violence in an armed conflict must be investigated and the perpetrators prosecuted.

Let me assure you that India will continue to contribute positively to United Nations efforts in protecting vulnerable sections, particularly women and children, in conflict and post-conflict societies. This needs to be done in a comprehensive manner with active involvement of all the Departments and Agencies of the United Nations. I would also like to stress that the international community needs to enhance cooperation by providing new and additional financial resources, sharing of experiences, expertise and capacity building in areas of justice and rule of law.

Thank You.



**771. Statement by the Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri on Agenda Item 136 - Scale of Assessments for the Apportionment of the Expenses of the United Nations at the Fifth Committee of the 64th Session of the UNGA.**

**New York, October 5, 2009.**

**Mr. Chairman,**

As this is the first time in this session that my delegation is taking the floor, let me congratulate you on your election as the Chairman of the Fifth Committee. We also extend our felicitations to the other members of the Bureau. We are confident that under your stewardship, the Fifth Committee would undertake constructive and meaningful deliberations during this session. I assure you of my delegation's fullest cooperation in the Committee's work.

I would also like to convey our appreciation to the Chairman of the Committee on Contributions for introducing his Committee's report and to the Chief of the Contributions Section for introducing the report of the Secretary-General on multi-year payment plans.

I would also like to strongly support the statement made by the Chair of the Group of 77 before this committee.

My delegation is of the view that the current methodology for preparing the scales of assessment for the apportionment of the expenses of the Organization truly reflects the fundamental and inviolable principle of "capacity to pay". It is also our clear understanding that this is the view of an overwhelming majority of the Member-States.

The current methodology, which includes the base period, the per capita Gross National Income, conversion rates, Low Per Capita Income Adjustment, debt burden adjustment based on debt stock approach, floor, ceiling for LDCs etc. has evolved over the last 65 years, as a result of careful and deep thought involving lengthy deliberations by our predecessors in this very house.

Recognizing the credibility of the current methodology, the General Assembly in 2006, unanimously decided to maintain the methodology for the 2007-2009 period.

The suggested figures for contribution by different Member-States to the regular UN budget before us now using the current methodology clearly account for changes in relative growth rates of different Member-States. This fact by itself provides all the validation to the methodology's integrity that should be required. Indeed, as the Chair of G77 has noted, a majority of the developing countries will see a substantial increase in their assessed contributions in 2010-2012 based on the current scales of assessment.

We are all confronted today by a global economic and financial crisis, in which developing countries have been hit the hardest, despite not being responsible for creating the crisis. In these times, mere fair-play demands that developing countries are not asked to shoulder a greater burden of financing the Organization and that too by changing the methodology, according to the convenience of a few and adversely affecting the vast majority, especially developing countries.

We have many arguments and evidence in support of each element of the current scales methodology, but we would not like to go into the details at this stage, as they are also well known to the others. My delegation is firmly of the opinion that given the circumstances, it would be in the interest of all us to maintain the current methodology for the 2010-2012 period and do so now. Attempts to selectively target developing countries will unravel the consensus around the current methodology, which has been carefully crafted over the years.

While statistics can be manipulated to prove any self-serving argument, we believe that all Member States should fulfill their financial obligations towards the Organization, in full, on time, and without conditionality, especially when these obligations are determined by the General Assembly, on the basis of clear, transparent, logical and unanimously agreed guidelines.

On the other important issue of exemption from Article 19, we fully support the conclusions of the Committee on Contributions on the submissions before it by six Member States for exemption from the application of the provisions of Article 19. We endorse the recommendation to permit the six Member States to vote in the General Assembly until the end of the 64th session of the UNGA.

Normally, while concluding, my delegation would have said that we were looking forward to discussing the issue of the scales of assessment in greater detail during informal consultations of this Committee. However, in this instance, I would echo what the Chair of G77 emphatically said in his

statement, that given the clarity on this subject amongst the overwhelming majority of Member States, we like to see the adoption of the existing scales of assessment methodology for the 2010-2012 period right now. This would not only save us precious resources on conference services, but would also give us more time to deliberate on other more pressing issues before the United Nations that have to be decided in this main session.



**772. Statement by the Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri on Agenda Item 63 - Social Development at the Third Committee of the 64th Session of the UNGA.**

**New York, October 6, 2009.**

**Mr. Chairman,**

Since I am taking the floor for the first time in this Committee, let me begin by conveying to you and to the members of your Bureau our warmest felicitations on your election and to you for chairing this important Committee of the General Assembly.

I would like to assure you of my delegation's full cooperation in the deliberations and work of this Committee. I wish to thank the Under-Secretary General for Economic and Social Affairs for his statement in this Committee yesterday. My delegation would like to endorse the statement made by the Chair of G77.

**Mr. Chairman,**

The World Summit for Social Development of 1995 was amongst the largest gathering of world leaders where a pledge was made to conquer poverty, achieve full employment and foster just, social and stable societies. It is a sad realization that today, even after nearly 15 years, we still have a very long way to go.

The last one year has been particularly difficult for developing countries due to the ongoing economic and financial crisis. This crisis, which did not originate in the developing countries, has negatively impacted them and has not only stalled economic growth, but has further eroded the slow



progress of the last few years. This adverse impact has been clearly reflected in the Secretary General's report which states that the global crises will most likely reverse, the decline in levels of poverty witnessed between 1981 and 2005.

**Mr. Chairman,**

We are still grappling with the adverse affects of this unprecedented crisis. There are, of course, some signs of recovery but the fact remains that even these point only to a slow and prolonged process.

Developing countries like India have been more resilient and are poised towards resuming growth, but it is imperative that assistance efforts to developing countries are continued and even enhanced. The Secretary-General's report has also clearly brought out the direct co-relation between resource availability and progress in achieving MDGs. This must spur us to provide greater investment in areas where we are not on track to achieve the MDGs.

**Mr. Chairman,**

We welcome the Secretary General report referring to India as one of the few success cases on social development amongst the developing countries. It has been our endeavour to take active steps to ensure that the most vulnerable sections of the society benefit from our economic policies. Inclusive growth is the dominant theme of our 11th Five Year Plan (2007-12).

Some of our major efforts include national schemes to ensure availability of food grains at concessional rates to all and guaranteed employment. In this context, I must make reference to the Mahatma Gandhi National Rural Employment Guarantee Act (NREGA), which was enacted in 2006.

The NREGA provides a legal guarantee of one hundred days of employment every year for adults at a statutory minimum wage. This programme provided employment to almost 45 million people last year with programmes covering rural development. Women and other marginalized sections of society have been particular beneficiaries of this programme. We are presently seeking to expand the scope of this programme to include more activities within the ambit of 'work'.

NREGA works in conjunction with yet another programme, namely, Bharat Nirman which focuses on building infrastructure in rural areas. We are also working towards providing better housing facilities for slum dwellers in India through the newly instituted Rajiv Awas Yojana scheme.

**Mr. Chairman,**

Education is an essential component of social development. This year the Government of India brought into force the Right to Education Act. This Act provides for each child the right to education up to the age of 14 years. The Act also has a special focus on disabled children and their access to education.

Notwithstanding this, from this year onwards, in order to further reinforce education of girls, we have launched a Female Literacy Mission, with the aim of reducing female illiteracy by half, in the next three years.

**Mr. Chairman,**

George Bernard Shaw very succinctly once said 'the greatest of evils and the worst of crimes is poverty'. Eradication of poverty and social integration is the overriding priority for developing countries. The global economic and financial crisis has exacerbated the problem. We must ensure that economic and social development does not just remain an aspiration for many. Let us work collectively so that we strengthen our efforts to translate this global aspiration into a reality.

I thank you Mr. Chairman.



**773. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on Agenda Item 107: Report of the Secretary General of the Work of the Organization at the 64th Session of the UNGA.**

**New York, October 6, 2009.**

**Mr. President,**

I would like to begin by thanking the Secretary-General for the comprehensive nature of his report on the Organization. Given the global nature of the challenges of today, the Secretary-General has rightly noted that "this is the ultimate multilateral moment". It is, therefore, imperative that the UN embody the hope of the new multilateralism.

**Mr. President,**

The Secretary-General has identified five essential elements to renew multilateralism. While we are in broad agreement with the elements identified, it is evident that the 5th element, i.e. reform of the global multilateral architecture, holds the key to progress on all other elements. Efforts to promote a new multilateralism have little chance of success without a comprehensive reform of global governance structures. The on-going financial crisis has further highlighted the urgent need to take concrete action to restructure international governance architectures in a manner that reflects current realities and provides for enhanced representation of developing countries. If we want our multilateral institutions to be able to counter current and emerging challenges, we cannot continue with structures that date from the Second World War, and do not reflect the current and emerging global realities. Small steps, like an enhanced role for the G-20, are a beginning but certainly not the end.

In this context, at the UN the critical need is an expansion in both the permanent and the non-permanent membership of the Security Council and an improvement in its working methods. We are happy that a unanimous decision was recently taken to continue the inter-governmental negotiations on UNSC reform immediately. The decision to build on the progress already achieved allows us to focus now on what is the opinion of the overwhelming majority i.e. expansion in both permanent and non-permanent categories.

**Mr. President,**

We are still grappling with the adverse affects of an unprecedented global economic and financial crisis. Developing countries, where the crisis did not originate, have been the most affected. It is imperative that stimulus efforts and other actions to help developing countries are continued and enhanced. There is no place at this time for protectionism in any form in the developed countries. The Secretary General has eloquently brought out the direct co-relation between resource availability and progress in achieving MDGs. The fact that efforts of developing countries towards achieving MDGs have been hit by the economic and financial crisis demands that the international community significantly spur provision of greater assistance and investment flows to developing countries. At the recently held Mini-Ministerial meeting in New Delhi of Trade Ministers we have made major progress towards revitalizing the Doha phase of the Multilateral Trade Negotiations. We hope that the Doha Round will now make progress towards an outcome that is development oriented and can assist developing countries in meeting their development goals. Mr. President, The Secretary-General has correctly highlighted climate change as a top priority. We appreciate his initiative in organizing the Summit on Climate Change on 22nd September 2009. As a country that is hugely affected by climate change, India will be part of the solution and push for an ambitious and equitable outcome at Copenhagen.

The outcome must be in accordance with the provisions and principles of the UNFCCC, in particular, common but differentiated responsibilities and ensure that developing countries can pursue their overriding development imperative of poverty eradication. We are also undertaking numerous mitigation and adaptation measures domestically to address climate change. Many of these will have specific, quantitative and time-bound goals. On the multilateral side, there has to be a greater focus on technology access for developing countries. The UN has to play a true facilitator's role in access to and transfer of affordable and cost effective technology to developing countries. There is also no escaping the need to revisit the IPR regime from the perspective of balancing rewards for innovators with the common good of humankind. Mr. President, Peacekeeping remains the most visible UN activity and also one, that perhaps more than any other, represents the aspirations of the Charter to prevent the scourge of war from afflicting societies. However, as things stand today, the UN has neither the resources nor the expertise to satisfactorily execute many of its ambitious peacekeeping mandates. There are countries that are willing and able to

contribute more in terms of resources. The challenge is in creating the framework that will enable the United Nations to access and utilize these resources and capacities. As a Member-State that is closely associated with UN peacekeeping, India will actively contribute in building the renewed global partnership on peacekeeping that the Secretary-General has called for, including in the area of rule of law and deployment of police units. I am happy that the work of the Female Formed Police Unit from India that is deployed in Liberia has been much appreciated.

**Mr. President,**

Peacebuilding is one of the UN activities, which must evolve urgently in the coming years given the huge needs in post conflict societies.

Peacebuilding, of course, must be first and foremost a national process. But the international community must be there to assist countries recovering from conflict. Here again, I would like to reiterate the commitment of my Government to partner the UN, this time in its peacebuilding efforts. India has unique combinations of relevant experience, expertise and capacities, which we believe are critical for nation building in any part of the world. Mr. President, We welcome the efforts made by the Secretary-General in using the opportunity of 60th year of adoption of the Universal Declaration of the Human Rights to strengthen Member States advocacy efforts on human rights and take concrete steps to integrate human rights into all aspects of the Organization's work. While integrating human rights in the work of the UN, we should ensure that the development agenda pursued by the UN should not be undermined by way of introducing new conditionalities in provision of development assistance. One of the priorities on the human rights front should include enhancing the Organization's commitment to make the Right to Development a reality sooner than later. Mr. President, India has consistently been of the view that Responsibility to Protect (R2P) its population is one of foremost responsibilities of every member state. We agree with the Secretary General that the consultations regarding the application of responsibility to protect to the four identified mass atrocities and emphasis on non-use of force should continue and therefore sponsored the resolution 63/308. However we need to be cognizant that creation of new norms should safeguard against their misuse. In this context, responsibility to protect should in no way provide a pretext for humanitarian intervention or unilateral action.

**Mr. President,**

We appreciate the progress made by the United Nations Democracy Fund (UNDEF) in the last four years. India was one of the first countries to support its establishment and has already contributed US \$ 20 million.

Let me assure you that we will continue to be actively engaged in this Fund and its activities, which we believe contribute to promotion of good and participative governance practices. Mr. President, Terrorism is the scourge of our times. It needs to be combated with all the power at the command of the international community. While I am glad that the UN has been working on operationalizing the Global Strategy, we believe it is essential that we adopt the Comprehensive Convention against International Terrorism (CCIT), which has been under negotiation for over fifteen years, in this session. This would then provide a solid legal basis for the fight against terrorism. Mr. President, India fully shares the concerns arising from the existence of weapons of mass destruction, and their possible acquisition by non-state actors and terrorists. India attaches the highest priority to the goal of universal nuclear disarmament and has an impeccable non-proliferation record. Nuclear disarmament and nuclear non-proliferation are mutually reinforcing processes and they require concerted and cooperative international efforts. We welcome the renewed global debate on achieving a world free of nuclear weapons. Mr. President, India's civilizational ethos of "Vasudhaiva Kutumbakam", we are one family, guides the way we perceive and work in the United Nations. We would do all that we can to strengthen the UN so that the international community can be united to address the world's problems through decisive action. In that spirit, the Indian delegation looks forward to meaningful and result-oriented discussions on the various items on the agenda of the General Assembly.

Thank you!



**774. Statement of the Permanent Representative at the Conference of Disarmament at Geneva Ambassador Hamid Ali Rao at the General Debate of the First Committee of the 64th Session of the UNGA.**

**New York, October 8, 2009.**

**Mr. Chairman,**

It is a pleasure to convey to you our congratulations on your election to the Chairmanship of this Committee and we assure you the full cooperation of the Indian delegation. We would like to associate ourselves with the statement made by Indonesia on behalf of the Non-Aligned Movement.

We commence this year's First Committee deliberations against the background of not only multiple challenges to global peace and security but an accompanying mood of optimism as well that we can find viable and enduring solutions through collective efforts underlined by a genuine spirit of multilateralism. In achieving this objective, as provided by the UN Charter, the General Assembly and the First Committee, dealing with international security and disarmament issues, can play a vital and substantive role.

**Mr. Chairman,**

India attaches the highest priority to the goal of nuclear disarmament. During the 63rd Session of the UNGA, India's Prime Minister reiterated our proposal for a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and providing for their complete elimination within a specified timeframe. Our policy is consistent with the highest priority to the goal of nuclear disarmament enshrined in the Final Document of SSOD-I and in the Rajiv Gandhi Action Plan of 1988. The Non-Aligned Movement reaffirmed the same objectives during its recent summit at Sharm-el Sheikh.

We believe that just as it was possible to prohibit chemical and biological weapons, through non-discriminatory and global international conventions, achievement of non-discriminatory, global nuclear disarmament is not only possible but that global security would be enhanced by a nuclear weapon free world. Such a vision brings together principle and pragmatism. India welcomes the active debate amongst scholars and statesmen on nuclear disarmament and a number of initiatives launched to add new life to the global disarmament agenda, including by the UNSG in October last year.

There are some encouraging signs, including the declared intention of the United States and Russia to negotiate further cuts in their nuclear arsenals as well as the willingness of the United States, as indicated in President Obama's statement in Prague in April this year, to reduce the role of nuclear weapons in its national security strategy.

The goal of nuclear disarmament can be achieved through a step-by-step process underwritten by a universal commitment to achieve the complete elimination of nuclear weapons. Nuclear disarmament and non-proliferation are mutually reinforcing processes but the overall goal of nuclear disarmament should not be held hostage to nuclear non-proliferation. At the same, we must ensure that non - proliferation objectives are achieved through concerted and cooperative international efforts. Expansion of nuclear energy, which is vital to ensure global energy security and to combat climate change, must be ensured in a manner that does not enhance proliferation risks.

To take forward the global debate on nuclear disarmament, India has suggested the following measures:

Reaffirmation of the unequivocal commitment of all nuclear weapon States to the goal of complete elimination of nuclear weapons;

Reduction of the salience of nuclear weapons in the security doctrines;

Taking into account the global reach and menace of nuclear weapons, adoption of measures by nuclear-weapon States to reduce nuclear danger, including the risks of accidental nuclear war, de-alerting of nuclear-weapons to prevent unintentional and accidental use of nuclear weapons.

Negotiation of a global agreement among nuclear weapon States on 'no-First-use' of nuclear-weapons;

Negotiation of a universal and legally-binding agreement on non-use of nuclear weapons against non-nuclear weapon States.

Negotiation of a Convention on the complete prohibition of the use or threat of use of nuclear weapons;

Negotiation of a Nuclear Weapons Convention prohibiting the development, production, stockpiling and use of nuclear weapons and on their destruction, leading to the global, non-discriminatory and verifiable elimination of nuclear weapons with a specified timeframe.



**Mr. Chairman,**

During its 2009 Annual Session, the Conference on Disarmament reached consensus on a Programme of Work, an important milestone, after more than a decade of impasse. We share the disappointment that the Conference was, thereafter, unable to get down to substantive work. As the single multilateral negotiating forum on disarmament, the CD bears a responsibility to meaningfully respond to the international community's expectations in the disarmament field, particularly on the priority issue of nuclear disarmament.

India is committed to participating constructively in the FMCT negotiations in the CD as part of its Programme of Work. Our Prime Minister stated on 13th August, 2006 that India is willing to join only a non-discriminatory, multilaterally negotiated and internationally verifiable FMCT as and when it is concluded in the Conference on Disarmament, provided our security interests are fully addressed. India is a nuclear weapon state and a responsible member of the world community, and would approach these negotiations as such.

India continues to attach importance to addressing wide-spread international demands for conclusion of an agreement on effective international arrangements to assure non-nuclear weapon states against the use or threat of use of nuclear weapons. As part of its credible minimum nuclear deterrent, India has espoused the policy of 'No First Use' and non-use against non-nuclear weapon states and is prepared to convert these undertakings into multilateral legal arrangements. India is committed to maintaining its voluntary, unilateral moratorium on nuclear testing.

India would support continuing international efforts to strengthen the international legal framework to ensure the safety and security of space assets and to prevent the weaponization of outer space. Issues relating to the possession and use of missiles should be addressed in a sustainable and comprehensive manner through a global process based on the principle of equal and legitimate security.

India attaches importance to the continuing role of the UN in addressing conventional arms control, including regulation of small arms and light weapons in view of the nexus between small arms proliferation and terrorism. We remain strongly committed to the CCW process as being vitally important in strengthening regulation of armed conflict and international humanitarian law. India has ratified all the five protocols. It

will be India's honour to Chair the Annual meeting of States Parties to Protocol V in November this year.

Last year, India welcomed the opening of the new UN Regional Centre for peace and Disarmament in Asia and Pacific in Kathmandu. India will extend all possible support for the Kathmandu Centre to fulfill its mandate.

**Mr. Chairman,**

As in the previous year, India seeks the support of the First Committee for the following three resolutions:

- a) Convention on the Prohibition of Use of Nuclear Weapons
- b) Reducing Nuclear Danger
- c) Measures to prevent terrorists from acquiring Weapons of Mass Destruction:

We will be making more detailed statements to introduce these resolutions during the time allocated for that purpose.

**Mr. Chairman,**

We would like to assure you of our full support in ensuring the success of this year's deliberations.



**775. Statement by the Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri during the General Debate of the Special Political and Decolonization Committee (Fourth Committee) of the UNGA.**

**New York, October 9, 2009.**

**Mr. Chairman,**

India's independence in 1947 was one of the most important milestones in the history of decolonization. The deliberations of the Fourth Committee, and in particular the items on decolonization, therefore have a special significance for India. My delegation attaches the greatest importance to the deliberations of this Committee. My delegation wishes to congratulate you on your assumption of the chairmanship of this Committee, and assures you and other members of the Bureau of the fullest support and cooperation in the conduct of its business. Mr Chairman, We are about to compete the first decade of the 21st century. It is a sad reflection that we still continue to concern ourselves with the issue of colonialism. Colonialism is a product and a concept of an exploitative past. It runs contrary to the principles of sovereign equality on which the United Nations and other modern multilateral systems are grounded. It is anachronistic, archaic and outmoded; it contravenes the fundamental tenets of democracy, freedom, human dignity and human rights.

**Mr. Chairman,**

One of the greatest achievements of the United Nations has been to rid the world, or most of it, of this scourge. Nearly 50 years ago, the Declaration on Granting of Independence to Colonial Countries and Peoples (Resolution 1514), boldly set forth our goal: "the end of colonialism in all its manifestations". We can legitimately claim to have largely fulfilled the trust imposed by the Charter and the Declaration. 80 million people living in 60 former territories have been decolonized and much of the world is free. Decolonization has been perhaps the greatest success story of the United Nations. Yet, the goal set out in the Declaration has not been fully realized. In December 2000, the 55th United Nations General Assembly mandated a second international Decade for the Eradication of Colonialism (2000-2010). The 16 Non Self Governing Territories in the UN list serve as constant reminders that the business of decolonization is not yet complete.

**Mr. Chairman,**

Resolution 1541 (XV) further defined full self-government as being one of three options; independence; free association with an independent state; or integration into an independent state. We need to ensure that the achievement of these goals is approached with a combination of urgency and activism and sensitivity and circumspection. In doing so, special attention needs to be paid to the needs of the people of the Territories themselves. Many of the Territories have made considerable progress in their political, constitutional, economic and social development and have gone a long way towards self-government. The issue is of finding the appropriate format and timing for the completion of decolonization in each Territory. The role of the Special Committee and indeed of the UN as a whole here is crucial as it is delicate; ascertaining the political aspirations of the people in each of these territories and, taking into account the stages of development and advancement of each territory, so that they are enabled to acquire for themselves political and socio-economic institution and structures of their choice.

**Mr. Chairman,**

The administering Powers have a special responsibility in this regard. Their role is crucial in attaining the objectives that we have laid down for ourselves. The Special Committee on Decolonization has sought to engage the administering Powers in a constructive and meaningful discussion on the fate of the remaining Non Self Governing Territories, as cooperation, and not confrontation, is the key to our work. We are happy to note that this spirit has imbued the ongoing dialogue with the administering Powers.

Dissemination of relevant information regarding options that many be available to the people in the Territories is crucial. On occasion, the local population may be unaware of the legitimate political options available to them. For real constitutional and political advancement to occur, the peoples of a Territory must have sustained access to unbiased information about their options. Visits by UN Missions to Non Self Governing Territories and the conduct of Regional Seminars by Special Committee of 24 are important tools to bridge this information deficit in the process of decolonization. The instrumentality of visiting Missions helps in the collection of adequate, first-hand information on conditions in their Territories and in ascertaining the wishes and aspirations of the peoples concerning their future status. Such missions are also important in the contest of furthering modalities and action plans for decolonization and observing acts of self-determination. We hope

that the administering powers would continue to extend their full cooperation in facilitating such visits.

**Mr. Chairman,**

India as a founding-member of the UN and the Special Committee has been in the vanguard of the struggle against colonialism. We are privileged to have been a co-sponsor of the Declaration on Granting of Independence to Colonial Countries and Peoples. We reaffirm our commitment to the noble ideals enshrined in the Declaration as we come to the end of the Second International Decade for the Eradication of Colonialism.

Thank You.



**776. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on Agenda Item 104: 'Crime Prevention and Criminal Justice' and Agenda Item 105 - 'International Drug Control' at the Third Committee of the 63rd Session of the UNGA.**

**New York, October 9, 2009.**

**Mr. Chairman,**

Let me begin by thanking the Executive Director of the United Nations Office on Drugs and Crime (UNODC) for his statement in this Committee yesterday and also the Secretary General for all his reports under this Agenda Items related to 'Crime Prevention and Criminal Justice' and 'International Drug Control'.

**Mr. Chairman,**

Terrorism is the scourge of our times. It undermines peace, democracy and freedom, endangering the international community and humankind as a whole. India has been a victim of terrorism for decades. The barbaric terrorist attack on the innocent people of Mumbai on November 26, 2008 reminded us of the daily and malignant menace that terrorism poses to all countries.

Our diplomatic missions are also being targeted. In July 2008, the Embassy of India in Kabul was subject to a dastardly attack in which a large number of people lost their life, including Indian diplomats, security personnel and scores of Afghan civilians.

Earlier today, our Embassy in Kabul was again subjected to yet another terrorist attack, which has resulted in injury of Indian security personnel as well as death of large number of Afghan civilians. Countless innocent lives have been lost to heinous terrorist attacks. It is imperative that our resolve against perpetrators of such attacks now be manifested in a strong and resolute manner.

While it is important for the international community to condemn terrorism and these attacks in an unequivocal manner, it is also critical that we strengthen the legal framework in the fight against terrorism. The Comprehensive Convention on International Terrorism (CCIT) has been under negotiations for years at the UN and, indeed, the Working Group on CCIT is meeting right now. It is time for the global community to conclude the negotiations and make a firm commitment by adopting the Convention.

**Mr. Chairman,**

We would like to express our profound concern on the deep-rooted nexus between drug mafias, arms dealers, and money launderers for financing terrorism. This is a grave, dangerous and destructive nexus. There is a need to create as well as reinforce bilateral, regional and international cooperation to develop strategies to combat the menace of this nexus. We support the efforts of the UNODC in providing necessary assistance to countries to put in place appropriate counterterrorism legislation. More efforts are also needed at national, regional and international level to implement practical measures on the ground to tackle this.

**Mr. Chairman,**

A notable observation in this year's World Drug Report (2009) has been the evidence of reduction in the cultivation of crops for drugs and decline in the demand for illicit drugs globally. Perhaps, it is time that we build on these gains by strengthening our efforts to tackle this menace.

In this regard, the Secretary General's report on 'international cooperation against the world drug problem' has rightly identified long-term national and international political as well as financial commitment to the alternative development programmes of supply reduction strategies as the cornerstone in the fight against the menace of illicit drug. Unfortunately, there has not been substantial support for these activities by the international community in the affected regions.

We would like to voice our support for such initiatives by strengthening not just North-South cooperation but also South-South cooperation by sharing of best practices and lessons learnt as well as by providing technical assistance. It should be our endeavour to further strengthen our efforts in

providing sustainable alternative livelihood to the cultivators of these crops and strive for overall economic development of such regions.

**Mr. Chairman,**

The need to counter the problem of drug addiction is imperative. While harm reduction approach has been tried, countries and policy makers should make an informed and evidence based decision on this issue.

India is the world's largest producers of licit opium. Therefore, we pursue balanced drug control measures. We ensure that the demand and supply of licit opiates required for genuine medicinal and scientific purposes is maintained and there is no proliferation of manufacture beyond the traditional and established manufacturers of licit opiate. In this context we welcome INCB's contribution in monitoring the balance between demand and supply for opiate for legitimate purposes.

**Mr. Chairman**

India has evolved its Code of Criminal Procedure and other relevant laws to ensure speedy justice to all. This also takes into account the rights of citizen. India has enacted strong anti-money laundering domestic legislation and has also entered into bilateral agreements with several countries to develop joint programs to prevent money laundering, counter terrorism and organized crime. India is a signatory to the UN Convention against Transnational Organized Crime and its three Protocols as well as the UN Convention against Corruption.

**Mr. Chairman,**

International peace and security is the very bedrock of every nation. No amount of social progress can secure us against transnational organized crime, illicit drugs, money laundering and international terrorism. Problems of such transnational nature and global magnitude can only be dealt with cooperation at the national, regional and international level. India remains committed to working bilaterally and through regional and international cooperation towards a world free of transnational organized crime, illicit drugs, money laundering, illegal arms transactions and last but not the least, terrorism.

Thank you, Mr. Chairman.



**777. Statement by Dr. Anupam Ray, Counsellor, exercising Right of Reply on the issue of Jammu & Kashmir, during the General Debate of the Special Political and Decolonization Committee (Fourth Committee) on October 09, 2009**

**Mr. Chairman,**

The distinguished delegate of Pakistan went back to the language of the past during his intervention. This has necessitated our exercising this right of reply.

We had hoped that their focus would be on the crying need of the hour which is dismantling the infrastructure of terrorism and taking resolute action against those who perpetrate terrorist acts.

Jammu and Kashmir is an integral part of the Union of India and participates in the democratic process of India. We would also like to remind them that there is no place for bilateral disputes in multilateral fora.

Thank you, Mr. Chairman





**778. Statement by the Minister of State in the Ministry of External Affairs Shashi Tharoor during the commemoration of the Fifteenth Anniversary of the International Conference on Population and Development at the 64th Session of the UNGA.**

**New York, October 12, 2009.**

**Mr. President,**

Sir As I am speaking for the first time in the UN General Assembly as the representative of India, please allow me to congratulate you on your election as the President of the General Assembly.

I am honoured and privileged to participate in today's open debate to commemorate the 15th anniversary of the International Conference on Population and

Development, which was a major international initiative on an issue of critical importance for India.

**Mr. President, Excellencies, Distinguished Delegates,**

The International Conference on Population and Development (ICPD) held in Cairo in 1994 was a landmark Conference. Overcoming deep divisions among member states, it succeeded in forging an unprecedented global consensus and integrated the diverse range of population, development and human rights issues into a blueprint for 20 years of action, popularly known as the Cairo consensus. The Programme of Action addressed the complex interrelationships amongst population, economic growth and sustainable development, as well as population distribution, gender equality and empowerment of women, urbanization, migration, data collection and analysis.

For the first time, the population and development issues were dealt with in a holistic manner and individual human beings were placed at the very heart of the development process. There was a substantive effort to clarify the concept of reproductive rights and the programme also emphasized the centrality of reproductive health. It also acknowledged the central role of women and young people in the development process. In my own country, this led to a shift in the Government's approach towards population stabilization from being target based to one based on making informed and voluntary choices. The Cairo Consensus provided much of the groundwork for the Millennium Development Goals, which have now become the

benchmark indicators for socio-economic development. Mr. President, I would like to pay tribute today to two women leaders of the UN system who have also been friends and close colleagues of mine: Dr. Nafir Sadik of Pakistan, the Secretary General of the Cairo Conference and a long-serving and effective leader of UNFPA, and Dr. Thoraya Obaid of Saudi Arabia, Dr. Sadik's dynamic and dedicated successor. Their work in promoting the rights of women remains indispensable to the future of our planet. India is bound to applaud and support their efforts. Today's event offers us an invaluable opportunity to comprehensively review the progress made so far and analyse the challenges that lie ahead. The statements of the Secretary General and the President of the General Assembly have underscored the critical importance of realising the vision set out 15 years ago.

A review would indicate that the global achievements have been mixed at best. There have been slippages internationally as well as in many countries, including my own. It is a matter of regret that globally, we are still far from realizing the goal of universal primary education, infant and child mortality and maternal mortality rates continue to remain high and access to universal reproductive health is still distant in many parts of the world. Nevertheless, it is my firm belief that these goals are still achievable. Resolute political will and concerted global action are needed to realise these goals. The benchmarks set by the ICPD Conference continue to highlight the onerous task ahead for all of us.

**Mr. President,**

India has been making a steady progress towards realizing the vision of the ICPD and attainment of the Millennium Development Goals. Despite the global economic slowdown, the Government of India has accorded very high priority to the education and health sectors, and has enhanced allocation by 19% to the social sector during the current financial year. The National Rural Health Mission (NRHM), launched in 2005, is one of the biggest interventions of its kind in the health sector in the world. The NRHM seeks to significantly upgrade effective healthcare throughout India covering over 600 million people. It aims to improve access of rural people, especially poor women and children, to equitable, affordable, accountable and effective primary healthcare. The Reproductive and Child Health Programme is one of the main components of the NRHM, and includes the ambitious programme of Janani Surakhksa Yojana (JSY), a safe motherhood intervention to promote institutional delivery with specific focus on poor pregnant women. So far, this programme has benefited more than 10 million women and has emerged as a major successful intervention in reducing

maternal and infant mortality. As Dr. Obaid reminded us, no woman should die giving life. In statistical terms, India's Infant Mortality Rate is 55 per 1000 live births. Maternal Mortality Ratio has declined from 301 in the period 2001-03 to 254 in the period 2004-06. These are areas that require major attention on our part and our Government is seized of the problem. As regards the incidence of HIV/AIDS, it remains under 1% and is showing signs of reaching a plateau.

India's Family Planning Programme is one of the oldest in the world. It is based on the voluntary and informed choice and consent of citizens in availing of reproductive health care services. The programme aims at achieving population stabilization by addressing unmet needs through decentralized planning and programme implementation.

At primary health care institutions, there has been an integration of the HIV/AIDS programme with reproductive health care. India's Eleventh Plan recognizes that the "Development of Children is at the Centre of the Plan." This abiding policy commitment to an integrated approach to enhancing young child survival, growth, development and early learning is being translated into action through the Integrated Child Development Services (ICDS) Universalization with Quality Initiative. ICDS is today the world's largest early child development programme reaching out to over 78 million young children and pregnant and lactating mothers. There is added emphasis on convergence of services under various schemes and programmes including health, early childhood education and safe drinking water, so as to achieve the desired impact. India has also embarked on ambitious programmes for human resource development. The Sarva Siksha Abhiyan (Education for All Campaign) launched in the year 2000, is a major national intervention towards achieving universal primary education and allowing us to reap the benefits of a demographic dividend from a young population. This year the Government of India has brought into force the Right to Education Act. This Act aims to guarantee to each child, up-to the age of fourteen, the right to education. The Government has also launched a Female Literacy Mission this year with the aim of reducing female illiteracy by half, in the next three years. Gender equity and empowerment have been guiding principles in the development policies of the Government of India. India's planning process is fully committed to enabling women to be equal partners in development. Gender budgeting has been introduced across all the sectors. We have also moved on empowering women in the area of governance and decision making. The 73rd and 74th constitutional amendments introduced the provision for one-third reservation of seats for

women in local self government institutions in India. We now have the distinction of having the largest number of women representatives in local government in the world and some three million of them hold elected office  
Mr. President,

In these difficult times when the world is still grappling with the adverse effects of an unprecedented global economic and financial crisis, developing countries, where the crisis did not originate, have been the most affected. This threatens to undermine and even reverse the gains made so far in their arduous journey of development. Therefore, the need for donors to honour their pledges and the international community to keep up the stimulus and other efforts to spur the economies of developing countries cannot be overemphasized. The Government of India remains firmly committed to realizing the vision set out in Cairo 15 years ago and to fulfilling the MDGs by 2015. While we shall certainly do all that we can domestically and within our capacities with our partners in the South, it is imperative that the international community meet its commitments in the global partnership that is critical for a better quality of life for all of us on our shared planet.

Thank you.



**779. Statement by Member of Parliament and Member of the Indian Delegation to the UN Prof. Saif-ud-Din-Soz on Agenda Item 61 - Macro-economic Policy Questions [B] International Financial System and development; [C] External Debt and Development: Towards a Durable Solution to the Debt Problems of Developing Countries; and [D] Commodities, at the Second Committee of the 64th Session of the UNGA.**

**New York, October 12, 2009.**

**Mr. Chairman,**

We would like to thank the Secretary-General for the useful reports on the macroeconomic policy questions being considered on the agenda today. We associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

As we all know, since last year we have been witness to an extraordinary crisis in the international financial system. Paradoxically, developing countries, where the crisis did not originate, have been the worst hit. Its multi-dimensional impact has been well elaborated upon, and I need not reiterate the same. Instead, what is of paramount importance today is the need to revive the global economy, and the complex challenges this poses for developing countries. The road to recovery remains slow and arduous, despite the scant green shoots of recovery visible in some areas. We are happy that concerted efforts were made early on to launch stimulus measures for counteracting the crisis. We believe this has borne fruit. We must now avoid the tendency to prematurely withdraw these stimulus measures under the misguided objective of an "orderly exit". India too has been affected by the financial crisis. However, our economy has shown greater resilience and we hope to resume robust growth shortly.

Our targeted interventions, including large stimulus measures, have assisted this process. However, we must also be conscious that many developing countries are not in a position to implement counter-cyclical measures or boost demand. There is, thus, an urgent need for international assistance in this regard. While we are happy that Official Development Assistance [ODA] in 2008 reversed a declining trend of many years, ODA flows are

still far below committed levels. Moreover, we need to ensure that the ongoing crisis does not lead to a reduction in aid disbursements. In order to ensure an early return to global growth, we must encourage growth in developing countries through counter-cyclical measures. The loss in demand in developed countries has directly translated into a fall in exports of developing countries, and a consequent adverse impact on employment and growth. This lost export demand needs to be made up through expansion in other components of domestic demand like investment. In this context, India has been advocating increased infrastructure investment in developing countries. This measure would also serve to lay the basis for a high-growth trajectory in future.

However, as the report of the Secretary General also notes, the crisis has led to a sharp fall in foreign capital flows, including Foreign Direct Investment. Therefore, proactive efforts are required by the international financial institutions to encourage growth-oriented investment. In order to permit financial institutions, including regional development banks, perform this role, India supports an expansion in their capital base. But onerous conditionalities in disbursement of funds would be a self-defeating exercise. Developing countries must have the necessary policy space to implement policies suited to their unique circumstances. Unfortunately, the boom and bust cycles of commodities continue, and the sharp volatility in commodity prices witnessed over the last year is eloquent testimony to this.

Developing countries dependent on commodity exports have naturally been the most affected. However, the spike in prices of food and other imports has also adversely impacted commodity-importing developing countries. It is imperative that we collectively address the shortcomings of the commodity markets, including eliminating agricultural subsidies by developed countries, and improving regulation on speculative activities. Greater international efforts are also required to assist low-income commodity-dependent developing countries to launch their economies on a sustained growth path. The issue of external debt is also an area of special concern. It is encouraging that total external debt of developing countries as a share of GNI decreased from 25% in 2007 to 21.8% in 2008. However, as the report of the Secretary-General itself highlights, this aggregate figure hides severe disparities amongst countries. The situation for many countries has also been worsened by the financial crisis, and it is imperative that we consider special measures to assist such countries. We also need more transparent and objective debt sustainability analysis frameworks. Further, such frameworks must also distinguish between solvency and liquidity problems.

**Mr. Chairman,**

There is widespread recognition of the need for more effective regulation of the international financial system. We must collectively act to avoid a repetition of such a crisis. We are concerned at the increasing protectionist tendencies in developed countries. We must eschew protectionism in any form, be it in movement of goods and persons or in financial services. Such measures will only serve to delay the global recovery. In our efforts to address the crisis, let us not create problems for the future.

The crisis has also underscored the urgent need to reform international governance structures. We welcome recent moves in this regard. However, much deeper changes are required, including at least an initial 7% transfer in quotas at the IMF to developing countries. We must ensure the full and effective participation of the developing world in the global financial and economic architecture, including in the governance structures of norm-setting and decision-making bodies. We are happy that a UN Conference on the financial and economic crisis was held here in New York earlier this year. The inclusive platform of the UN provides an important opportunity to hear the voices of the most affected. We look forward to the follow-up process of this Conference, particularly the work of the ad-hoc working group. India is also actively participating in the G-20 process, which has been at the forefront of efforts to tackle the crisis. Before concluding, Mr. Chairman, permit me to reiterate the critical need for a stable and inclusive international financial system that assists development efforts. Thank you, Mr. Chairman.



**780. Statement by Member of Parliament and Member of the Indian Delegation to the UN Bhartruhari Mahatab on Agenda Item 62 - [A] Advancement of Women and [B] Implementation of the outcome of the 4th World Conference on Women and of the 23rd Special Session of the General Assembly at the Third Committee of the 64th Session of the UNGA.**

**New York, October 13, 2009.**

**Mr. Chairman,**

At the outset, please allow me to thank the Secretary General for his reports on this agenda item. Our delegation would like to align itself with the statement made by the Chair of the G77 in this Committee.

**Mr. Chairman,**

Advancement and empowerment of women is one of the most critical aspects of social development in all parts of the world. The centrality of women in our society can hardly be overstated. We, therefore, need to do all that is possible for the effective implementation of policies that would give women their rightful place in society. The beneficial impact of such empowerment can only have the most positive of impacts on all aspects of development and the achieving of the Millennium Development Goals.

**Mr. Chairman,**

The year that has just gone by has been one of the most difficult ones for most countries in the developing world with a disproportionately adverse impact on their economies even though they were not the cause of the global crisis. Within this disproportionate impact, women were among those most seriously affected as has been mentioned in various reports of the Secretary General.

The report on "the improvement of the situation of women in rural areas" notes that the current crisis exacerbated the inequalities and discrimination faced by women as they were the first to lose their jobs and social security while their household responsibility of care giving increased. Although countries have undertaken domestic responses to tackle this situation, the need for international cooperation and increased contributions to bilateral and multilateral financial assistance programs for developing countries cannot be overemphasized.



**Mr. Chairman,**

Since adoption of its Constitution in 1950, India has been taking numerous steps to ensure equality of women in all walks of life. Empowering women politically, educationally, economically and legally has been a major objective of the Government of India. The National Policy for Empowerment of Women seeks the creation of an environment conducive for the development of women; ending discrimination against women; and providing equal access to health care, education, employment and social security. The 11th Five Year Plan (2007-2012) has recognized women as agents of sustained socio-economic growth and change. Gender has been made a cross-cutting theme in all the development plans. The Ministry of Women and Child Development is implementing a number of programmes to achieve holistic empowerment of women through schemes that provide micro credit and support systems like working women's hostels, short stay homes and crèches.

One, particularly, successful scheme has been the women's empowerment programme, namely, the "Swayamsidha", which means "self help". This scheme seeks to empower women by creating economically sustainable Self Help Groups. It serves the purpose of generating awareness, ensuring access to resources and a sustained process of mobilization. This programme is a silent revolution for empowering women; as a result, more than 2.2 million Self Help Groups were created across the country, covering 33 million households.

**Mr. Chairman,**

Representation of women in the political processes of our country not only reflects our commitment to the advancement of women at every level but also gives them an opportunity to be heard on their terms. We are proud of the fact that India has given women equal voting rights right from our independence, more than 60 years ago. We have also successfully implemented reservation of 33% seats in urban and local self government for women, thereby giving more than one million women a voice at the grassroot level. The Government has also recently approved increasing this percentage to 50%, subject, of course, to approval of Parliament.

The Parliament, on its part, has a Joint Parliamentary Committee on Empowerment of Women which is charged with the task of ensuring that legislations in India are gender sensitive. Further, to ensure that gender sensitive policies are not abandoned for lack of funds, most of the Ministries

and Departments of the Government have put in place Gender Budgeting. This initiative helps to monitor the actual implementation of policies and programs meant to benefit women.

**Mr. Chairman,**

While development and empowerment of women is one side of the coin, the flip side is the rampant problem of exploitation and violence against women. Apart from taking measures to punish the perpetrators of such crimes, we are also taking steps to rehabilitate victims and strengthen the legal system to prevent such crimes. India has enacted the "Protection of Women from Domestic Violence Act" that has given women a powerful tool in the fight against domestic violence. The most recent initiative to follow-up on the legislation is the "National Campaign on Prevention of Violence against Women (2009-2015)" which was launched on October 2nd this year, the 140th birth anniversary of Mahatma Gandhi.

**Mr. Chairman,**

It has often been said that there are occasions when we must forget or unlearn the lessons of the past in order to progress. Women have been repressed and discriminated against for centuries even though they perform some of the most integral and socially valuable tasks in our homes and in the work place. Mahatma Gandhi had said nearly a century ago, "[woman] has the right to participate in the minutest details of the activities of man and she has an equal right of freedom and liberty with him". It is in our hands to channel the tremendous energy and potential that women have by giving them the rightful place in the society.

Thank you Mr. Chairman.



**781. Statement by Member of Parliament and Member of the Indian Delegation to the UN Rajendrasinh G. Rana on Agenda Item 133 - Programming Planning at the Fifth Committee of the 64th Session of the UNGA.**

**New York, October 13, 2009.**

I would like to begin by expressing our appreciation to the Chairman of the Committee for Programme and Coordination (CPC), for introducing the Committee's report. We commend him for his stewardship of the Committee during the 49th session. We also thank the other representatives of the Secretariat for introducing their respective reports. My delegation aligns itself with the statement made by the distinguished representative of Sudan on behalf of the Group of 77.

My delegation reaffirms the importance of the CPC as the main subsidiary body of the General Assembly and the Economic and Social Council for planning, programming and coordination. The CPC's significance is further highlighted by its critical role in ensuring that the United Nations' programmes adhere to the letter and spirit of the legislative mandates given by the Member States to the implementing entities. It also identifies programmatic changes arising out of decisions by intergovernmental bodies and relevant conferences. Moreover, the CPC is a unique intergovernmental body within the UN system, which facilitates coordination amongst the multitude of its institutions and mandates. Given the critical role of the CPC in this Organization, we believe it should be provided with all resources necessary for it to fulfill its mandated tasks. We also commend the CPC's sincere efforts in improving its working methods within the framework of its mandate, as directed by relevant UN General Assembly resolutions.

My delegation endorses the conclusions and recommendations contained in the report of the CPC of its 49th session. We urge the Secretariat to take full cognizance of the Committee's recommendations while implementing its mandated tasks, once the report has been adopted by the General Assembly. In particular, we support the CPC's recommendation on approval of the changes in the biennial programme plan reflected in the programme budget for the biennium 2008-2009 and programme budget for the biennium 2010-2011 as contained in the relevant consolidated reports of the Secretary-General. The importance of evaluations within the Organization cannot be overemphasized. While processes and procedures for evaluation by the Office of Internal Oversight Services [OIOS] and self-evaluation by

programme managers should continue to be reviewed and improved, the Secretary-General should ensure that evaluations are used to contribute to and improve future policy decisions by programme managers. We look forward to the programme evaluation of the Department of Economic and Social Affairs in 2011, and thematic evaluation of Department of Peacekeeping Operations/Department of Field Support cooperation with regional organizations, as was decided by the CPC in its 49th session.

The CPC has recommended the urgent need to fill the position of Special Adviser on Africa. This is critical and we echo the stress that the Committee lays on it. In this context, we recall GA resolution 63/260 by which the General Assembly had decided not to abolish the post of Special Adviser on Africa. In one of its earlier report, the CPC had called the UN system a "crucial pillar" in canvassing, mobilizing and dispensing international support for special needs countries. Any structural alignment which threatens to weaken the UN's focus on special needs of these countries should be carefully examined. On the in-depth evaluation of the Department of Political Affairs [DPA], we concur with the CPC that the OIOS should refrain from value judgments on issues that are still under the consideration by the General Assembly.

The OIOS should also take into account the decision of the General Assembly on strengthening the DPA when evaluating the future implementation of the OIOS recommendations endorsed by the CPC at its 46th session. We take note of the report of the OIOS on the thematic evaluation of lessons learned: protocol and practices. We hope that it would further help staff to improve the work environment, including knowledge sharing, foster teamwork, strengthen outputs and promote efficiency. Finally, my delegation recognizes the importance of the United Nations' coordinating bodies, such as the UN Chief Executives Board for Coordination (CEB). We have taken note of the thematic evaluation of the United Nations coordinating bodies and join our voice in calling for further enhancement in their work in order to improve the effectiveness of programme delivery and organizational performance of their member organizations. To achieve that goal, the coordinating bodies will have to hold meetings on regular and predictable basis, achieve better follow up to their decisions and develop mechanism to regularly and systematically measure their own performance. India as a privileged member of the Committee for Programme and Coordination would continue to closely follow all these important issues in the future sessions.

Thank you.



**782. Statement by Member of Parliament and Member of the Indian Delegation to the UN Kalyan Banerjee on Agenda Item 83: 'The Rule of Law at the National and International Levels' at the sixth Committee of the 64th Session of the UNGA.**

**New York, October 14, 2009.**

**Mr. Chairman,**

I congratulate you on your election as Chairman of this Committee and also congratulate Bureau Members on their election. I am sure that under your able guidance this Committee will make good progress. I assure you of my delegation's full cooperation and support.

I also thank the Secretary General for his Report on strengthening and coordinating United Nations rule of law activities. The Report illustrates the key achievements, identifies the areas in need of further concerted action and highlights the ongoing implementation of the SG's recommendations made last year.

**Mr. Chairman,**

We align ourselves with the statement made by Iran on behalf of the Non-Aligned Movement. India strongly adheres to the rule of law both at the international and national levels. We see the promotion of the rule of law as an essential tool for ensuring sustainable development and peaceful co-existence and cooperation among States.

**Mr. Chairman,**

We welcome the initiation of the rule of law dialogue with the Member States by the Rule of Law Coordination and Resource Group, supported by the Rule of Law Unit. We hope that the Rule of law unit will move towards approaches that are nationally-driven, sustainable, and that can garner requisite political and popular support.

We are pleased to note that the Rule of Law Coordination and Resource Group has agreed on a Joint Strategic Plan for 2009-2010 to focus on the UN approach to the rule of law assistance, justice for children, and on constitution making.

**Mr. Chairman,**

This year, the focus of our debate on this agenda item is on the sub-topic 'promoting rule of law at the international level'. In this context, I would like to mention that the very concept of the promotion of rule of

law at international level is ingrained in the Charter of the United Nations which is further supplemented by the international human rights law, international humanitarian law, international criminal law and international refugee law.

These universally established and universally applicable rules and standards also serve as the normative basis for the activities undertaken by the United Nations in support of justice and the rule of law at the international level. This international legal order is further strengthened by the international justice system comprising of the ICJ and other international tribunals and courts.

**Mr. Chairman,**

One of the aspects of the promotion of rule of law at international level is the implementation by States at the national level of the obligations taken by them under international treaties and agreements. India follows this requirement very rigorously in respect of the treaties to which it is a party. Compliance with the rule of law at the national level assures respect for mother, land and people and helps underprivileged to get justice, dignity and empowerment. It also helps to strengthen the linkages not only between municipal law and international law but also democracy. Our judicial system oversees that the rule of law is enforced at the national level.

**Mr. Chairman,**

In the Millennium Declaration the world leaders resolved to strengthen respect for the rule of law at the national and international levels. In 2005 World Summit Outcome Document, the Heads of State or Government again reaffirmed their commitment to an international order based on the rule of law.

**Mr. Chairman,**

Strengthening the rule of law at the international level is critical to effectively address global challenges. The promotion of rule of law at the international level is fundamental in promoting democracy, human rights, sustainable development, free and fair markets, fighting international crime and terrorism, and promoting justice and peace, especially in post conflict societies. In this regard, support for capacity building in the developing countries is crucial so that they can fulfill their obligations at the national level effectively.

**Mr. Chairman,**

The United Nations has played a commendable role in restoring justice and the rule of law in States in post conflict situations. There is a need to incorporate

and strengthen the rule of law component in the UN Peace Missions with a view to address a number of issues, including the human rights violations.

This may be achieved in a number of ways, including by establishing national tribunals, truth and reconciliation mechanisms, victim reparation programs, providing international rule of law assistance, advising the host country rule of law institutions and putting the right laws and institutional arrangements in place.

The institutional arrangements may be strengthened further by providing training to the lawyers and judges and by building local expertise. All these measures would help improve the likelihood of success of a peace mission.

**Mr. Chairman,**

In addition to the United Nations there are other stakeholders, such as donor governments and non-governmental organizations that are also engaged in the area of promotion of rule of law at the international and national levels. Therefore better coordination and coherence in this regard is necessary to avoid duplication of efforts minimize waste of resources. For this purpose there is an urgent need to strengthen the Rule of Law Assistance Unit in the Secretariat. However, the policy issues that are being debated elsewhere in the UN in the context of system wide coherence should not be linked to the coordination functions of this Group or Unit.

**Mr. Chairman,**

We must strengthen the rule of law at all levels - national, international and institutional. In addition to the promotion of the rule of law at the national and international level there is a need to promote the rule of law at the institutional level as well. To ensure transparency, fairness and adherence to the rule of law in the UN, it is necessary that the mandate of one organ of the UN should not be infringed upon by the other organ of the UN. It is also necessary to strengthen those institutional policies and processes that ensure a just and effective international order based on rule of law.

**Mr. Chairman,**

A number of recommendations have made by the Secretary General in his Report to move the rule of law agenda forward. These recommendations require serious consideration by this Committee.

Thank you, Mr. Chairman.



**783. Statement by Member of Parliament and Member of the Indian Delegation to the UN Chinta Mohan on Agenda Item 65 - "Promotion and Protection of Children" at the Third Committee of the 64th Session of the UNGA.**

**New York, October 16, 2009.**

**Mr. Chairman,**

I and my delegation on behalf of India thank the Secretary-General for his reports on children.

Children are important for our future. For the "World Fit for Children", we must give priority for their welfare and rights.

Secretary-General in his reports mentioned that 9 million children are dying before they reach one year of age, 75 million children do not have access for education, as well as 200 million are handicapped due to malnutrition and lack of healthcare.

Official Development Assistance (ODA) increased last year but there is a shortfall.

**Mr. Chairman,**

Secretary-General said India has eliminated tetanus in children and pregnant women in some parts of the country. India is taking all efforts for 100% eradication of Polio, tuberculosis and Diphtheria in India.

**Mr. Chairman,**

I would like to enlighten what we have done in India for children. 35 years back in 1975, we started Integrated Child Development Scheme. Under this Scheme, presently, we have nearly 140,000 Anganwadi children development schools to give nutritious meal to 34 million children and 7 million pregnant women.

Through the National Rural Health Mission, we are encouraging hospital delivery for all pregnant women. After delivery, we are giving financial assistance to needy for purchase of clothes for the new born, soaps for the new born and cradle for the new born children. We have also earmarked 100 million US dollars for building world class children hospitals in various parts of India, including my hometown, Tirupathi, in the State of Andhra Pradesh.



**Mr. Chairman,**

With the efforts of Madam Sonia Gandhi, Chairperson of United Progressive Alliance, Government of India, we are having mid-day meal programme for 140 million children every day in the schools. With this programme, we are giving high protein diet, eggs and fish twice a week to these children.

**Mr. Chairman,**

We enacted the Right to Education Act in order to provide free and compulsory education for all children below the age of 14 years. We also got an Act of the Parliament to ban child labour and violence against children.

**Mr. Chairman,**

I would like to quote the famous man Pandit Jawaharlal Nehru, former Prime Minister of India. He said, "Children are our future. Investment in the future and health care of the children will be more useful to the world".

**Mr. Chairman,**

I conclude here by saying that India is the country, which is taking care of children from day one of the life in the womb till they attain the age of 14 years, the health, welfare, protection and rights.

No world can be safe unless we protect our own children for the future. I request the international community, all the leaders in the world to safeguard millions of children dying in infancy, millions of children who do not have access for education and millions of children who do not have nutritious food and healthcare by increasing ODA (Official Development Assistance) and see that there is no shortfall in these finances.

Thank you, Mr. Chairman.



**784. Statement by the Minister of State in the Ministry of External Affairs Mrs. Preet Kaur on Sports for Peace and Development: Building a Peaceful and Better World through Sports and Olympic deal at the 64th Session of the UNGA.**

**New York, October 19, 2009.**

**Mr. President,**

I am honoured and privileged to participate in today's discussion on "Sport for peace and development: building a peaceful and better world through sport and the Olympic ideal".

As I am speaking for the first time in the 64th session of the General Assembly, please allow me at the outset to add my voice to that of all the others in congratulating you on assuming the Presidency of the General Assembly.

**Mr. President,**

By its very nature, sport is about inclusion and participation. It brings individuals and communities together and bridges ethnic and cultural divides.

It transcends social-cultural barriers, geographical borders, and promotes peace and harmony.

It also provides for understanding the importance of discipline and leadership.

**Mr. President,**

Sport is an inalienable part of the educational process and an essential component of a child's development.

It also fosters their physical and emotional health and building valuable social connections.

The fundamental elements of sports, including obvious benefits of physical and mental well being, make sports a most useful tool to support the achievements of the Millennium Development Goals.

Moreover, sporting activities have a unique convening power to spur social communication and advocacy.

They are most effective tools for social mobilisation supporting activities such as HIV/AIDS education and immunization campaigns.

In re-channelizing destructive impulses and harmful actions such as drug abuse and involvement in crime, the efficacy of sport cannot be overemphasized.

**Mr. President,**

A mastery over sports was considered as important as the knowledge of scriptures in ancient India.

The education system in modern India is trying to continue and build upon this heritage and respect for sports and physical education.

The effort of the Government of India has been for broad-basing sports and provision of modern sports infrastructure.

A National Sports Policy was adopted by India in 2001.

The Ministry of Youth Affairs and Sports in the Government of India has the national level responsibility for sports with the Sports Authority of India being its principal arm for nurturing talent and for provision of infrastructure, equipment, coaching and other facilities.

And, here, if I may add a personal touch - I am, indeed, proud that India's National Institute of Sports is located in my constituency, Patiala and my family has been and is intimately connected with the Olympic movement.

The Government has also encouraged the National Sports Federations to function more efficiently and is also encouraging the active involvement of business and industry in the promotion of sports.

**Mr. President,**

We are proud that New Delhi will be hosting the next Commonwealth Games from October 3-14, 2010.

These games are a unique, world class, multi-sport event held once every four years amongst the member countries and territories of the Commonwealth.

The three core values of the Commonwealth Games movement are humanity, equality and destiny, which were adopted by the games movement in 2001.

These values inspire and unite millions of people and symbolise the broad mandate for holding the games within the Commonwealth.

Last year, India organised Commonwealth Youth Games, a sub-event of the Commonwealth Games in Pune in October 2008.

**Mr. President,**

The founder of modern Olympic Games, Pierre de Coubertin, had said, "Sport must be the heritage of all men and of all social classes".

India is steadfast in its commitment to the Olympic charter and, as in previous years, is cosponsoring in the General Assembly the resolution on "Sport for peace and development: building a peaceful and better world through sport and the Olympic ideal.

We are also very pleased that the 2016 Olympics have been awarded to Rio de Janeiro in Brazil, a fellow developing country, and that the 2010 FIFA World Cup will be hosted by South Africa, a first for the African continent. We are also co-sponsoring the resolution on the "2010 FIFA World Cup in South Africa.

We also wish Canada all success in organizing the XXI Winter Olympic Games and X Para-Olympic Winter Games and commend Singapore's initiative to organize the Youth Olympic Games.

We have no doubt that the hosting of major global sporting events in developing countries would contribute in an immense manner to the advancement of sports in developing countries and spur developmental activities.

**Mr. President,**

Sport is a reflection of the society. The degeneration of values in the society - violence, corruption, hooliganism, deception and drug abuse are also making inroads in sport.

Concerted vigil and resolute action are needed to prevent intrusion of these evils and to protect the noble ideals and spirit behind the Olympic Games and other sports.

It must be our endeavour to promote sports and a culture of sports in our countries. This can only contribute in promoting development, peace, friendship, cooperation and understanding among peoples.

I thank you.



**785. Statement by Member of Parliament and Member of the Indian Delegation to the UN T. K. S. Elangovan on Agenda Item 56: Groups of Countries in Special Situation - [A] Third United Nations conference on Least Developed Countries; and [B] Specific Action Related to Particular needs and problems of Landlocked Developing Countries: Outcome of the International Ministerial Conference of Land Locked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions and Transit Transport Cooperative at the Second Committee of the 64th Session of the UNGA.**

**New York, October 20, 2009.**

**Mr. Chairman,**

We would like to thank the Secretary-General for the reports on the agenda item "Groups of countries in special situations" under consideration today. We associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

It is common knowledge that developing countries have been the most adversely affected by the ongoing financial and economic crisis. Yet, even amongst us, the least developed and countries with geographical constraints have unfortunately been the worst affected. Our meeting today, therefore, assumes added significance as a manifestation of the global concern at the development prospects of these groups of countries in special situations. The report of the Secretary General has elaborated in detail the challenges being faced by the Least Developed Countries [LDCs] in coping with the crisis. We have also noted the large variations in economic and social indicators amongst them. The overall picture that emerges, despite these variations, is that enhanced and targeted assistance is needed from the international community, particularly the developed countries, to assist LDCs, particularly in implementing much-needed counter cyclical measures. Such a requirement is, of course, of concern given that the LDC group as a whole registered a 6% annual growth during the decade till 2008. This clearly underscores the need to focus on enhancing the inherent resilience

of the economies of the LDCs. What is required is an integrated strategy, combining both short-term and long-term assistance measures, so that structural constraints are addressed. The ingredients are well known. New and additional funding from developed countries is a prerequisite. Foreign Direct Investment needs to diversify and enhance productive capacity, rather than remain concentrated in only a few natural resource rich LDCs. Trade capacity must be built up so that trade opportunities can be exploited. There must be enhanced market access for products of LDCs, and massive agricultural subsidies by developed countries must be reduced and eliminated so that domestic production can increase. Institution and capacity building efforts must be increased. We believe that the Brussels Programme of Action provides the necessary framework for putting the LDCs on a path of sustained growth. What is lacking is its full implementation. In this context, we look forward to the 4th UN Conference on LDCs in the year 2011, where we hope further concrete actions will be drawn up. It is important that its preparatory process is substantive and thorough. However, we would caution against proposals in the Secretary-General's report that dilute the principle of common but differentiated responsibilities.

Permit me to take this opportunity to reiterate that India will continue to demonstrate its solidarity with the LDCs. Last year, we unilaterally announced a scheme to grant duty-free and preferential access to products from all LDCs. The tariff lines covered under this scheme span 92.5% of global exports of all LDCs, and 94% of India's total tariff lines. India has also written off the debt owed by seven Highly Indebted Poor Countries [HIPC]. India's Technical and Economic Cooperation has a special focus on assistance to LDCs in general, and with those in our extended neighbourhood, in particular. Nevertheless, let me emphasize that efforts by fellow developing countries like India can only serve to complement the necessary efforts of our developed partners. We would like to congratulate Equatorial Guinea for having been recommended by the Economic and Social Council to be graduated from the list of LDCs. This is indeed a tribute to the development efforts of Equatorial Guinea, and we wish it all success for the future. However, we urge the international community to be mindful of its post-graduation challenges, and call for assistance to Equatorial Guinea, and other LDCs in the post-graduation phase, so that their achievements can be sustained. This is even more critical now in the context of the financial and economic crisis.

**Mr. Chairman,**

Landlocked developing countries [LLDCs] are another group of countries severely affected by the financial crisis. The marginalization of many of these countries from the international trading system has been worsened by this crisis, particularly on account of the contraction in demand in developed countries and the consequent fall in LLDC exports. It is imperative that there be full implementation of the Almaty Programme of Action, particularly through sustained international support and enhanced financial and technical assistance. In this context, the mid-term review of this Programme last year identified useful points for action. We must continue with our efforts to holistically address trade and transit issues. We must also remain cognizant that any effective solution must address the constraints and challenges faced by the transit developing countries that neighbour landlocked developing countries. As a transit developing country, India has been active in enhancing its close and historical links with its landlocked neighbours. Landlocked countries with a contiguous border with us have special bilateral cooperation agreements for easy transit of their goods through India. We have also been privileged to have contributed to their development efforts. We will continue with such efforts for these countries, as well as of other landlocked and transit developing countries, as part of South-South cooperation.

We agree with the report of the Secretary-General on the importance of regional and sub-regional organizations in the implementation of the Almaty Programme of Action. Regional initiatives to improve transit connectivity and intra-regional trade are a priority for us. However, we must keep in mind the significant regional variations, and that one size cannot fit all. Bilateral initiatives, where appropriate, also play a key role. We would also urge cooperation for meeting special transit requirements of landlocked regions within a country, which due to geography or political boundaries, have similar difficulties in accessing international markets as LLDCs.

Thank you, Mr. Chairman.



**786. Statement by Minister of State in the Ministry of External Affairs Shashi Tharoor on New Partnership for Africa's Development : Progress in Implementation and International Support at the 64th Session of the UNGA.**

**New York, October 20, 2009.**

**Mr. President,**

I am happy to participate in today's Joint Debate on New Partnership for Africa's Development. Allow me to thank the Secretary-General for the comprehensive report on Implementation and International Support for New Partnership for Africa's Development (NEPAD) and the other reports prepared for this joint debate.

**Mr. President,**

India's ties with Africa are historic. Trade across the Indian Ocean has linked us for hundreds of years. For the people of India, Africa is also the land of awakening of the Father of our Nation, Mahatma Gandhi.

In the past, we have shared the pain of subjugation and the joy of freedom and liberation. We have worked shoulder to shoulder in the fight against apartheid and racial discrimination. India was at the vanguard of the struggle against colonialism, apartheid and racial discrimination - a struggle that helped transform the lives of millions of people in Africa and Asia.

During our march together, we have traversed similar paths, shared similar values and cherished the same dreams. Our long and historic relationship has now evolved into a sustainable and enduring partnership.

**Mr. President,**

The Secretary General in his report New Partnership for Africa's Development: 7th Consolidated Progress Report Implementation and International Support has underscored that international cooperation is vital for Africa's development. The report emphasizes the need for concerted and urgent action by international development partners to mitigate the socio-economic impact of the global financial and economic crisis and help the African countries in their progress towards implementation of NEPAD and realization of the MDGs. The report also highlights India's contribution towards Africa's development in the context of South-South cooperation.



**Mr. President,**

India has a long-standing, close and multi-layered relationship with Africa. A vibrant India and a resurgent Africa are witnessing an intensification of relations and growing convergence of interests in their common quest for sustainable economic growth and development. Our partnership encompasses priority sectors integral to the developmental goals of Africa in the 21st century. India is committed to work together with Africa in accordance with the priorities of the continent. Priority areas of cooperation include infrastructure development, capacity-building, agriculture, health and food security and technology cooperation. We have accorded high priority to development of economic infrastructure including railways, IT, telecom and power.

The First India-Africa Forum Summit held in Delhi in April, 2008 was a major milestone in India's engagement with Africa. The Delhi Declaration and the Africa-India Framework for Cooperation adopted during the Summit highlighted our shared vision and world view. Taken together, these provide a sound foundation for the intensification of our engagement in the years to come.

India has so far extended over US\$ 3 billion of concessional lines of credit to countries in Africa. During the India-Africa Forum Summit, India also decided to enhance the available concessional lines of credit for Africa to US\$ 5.4 billion for the next five years.

Since the inception of the Indian Technical and Economic Cooperation (ITEC) Programme in 1964, capacity building and human resource development in Africa has been an area of high priority for the Government of India. The ITEC programme has benefited thousands of experts and students from Africa who came for training courses in professional institutions in India. These courses cover diverse fields such as agriculture and agro processing, entrepreneurship development, tool design, small business creation, promotion of rural industries and information technology. We have increased the number of training slots for African countries from 1100 to 1600.

In addition, several thousand African students are currently studying in Indian universities and colleges. We have also doubled the number of scholarships for the African countries to 500.

Over the next five to six years India will also be undertaking in Africa, on a grant basis, projects in critical areas such as higher and vocational education, science, IT, agriculture and renewable energy. A sum of US\$500 million has been allocated for this endeavour.

The Pan African E-network project that seeks to bridge the "digital divide" between Africa and the rest of the world is one of the most far-reaching initiatives undertaken by India. Already 42 countries have joined this programme which is intended to provide E-services with priority on tele-education and tele-medicine services and VVIP connectivity by satellite and fibre optic network amongst the Heads of State of all 53 countries. The Project would give major benefits to Africa in capacity building through skill and knowledge development of students, medical specialists and for medical consultation.

**Mr. President,**

India has been actively engaged with NEPAD since the very beginning. The Government of India announced a line of credit to NEPAD of US \$ 300 million during the India-Africa Forum Summit. This line of credit, is in addition to the US \$ 200 million of lines of credit to NEPAD extended earlier in 2002.

Indian private sector is increasingly engaged in Africa. Indian companies have made large investments in Africa in industry, agriculture, services, human resource development and infrastructure. India's trade with Africa has been growing rapidly. India's bilateral trade with Africa was over 36 billion dollars in 2008-09, which represented an almost six-fold increase in as many years. We look forward to working with our African partners to take these trade and investment levels to newer heights.

**Mr. President,**

The Secretary General in his report on NEPAD has called for the long-overdue successful outcome of the Doha round of multilateral trade negotiations. At the India Africa Forum Summit, India and Africa had decided to work together on pressing global issues of shared interests and concerns including the WTO such as the issue of cotton subsidies. India has made a unilateral announcement of duty free and quota free market access to goods from 34 Least Developed Countries in Africa. This covers 94% of India's total tariff lines and provides preferential market access on tariff lines that comprise 92.5% of global exports of all LDCs.

**Mr. President,**

An important factor in addressing the causes of conflict and contributing to durable peace and sustainable development in Africa, as indicated in the

Secretary-General's report, is the commitment of the international community, including United Nations organizations, to allocate increased financial, human and technical resources for the regional strategies .

On its part, India has been extensively involved in peacekeeping efforts in Africa over the past six decades. Presently, India has over 7000 peacekeepers serving in Africa, including a 5000 strong contingent in the Democratic Republic of Congo. India's first full all-female formed police unit is currently deployed in Liberia. In addition to peacekeeping, this unit has been successful in reaching out to the most vulnerable sections of the society i.e. women and children and in inspiring women who have so often been victim of war to see themselves also as sources of soccour and strength in this recently war torn society.

As a founder member of the Peacebuilding Commission, India remains actively engaged with the work of the Commission. The UNSG's report mentions that 92% of the Peacebuilding Fund-allocated funds have gone to African countries. We are hopeful that with the revision of the terms of reference for the Peacebuilding Fund, the efficiency and effectiveness of the Fund will be further improved.

**Mr. President,**

Africa's fight against Malaria is dealt with in Secretary General's report transmitting the WHO's report on "2001-2010: Decade to Roll Back Malaria in Developing Countries, particularly in Africa". It is a matter of deep regret that more than one million malarial deaths still occur each year, when the disease is preventable, treatable and perfectly curable.

While we are happy to note that a number of preventive measures, such as distribution of treated mosquito nets, are being undertaken on a much larger scale, it also remains a fact that the developing world's ability to combat public health crises of this nature at times has been circumscribed under the pretext of intellectual property rights. Access to affordable medicines is a fundamental part of the right to health, and this has even been recognized by the TRIPS regime. Unfortunately, this remains more in the realm of theory than practice.

The Africa-India Framework for Cooperation 2008 includes capacity building programmes for medical and health specialists to tackle pandemics like malaria, filarial, polio, HIV and TB.

**Mr. President,**

In conclusion, I would like to state that India envisions an Africa that is self-reliant, economically vibrant and at peace with itself and the world. While highlighting the vitality of African continent, the first Prime Minister of India, Pt. Jawaharlal Nehru, had said, "Of one thing there can be no doubt, and that is the vitality of the people of Africa. Therefore, with the vitality of her people and the great resources available in this great continent, there can be no doubt that the future holds a great promise for the people of Africa."

It is this promise that our Partnership with Africa seeks to fulfill. India will offer its fullest cooperation to harness the great potential of the African people for the cause of Africa's progress and development.



**787. Statement by Member of the Parliament and Member of the Indian Delegation to the UN Ali Anwar Ansari on Agenda Item 30 - International Cooperation in the Peaceful Uses of Outer Space at the Special Political and Decolonization (Fourth) Committee of the 64th Session of the UNGA.**

**New York, October 21, 2009.**

**Mr. Chairman**

The Indian delegation is happy to note that UN-COPUOS, under the mandate of the General Assembly, has been contributing significantly towards capacity building for sustainable development and strengthening international cooperation to maintain outer space peaceful towards serving the interests of all the countries. We are pleased to note that substantial progress has been made during the 52 session of UN-COPUOS, under the able chairmanship of Ambassador Mr. Ciro Arevalo Yepes of Columbia. The Indian delegation is delighted to note that with the approval of the UN General Assembly, a new agenda item on 'Space and Climate' has been included and fruitful deliberations of this pressing issue of global concern has taken place at this 52nd Session of UN-COPUOS. The Indian delegation also expresses its full satisfaction at the work carried out by the two sub-committees of UN-COPUOS, the Scientific and Technical Sub-committee at its 46th session and the Legal Sub-committee at its 48th session.

**Mr. Chairman**

The Indian delegation places on record its appreciation to various member nations for their significant achievements in space during the last one year.

**Mr. Chairman**

During the last one year, India made a significant stride in space exploration through the Chandrayaan mission. On 22nd October 2008, India's launch vehicle PSLV-C11 injected the Chandrayaan-1 spacecraft into an elliptical transfer orbit around the Earth and later, through a series of orbital maneuvers, Chandrayaan-1 was placed in a 100 km circular orbit around the Moon. On 14th November 2008 India set its imprints on the surface of the Moon using the Moon Impact Probe. With well-defined objectives through high-resolution remote sensing of moon in the visible, near infrared, microwave and X-ray regions of the electromagnetic spectrum, Chandrayaan-1 mission intended to study the Moon using eleven scientific instruments built in India and five other countries. With this, preparation of a 3-dimensional atlas of the lunar surface and chemical and mineralogical mapping of entire lunar surface is undertaken by scientists from India and abroad. Recently scientific community across the globe gathered in Bangalore to study the invaluable data yielded by various instruments of Chandrayaan mission. The Indian delegation is proud to report that within a short time, Chandrayaan-1 has achieved its mission objective to the satisfaction of global scientific community.

**Mr. Chairman**

Our delegation is proud to report that the students and faculty of an Indian University built an experimental satellite called ANUSAT under the overall guidance of ISRO. ANUSAT was successfully launched by PSLV in its fourteenth successive successful flight on 20th April 2009, as a co-passenger to the Radar Imaging Satellite RISAT-2.

**Mr. Chairman**

The Oceansat-2, slated to be launched shortly, would also carry a Radio Occultation Sounder from Italy. Also, India is getting ready for launch of CARTOSAT-2B, RESOURCESAT-2, Radar Imaging Satellite (RISAT-1) as well as the ISRO-CNES joint mission Megha Tropiques using PSLV. Six small satellites built by Germany, Turkey, Switzerland, a YOUTHSAT with participation of Moscow State University, an X-SAT with participation of NTU of Singapore, NLS-6 of Canada and ALSAT-2 from Algeria are also scheduled to be launched as co-passengers in these flights. Towards providing satellite-based positioning, navigation and timing service to be

communities in the region, India is building GPS and Geo Augmented Navigation system GAGAN as well as an Indian Regional Navigation Satellite system - IRNSS.

**Mr. Chairman**

In the area of Space Applications, India has made notable progress in seamlessly integrating the advances in space technology and applications with the national developmental goals, particularly in vital services such as telecommunications, television broadcasting, meteorology, disaster warning, as well as natural resources survey and management. In our efforts to provide quality education across the country, the Tele-education project, undertaken a couple of years ago, now connects teacher and student at primary, secondary and University level through more than 35,000 EDUSAT classrooms. The Tele-medicine project today connects 375 hospitals, of which 305 hospitals in the Remote/rural/and District levels and 13 mobile vans have been connected to 57 Super Specialty hospitals located in major cities. Today, more than 470 Village Resource Centres including 45 Expert Centres have been established. We consider that this concept of Village Resource Centres is appropriate for other developing countries as well.

**Mr. Chairman**

India places considerable importance on bilateral and multilateral relations with space agencies and space related bodies with the aim of minimizing the cost of access to space, of taking up new scientific and technological challenges, defining international frameworks for exploitation and utilization of outer space for peaceful purposes, and building and strengthening existing ties between countries. Currently, formal Memorandum of Understanding (MOU) or Agreements are in place with more than 30 countries and international organizations. Many of these understandings pave way for sharing our expertise in the use of space-derived geospatial information for sustainable development. India's joint missions with France, namely, the Megha Tropiques and SARAL, will provide useful data to the global scientific community for understanding the tropical weather phenomenon. India also plays an active role in several international bodies in fostering partnership with the member countries in use of space technology for the benefit of mankind.

**Mr. Chairman**

India has also carried out many satellite based application projects which have direct relevance to sustainable development. Monitoring of snow & glaciers in the Himalayas including areas of neighbourhood countries;

Collaboration with GEO in Agricultural crop status monitoring; Mapping of coral reef in Sri Lanka, Bangladesh and Maldives; Impact of sea level rise on coastal environment in Sri Lanka and Bangladesh; Topographical mapping of Maldives; Establishment of remote sensing centres at Male, Mauritius and Myanmar; Disaster Management support through International Charter and Sentinel Asia initiatives; Locust prone area mapping in Kazakhstan are some of the projects pursued in this direction. India is actively participating in the initiative of the Asia-Pacific Regional Space Agency Forum (APRSAF) including Sentinel Asia project to share satellite data for disaster mitigation and STAR-Satellite Technology for the Asia-Pacific Region programme, for sharing expertise gained in developing and operating satellite IMS-1. India successfully organized the 8th IAA International Conference on Low cost Planetary Missions (LCPMB) at Goa, India during August 31 to September 4, 2009 with participation of scientists from various space agencies.

**Mr. Chairman**

India takes special interest in capacity building and services for enabling the developing countries in the application of Space technology. The Centre for Space Science and Technology Education for Asia and Pacific Region, affiliated to UN and operating from India, is an initiative in this direction. So far 824 scholars from 31 countries from the Asia-Pacific region and 27 scholars from 17 countries outside the Asia-pacific region have benefited from the educational activities of this Centre. India would like to request more participation from the member countries.

**Mr. Chairman**

Having achieved self-reliance in end-to-end space programme, the Indian space programme is entering into space exploration phase mainly to explore inner solar system and build such capabilities for exploring outer solar system. Exploration of outer space using planetary missions will be furthered with Chandrayaan-2 and its follow on missions. India has also been discussing at various levels the need for embarking on a human spaceflight programme. Mr. Chairman In conclusion, the Indian delegation would like to support the General Assembly and UN-COPUOS in all their endeavours to increase the awareness of space-based benefits and to encourage developing countries in taking up the space application programmes for sustainable development and to maintain outer space exclusively for peaceful purposes.

Thank you Mr. Chairman



**788. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dr. Girja Vyas on Agenda Item 57 - Eradication of Poverty and Development Issues; [A] Implementation of the Second UN Decade for Eradication of Poverty [2008-2017]; [B] Women in Development at the Second Committee of the 64th Session of the UNGA.**

**New York, October 22, 2009.**

**Mr. Chairman,**

We would like to thank the Secretary-General for the reports on the agenda item under consideration today, including his oral report on the progress in the implementation of efforts related to the theme of the Second UN Decade to eradicate poverty. We associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

Our shared objective of eradicating poverty has become even more relevant and urgent in the context of the ongoing financial and economic crisis. Coupled with the impacts of the food and energy crises of last year, the economic crisis has pushed millions back into poverty and threatens to reverse years of development gains. Against this background, it is imperative that poverty eradication continue to receive the highest attention of the UN and the international community. The First UN Decade to eradicate poverty from 1997-2006 played an important role in anchoring poverty eradication at the core of the UN development agenda, and led to concerted international efforts. We look forward to enhancing this momentum in the implementation of the Second UN Decade till 2017 on the important theme of employment. The UN must be proactive in creating an international environment that assists developing countries in implementing their national development strategies.

The issue of enhanced financial and technical assistance by the international community is a key element in this. In addition, improved market access, debt relief and transfer of technology also play a key role in creating an international environment conducive for development. Access to critical technologies at affordable rates is an area in particular where the UN needs to play an important facilitative role. International governance structures must also be reformed, with greater voice and participation of developing countries. Permit me to also emphasize that there is no "one-size-fits-all"



answer to the complex problems of poverty eradication. It is, therefore, essential that each country must have the policy space to formulate and implement its own development strategy, based on its unique challenges and conditions. In the current economic environment, developing countries must be assisted to implement counter-cyclical measures for social sector investment and economic revival. Greater flexibilities are also required in international regimes to ensure primacy of the development dimension. In essence, the global partnership for development that we have all committed to must be fully implemented. We also look forward to the Development Cooperation Forum of the UN Economic and Social Council playing a central role in international development cooperation efforts.

**Mr. Chairman,**

The important role women can play as key agents in the development process cannot be overemphasized. The 2009 "World Survey on the Role of Women in Development" provides a useful and detailed insight in this regard. Gender equality and empowerment of women are vital, particularly because of the multiplier effect on socio-economic growth. Our policy approaches must encourage active involvement of women in planning and decision making, women's education, improved access of women to productive resources and opportunities as well as greater investment in women's health and nutrition. Progressive legal provisions, efforts to reduce the gap between de jure and de facto equality, gender mainstreaming and gender disaggregated information are crucial tools in these efforts. The international community must provide greater financial and technical resources to assist developing countries implement gender sensitive national development strategies.

I am happy to share that India has been actively promoting women's empowerment. Over one million Indian women at the grassroots level were brought into political decision making following the reservation thirteen years ago of one-third of all urban and local self-government posts in India for women. A similar reservation of seats for women in the Indian Parliament remains under consideration. India's Joint Parliamentary Committee on Empowerment of Women independently monitors equality and empowerment of women and ensures that Indian legislation is gender responsive. We have institutionalised gender-sensitive budgeting and are making efforts to mainstream gender in policies and programmes of various Government departments. The Government actively encourages and supports initiatives in formation of women's self-help groups. Today, there are more than 2 million women self-help groups in the country supporting

more than 10 million rural families. We are happy that the "World Survey" has noted the important role being played by many self-help groups in India. We are also encouraging women entrepreneurs through special assistance schemes. We have a statutory body - the National Commission for Women, which I have the privilege of chairing, - for the protection, welfare and development of women. We are strongly committed to the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW) and that "women's rights are human rights". These rights should be enhanced to freedom to choose one's vocation; reduction in deprivation; reduction in discrimination; and reduction in exploitation. Overall, India's planning focus has shifted towards recognizing women as fundamental agents of sustained socio-economic growth and development.

Thank you.



**789. Statement by the Member of Parliament and Member of the Indian Delegation to the UN Syed Shahnawaz Hussain on Agenda Item 134 - 'Financial Situation of the United Nations' at the Fifth Committee of 64th Session of the UNGA.**

**New York, October 23, 2009.**

We thank the Under Secretary-General for the Department of Management for her statement on the financial situation of the United Nations. My delegation aligns itself with the Statement made by the Distinguished Representative of the Sudan on behalf of Group of 77.

My delegation believes that payment of assessed contributions by Member States, in full, on time, and without conditions, is not just a charter obligation but also a moral one. We also advocate that favorable consideration should be accorded to those Member States that are unable to pay their assessed contributions due to circumstances beyond their control.

As we seek full accountability from the Secretariat for efficient and effective implementation of mandates given by Member States, we are also duty-bound to provide the Secretariat with timely and adequate resources to ensure the attainment of that goal.

Regarding the regular budget, it is unfortunate that as on 13 October 2009, the unpaid assessed contributions amounted to US\$ 830 million, which is US\$ 74 million higher than in October 2008. Moreover, this amount is highly concentrated with 93% being owed by a single Member State and 7% by the rest. We all agree that a financially weak Organization is not in our interest. We hope that this situation would be addressed urgently by the concerned parties.

I would also like to take this opportunity to set the record straight that though India's name is missing from the list of Member States that have fully paid their assessment for regular budget, my country has, in fact, paid in full its assessed contribution for the regular budget on 31 March 2009. I hope the Secretariat would rectify this omission at the earliest.

**Mr. Chairman,**

As a major troop contributing country, which also has significant contingent-owned equipment deployed with UN peacekeeping operations, we are encouraged by the decrease in total amount of peacekeeping assessment

outstanding to US\$ 2.1 billion, which is US\$ 796 million below the level in October 2008, even though the some of the decrease is related to lower level of assessments issued for this peacekeeping fiscal pending the approval of a new scale of assessments for 2010.

We acknowledge that the amount of unpaid assessments is partially due to the peacekeeping financial cycle. However a major portion is because of non-payment by some Member States. As in the regular budget, the unpaid assessments for peacekeeping operations are highly concentrated, with 53% owed by just two member states.

The delay in receipt of contributions from Member States adversely impacts the Secretariat's capacity to make quarterly payments to troop and COE contributors of peacekeeping operations. India's contribution of troops and contingent-owned equipment to UN peacekeeping operations is not a commercial venture. It is a manifestation of India's commitment to the principles and purposes of the UN Charter. However, once a formal MOU, defining terms and conditions of our participation in UN peacekeeping operations has been signed with the United Nations, we are justified in expecting that all parties to the agreement fulfill their legal obligations.

Delayed payment, sometimes non-payment of troop costs and contingent-owned equipment reimbursements, as in some closed peacekeeping missions, reflects poorly on the United Nations. It also makes it difficult for the troop contributing countries to explain to national legislatures, why such debt is owed to them by the United Nations. This situation must be rectified otherwise it could have a negative impact on Member States' commitment towards future peacekeeping operations.

The projection of US\$ 944 million, as the amount of United Nations debt to Member States at the end of 2009 is higher than envisaged in May 2009. India is owed US\$ 152 million as on 30 September 2009. We understand the Secretariat's compulsion and are willing to be patient in this matter. However, some who seek greater financial contributions by my country to the Organization should factor in this debt while measuring India's contributions.

An indebted United Nations should not be expected to evoke confidence from the peoples it aspires to serve. It is, therefore, essential that Member States assist the Organization in achieving zero indebtedness, as an integral part of our common quest for prudent budgetary and financial management.

Last week, the Under Secretary-General for Management in her statement said that the financial indicators of the United Nations for 2009 are mixed. While unpaid assessments have decreased for peacekeeping operations, there have been increases for the regular budget, the tribunals and the capital master plan. The number of Member States meeting their obligations in full is lower than one year ago across all categories. Acknowledging that the financial well-being of the United Nations is in our common interest, we add our voice in urging all Member States to pay their financial obligations in full and on time. My delegation would do the same.

Thank you!



**790. Statement by Member of Indian Parliament and Member of the Indian Delegation to the UN T. K. S. Elangovan on Agenda Item 81 - Report of the International Law Commission - Chapters I - III - Introduction, Chapter IV: Responsibility of International Organization , Chapter XIII - Other Decisions and Recommendations at the Sixth Committee of the 64th Session of the UNGA.**

**New York, October 27, 2009.**

**Mr. Chairman,**

I am taking the floor in this Committee for the first time. Therefore, let me first congratulate you and the members of the bureau on their election. I am sure the Committee will make good progress under your able guidance. I also wish to thank Mr. Earnest Petric, Chairman of the International Law Commission, for his comprehensive introduction of the Report of the ILC on its 61st Session. The Commission, at its last session, has had a very productive session, and has made considerable progress in its consideration of the various matters on its agenda, including the identification of possible new topics. We welcome the new members who have joined the Commission this year, Mr. Michael Wood of the United Kingdom and Professor Shinya Murase of Japan.

**Mr. Chairman,**

On the topic of "Responsibility of International Organizations", we commend the Special Rapporteur, Professor Giorgio Gaja, on the presentation of his Seventh Report which addresses certain outstanding issues such as the general provisions of the draft articles and the placement of the chapter concerning the responsibility of a State in connection with the act of an international organization. The Report also proposes certain amendments based on a review of comments made by States and international organizations on the draft articles provisionally adopted earlier as well as the recent decisions rendered by national and regional courts, especially on the issue of attribution.

**Mr. Chairman,**

We also commend Professor Gaja on the completion of the first reading of the set of draft articles on this topic, along with commentaries. The Draft Articles follow general pattern of the articles on Responsibility of States for

International Wrongful Acts with necessary adjustments taking into account the different nature, structure and functions of international organisations. The Commission has sought the comments and observations of States on these draft articles. While we would be separately submitting our comments, we have a few preliminary observations on some of the provisions. On the question of countermeasures, we reiterate our position that the disputes between an international organisation and its members should, as far as possible, be settled in accordance with the rules and through the internal procedures of the organisations. Further, the rules of the organisation should be decisive in determining whether an organisation can take countermeasures against its members or be the target of countermeasures by its members. Only where the relevant rules of the organization expressly provide, should the taking of counter measures by an organization be considered. Accordingly, considering the availability of limited practice, the uncertainty of the legal regime and the risk of abuse inherent in the concept, it is necessary to adopt a cautious approach.

**Mr. Chairman,**

Draft article 39 deals with the requirement of members of an international organisation to take measures with a view to provide it the means necessary for effectively fulfilling its obligations, and thus is intended to provide for a situation where an organization which has responsibility lacks the means or resources to carry out its obligations. Article 39, as drafted, addresses the issue of responsibility of member States towards an organization of which they are members, whereas the topic deals with the responsibility of international organizations and not that of States. In any case, the obligations of member States towards the organization would be dealt with under the constituent instrument under which it is established. Accordingly, this article should be redrafted as an obligation of the organization to make necessary efforts to approach its members for providing it with the means for effectively fulfilling its obligations.

Article 60 provides for the responsibility of a member State seeking to avoid compliance with one of its own obligations by taking advantage of the fact that an international organisation of which it is a member has competence in relation to the subject matter of that obligation to commit an act, which, if committed by the State, would have constituted a breach of an obligation.

**Mr. Chairman,**

On the topic of "The Most-favoured-nation clause", we welcome the work of the Study Group, co-chaired by Mr. Donald M. McRae and Dr. Rohan

Perera. The Study Group has considered and agreed on a framework that would serve as a road map for the future work. In particular, the Study Group has made important preliminary assessment of the 1978 draft articles and decided on eight papers to be dealt with under different topics. We also welcome the establishment of a Study Group chaired by Professor Nolte on the topic "Treaties over Time", which considered the question of the scope of the work of the Study Group and agreed on a course of action to begin the consideration of the topic. We welcome the appointment of Mr. Lucius Cafilisch as Special Rapporteur for the topic "Effects of armed conflicts on treaties". We appreciate the decision to make the edited summary records of the Commission's proceedings up to 2004, available on a pilot basis, on the Commission's website. Considering the delay in the publication of the Summary Records, this will be of great assistance to member States and others in following the Commission's work. Further, priority should be accorded to expedite preparation of the summary records of the Commission. Mr. Chairman, We also support the Commission's views concerning the question of honoraria, resulting from the adoption by the General Assembly of its resolution 56/272 of 27 March 2002. The decision to discontinue the honoraria especially affects Special Rapporteurs from developing countries, as it compromises support for their research work. The Special Rapporteurs should also be afforded the opportunity to participate in the Meetings of the Sixth Committee and interact with delegations during the consideration of their topics.

Thank you, Mr. Chairman.





**791. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dr. Girja Vyas on Agenda Item 19 - Necessity of ending the Economic, Commercial and financial Embargo imposed against Cuba at the 64th Session of the UNGA.**

**New York, October 28, 2009.**

**Mr. President,**

Thank you for giving me this opportunity to address the General Assembly.

At the outset I would like to thank the Secretary General for his report on the agenda item "Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba"

My delegation also associates itself with the statement made by the Chair of the Group of 77.

**Mr. President,**

For the last 17 years in a row, the General Assembly, while deliberating this agenda item, has categorically and overwhelmingly rejected the imposition of laws and regulations with extra-territorial impact.

The General Assembly has also called upon all States, in conformity with their obligations under the United Nations Charter and international law, to refrain from promulgating and applying, as well as repeal and invalidate, laws and measures that have extra-territorial effects affecting the sovereignty of other States, the legitimate interests of entities or persons under their jurisdiction and the freedom of trade and navigation.

Unfortunately, these repeated resolutions remain unimplemented. The nearly five-decade old United States embargo on Cuba, including its extra-territorial aspects, continues to remain in force. We share the views expressed by the international community in its opposition to the extra-territorial aspect of the embargo.

**Mr. President,**

In the report of the Secretary-General, various UN entities have detailed the impact of the embargo, particularly its extra-territorial effects.

For example, the UN Resident Coordinator in Havana has noted that humanitarian and development cooperation implemented by the UN system in Cuba is significantly affected by the embargo. It also adversely impacts the functioning of UN offices, including for travel of UN staff.

The UN Development Programme [UNDP] has stated that the effects of the embargo can be observed in all spheres of Cuba's social and economic activities, as well as affecting the most vulnerable groups and human development in general. It highlights the negative consequences of the embargo on UNDP's development coordination activities, including an average increase in project cost by 15 per cent.

The UN Conference on Trade and Development [UNCTAD] refers to the attendant costs of the embargo both for Cuba and for citizens in third countries due to its extraterritorial application.

The UN Population Fund states that the impact of the embargo was specifically felt in some of its programmes.

The Economic Commission for Latin America and the Caribbean has stated that the embargo adversely affects the standard of living of Cuban citizens.

The health sector has been one of the affected sectors on account of enhanced cost and restrictions on equipment and technologies. Thus, an indirect extra-territorial impact of the embargo has been on Cuba's efforts at South-South cooperation in this field.

I may also mention that the natural disasters in Cuba last year, and the ongoing financial and economic crisis, have made the impact of the embargo more acute.

**Mr. President,**

Given the geography, Cuba and the United States of America would be expected to be natural partners in trade and investment. While the embargo has not permitted this development, the potential for economic and commercial ties between the two countries clearly exists.

For example, by taking advantage of limited openings under the US Trade Sanctions Reform and Export Enhancement Act of 2000, the US has become the largest exporter of agricultural products to Cuba. The US International Trade Commission itself estimates that this would rise sharply if restrictions were lifted, which underscores the negative impact of the embargo on US trade and business opportunities.

Various efforts in the United States to relax or lift the embargo indicate the substantial interest, particularly in the business sector, for unhindered access to the Cuban market or contact with Cuba.

We are encouraged by the steps announced by the current US Administration earlier this year to reduce restrictions on travel and remittances to Cuba by

Cuban-Americans and on US telecommunications services. We look forward to the full lifting of sanctions and embargo against Cuba.

In conclusion, Mr. President, I would like to reiterate India's opposition to unilateral measures by countries that impinge on the sovereignty of another country, including attempts to extend the application of a country's laws extraterritorially to other sovereign nations.

Thank you.



**792. Statement by Member of Parliament and Member of the Indian Delegation Syed Shahnawaz Hussain on Agenda Item 69 - Promotion and Protection of Human Rights at the Third Committee of the 64th Session of the UNGA.**

**New York, October 28, 2009.**

**Mr. Chairman,**

I would like to thank the UN Secretary-General for his reports as well as the Special Rapporteurs of the special procedures and Representatives of the UN Secretary General for their concise presentations under this agenda item relating to 'protection and promotion of human rights'.

**Mr. Chairman,**

Protection and promotion of human rights is fundamental duty of all states. A state that does not respect basic human rights would have failed in its primary responsibility.

The international community has been cognizant of this important mandate and has steadily played its role in the promotion and protection of human rights for all. Starting with the adoption of the Universal Declaration of Human Rights in 1948, the international community has since adopted several international human rights instruments in the last 60 years.

**Mr. Chairman,**

For millennia, India has been a home to vast diversities, cultures, traditions and thoughts. India's commitment to rule of law, democracy, development and human rights is as old as our nation.

We adopted our Constitution in 1950 after nearly 200 years of being a colony. One of the most sacred pillars of the Constitution of India is the fundamental rights and freedoms granted to our citizens.

Article 14 and 15 of the Constitution guarantees equality before the law and freedom from discrimination based on race, sex, caste, religion or place of birth. Article 19 also guarantees every citizen of India the freedom of speech and expression, freedom to assemble peacefully and form associations and freedom of movement within the territory of India.

**Mr. Chairman,**

It is relevant to note that India is the largest democracy in the world with a solid secular foundation. We respect the right of every individual to practice, profess and propagate their religion.

**Mr. Chairman,**

Apart from fundamental rights, lawmakers in India are also guided by the Directive Principles of State Policy which the framers of the Constitution intended to serve as guiding principles for the years to come. These directives include eliminating and minimizing inequalities, ensuring gender parity, development of women and children; and development of physical and mental health of all.

**Mr. Chairman,**

We established an independent National Human Rights Commission almost sixteen years ago to examine complaints regarding violations of human rights. Various states in India have also established similar Commission to examine violation of rights at the state level.

In addition, in order to investigate and register complaints of violations of rights of women including sexual crimes, violence against women and discrimination against women, the National Commission for Women was also established.

**Mr. Chairman,**

While the Constitution of India is the bedrock of our legal and political system, India's independent judiciary, a free and vibrant media and civil society have reinforced the safeguards in order to ensure that these human rights for our citizens are not denied. India has also enacted the 'Right to Information Act' to ensure transparency and accountability of government's activities. Any discussion on human rights protection in India would not be complete without touching upon the role of the judiciary in India. The

remedy of public interest litigations was crafted by the judiciary to ensure that even the most vulnerable sections of society who may not be able to approach courts otherwise can seek justice via a public spirited person or organization. This process of judicial redressal has been extremely effective in providing remedies to detainees, children and other vulnerable groups.

**Mr. Chairman,**

As a State Party of the principal covenants on human rights, and of practically all other major human rights instruments, India has consistently promoted civil and political rights on the one hand, and economic, social and cultural rights on the other.

**Mr. Chairman,**

We also welcome the report of the Secretary General on the Right to Development. The Right to Development is a fundamental link in the web of human rights that promotes social progress, pursuit of happiness and better standards of life for every person.

**Mr. Chairman,**

Every time a gross violation of human rights occurs in any part of the world its shocks the conscience of the international community. The process of monitoring and protecting human rights is not easy and the international community must continue its endeavor to unify their forces in the fight against perpetrators who commit gross violations. In that context it is important to recognize that targeting countries for intrusive monitoring is only indicative of a bias and does not further the cause of human rights. There is no doubt that human rights abuses must be addressed but it should be done in a comprehensive manner through cooperation, dialogue and consultation.

**Mr. Chairman,**

As I conclude, I would like to say that international community can achieve a lot if we are willing to work with each other in a manner that facilitates rather than obstructs the promotion of human rights. The need is for us to act promptly, collectively and effectively for universal adherence to human rights standards for all. We look forward to continue working with everyone in this arduous task that will make the world a better place to live in for our future generations.

Thank you, Mr. Chairman.



**793. Statement by Member of Parliament and Member of the Indian Delegation to the UN Ali Anwar Ansari on Agenda Item 30 - Review of the Efficiency of the Administrative and Financial Functioning of the United Nations Procurement at the Fifth Committee of the 64th Session of the UNGA.**

**New York, October 28, 2009.**

I would like to begin by thanking the Assistant Secretary-General for the Office of Central Support Services for presenting the comprehensive report of the Secretary-General on UN procurement activities. We thank the Chairperson of the ACABQ for introducing the Committee's relevant report. We also convey our appreciation to the Under Secretary-General for Internal Oversight Services for introducing the concerned report of the OIOS. My delegation aligns itself with the Statement made by the Distinguished Representative of the Sudan on behalf of Group of 77. Procurement activities in the United Nations have a very important role in ensuring efficient and effective delivery of mandates given to the Secretariat, especially in peacekeeping operations. Besides, it presents a high-risk area in terms of potential breakdown of internal controls and possible corruption, which harms the Organization not just financially but also tarnishes its image amongst the people.

We have experienced this phenomenon in the recent past and with procurement volume growing from US\$1.3 billion in 2004 to US\$ 3.2 billion in 2008, the need for greater vigilance is more pressing. In that context, my delegation is concerned by the ACABQ's observation that the Secretary-General's report does not provide a basis for assessing improvements in the procurement function or the adequacy of the internal control regime. Moreover, it does not provide data and other evidence to substantiate the statements on the progress achieved so far, in procurement reform. My delegation has noticed in the Secretary-General's report, hints of greater staff requirement for the procurement function, in view of the increasing workload. However, we believe that there is no linear correlation between the increases in volume of procurement and additional staff resources. Member States have to be convinced of the need for additional staff on the basis of a quantitative analysis of benefits that have accrued from various reforms implemented and resources provided in UN procurement, since 2006. Given the exponential increase in the demands of field operations, both in terms of size and complexity, it is important to have a well-defined and properly implemented delegation of authority with strict accountability for procurement in the field, in order to speed up the acquisition process.

In view of the dynamic and fast-paced nature of field operations, the adverse impact of a sluggish procurement process can be very high, even affecting

the capacity of a peacekeeping operation to deliver its primary mandate of maintaining peace and security. In this regard, while we understand the need for a more decentralized procurement function, we concur with the ACABQ that the Secretary-General in his next report, should provide information on the experience gained in the implementation of the increased financial thresholds of delegated procurement authority. We would also be interested in knowing the status of the review of UN rules and procedures to support immediate operational requirements of peacekeeping missions, as promised by the Secretary-General in the 60th UNGA session. While taking note of the proposals on the governance arrangements for procurement function, such as co-location of requisitioners with procurement officials, my delegation looks forward to positive deliberations on the proposed regional procurement office concept, along with the discussions on the new field support strategy, when it is submitted to the General Assembly in the second resumed part of the 64th session. Regarding the new structures created in the procurement, such as the pilot project establishing the Independent Award Review Board and the Senior Vendor Review Committee, we look forward to the Secretary-General's next report on the experiences gained in the trial period. Similarly, the ACABQ has requested for additional information, in the next report of the Secretary-General, on the implementation of Best Value for Money Principle, the Lead Agency Concept, subcontracting, staff training etc. We expect that the future report on procurement would address all these pertinent issues in a comprehensive manner.

We take this opportunity to wholeheartedly commend the efforts of the Procurement Division in promoting procurement opportunities for vendors from developing countries and countries with economies in transition, particularly the proactive approach taken to identify means to expand participation of these countries in UN procurement. We encourage the Secretariat to keep up the good work and continue this right direction. Finally, on the concept of sustainable procurement, we agree with those who call for its cautious implementation, if approved by the General Assembly. The concept of sustainable procurement should be implemented in a manner which guarantees fairness, integrity and transparency and is consistent with the best practices in today's market. It should in no way become a restrictive practice that hinders the participation of developing countries in the UN procurement. For this to happen, clear guidelines and transparent procedures should be established as a precondition to its implementation, so that a good intention does not get derailed by suspicion and poor implementation.

THANK YOU.



**794. Statement by Member of Parliament and Member of the Indian Delegation to the UN Sanjay Nirupam on Agenda Item 50 - Information and Communication Technologies for Development at the Second Committee of the 64th Session of the UNGA.**

**New York, October 28, 2009.**

**Mr. Chairman,**

Permit me to begin by associating my delegation with the statement made by the Chair of the Group of 77 on this important issue of "Information and Communication Technologies for Development".

**Mr. Chairman,**

If there was ever any doubt on the transformative power of technology, developments in the information and communication technologies serve to unequivocally put them completely at rest. The mobile phone, the personal computer and the internet, which were a mere fantasy a few decades ago, not only seem indispensable today, but have served as critical inputs for development. Developing countries must, therefore, harness and be assisted in harnessing the benefits of information and communication technologies. Enhancing the penetration of information and communication technologies in developing countries is also one of the targets under Millennium Development Goal 8 as part of the global partnership for development. Apart from the growth and employment potential in the information and communication technology sectors, such technologies positively impact the development of other sectors of the economy. Further, they also assist in increasing access to remote areas, promoting markets in rural areas, improving public accountability, and enhancing access to information, to name just a few benefits. It is significant that global mobile penetration is now over 60%, with even some developing countries having achieved 100% mobile penetration. This demonstrates the possibility of developing countries leapfrogging the cycle of technology development. We are happy that India is one of the success cases of mobile telephone penetration, and that our case is being used as an example in some other developing countries. Our proactive public policies in this sector have served to reduce monopolies, encourage open competition, and promote development of the domestic industry. As a result, mobile telephony costs in India are among the lowest in the world. The report of the Secretary-



General has correctly noted the large disparities in terms of penetration and affordability, particularly in the area of internet access. Greater efforts are required, particularly by the international community, to bridge the digital divide. In this context, development of the necessary infrastructure, both physical and human resources, must be a major focus. The issue of affordable access is also key. We would like the United Nations to play a more active role in promoting these objectives.

We thank the Secretary-General for the report on the progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society and call on the international community to provide greater financial and technical support for its full implementation.

**Mr. Chairman,**

I am happy to share that India has been active in using Information and Communication technologies for development. The Information Technology industry today contributes nearly 6% to the national economy and has been a major contributor to our economic growth in recent years. The industry has also generated millions of jobs, both directly and indirectly. India is also using Information and Communication technologies to implement an ambitious National e-Governance Plan. This involves the creation of physical infrastructure, setting up appropriate institutional mechanisms, development of policies and standards as well as adopting the necessary legal framework. Various areas like road transport, land records, taxes, agriculture, treasuries, education, passport, postal service and identification documents are under the ambit of this Plan. In addition, India has a special focus on software development in multiple Indian languages. We have also combined our expertise in satellite fabrication and launch to create wide area networks. These aim to reach rural areas through initiatives like tele-education and tele-medicine. We have embarked upon a gigantic project to assign a unique identification number to all our citizens. One of the leading pioneers of the IT revolution in India has been appointed to head this major national project.

**Mr. Chairman,**

Despite having to face the down turns of the global recession, the Indian Information Technology sector has been resilient, and remains one of the fastest growing sectors of the Indian industry. Some key areas of success include software development and Information Technology Enabled Services, including Business Process Outsourcing. We have now also moved to a higher value-addition level of Outsourcing i.e. Knowledge

Process Outsourcing. These include valuation research, investment research, patent filing, legal and insurance claims processing, online teaching, media content supply, etc. These activities play an important role in promoting global growth. We must ensure that these are not hindered through protectionist tendencies. India has also been playing a leading role in international activities in the field of Information and Communication Technologies. We were privileged to host the Third Internet Governance Forum Meeting in India last year.

We have also taken steps to share our experience with fellow developing countries. A good example is the pan-African e-network project to support tele-education, tele-medicine, e-governance, infotainment, resource mapping and meteorological services across the continent using fibre optics and a dedicated satellite. We have also been assisting in capacity building efforts in other developing countries, both in our neighbourhood and beyond. We are happy that some of these efforts have been highlighted in the report of the Secretary-General.

Thank You, Mr. Chairman.



**795. Statement by Member of Parliament and Member of the Indian Delegation to the UN Syed Shahnawaz Hussain on Agenda Item 72 - Report of the International Court of Justice at the 64th Session of the UNGA.**

**New York, October 29, 2009.**

**Mr. President,**

Thank you for giving me the opportunity to address the General Assembly on the report of one of the principal organs of the United Nations, the International Court of Justice. At the outset, I would like to thank the President of the International Court of Justice for his detailed presentation of the Report of the Court.

**Mr. President,**

The International Court of Justice is the principal judicial organ of the United Nations. It was established, along with the other organs of the United Nations, to save future generations from the devastating effects of war and to find means of settling inter-State disputes through application of international law. The Court still remains the only judicial body with legitimacy derived from the Charter, enjoying general jurisdiction. All other international judicial institutions have specific competence and lack general jurisdiction of a universal nature. Vide article 92 of the UN Charter the Statute of the ICJ has been made an integral part of the Charter. This is a status which is unique to the ICJ and not enjoyed by any other International Court or Tribunal established till date. All States are free to approach the Court for the resolution of their disputes with other States. Under article 36 of the Charter, the Security Council may also recommend to the parties to refer their legal disputes to the International Court of Justice while the General Assembly and the Security Council may seek advisory opinions from the Court. These provisions clearly indicate the central role given to the ICJ within the UN system.

Mr. President, The judgments of the Court have played an important role in the progressive development and codification of international law. Though cautious in respecting political realities, sentiments of States and its own Statute, the Court has asserted its judicial functions. The Court has clearly emphasized the role of international law in regulating inter-state relations even though inter-state relations are necessarily political in nature.

Mr. President, India continues to believe that no other judicial organ in the world can have the same capacity for dealing with international problems

as the ICJ. The Court has contributed significantly towards settling legal disputes between Sovereign States, thus promoting the rule of law in international relations.

**Mr. President,**

Since its inception the Court has dealt with a variety of legal issues. It has pronounced judgments in areas including sovereignty over islands; navigational rights of States; nationality; asylum; expropriation; law of the sea; land and maritime boundaries; the principle of good faith and equity and legitimacy of the use of force. These judgments have played an important role in the progressive development and codification of international law. Presently, there are five cases before the Court between European States, four others between Latin American States and two between African States. The subject matter of these cases include territorial and maritime delimitation, environmental concerns, jurisdictional immunities of the State, violation of territorial integrity, racial discrimination and human right violations. This reflects the increased relevance of and respect for due process of law that States are showing and is an affirmation of faith in the Court.

**Mr. President,**

The growing acceptance of Court's jurisdiction by States further highlights the importance of the Court and confidence of the States in the Court's ability to resolve their disputes. This has increased the work load of the Court manifold. As on 31 July 2009, 13 contentious cases and one advisory procedure were pending before the Court. In order for the Court to respond effectively to the increasing demands on its resources and to carry out its mandate efficiently, it is necessary that the Court is provided with adequate resources. The ability of the Court to effectively discharge its functions is also critical for the credibility of the UN system as a whole.

Thank You Mr. President.



**796. Statement by Member of Parliament and Member of the Indian Delegation to the UN T. K. S. Elangovan on Agenda Item 33 - Comprehensive Review of the whole question of Peacekeeping Operations in all their aspects at the Special Political and Decolonization Committee of the 64th Session of the UNGA.**

**New York, October 29, 2009.**

**Mr. President,**

With over 100,000 peacekeepers, a US\$ 8 billion budget and expanded mandates, Peacekeeping remains at the heart of the activities of the United Nations. Mr. President, My delegation attaches the highest importance to the issue of Peacekeeping.

India has been an active participant in peacekeeping since the word itself was invented in 1956. We have, over the past five decades, contributed more than 100,000 peacekeepers to 40 UN operations. We continue to provide troops and policemen to the most difficult operations that the UN conducts. India sends these soldiers and policemen under the flag of the United Nations. India is steadfast in its commitment to the Charter of the United Nations. We believe in the principles for which the United Nations stands for.

**Mr. President,**

I would like to take this opportunity to align ourselves broadly with the statement by the Delegation of Morocco on behalf of the Non-Aligned Movement. Mr. President, A number of initiatives are presently underway to examine the current state of peacekeeping. We take note, with appreciation, of the efforts of the British and French delegations in this regard. We also take note of the Security Council Working Group and the Secretariat's New Horizon project. As a nation that has provided and continues to provide the United Nations thousands of soldiers and policemen, in addition to a large proportion of operating air assets, we feel that the principal challenge facing peacekeeping is the nature of the Security Council's mandates. The manner in which they are generated is an area of major concern. It is the view of my delegation that mandates are too broad and too ambitious. They have very little correlation with the ability of the organization to deliver. We reiterate the importance of the Brahimi committee recommendation that mandates be clear and achievable. We also reiterate

that this will not be possible without substantively involving countries who contribute manpower and resources to Peacekeeping Operations.

**Mr. President,**

We are also disturbed that questions of substantive interpretation of the mandates - with repercussions beyond the immediate - are often left to the judgment of mission personnel in the ground. This can result in untenable situations, particularly for military officers, who operate best when there are unambiguous instructions and objectives. Unrealistic mandates have led to situations where mission personnel are forced to ask national contingents to undertake tasks and utilize Contingent Owned Equipment in a manner that is inconsistent with the legal framework under which they are deployed.

**Mr. President,**

We take note, with appreciation, of the most recent Security Council Presidential Statement on Peacekeeping. The statement has stressed the importance of substantive and timely triangular consultations between the Security Council, Troop and Police Contributing Countries and the Secretariat. In this connection, we welcome the initiative by the Security Council to hold consultations with Troop and Police Contributing Countries prior to renewal of mandates. This is a step in the right direction.

**Mr. President,**

The Department of Peacekeeping Operations, DPKO, is involved in the creation of police doctrines and benchmarks related to the Rule of Law operations. While we have no argument with the need to set standards, we need to remind ourselves that standards should be set in a manner which is realistic and relevant to the operating environment in which UN peacekeepers deploy. Doctrines and standards must not become like mandates - statements, rather than a blueprint for action. We feel that a greater effort needs to be made to involve developing countries in the generation of these doctrines.

**Mr. President,**

My delegation is of the view that the future effectiveness of DPKO lies in its ability to develop governance capacities in affected countries. DPKO needs to engage countries that have experience and knowledge in developing these capacities in the recent past. There are nations that have undergone successful post-colonial nation-building exercises analogous to what is

being experienced in areas where the DPKO is deployed. The Council needs to meaningfully engage these countries.

Mr. President,

Field Support needs far greater attention. It is our view, based on the experience of supporting the large contingents that we currently have under deployment, that the Department of Field Support, DFS, needs far greater internal coordination and client-orientation. It has also been our view that the Department of Field Support needs to function as a military support operation with a lean command structure. We feel that there is a need for far greater engagement of Member States on functioning of the DFS. Mr. President, As I conclude, I would like to salute the peacekeepers from India and from other nations who laid down their lives while serving in UN missions. I would also like to reiterate India's commitment to work with the United Nations in the maintenance of international peace and security including through the mechanism of Peacekeeping.

Thank You.



**797. Statement by Member of Parliament and Member of the Indian Delegation to the UN Ali Anwar Ansari on Agenda Item 55 - [A] Globalization and Interdependence: Role of the UN in promoting development in context of Globalization and Interdependence at the Second Committee of the 64th Session of the UNGA.**

**New York, October 29, 2009.**

Mr. Chairman, At the outset I would like to thank the Secretary-General for the report on the agenda item under consideration today. We, of course, associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

The rapid spread of the financial crisis since last year has once again demonstrated just how globalized our world has become. This was, of course, a demonstration of the adverse consequences of globalization but one must accept the enormous benefits that enhanced flows of capital, goods and services, technology and even people has brought to so many, though not to all. Our focus needs to be on harnessing the benefits of globalization for all, while minimizing its adverse consequences, particularly on the vulnerable. It is important that globalization is fair and inclusive. A critical element in this is the need to provide enhanced assistance to countries that lack the capacity to cope with the adverse impacts of globalization. For example, many countries are not in a position to stimulate their economies by implementing countercyclical measures against the financial and economic crisis. Greater efforts are needed from the developed world to assist such countries. Further, the need for targeted Government intervention to ensure inclusive growth has been clearly established. I am happy to inform that India has been actively pursuing a strategy of "faster and inclusive growth" as part of our overall development efforts. Innovative schemes like the Mahatma Gandhi Rural Employment Guarantee Act, which provides for 100 days of work to each rural family, and time-bound rural infrastructure development programmes in housing, water supply, electrification, roads, telephony and irrigation, are examples of this strategy. In a broader context, what is essential is enhanced policy space for developing countries, through flexibilities in international regimes, so that they may choose the right policy tools in the context of their specific development challenges.

This is vital, given that globalization can lead to reduction in the degree of national autonomy in policymaking. Globalization must not mean "one-size-fits-all" policy prescriptions.



**Mr. Chairman,**

Climate change is a matter of serious concern for all of us. Developing countries like India are being hugely impacted and we want to be part of the solution even though we have not caused the problem. The outcome at Copenhagen needs to be ambitious and equitable while respecting the provisions and principles of the UN Framework Convention on Climate Change, especially common but differentiated responsibilities. It must also ensure that developing countries can pursue their overriding imperative of poverty eradication. Mr. Chairman, We agree with the report of the Secretary-General that a key deficiency in the management of globalization is the lack of effective global governance. We need a genuine and comprehensive reform of international governance structures, with real voice and participation of developing countries. This includes reform at the Bretton Woods Institutions and at the UN, where the Security Council must be expanded in both its permanent and non-permanent categories to reflect contemporary realities. We also need to ensure that international regimes are equitable. A steady reduction in industrial tariffs has opened markets of developing countries, but they continue to face non-trade barriers in accessing markets of developed countries. At the same time trade in agriculture is distorted through huge subsidies to agriculture in developed countries. Moreover, it remains difficult and unaffordable for developing countries to access advanced technologies to combat climate change due to the existing Intellectual Property Rights regime. We welcome the suggestions made in the report of the Secretary-General to promote diffusion of technology in developing countries, including through a balanced IPR regime. The role of public funding to catalyse critical Research and Development, particularly in areas of climate friendly technologies, food production and public health, needs to be underscored.

We must also encourage collaborative efforts for joint R&D between institutions of developed and developing countries in these critical areas for the common good of humankind. Mr. Chairman, The UN has a unique legitimacy and universality among multilateral fora. We look forward to the UN playing a key role in assisting developing countries in addressing the impacts of globalization. The report of the Secretary-General has made various suggestions on the role of the UN in the context of globalization. Many of these deserve serious examination and need to be developed with the close involvement of Member-States.

Thank you.



**798. Statement by Member of Parliament and Member of the Indian Delegation to the UN Sanjay Nirupam on Agenda Item 64 - Report of the Human Rights Council at the 64th Session of the UNGA.**

**New York, October 30, 2009.**

**Mr. President,**

Thank you very much for giving me this opportunity to address the General Assembly on the important issue of the "Report of the Human Rights Council".

At the outset, on behalf of my delegation, I would like to thank the President of the Human Rights Council for his report. Mr. President, My delegation notes positively the promise shown by the Human Rights Council since its inception in 2006 as the premier organ of the United Nations dealing with human rights. Considerable progress has been made in the last three years in strengthening of its institutional mechanism as well as reviewing, improving and rationalizing all mandates, mechanisms, functions and responsibilities of the former Commission on Human Rights.

**Mr. President,**

The strength of the Human Rights Council lies in its emphasis on dialogue, cooperation, transparency and non-selectivity in the promotion and protection of all human rights and fundamental freedom for all. The enthusiastic participation of Member States in the Universal Periodic Review process till date is a pointer in this direction. This also underscores the success of this innovative mechanism, which has provided a platform for sharing of national experiences and best practices in consultation and with the consent of the country concerned. The importance of the Universal Periodic Review mechanism was rightly summed up by the Secretary General when he said "this mechanism has great potential to promote and protect human rights in the darkest corners of the world".

**Mr. President,**

The holding of the special sessions on thematic issues over the past one and half years attests to the wide ranging debate being conducted in the Council. We reiterate our firm commitment to continue to engage constructively with all Member States, and strive to make the Council more effective, responsive and efficient. We strongly believe that international community can advance our common cause through dialogue and interaction.

**Mr. President,**

The Human Rights Council is still evolving. It is important that we continue to provide collective guidance to the Council and help it mature. We should also ensure that these efforts are inclusive and respect the diversity in historical national experiences, cultures and development of different countries.

In this regard, we would like to state that we look forward to the forthcoming review process of the functioning of the Human Right Council in 2011. Let me take this opportunity to also reaffirm our trust in the work and independence of the Special Procedures mandate-holders. While commendable work has been done by them, it is important that they exercise responsibility and be sensitive in discharging their respective mandates. The Human Rights Council has provided mandate-holders with the Code of Conduct; it is important that this is adhered to. Any attempt to reinterpret the Code of Conduct or depart from their mandates would weaken the mandate holders and the important functions entrusted to them by the Human Rights Council. In this regard, we welcome the Council's resolution, 11/11, on the System of Special Procedures.

**Mr. President,**

We are encouraged by the efforts of the Human Rights Council to translate the Right to Development into a reality. Discussions on the Right to Development are gradually moving away from the realm of theory and principles into design and implementation of policies, leading to its realisation. In this connection, we note the significant contribution of the Working Group on the Right to Development.

**Mr. President,**

The Council must play a central role in denouncing terrorism, which poses the biggest threat to our common efforts towards peace, security and development. It also undermines the very foundations of freedom and democracy and enjoyment of human rights, including the most important fundamental right of them all, namely the right to life. Mr. President, In conclusion, I would like to say that the work of the Human Rights Council should proceed in a spirit of cooperation and mutual understanding. It should strive to promote human rights through international cooperation and genuine dialogue among Member States, including capacity-building and mutual assistance. India remains committed in making the Human Rights Council a strong, effective and efficient body capable of promoting and protecting human rights and fundamental freedoms for all.

Thank you, Mr. President.



**799. Intervention by the Permanent Representative at the UN Ambassador Hardeep Singh Puri after the Secretary General's briefing on the situation in Afghanistan to the General Assembly.**

**New York, October 30, 2009.**

**Mr. President,**

At the outset I would like to thank you Mr. President for making it possible for the Secretary General to brief us this afternoon. India condemns in the strongest possible terms the dastardly terrorist attack in Kabul on the UN's premises that killed five UN staff members and injured several others. Our own Embassy in Kabul has been attacked on two occasions, with the last one being only some weeks back. We have lost colleagues in these attacks with several more injured and loss of many innocent Afghan lives. We share the sense of grief of the UN community and offer our deepest condolences to the families of the victims, not only in this but similar attacks on the UN in this region and elsewhere. The terrorist attack, for which the Taliban has claimed responsibility, is a desperate attempt of those opposed to lasting peace and security in Afghanistan and aimed at disrupting the Presidential run-off elections scheduled on November 7, 2009. We could not agree more with the Secretary General that the UN was targeted because of its support for the elections.

The successful conclusion of elections would be an important milestone in Afghanistan's evolution as a democracy. All stakeholders - the Afghan Government, the international community and the UN must redouble their efforts and work in close coordination towards the organization of these elections as per schedule. We commend the UN's resolve and determination not to be deterred by this tragic incident and to carry on its Mission in Afghanistan. We also express our solidarity with the people and Government of Afghanistan and commend their resolve to confront the challenges that lie ahead.

**Mr. President,**

We affirm our full support to all the measures outlined by the Secretary General for strengthening safety and security of the UN personnel and its facilities. There is no doubt in our mind for the need for stepped up safety and security measures and their rigorous implementation on the ground. I would be remiss, therefore, if I did not respond to the SG's demand for additional resources to meet the needs for enhanced security. I want to

assure the Secretary General that these requirements will have our most favourable consideration in the shortest possible time-frame. We firmly believe that an expanded and enhanced UN presence on the ground is critical for effective coordination of international efforts. There is no substitute for the coordinating role of the UN in the reconstruction of Afghanistan.

**Mr. President,**

This incident once again clearly underscores the security challenges in Afghanistan. The challenge from a resurgent Taliban and Al Qaeda is real, and it is one that threatens us all. We need to confront this 'head on' as we are doing right now. The fight against terrorism cannot be compartmentalized. Given the recent dramatic decline in security, there is need for an intensified focus on security, governance and development by the Afghan Government and here the international community should do what it can to assist. Failure in Afghanistan's stabilization will entail a heavy cost for both the Afghan people and the world at large.

When we speak of recommitting ourselves to helping Afghanistan defeat the forces that seek to destroy all that has been achieved since 2001, it is important to recognize that all of us have an abiding interest in the success of this endeavour. What we believe Afghanistan needs is a long-term commitment, even while remaining mindful of the challenges. The Afghan people have displayed resilience and a survival instinct even against the greatest odds. We must do our utmost to support them.

Thank you.



**800. Statement by Member of Parliament and Member of the Indian Delegation to the UN B. K. Hariprasad on Agenda Item 67-Elimination of Racism and Racial Discrimination and Agenda Item 68 - Right of peoples to Self-determination at the Third Committee of the 64th Session of the UNGA.**

**New York, November 2, 2009.**

**Mr. Chairman,**

I would like to start by thanking the UN Secretary General for his reports under the agenda items dealing with racism and racial discrimination and rights of peoples to self-determination.

My thanks are also due to the Chairperson of the Committee on the Elimination of Racial Discrimination, the Special Rapporteur on Contemporary forms of Racism, Racial Discrimination and Related Intolerance, and the Chairperson of the Working Group on the Use of Mercenaries as a Means of Impeding the Exercise of Rights of People to Self Determination, for their statements to the Committee.

My delegation associates itself with statement made by the Chair of the G-77.

**Mr. Chairman,**

Mahatma Gandhi, the Father of our Nation, had experienced the full force of discrimination based on colour during his nearly two decade long stay in South Africa at the turn of the twentieth century even before his return to India to lead our struggle for independence.

Moreover, as a country that was under colonial rule for nearly two centuries, Indians were well acquainted with the abhorrent facts of racism and racial discrimination.

Very conscious of the destructive impact that racism and racial discrimination can have on society, the leaders of our freedom struggle ensured that the Constitution of India, even in its preamble, enshrined the basic value of equality.

Article 14 of our Constitution further-on clearly states that the State shall not deny to any person equality before law. This encompasses equality of opportunity as well as equality of status. And then we have Article 15 which expressly prohibits discrimination on grounds of religion, race, caste, sex

and place of birth. These two articles are a mere reflection of the fundamental principles and values that are an integral part of the fabric that binds a diverse country like India, together.

While the Constitution of India is the foundation of our legal and political system, India's independent judiciary has been in the forefront in safeguarding these rights for all our citizens. These rights are also reinforced by a free and vibrant media and vocal civil society.

**Mr. Chairman,**

The fight against racism and efforts to rid the world of racial discrimination and colonization were, therefore, obviously a corner-stone of our foreign policy after independence. In pursuing such objectives we were also guided by the fact that several parts of the globe were still under colonial rule and the most despicable of all forms of racial discrimination, apartheid, was on an ascendant in South Africa.

At the UN, our delegation took the lead in drafting the Convention on Elimination of All Forms of Racial Discrimination (CERD) and we are proud that distinguished Indians have served on the Committee on Elimination of All Forms of Racial Discrimination.

We naturally support national and international measures that must be undertaken to combat racism. We share the concern of other countries and of the General Assembly that expressed alarm at the increase in the number of racist incidents in several countries.

**Mr. Chairman,**

We welcome the outcome of the Durban Review Conference which was held in April this year. This outcome made an assessment of the effectiveness of the existing Durban follow-up mechanisms and other UN mechanisms dealing with racism and racial discrimination. It also assessed the efforts that have been made to promote the implementation of the provisions of the Convention on the Elimination of All Forms of Racial Discrimination and the sharing of best practices. It is important that the focus of these efforts remain on addressing the abhorrent issues of racism, racial discrimination, xenophobia and other related intolerance as specified in its mandate. We would like to reiterate our firm commitment to the Durban Declaration and Programme of Action and seek to create more effective measures to enhance its effective implementation.

**Mr. Chairman,**

India has been an active supporter of the Palestinian people's right to self determination and realization of their inalienable rights. We remain committed to Palestine and will continue to do all within our capacity to assist the Palestinian people in building their capacities and institutions.

India believes that the solution to the Palestine issue should be based on the relevant UN Resolutions, the Arab Peace Plan and the Quartet Roadmap resulting in a sovereign, independent, viable and united State of Palestine living within secure and recognized borders, side by side at peace with Israel.

**Mr. Chairman,**

The right to self determination is sacrosanct and must be considered as a fundamental right for people of non self governing territories and trust colonies. This is a right that allows people to freely establish their governance structures and participate in national democratic processes and institutions.

At the same time, the right to self determination cannot be used towards subversive political agendas. The international community has always agreed that this right cannot be extended to component parts or groups based on ethnic, religious or other such narrow lines, within an independent sovereign state. Any attempts to erode the territorial integrity of a Member State, is in fact an attack on the fundamental principles enshrined in the charter of the United Nations.

**Mr. Chairman,**

We regret the unacceptable reference made by the delegation of Pakistan to the Indian State of Jammu and Kashmir. I would like to reiterate that the Indian State of Jammu & Kashmir is an integral part of the Union of India and its people regularly participate in free, fair and open elections. Pakistan would be well advised to concentrate its focus on combating terrorism and not allowing the use of its territory by terrorists and their infrastructure. Pakistan has already been advised that they should take credible action against terrorists and their support base. This is necessary to create conditions for meaningful dialogue. I would also like to request the Pakistani delegation not to use this forum to sow detraction in support for the inalienable rights of the Palestinian people to self-determination.



**Mr. Chairman,**

For all of us in independent countries, nothing has a more empowering ring than the right to elect representatives, whether for national Parliaments, or for State legislatures or institutions of local self-governance. The exercise of this right, single-handedly, gives every citizen the most unique power to influence the course of the government in his or her country.

As the largest democracy in the world, we in India are, indeed, proud of our democratic traditions. This year we elected our 15th Lok Sabha, i.e., the Lower House of the Parliament. This enormous exercise involved more than 700 million voters exercising their franchise to elect 543 Members of Parliament.

**Mr. Chairman,**

Mahatma Gandhi once said "You must not lose faith in humanity. Humanity is an ocean; if a few drops of the ocean are dirty, the ocean does not become dirty".

The task ahead of us is long and challenging but we must firmly believe in the goodness of the human race. Equality and peace are fundamental to our existence. We should jointly purge the world of racist, xenophobic and discriminatory practices and facilitate the legitimate right of self determination for nations seeking freedom. We must use this opportunity wisely to rid the vast ocean of the drops of dirty water.



**801. Statement by Member of Parliament and Member of the Indian Delegation to the UN Francisco Sardinha on Agenda Item 116 - Follow up to the Commemoration of the two hundredth anniversary of the Abolition of the Transatlantic Slave Trade at the 64th Session of the UNGA.**

**New York, November 2, 2009.**

**Mr. President,**

On behalf of the delegation of India, I am, indeed, honoured to address the UN General Assembly on the "Follow-up to the commemoration of the two-hundredth anniversary of the abolition of the Transatlantic Slave Trade".

Two year ago, when the resolution on the commemoration of the two-hundredth anniversary of the abolition of the Transatlantic Slave Trade was adopted by consensus by the General Assembly, India was proud to co-sponsor it.

We are again happy to co-sponsor the follow up resolution that has been tabled by the CARICOM today.

In this connection, I would also like to welcome the Secretary General's report on the program of educational outreach on the transatlantic slave trade and slavery.

**Mr. President,**

Slavery has been one of the greatest scars on the history of nations. For a man to enslave another is truly a crime of the highest degree.

It is, therefore, imperative that we commemorate the great struggles and battles that have been fought to get rid of this scourge.

**Mr. President,**

A Greek historian had noted of ancient India, "[it] is remarkable in India that all Indians are free, and no Indian ...is a slave". However this changed after we were colonized and India was forced to endure a form of indentured servitude for nearly two hundred years. The agony of slavery and the degradation that it leads to is, therefore, well understood by us.

**Mr. President,**

The transatlantic slave trade ravaged African and Caribbean nations to satisfy the rapacious economic greed and exploitation of the colonizers. The effects of its violence and human suffering are still visible today.

Lest we forget, it is important that the international community must take at least the first step in the right direction by paying homage to the victims of slavery and slave trade and acknowledging the tragedy.

We are humbled to be part of the initiative to erect a memorial in honor of the various victims of slavery and the transatlantic slave trade. The permanent memorial will be a small commemoration for the millions of victims who suffered silently with no hope of freedom before they disappeared into the night.

This memorial will not only serve as a hallmark for us to pay our respect but will also be a reminder for the international community to raise awareness about relevant issues that surround the great evil of slavery of which the transatlantic slave trade was one of the most abhorrent manifestation.

We welcome the establishment of the Committee led by the Caribbean and African countries to oversee the permanent memorial project. In this context, we feel it will be befitting if UNESCO undertakes the task of launching the international design project for the permanent memorial.

We also recognise the importance of education of current and future generations about the history, causes and impact of slavery and the transatlantic slave trade.

We support the initiatives undertaken by the United Nations and recognise that the appointment of the Goodwill Ambassador is a step forward in spreading awareness about this important issue.

**Mr. President,**

We welcome the initiatives undertaken by States in reaffirming their commitment to implement paragraphs 101 and 102 of the Durban Declaration of the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance aimed at countering the legacy of slavery and contributing to the restoration of the dignity of the victims of slavery and the slave trade.

Slavery and slave trade are symptomatic of evils that are still manifested in the form of racism and xenophobia. Our work at the United Nations will not be complete unless we can abolish all forms of slavery, including its present manifestations. This requires that we work together with a spirit of international cooperation to rid our world of these modern forms of slavery.

Thank you Mr. President.



**802. Statement of Member of Parliament and Member of the Indian Delegation to the UN Khagen Das on Agenda Item 53 - Sustainable Development at the Second Committee of the 64th Session of the UNGA**

**New York, November 2, 2009.**

**Mr. Chairman,**

We would like to thank the Secretary-General for the detailed reports on the agenda item "Sustainable Development". We associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

The need for sustainable development has perhaps never been felt as strongly as it is being felt today. The multiple inter-linked crises that we face today necessarily need an integrated approach to sustainable development, with emphasis on all its three pillars of economic development, social development and environmental protection. This is key to achieving our development goals, particularly that of eradication of poverty and hunger. We agree with the views expressed in the report of the Secretary-General that Agenda 21 was truly an attempt to bring diverse agendas together. It is important that we continue to strive for full implementation of this important consensus, as well as its Johannesburg Plan of Implementation. In this regard, we also support the holding of a "Rio+20" event in Brazil in 2012 to comprehensively review the progress made in implementing the sustainable development agenda. Small Island Developing States [SIDS] have been particularly affected by the ongoing financial and economic crisis as well as climate change. Many of them have also been devastated by natural disasters this year. The enormous national efforts these countries are making must be complemented by greater international attention and action to address their special challenges. We hope the five year review of the Mauritius Strategy of Implementation next year will lead to further concrete actions in this regard. India has been privileged to have been able to contribute to the development efforts of SIDS in the spirit of South-South solidarity. We will continue with our efforts in areas like capacity building, natural disaster preparedness, adapting to climate change and enhancing resilience. However, efforts by fellow developing countries cannot replace the fulfillment of commitments by the developed world.

**Mr. Chairman,**

Our meeting today takes place at a critical time in the context of the ongoing climate change negotiations in the UNFCCC. We must reach an ambitious

outcome at the forthcoming Copenhagen meeting, which also recognizes the centrality of the principle of equity.

This outcome must be based on the principle of common but differentiated responsibilities and respective capabilities, as well as the historical responsibility of developed countries, which must commit and deliver on truly significant reductions in their emissions. The outcome must acknowledge that developing countries have to pursue accelerated development, and that they need hugely scaled up resources to address the challenge of climate change. As a country that is significantly affected by climate change, India, we have a major interest in ensuring a substantive and constructive outcome in Copenhagen. India will be part of the solution, even though we have not caused the problem in any way. It is also important to note that India's per capita emissions of around 1 ton of carbon dioxide equivalent per annum is only a quarter of the global average and half that of even the developing countries as a whole. Moreover, our contribution to the stock of carbon dioxide is negligible. We have also repeatedly reaffirmed that our per-capita emissions would never exceed the average per capita emissions of the developed countries, even as we pursue our development objectives. Nevertheless, India has domestically been taking voluntary mitigation and adaptation measures. Many of these will have specific time-bound goals. We have drawn up an ambitious National Action Plan on Climate Change. We are focusing on actions in a variety of areas like solar and other renewable energies, use of clean coal technologies, energy efficiency, green building codes, large scale reforestation efforts and green agriculture, among others. Ensuring affordable access to energy for millions of our citizens is a key element in achieving our overriding priority of poverty eradication. Promoting renewable energy is an important element in this effort. However, we are conscious that we will also have to continue to take recourse to fossil fuels in the foreseeable future. Affordable access to clean technologies is fundamental to both these strategies. It is imperative that we revisit the Intellectual Property Rights regime to ensure that for critical green technologies, rewards for innovators are balanced with the needs of humankind. We must actively promote collaborative R&D activities and technology transfer, particularly through public funding.

In this context, I am happy to recall that India jointly organized with UN-DESA the "Delhi high-level conference on climate change: technology development and technology transfer" on 22-23 October 2009. We will also organize the 4th International Renewable Energy Conference in New Delhi next year on the theme "Up-scaling and Mainstreaming Renewables

for Energy Security and Climate Change". We welcome the setting up of International Renewable Energy Agency (IRENA), and designating Abu Dhabi as its interim headquarters.

**Mr. Chairman,**

India attaches significant importance to the full implementation of the Convention on Biological Diversity, particularly the ongoing negotiations on an international regime on access and benefit-sharing. We hosted the meeting of the Group of Experts on Traditional Knowledge of the Ad hoc Open-Ended Working Group on Access and Benefit-sharing earlier this year. We believe that a regime on access and benefit sharing should include provisions for mandatory disclosure of country of origin of genetic resources, prior informed consent in Intellectual Property Rights applications, and the fair and equitable sharing of benefits, as required under the Convention. Next year will also provide an opportunity to take a holistic look at the level of achievement of the 2010 bio-diversity targets, and decide on future action.

Thank you.



**803. Statement by Member of Parliament and Member of the Indian Delegation to the UN B. K. Hariprasad on Agenda Item 41 - Report of the UN High Commissioner for Refugees. Questions relating to Refugees, Returnees and Displaced Persons and Humanitarian Questions at the Third Committee of the 64th Session of the UNGA.**

**New York, November 3, 2009.**

**Mr. Chairman,**

My delegation would like to thank the UN High Commissioner for Refugees (UNHCR) for his report, as well as his presentation before this Committee. His report highlights the central challenges being faced by the UNHCR and the organization's efforts to address them.

**Mr. Chairman,**

Refugees and stateless persons are a particularly vulnerable group. Having been forced to leave the country of their nationality or origin, they have little choice but to rely on the hospitality of the country where they have sought refuge. It is particularly important that the international community remain cognizant of the plight of such groups and be prepared to extend all help that can be offered to allow such groups to live a life with at-least a minimum modicum of dignity. In this context, we appreciate the work done by the UNHCR in fulfillment of its mandate, including its efforts to strengthen capacities for both protection and quick response in emergency situations. At the same time, we remain concerned at protracted refugee situations, and the increasingly challenging environment in which not only are the numbers of those seeking refuge and protection rising but that the UNHCR has been unable to adequately access the very people it is supposed to protect in several situations. A major factor in this regard has been the role of non-state actors in situations of armed conflict, who have prevented humanitarian assistance from reaching the victims of conflict and those seeking refuge and protection. It is important that the international community squarely addresses the issue of bringing these non-state actors to respect the humanitarian framework and machinery. It is equally important that the determination of refugee status should conform strictly to UNHCR's mandate to ensure that those guilty of terrorist and criminal acts do not abuse the national asylum systems and the international protection regime.

**Mr. Chairman,**

The primary responsibility to look after the internally displaced populations (IDPs) lies with national authorities. It is, therefore, important that UNHCR's involvement in IDPs should only be with the concurrence of national authorities, and, only if the situation is one of a collapse of national authority then in conformity with the conditions approved by the UN General Assembly. Further, such involvement should be based on due consideration of UNHCR's mandate, modality of intervention, availability of resources and after a careful examination of all the implications.

**Mr. Chairman,**

India is not a signatory to the 1951 UN Convention on Refugees as we believe that the Convention is limited in scope and does not address issues related to massive migration and mixed refugee flows. However, we have always respected international principles pertaining to refugees and India is second to none in upholding non-refoulment. The Indian civilization and heritage has an underlying pluralist and tolerant character that has been receptive to and has hosted, diverse streams of migration over thousands of years. India shouldered two of the biggest exodus of populations in modern history - one related to the partition of India in 1947 and the other during the liberation struggle of Bangladesh in 1971. Even today we are host to some of the largest refugee populations in the world. And, we have cared for them from our own resources while affording these refugees full protection under our laws. We have also successfully managed repatriation of a large number of refugees to their countries of origin through bilateral arrangements without any multilateral assistance.

**Mr. Chairman,**

India remains committed to working in concert with UNHCR and the international community to address the present and emerging challenges to the international protection agenda in a spirit of solidarity. We respect the efforts of the UNHCR staff in their noble mission, often in dangerous situations, and assure them of our continuing cooperation.

Thank you, Mr. Chairman





**804. Statement by Member of Parliament and Member of the Indian Delegation to the UN Khagen Das on the UN Relief and Works Agency for Palestine Refugees in the Near East at the 64th Session of the UNGA.**

**New York, November 3, 2009.**

**Mr. Chairman,**

At the outset, please allow me to express appreciation for the work of the Commissioner General and the United Nations Relief and Works Agency (UNRWA). We also thank the UNRWA Advisory Committee and the members of the working group on the Financing of UNRWA, for their efforts in support of this Agency. We felicitate UNRWA on the occasion of the 60th anniversary of its establishment. UNRWA's work in providing humanitarian assistance, including education, health care and social services is highly commendable.

2. India has consistently supported these efforts. We reiterate our appreciation for the difficult but essential service that UNRWA has rendered over the years, making assistance of the Palestinian refugees its highest priority.

**Mr. Chairman,**

The report, and other reports of the UN Secretary-General under this agenda item, clearly illustrate the severe challenges UNRWA continues to face. The Agency's budgetary shortfall continues to grow and it is finding difficult to maintain the existing level of services. This paucity of funds is paralleled by an increase in the demands upon the Agency for assistance and support, in particular in Gaza. We are concerned that the global financial crisis has adversely impacted UNRWA's operations. These funding challenges exacerbate existing pressures of caring for refugees in overcrowded camps leading inhuman lives that are in urgent need of up-gradation. Such challenges cannot be addressed by a reduced capacity to help. There is an urgent need for greater international effort to ease UNRWA's fiscal burden. Against this backdrop, India made a special contribution of US \$ One million in January 2009 in response to the Gaza flash appeal made by UNRWA for extending assistance to Palestinian civilians. On the occasion of the 60th anniversary of UNRWA and given the financial constraints faced by the Agency, India has made a commitment to increase its contribution to the Agency to US \$ One million

this year. These are in addition to our financial assistance packages to the Palestinians National Authority and other humanitarian assistance efforts for the well-being of the Palestinian people.

**Mr. Chairman,**

We share Commissioner General's assessment that an open access regime and greater freedoms for Palestinians are essential for creating an atmosphere in which the forces of compromise, moderation and tolerance are encouraged. The insecurity bred by extreme levels of poverty among the Palestinian people in the Occupied Territories is heightened by the lack of definitive progress in the peace process.

This leads us to the larger point: the only lasting solution to the problem of the Palestinian refugees is a just, lasting and comprehensive solution to the long-standing conflict in the Middle East. We believe that the solution to the Palestine issue should be based on the relevant UN Resolutions, the Arab Peace Plan and the Quartet Roadmap resulting in a sovereign, independent, viable and united State of Palestine living within secure and recognized borders, side by side at peace with Israel. Till the day when a mutually-acceptable peace is in position, it is incumbent upon all of us to support UNRWA, as the primary source of humanitarian assistance to the Palestinian refugees. For this reason, we endorse efforts to support UNRWA by expanding its capacity to render assistance. India will, of course, continue to do all within its capacities to assist Palestine in its endeavours in capacity and institution-building. We salute the struggling people of Palestine. We express our solidarity with the Palestinian people.

Thank you Mr. Chairman



**805. Statement by Member of Parliament and Member of the Indian Delegation to the UN Vijay Ramnikal Rupani on Agenda Item 54 - Implementation of the outcome of the United Nations Conference on Human Settlements [Habitat II] and strengthening of the United Nations Human Settlements Programme [UN-Habitat] at the Second Committee of the 64th Session of the UNGA.**

**New York, November 4, 2009.**

**Mr. Chairman,**

We thank the Secretary General for the report on the agenda item under consideration today. We would like to associate ourselves with the statement made by the Chair of the Group of 77.

**Mr. Chairman,**

India attaches great importance to the issue of affordable housing. This topic is even more relevant now in the context of the ongoing global financial and economic crisis and the consequent crunch on the availability of finance for housing in developing countries. It is, therefore, satisfying that the special theme of the twenty second session of the Governing Council of UN-Habitat held earlier this year was related to affordable housing finance systems. We believe that many of the initiatives launched by UN-Habitat in this regard, particularly the experimental reimbursable seeding operations, have the potential to make real impact. It is important that the international community fully supports and provides financial resources to these efforts. We are also encouraged by the recognition in the report of the Secretary-General of the broader need for proactive Government policies in the housing sector, rather than leave this sector entirely to market forces. Public policy and regulatory frameworks can specifically cater to the needs of the poor. In this regard, permit me to highlight that the Government of India has taken several initiatives to improve housing and habitat for its population through numerous programmes, both in urban and rural areas. The goal of "Affordable housing for all" is the overarching objective of our National Urban Housing and Habitat Policy, while promoting sustainable habitat development. A special committee has recently been set up under this Policy to collect detailed data on low-income households. Another component of this Policy is the "Jawaharlal Nehru National Urban Renewal Mission", which seeks to provide seven basic services to the poor, namely, land tenure, affordable shelter, water, sanitation, education, health and social security.

In rural areas, where the vast majority of our population still lives, there are programmes like the "Indira Awaas Yojana", which help in the construction and upgradation of dwelling units for the poor by providing them a lump sum financial assistance. We are also developing and promoting cost-effective, environment friendly and disaster resistant housing technologies for both urban and rural areas. Mr. Chairman, Strengthening public-private partnerships is an integral element of our housing policies. Various types of public-private partnerships are being promoted under the scheme of "Affordable Housing in Partnership". This initiative also intends to provide economic stimulus through job creation, especially for the construction workers and other urban poor who are likely to be amongst the most vulnerable groups in recession. The initiative further targets the creation of demand for a large variety of industrial goods through the multiplier effect of housing on other economic activities. In this context of public-private partnerships, India was happy to host the first Habitat Business Forum in New Delhi earlier this year. This event also provided an opportunity to recognize successful initiatives in the private sector in the areas like affordable land and housing, water and sanitation, green technologies and disaster preparedness. Habitat policies can only be successful if they take a holistic approach. Promoting employment is a key element in this. In India, schemes like the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) seeks to provide gainful employment to the urban unemployed or underemployed through the setting up of self-employment ventures or provision of wage employment. The Mahatma Gandhi National Rural Employment Guarantee Act provides 100 days of employment of every rural household. Other habitat elements like sanitation are being addressed through schemes to construct low-cost sanitation units. Further, there is special emphasis on creation of economic infrastructure, and community and social assets. We are also conscious of the need to promote sustainable habitat development. We have adopted green building codes and energy efficient transport options, among other measures. We are also encouraging greater representation of all sections of society in local authorities and expanding their functional domain to focus on environment, developing sustainable habitation, local economic development, planning, and resource mobilization.

**Mr. Chairman,**

South-South cooperation can play an important role in housing development. We are happy that the Governing Council of UN-Habitat has requested UN-Habitat to make use of the experience, expertise and centres of

excellence existing in several countries of the South to help in the implementation of its work programme. India has been active in sharing its experiences and know-how in the field of housing development with fellow developing countries, and we are committed to continue our efforts. We reiterate the need for the international community to provide financial resources to UN-Habitat to further facilitate South-South cooperation. In fact, Mr. Chairman, the issue of budgetary constraints continues to be recurring problem for UN-Habitat. It is of concern that regular budget funds represent only around seven per cent of the total UN-Habitat budget and there is a severe imbalance between earmarked and non-earmarked contributions. We agree with the report of the Secretary-General that adequate, stable and predictable funding, preferably through multi-year financing, would enable UN-Habitat to plan effectively for the delivery of its approved work programme and the implementation of the medium-term strategic and institutional plan for the period 2008-2013. It is imperative that there be concrete progress towards this goal.

Thank you.



**806. Statement by the Member of Parliament and Member of the Indian Delegation to the UN B. K. Hariprasad on the Report of the Human Rights Council at the 64th Session of the UNGA.**

**New York, November 4, 2009.**

**Mr. President,**

India condemns in the strongest possible terms the violations of international humanitarian law and human rights law committed during the Gaza conflict in December 2008-January 2009.

We are convinced that the unqualified adherence by all the concerned parties to the relevant instruments of international humanitarian law and human rights law is imperative, and further that any refusal by the concerned parties to do so should rightly receive the strongest possible opprobrium of the international community.

**Mr. President,**

We note that the "Goldstone Report" has been discussed by the UN system a number of times prior to our meeting today. This Report which was prepared under the express mandate of the President of the Human Rights Council has been discussed at the Council in a special session in the middle of last month. Let us, therefore, be clear that what we are discussing is the report of the Human Rights Council at its 12th special session which was held in Geneva last month. While participating in the Special Session, we had noted that the Fact Finding Mission had produced a comprehensive report that merits careful consideration. It had documented violations of human rights and international humanitarian law by all the sides involved. This is a matter of serious concern. We also pointed out that it was important not to lose sight of the weaknesses of the Report, including the fact that the Report itself admits that its findings do not necessarily reach the standard of proof applicable in criminal trials and that the Mission should have addressed its recommendations to the Council and not to other institutions in the UN and multilateral system. The Report was also among the major issues discussed by the Security Council on 14 October. We had carefully watched this discussion in the Security Council as well as the events which led to its convening and followed it up with a serious analysis of the developments that have since unfolded.

**Mr. President,**

India's deep association with, and continuing commitment to, Palestine is rooted in our modern history that goes back to our struggle for independence.

We believe that the solution to the Palestine issue should be based on the relevant UN Resolutions, the Arab Peace Plan and the Quartet Roadmap resulting in a sovereign, independent, viable and united State of Palestine living within secure and recognized borders, side by side at peace with Israel. India will continue to do all within its capacities to assist Palestine in its endeavours in capacity and institution-building, as exemplified, among other things, by the recent enhancement in our contribution to UNRWA. Mr. President, The continuance of an atmosphere of distrust and refusal to talk is fast becoming a major obstacle to peace and security in the West Asia region. Terrorism and an escalating humanitarian crisis are adding obstacles to any resumption of the dialogue process.

We are convinced that all the concerned parties involved in the Gaza conflict nearly a year back need to introspect and take firm action against those responsible for violations of international humanitarian law and human rights law in a credible and speedy manner as has been recommended by the Goldstone Report. The international community, especially the countries in the region must play a positive role in creating an enabling atmosphere for such investigations and follow-up actions. In conclusion, Mr. President, I wish to emphasize that while we welcome the various efforts at documenting the injustices and atrocities committed during the Gaza conflict, we have reservations in making an unqualified endorsement of the various recommendations as well as of some of the procedures adopted by the Goldstone Report, including on involvement of the International Criminal Court and that of the Security Council. Thank you.



**807. Statement by Member of Parliament and Member of the Indian Delegation to the UN Bhagat Singh Koshyari on Agenda Item 105 - International Drug Control Results of the High-level Segment of the fifty-second Session of the Commission on Narcotic Drugs at the 64th Session of the UNGA.**

**New York, November 5, 2009.**

**Mr. President,**

Let me at the outset welcome the Political Declaration and Plan of Action on International Cooperation towards an Integrated and Balanced Strategy to Counter the World Drug Problem which was adopted at the high-level meeting of the 52nd Session of the Commission on Narcotics Drugs in March this year. Let me assure India's commitment to the implementation of the declaration. Let me also express my appreciation for the work done by the United Nations Office on Drugs and Crime on the world drug problem through its various initiatives and reports, and in helping carry forward the drug control agenda through this important and timely review process. Over the last several decades, some measure of success has been achieved in putting in place an international framework on drug control, notably the three UN Conventions of 1961, 1971, and 1988 and the Political Declaration and Action Plan adopted at the 20th Special Session of the United Nations General Assembly in 1998. The World Drug Report for this year has significantly observed that there is evidence of reduction in the cultivation of crops for drugs and decline in the demand for illicit drugs globally. However, despite international efforts in this direction, illicit drug production, supply, consumption, and traffic remains a major global challenge that affects the entire international community. It is therefore important to not only reflect on the path traversed so far, but also to build on the gains, incremental as they may be, and translate it into an effective and coordinated international response while charting a future course of action.

**Mr. President,**

India's resolve to fight the menace of illicit drugs remains steadfast. We will continue to adhere to the commitments made in the three UN Conventions as well as in the Political Declaration and Plan of Action to overcome the world drug problem that was adopted at the June 1998 Special



Session of the United Nations General Assembly. India is one of the world's principal producers of licit opium. We seek to ensure a balance in the demand and supply of licit opiates required for genuine medicinal and scientific purposes. The legal regime in India is defined by the Narcotics Drugs and Psychotropic Substances Act 1985 and Prevention of Money Laundering Act which brings drug-related offences within its ambit. Due to persistent efforts during the last two decades, the situation of illicit drugs in India has changed considerably. Significant success has been achieved by the Narcotics Control Bureau of India in recent years through seizure of various illicit narcotic drugs and also in combating trafficking, interdiction and investigation, and destroying illicit drug.

**Mr. President,**

India supports a balanced approach that relies on destruction of illicit drug crops while at the same time providing alternative means of livelihood to the farmers adversely affected by such destruction. Such an approach could be utilized in Afghanistan as well, which has to be the focus of the problem in the foreseeable future. There is also a need to control Amphetamine Type Stimulants (ATS) and its precursors, an area where significant gaps exist in the international control regime. We would urge the UNODC to bridge the asymmetry in the regulatory framework between different countries by helping expand precursor control regulation to cover all countries as a shared responsibility. We must raise social awareness about the adverse consequences of drug addiction, particularly amongst the younger generation, which is one of the most vulnerable groups. Apart from stringent legal measures, societies should strive to inculcate the highest moral values in our youth, including through the teachings of our great philosophers and religious thinkers. Incorporating practices like yoga and meditation in our daily lives is also helpful in weaning the youth away from toxic and destructive lifestyles that lead to problems like drug abuse. However, we are conscious that national efforts alone cannot effectively address this problem. Combating the menace of illicit drugs requires member states to develop a cohesive, balanced and integrated approach to the issue. In this context, India reaffirms its commitment to working closely with other countries, both bilaterally and through regional and international collaboration, to achieving our common goal of a world free of illicit drugs. Collective, coordinated, and concrete strategies should be devised to effectively combat illegal drug production, consumption, and trade so as to jointly address the challenges in the coming years.

**Mr. President,**

Drug trafficking is more often a transnational crime and one of the main sources for financing terrorist activities. It cannot be tackled individually or in isolation. Bilateral, regional, and multilateral cooperation has to be recognized as a key element of any strategy to effectively combat this problem. We cannot succeed in rooting out the threat posed by illicit drug supply and production without also addressing the destructive linkages to narco-terrorism, arms trade and money laundering. To make a real difference, the international community must break the pernicious nexus between drug trafficking, terrorism, money laundering, illegal arms trade, and trans-national organized crime. This is of particular concern to India which is painfully familiar with the issue having suffered from years of terrorism. The international community must come together to take a coordinated far-sighted global approach. Crucial in this context is the need to now adopt the Comprehensive Convention on International Terrorism, which has been under negotiation at the United Nations for years.

**Mr. President,**

I would like to reiterate India's unwavering commitment to working closely with the international community in eliminating the world drug and attendant problems including narco-terrorism and the financing of terrorism through drugs.

Thank You, Mr. President.



**808. Statement of the Member of Parliament and Member of the Indian Delegation to the UN Khagen Das on the situation in Afghanistan at the 64th Session of the UNGA.**

**New York, November 9, 2009.**

Mr. President,

Let me begin by expressing India's appreciation for scheduling this discussion on a subject of great significance for us, our region and the world. I commend the effort by the delegation of Germany in coordinating inter-governmental negotiations that have led us to this annual General Assembly resolution on the "Situation in Afghanistan". As we have been doing for the last several years, we are happy to co-sponsor this resolution, which is traditionally adopted by consensus.

Mr. President,

The successful conclusion of the first Afghan-led Presidential and Provincial Council's elections is a major milestone in Afghanistan's evolution as a democracy. We congratulate President Hamid Karzai on his re-election and express our appreciation to all democratic forces in Afghanistan. I would be remiss if I do not place on record our appreciation for the critical supportive role played by the UN and the international community towards organizing these elections. India appreciates the resoluteness and determination of the Afghan people who participated in this historic election process, notwithstanding threats and intimidation by the Taliban. Once a new government assumes office, this would provide us a fresh opportunity for a renewed commitment by the international community towards rebuilding Afghanistan. While determining the contours of a new compact, we need to assimilate and integrate the experiences drawn from the past compacts. The past compacts, such as those reached in London in January 2006 and Paris in June 2008 placed the responsibility for institution building and governance mainly on the shoulders of the Afghan people and government, without adequately resourcing that effort and eliminating the growing threat from terrorist groups destabilizing the country. This time we need to be mindful of these aspects. Mr. President, In the arduous journey for lasting peace and security in Afghanistan, significant challenges lie ahead. First and foremost is the imperative need for security. The challenge from a resurgent Taliban and Al Qaeda is real, and it is one that threatens us all. Asymmetric warfare and complex terrorist attacks are being mounted in Afghanistan and the well-springs that sustain such terror show no signs

of being drained. Civilians, humanitarian personnel, international and UN staff and diplomatic personnel- including our Mission in Kabul have been targeted in terrorist attacks. There is an increasing recognition that the increase in terrorist actions in Afghanistan is linked to the support and sanctuaries available in the contiguous areas. That explains the particularly high-level of violence in the border areas of Afghanistan. Security and stabilization of Afghanistan will remain a distant goal unless we are able to root out the elements of Al Qaida, Taliban and other terrorist and extremist groups operating from within and outside Afghanistan's borders.

Therefore, in addition to the strengthening of the International Security Assistance Force, it is critical that the Afghan National Security Forces are enlarged and developed in a professional manner, at a much faster pace. They should be provided appropriate resources, combat equipment, and training. We welcome the expansion of their capacities as this is the only viable guarantee for a successful conclusion to military engagement in Afghanistan. We note with appreciation the efforts being made by third countries to strengthen the capacities of the Afghan National Security Forces. Indeed, there are no quick-fix solutions. In the battle for winning the hearts and minds of ordinary Afghans, we need to guard against the risk of pessimism and defeatisms pervading our thought processes. Perseverance and tenacity are critical to handle the challenge posed by Al Qaida, Taliban and other terrorists and extremist groups squarely and effectively. Mr. President, This brings us to reconciliation. It requires strategic clarity, unity of purpose, and due recognition of the nature of those with we seek to reconcile with. Without consensus amongst relevant parties over key issues, such as reconciliation with whom and how, we may well be dividing ourselves; not those we seek to "peel away" from terrorist groups. It is for this reason that we must go beyond unworkable divisions between "good" and "bad" Taliban. Terrorism cannot be compartmentalized. History suggests that facile attempts to strike Faustian bargains with terrorists often result in such forces turning on the very powers that sustained them in the past. Any effort which weakens the authority of the Central Government and its institutions would be counter-productive. We need to be extremely cautious while moving forward on this sensitive issue. We support the Afghan Government's determination to integrate those willing to abjure violence and live and work within the parameters of the Afghan Constitution, which provides the framework for a pluralistic and democratic society. This should, of course, go hand-in-hand with the shutting down of support and sanctuaries provided to terrorist groups across the border.

Mr. President

A sustainable strategy for stabilization of Afghanistan must be predicated upon short, medium and long-term strategies to address the development challenge. While the Afghan government should spell out its priorities, the international community should come forward to provide the resources for fulfilling them. The efforts on the international community in Afghanistan can only be sustained in the long-term if we invest in developing Afghan human resources. For this, a multi-pronged approach is required: at one level, we must invest in rebuilding the economic and social infrastructure of the nation, while generating jobs. At another, we must progressively transfer skills and authority to our Afghan friends, to enable them to take full ownership of the reconstruction of their country. Mr. President, In India's efforts towards stabilization of Afghanistan, the focus has been on development. Stabilizing Afghanistan is not only integrally connected with our own security; it is also connected to the civilizational legacy of our friendship. Our commitment to Afghanistan has now crossed US \$ 1.2 billion. It includes the widest range of activities; from a cold storage plant in Kandahar, to 218 km long Zaranj-Delaram Highway to a power transmission line to Kabul, which has provided round-the-clock electricity supply for the first time since 1992. We are building the Parliament Building- the edifice of democracy while simultaneously targeting community based local projects that provide quick peace dividends, such as schools and hospitals. In all of this, capacity-building is a core element. It is in support of this core task that India has expanded the current allocation of 1000 seats in our institutions for capacity-building and scholarship programmes by 35%. Turning to the regional aspect, Mr. President, stabilization of Afghanistan must be a central part of regional processes, if it is to regain its role as the crossroads of South, West and Central Asia. This includes regional economic processes, such as SAARC and the Regional Economic Cooperation Conference on Afghanistan. These benefit the entire region. Hindering these processes affects Afghanistan and the region as well. We must expand, rather than hinder, trade, transit and transport ties, including overland transit and trade. That is the best way of bringing the regional dimension into play in a positive manner.

Mr. President,

Given the turbulence of the past eight years and the recent dramatic decline in security, there is need for an intensified focus on security, governance and development by the Afghan Government and here the international

community should do what it can to assist. Failure in Afghanistan's stabilization will entail a heavy cost for both the Afghan people and the world at large. When we speak of recommitting ourselves to helping Afghanistan defeat the forces that seek to destroy all that has been achieved since 2001, it is important to recognize that all of us have an abiding interest in the success of this endeavour. What we believe Afghanistan needs is a long-term commitment, even while remaining mindful of the challenges. The Afghan people have displayed resilience and a survival instinct even against the greatest odds. We must do our utmost to support them. Thank you.



**809. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dr. Janardhan Waghmare on Agenda Item 11 - Support by the United Nations System of the Efforts of Governments to promote and consolidate newly restored Democracies at the 64th Session of the UNGA.**

**New York, November 9, 2009.**

**Mr. President,**

At the outset I would like to congratulate the delegation of Qatar for introducing the draft resolution on the important issue of "support by the United Nations system of the efforts of Governments to promote and consolidate new or restored democracies". We are happy to co-sponsor the resolution.

We would also like to take this opportunity to thank Qatar for their successfully stewardship of the Chair of the International Conference of New or Restored Democracies (ICNRD) during the last three years and would like to assure Venezuela of our support during their forthcoming chairing of this process.

**Mr. President,**

The ICNRD process has come a long way since its inception with only thirteen countries in Manila more than twenty-one years ago. Today, this process has the participation of more than a hundred countries in its activities and with membership open to all the Member States of the United Nations.

This underscores the importance of the principles and purposes of the Conference and the success of this initiative.

We are also happy to note that this process has helped countries to share experiences on democracy as well as identify means to promote pluralistic and participatory democracy. We look forward to institutionalization of ICNRD activities.

**Mr. President,**

India is the world's largest democracy and we are proud at upholding the highest traditions of democracy since our independence more than sixty years back.

We draw particular satisfaction from the manner in which we conduct our elections. Since the past few years, we have been using electronic voting machines (EVMs). This has allowed our Election Commission to declare results within hours of the start of the counting process even though, on an average, our constituencies comprise over a million voters. A few months back, we elected the 15th Lok Sabha, the Lower House of Parliament, in a mammoth process that involved more than 700 million voters exercising their franchise to elect 543 Members of Parliament.

**Mr. President,**

We are also proud of yet another democratic process at the grassroots level in India. We have an institutionalized system of local self-governance in rural India since 1993 through the system of Panchayati Raj. A unique feature of this grass-roots empowerment is the component of gender empowerment which involves one-third of the elected seats being reserved for women. As a result, we have over a million elected women representatives in the country.

**Mr. President,**

Our experience has also shown that democracy is a powerful tool in successfully involving people in meeting the challenges of development. It allows their active participation in and influencing of government actions in the direction of peoples aspirations. It also ensures a voice for the most vulnerable and weakest sections of society.

Our experience also corroborates that implementation of proactive development policies and economic reforms, when coupled with a liberal democratic polity, leads to overall stability and growth of the country.

**Mr. President,**

India, being a developing country itself, is in a unique position of understanding the problems that other developing countries face while embracing democracy.

We have been sharing our experience, institutional capabilities and training infrastructure with nations that share our democratic values and beliefs and would like to benefit from the experience of other democracies..

In this context, we are happy to be one of the major contributors to the United Nations Democracy Fund and serve on its Advisory Board. We have also been offering our expertise bilaterally and through other



multilateral fora promoting democratic ideals and the Rule of Law. We have also been active supporters of activities of the UNDP in the field of good governance.

**Mr. President,**

India is strongly committed to the underlying values and principles inspiring of the ICNRD. We would continue to support this as well as to provide necessary assistance to further consolidate, strengthen and support it.

Thank you, Mr. President.



**810. Statement by Member of Parliament and Member of the Indian Delegation to the UN Vijay Ramniklal Rupani on the Culture of Peace at the 64th Session of the UNGA.**

**New York, November 10, 2009.**

**Mr. President,**

I am deeply honoured and privileged to participate in today's discussions under the agenda item "Culture of Peace".

Please allow me to express our sincere thanks and appreciation to the Secretary General for his comprehensive report on inter-religious and inter-cultural dialogue, understanding and

cooperation for peace that outlines the ongoing processes and future initiatives envisaged in this field. In this context, we are happy to co-sponsor the resolution on International Decade for a Culture of Peace and Non-violence for the Children of the World 2001-2010. We are also happy to co-sponsor another major initiative in this area of the Alliance of Civilizations. India is a member of the Group of Friends and we are pleased to note that this initiative has gained momentum.

**Mr. President,**

We are extremely satisfied to co-sponsor the resolution on the Nelson Mandela International Day, which was endorsed by the special declaration adopted at the XV NAM Summit at Sharm El-Sheikh. We express our rich

tributes to Nelson Mandela, a visionary and great leader of our times, whose life has been deeply influenced by Mahatma Gandhi - the greatest apostle of peace and non-violence. The adoption of this resolution is a befitting compliment to the incessant struggle of this living legend in his dedication to the service of humanity, struggle against racial discrimination and promoting reconciliation and democracy internationally, and in the promotion of a culture of peace throughout the world.

**Mr. President,**

The Charter of the United Nations says that the peoples of the United Nations are determined to practice tolerance and live together in peace. Peace and tolerance, therefore, form the core set of values that the United Nations has painstakingly promoted ever since its inception. These values, attitudes and ways of life underscore freedom, justice, solidarity, and respect for diversity, dialogue and understanding. Much of the conflict in today's world is driven by the absence of tolerance. Forces that would like the language of violence to replace the language of dialogue and peace fuel and stoke this conflict. This violence is spreading its tentacles and threatening to destroy the moral values and the fabric of tolerance and composite culture that has propelled progress for humankind. The magnitude of these problems requires, more than ever before, for all human beings to work together in finding new solutions. Mr. President, We need to create an environment conducive for fostering dialogue between diverse cultures, faiths and religions that inculcates the values that promote transition from force to reason, from conflict and violence to dialogue and peace.

Global efforts towards peace and reconciliation can only succeed with a collective approach that is built on trust, dialogue and collaboration. Albert Einstein rightly noted, "Peace cannot be kept by force. It can only be achieved by understanding." Dialogue amongst different cultures and religions is also important because it is precisely in the absence of such dialogue and understanding, that intolerance, bigotry and violence flourish. This is the reason why extremist ideologies, violence and terrorism, have grown in a world in which we seem to be moving away from dialogue and understanding. There can be no disputing that terrorism, which is a manifestation of extremism, intolerance and violence, is the antithesis of all religions. All acts of extremism and intolerance run counter to the central teachings of any religion, as all faiths are based on the universal values of peace, goodness and humanity. No religion condones violence or the killing of human beings.

**Mr. President,**

The history of India is a story of conversations between different civilizations. We have a tradition of respect and give and take between faiths and cultures. India is today home to the most diverse mix of people professing different faiths having in our midst some of the largest populations of the great religions of the world. The interaction between India and the West goes back to the time of ancient Greece. Millennia ago, the interaction between these two civilizations produced the Milindapanha, a record of the conversations between the Greek King Menander and a Buddhist sage, Nagasena. It also produced the exquisite Gandhara art form. India's contact with Islam produced the great edifice of the Indo-Islamic culture, including the beautiful traditions of sufism. We in India understand the importance of building alliances among religions, cultures and ethnic groups. As a nation of unparalleled diversity, Indians would not have succeeded in holding together and strengthening a composite Indian identity unless Indians practiced tolerance and were determined to live together in peace.

**Mr. President,**

India supports all efforts to build bridges of understanding between nations, peoples, religions, and cultures across the many fault-lines that exist. In this context, India feels that the initiatives which further and expand on these objectives are timely and valuable. Mahatma Gandhi had rightly said, "Intolerance is itself a form of violence and an obstacle to the growth of a true democratic spirit". In India, we are disturbed by the rise of intolerance worldwide. We are troubled by the increase in resources, financial and otherwise, that are being made available to violent and intolerant groups that misuse religion to justify and propagate their extremist agendas. The effort to counter such tendencies diverts attention and much-needed resources from development efforts in the developing world, including India. Moreover, the destructive activities of such groups have potentially serious consequences to social stability, peace and tranquility. It is therefore imperative that the nations of the world come together to tackle the menace of terrorism and extremism, which are an anathema for modern societies. We need to be clear that abetting knowingly or even unknowingly the spread of fundamentalism and terrorism is like feeding a monster that will turn around and consume us. The dialogue also needs to send out a strong message about the responsibility of nation states to do all that they can do in their power to promote tolerance and respect. They must do so at all levels, within nations, within regions and within the broader international community.

Thank you



**811. Statement by Member of Parliament and Member of the Indian Delegation to the UN Dhruva Narayana Rangaswamy on Protection of Civilians in Armed Conflict at the UN Security Council.**

**New York, November 12, 2009.**

**Mr. President,**

India would like to thank the Austrian Presidency for organizing this thematic debate on the Protection of Civilians.

We take note of the concept paper that has been circulated on this topic. We also take note of the exhaustive report commissioned by the DPKO on Protecting Civilians in the context of UN Peacekeeping Operations. The primary responsibility of this Council, that of responding to threats to international peace and security, is exercised in an environment that has changed very substantially since 1945. Major threats to peace and security no longer arise from conventional wars between states. The preponderance of conflicts today are low-intensity and involve belligerents who are not necessarily combatants under international humanitarian law. The Council's attention is also devoted to post-conflict situations which require stabilizing and preventing recurrence of conflict.

**Mr. President,**

Civilians have always suffered in war. International humanitarian law, particularly those provisions that protect civilians, arose to deal with the terrible suffering of civilians in war. Unfortunately, notwithstanding the development of International humanitarian law and UN Security Council mandates, civilians continue to suffer today. Even more unfortunate is the fact that civilians or non-belligerents suffer a disproportionate share of the casualties as compared to belligerents. It is they who bear the brunt of violence in conflict and post-conflict situations.

**Mr. President,**

The operational reasons behind the UN's inability to fully translate the Security Council's intent to protect civilians on the ground have been spelt out with clarity and precision by the Independent Study commissioned by DPKO. It is clear that the major share of the blame lies with the Security Council itself which has been unable, over more than a decade, to develop a clear understanding of the nature and extent of the problem; has been

unable to give clear directions to the DPKO about what it wants and what and how DPKO should operate; and has not taken into account the experience and inputs of countries whose troops are actually on the ground. As the report succinctly states, the "confusion over the Council's intent is evident in the lack of policy, guidance, planning and preparedness." Representing a country which has been an active participant in UN peacekeeping since 1956 and has contributed more than 100,000 peacekeepers to 40 UN operations, my delegation cannot claim to be surprised by the findings.

The concept paper for this debate that has been helpfully circulated by the Austrian Presidency states that efforts to protect civilians are hampered inter alia by the unwillingness of parties to a conflict to abide by international humanitarian law; due to the lack of resources; and due to an information gap. It also reiterates the finding that there is a lack of understanding about what peacekeepers should do and can do to protect civilians.

**Mr. President,**

Why have these gaps arisen? What can be done to overcome these problems? My delegation believes that the primary gap is that of resources. To use an example, 17,000 peacekeepers are simply inadequate in MONUC. There is no way that this number of troops can provide meaningful support to national authorities in an area of responsibility of the size of Western Europe. We are informed that the presence and activities of high-quality troops acts as a significant and effective deterrent within their effective ranges of operation. It stands to logic that an increase in the number of troops is the first requirement. It also stands to logic that troops require proper equipment and enablers. India is one of the leading providers of air assets to MONUC and can attest to the efficacy of air assets as enablers. It is somewhat surprising that the UN and the Security Council is unable to generate the required air assets. In this regard, I would like to draw the attention to the need for accountability mentioned in the Austrian paper. My delegation believes that there should be an accountability of those who mandate. Their responsibility does not end with the generation of mandates. They should be held accountable if unachievable mandates are generated for political expediency or if adequate resources are not made available. I would also encourage those who concentrate on development of normative frameworks to ponder the question of accountability. They must appreciate the development of these frameworks requires to be accompanied by a willingness to develop mechanisms to enforce these norms. The deficit in

the willingness and ability to enforce will inevitably lead to an erosion of credibility. There must also be accountability for this.

**Mr. President,**

The Security Council must make up its mind on what it means by protection of civilians. It must have clarity about who is to be protected and what constitutes at heart. It must also clarify what kind of response it expects and who is to respond. It must for example, be able to differentiate between threats that require a military response or a "Rule of Law" response. It should not ask Force Commanders or their soldiers to assume policing responsibilities. The Security Council must also be clear that its responsibility for protecting civilians does not end with a military or police response. Civilians require humanitarian wherewithal for survival. It requires a more integrated view. Multiple stake holders are involved, not just the military. The concept that is developed should be one that can be translated into ground targets. It must be able to quantify the problem and articulate actions that must be taken. Only then will we be able to measure progress or the lack of it. This would appear to be a simple measure but my delegation suspects that the Council will find it difficult to address this. Development of indicators and norms requires a uniform application of law. The UN Security Council cannot do justice to its role if it discusses protection of civilians in some operations, and not in others.

**Mr. President,**

The Council needs to get a clearer idea of operational realities. This information gap cannot be addressed without meaningful and substantive consultations with Troop and Police Contributing Countries. Even though there is a relative lack of appreciation on the part of the Council and many so-called humanitarian actors, of the initiative and dedication to humanitarian principles on the part of troops, it is a fact that there is progress on the ground. Many contingents have ideas and concepts that can be effective. An effort by the Indian Brigade in MONUC to distribute cell phone "hot line" numbers within their area of operation has led to a significant increase in the rise of reported incidents of violence and the consequent deployment of troops to preempt or deter attacks. This is also leading to creation of databases of malefactors and their movement patterns. It is the belief of my delegation that intelligence capabilities such as development of databases on individuals and groups, their movements and weaponry are key requirements to increase effectiveness. Countries and contingents have other inputs that can be brought to bear if there is a willingness to listen.

**Mr. President,**

National capacities need to be strengthened. The DPKO report eloquently states that peacekeepers cannot and should not "protect everyone from everything." The protection of civilians is a national responsibility and requires institutions and conditions where the institutions can function. Peacekeepers are there to aid in the development of these national capacities. My delegation believes that much more thought needs to go into the manner in which these capacities are developed. Capacities and institutions must be relevant to the realities of the area in which UN operations are deployed. The experiences and capabilities of developing countries, particularly those that have gone through successful nation-building exercises, are of great significance in this regard. The Security Council must find ways and means to harness these capacities. In conclusion, Mr President, let me thank you again for organizing this debate. India is committed to contribute, through its peacekeepers and its national capacities, to the promotion of peace and security and to the role of the United Nations.



**812. Statement by Member of Parliament and Member of the Indian Delegation to the UN Bhagat Singh Koshyari on Agenda Item 164 - Report of the Committee on Relations with the Host Country at the Sixth Committee of the 64th Session of the UNGA.**

**New York, November 12, 2009.**

**Mr. Chairman,**

We thank the Chairperson of the 'Committee on Relations with the Host Country' for his Report. The Committee on Relations with the Host Country provides a useful forum for addressing issues relating to the functioning of Missions of Member States and for enabling their representatives to perform their functions without hindrance. This year the Committee examined a number of problems raised by interested delegations on 'security of missions and safety of their personnel', 'entry visas issued by host country', 'acceleration of immigration and customs procedures', 'exemption from taxes', 'question of privileges and immunities', 'transportation' and other matters. The open and transparent exchange of views in this forum helped in addressing the issues in question in a spirit of cooperation and in accordance with international law.

**Mr. Chairman,**

We are happy to note that the host country has taken steps by way of issuing a notification to exempt from property taxation real property owned by foreign governments, including those housing all diplomatic missions, including Missions to the UN, from local property taxes in the United States. We believe that international law and the Vienna Convention on Diplomatic Relations enjoined the host country to exempt foreign governments, being a sovereign, from all property taxation. The need to grant UN Missions privileges and immunities similar to bilateral missions is also a requirement under the Headquarters Agreement between the UN and the United States. The City of New York has, however, challenged the notification and the case is pending before the Court. Given that we have a case pending in Court challenging the levying of property taxes by the City of New York on portions of the building owned by the Government of India that houses our UN Mission personnel, we hope that the Court will up-hold the notification.

**Mr. Chairman,**

We recognize that the host country has a right to monitor and control entry into its territory and to adopt the requisite security measures it deems



necessary. This has to be balanced, one the one hand with the right of the delegations to participate in the work of the United Nations in a timely manner and on the other to ensure that the delegations do not misuse their privileges and immunities. As regards entry visas, we witness that in some cases entry visas are not issued in time causing delay in attending the UN Official Meetings. We support Committee's recommendation that host country enhance its efforts to ensure their issuance in a timely manner to enable representatives of Member States to attend official meetings in a timely manner.

Thank you, Mr. Chairman



**813. Statement by Member of Parliament and Member of the Indian Delegation to the UN Manish Tewari during the joint debate on Agenda Items 9 - Report of the Security Council and 119 - Equitable Representation on and Increase in the Membership of the Security Council and other Related Matters at the 64th Session of the UNGA.**

**New York, November 12, 2009.**

**Mr. President,**

I am honoured to address the General Assembly on behalf of my country on the Report of the Security Council and the Question of equitable representation on and increase in the membership of the Security Council and related matters.

Let me commence by congratulating Bosnia and Herzegovina, Brazil, Gabon, Nigeria and Lebanon for having been elected to non-permanent seats in the Council for the period 2010 to 2011. India looks forward to working with these countries in a constructive and positive manner. We thank the delegation of Austria for introducing the annual report of the Security Council for the period 1 August 2008 to 31 July 2009. In our view, the report of the Security Council is an important means for facilitating interaction between the most representative organ of the United Nations and its most empowered brethren. The UN Charter itself bestows on the report a profound gravitas as is evident from the fact that there exists a separate provision mandating such a report, rather than clubbing it with the provision for reports from other UN bodies. It is, therefore, imperative that the annual report of the Security Council inform, highlight and analyze the measures that it has decided upon or taken to maintain international peace and security during the reporting period. The membership of the General Assembly has repeatedly requested that this report be more analytical and incisive than becoming a mere narration of events. It is important the General Assembly be aware not only of what decisions were taken, but also the rationale, efficacy and impact of the Council's decisions, in terms of crystallized take-aways for the membership of the General Assembly.

**Mr. President,**

We must recognize that the lacunae in the report are a manifestation of the underlying problems of representation and working methods of the Council,

which remain opaque and non-inclusive. The report, this year too, continues to be a statistical compilation of events, a bland summary and listing of meetings and outcome documents, as some of the eminent previous speakers also highlighted. There is no other option but to recognize that the real solution not only for a more credible, legitimate and representative Council, but even for a more thorough report lies in the comprehensive reform of the Council, including expansion in both the permanent and non-permanent categories, and its working methods. In this context, it is important to note that an overwhelming majority of member states have clearly expressed their preference for such a reform during the three rounds of intergovernmental negotiations held so far on the issue of reform of the Council.

**Mr. President,**

Let us recall that since the General Assembly deliberated on this agenda item last year, intergovernmental negotiations have finally commenced after years of going around in circles in the Open-Ended Working Group. This is a significant development, and the General Assembly must strongly support expediting the negotiations towards an early reform. The most obvious way to achieve such a result is to immediately convene the negotiations and build on the progress achieved during the negotiations thus far. This, in-fact, is precisely what the Assembly has unanimously agreed to do vide its decision on September 14, 2009. It would also be useful to recall that the preference of Member States for a Council reform involving expansion in both the permanent and non-permanent membership category was clearly reflected in the summaries issued by the Chair of the intergovernmental negotiations. We would also like to take this opportunity to thank you, Mr. President, for your leadership and wisdom in reappointing Ambassador Zahir Tanin, Permanent Representative of Afghanistan as the Chair of the negotiations during the 64th session. The need for continuity to ensure success can hardly be overemphasized. My delegation would also like to congratulate Ambassador Tanin on his appointment and we wish him all success in his continued efforts. He can be assured of my delegation's full support in this very important role. With a view to focusing the negotiations and moving in a result-oriented manner, a text from the Chair would be a critical enabler.

**Mr. President,**

It is imperative that we make genuine and rapid progress on the issue of UNSC reform, without which the whole process of UN reform would be

incomplete. Our institutions of global governance cannot remain chained to the balance of power that existed in 1945. The economic meltdown of 2008 highlighted as to how urgent is the need for international institutions to reflect contemporary global reality. This strongly underscores the imperative of a reform of the Council once again. Some, though barely a handful amongst us, argue unconvincingly that an expansion in only the non-permanent category would fulfill these objectives. Unfortunately, this has not been borne out by history and the expansion of 1965 is but a testimony to this.

Among areas that require critical attention are proper implementation of Articles 31 and 32 of the Charter that deal with participation of non-members in the UNSC's deliberations, enhancing participation of Troop Contributing Countries in decision making on peacekeeping mandates, and increasing the transparency of the Council's work. We have also heard proposals for interim or intermediate solutions. However, such ideas raise more questions rather than provide answers. Let us be clear, pushing this decision into the future does not solve the problem, it merely enhances an erosion of the credibility and legitimacy of the Council. The luxury of no action or inaction is not an option available to the collective will of humanity represented in this august assembly. In conclusion, Mr. President, let me reiterate the imperative for intergovernmental negotiations to resume immediately and make genuine progress by focusing on expansion in both the permanent and non-permanent membership categories of the Council. Thank you.



**814. Statement by the Deputy Permanent Representative at the UN Ambassador Manjeev Singh Puri at the open debate on the Agenda Item "Briefings by the Chairs of Subsidiary Bodies of the Security Council" in UN Security Council.**

**New York, November 13, 2009.**

**Mr. President,**

Allow me at the outset to congratulate you on assuming the Presidency of the Security Council.

**Mr. President,**

We appreciate the approach you have taken till now in handling the business of the Council, including in interactions with non-members.

I would also like to thank the three distinguished Chairmen of the Committees established pursuant to Security Council Resolutions 1267, 1373 and 1540 for their briefings.

**Mr. President,**

I take the floor barely two weeks before the first anniversary of the horrific terrorist attacks in Mumbai in my country. The images of these heinous attacks remain etched deeply in the minds and hearts of the Indian people. They demand an early end to this scourge of terrorism which has plagued us for the last two decades.

Terrorism poses a grave threat to all states and all societies. It undermines peace, democracy and freedom thus endangering the very foundations of the continued existence of democratic societies. Terrorism is a global threat and requires a coordinated and concerted global response.

India is a party to all 13 sectoral conventions on terrorism that have been adopted under the auspices of the United Nations. India participated constructively in discussions leading to the adoption of the Global Counter Terrorism Strategy [GCTS] in September 2006.

**Mr. President,**

We at the UN have been negotiating a comprehensive convention on international terrorism for over a decade. Nearly all the elements of the proposed convention have met with the agreement of the member states.

It is important that we all put our heads and minds together with a common resolve of ensuring the early adoption of the convention. Its time has really arrived and we all need to act with the necessary political will to ensure the adoption of the Convention.

**Mr. President,**

India supports the anti-terrorism mechanisms established by the United Nations, including United Nations Security Council Resolution 1267, related to sanctions against Al-Qaeda/ Taliban; United Nations Security Council Resolution 1373, which led to the establishment of the Counter Terrorism Committee; and United Nations Security Council Resolution 1540, which addressed the issue of non-proliferation of weapons of mass destruction. India also supports the subsequent resolutions that renewed, strengthened or amended these three original resolutions. We are fully committed to implementing our obligations under these resolutions.

India has been accorded "observer" status by the Financial Action Task Force. We are working towards full membership. We are reviewing our legislative, regulatory and institutional framework with a view to becoming fully compliant with the FATF recommendations on combating money laundering and terrorist financing.

Regarding our participation in the regime created by the UN Security Council Resolution 1267 and subsequent associated resolutions, it may be recalled that in January 2004, Government of India enacted an order - Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Order 2004, revised in March 2006, 2007 and July 2009, which enables the concerned Central and State authorities to take necessary action as required under UNSCR 1267 in respect of the individuals and entities listed under the 1267 list. In December 2008, the Government of India amended the Unlawful Activities (Prevention) Act, 1967 to effectively implement the UNSCR 1267 and 1373. At the same time, however, Mr. President, we are concerned that the processes of listing and de-listing on the Consolidated List is subject to political will and pressure- a scenario that we can ill-afford in our united fight against terrorism.

We received the first visit of the 1267 Monitoring team from 1 to 3 September 2009. From our perspective the visit was very useful as it provided us an opportunity to closely interact with the Head of the Monitoring Team. We look forward to cooperating with the team and the regime in the future.

Regarding our cooperation with the Counter Terrorism Committee, it is pertinent to note that India has submitted five national reports to the Counter Terrorism Committee (CTC) of the UN Security Council on measures taken to implement the UNSCR 1373. Further, we also hosted a visit by the Counter-Terrorism Committee Executive Directorate in November 2006. We encourage the on-going stocktaking exercise with a view to fully implementing the provisions of UNSCR 1373.

**Mr. President,**

Since the adoption of the 1540 resolution, India has taken additional steps to further strengthen the existing legislative and regulatory mechanisms for exercising controls over WMDs. A major step was the enactment of the WMD Act in June 2005. The Act provides for an integrated and over-arching legislation on prohibiting unlawful activities in relation to WMDs, their delivery systems and related materials, equipment and technologies. The Act criminalizes a range of unlawful activities in relation to WMDs and their means of delivery. Separately, industry outreach activities and training programmes are organized to highlight various aspects of the 1540 resolution.

We support efforts to prepare guidelines for handling assistance requests by countries and to find means to address the most commonly found gaps in the implementation of 1540. It is important that these activities are performed only at the request of a country and keeping in mind the varying national capacities, procedures and systems. Based on specific requests by countries, India remains ready to assist them bilaterally in capacity building and fulfilling their obligations under UNSCR 1540. In so far as the involvement of regional organizations, this may need to be carefully considered since this subject is rather specialized in nature, and capability and expertise at the level of regional or sub-regional organizations may not be often available.

In conclusion, Mr. President let me reiterate that we will continue to work closely with the counter-terrorism mechanisms established by the Security Council Resolutions 1267, 1373 and 1540. The scourge of terrorism requires the international community to act in concert and in a comprehensive manner, including termination of sources of its financing and stamping out its networks. The necessary political will and resolve needs to be constantly on demonstration for the international community to give a truly strong and unambiguous signal in our resolve to fight terrorism.

Thank you.



**815. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on the Revitalization of the Work of the General Assembly at the 64th Session of the UNGA.**

**New York, November 19, 2009.**

**Mr. President,**

I am happy to participate in today's debate on the 'Revitalization of the work of the General Assembly'. My delegation associates itself broadly with the position of the Non-Aligned Movement as expressed by the delegation of Algeria.

**Mr. President,**

We are guided by the desire to have a more effective United Nations. India wants the United Nations to be an organization that is truly responsive to the priorities and aspirations of the Member States, particularly for the developing countries, who constitute the vast majority of the membership. Its working methods must also embody efficiency and transparency. The role of the General Assembly as the chief deliberative, legislative, policy-making and representative body of the international community must be strengthened and respected in both letter and spirit. Indeed, the strengthening of procedures, working methods, documentation and ensuring due follow up are important steps in that direction. Enhanced visibility and outreach of the General Assembly are equally important.

However, more important is the need to continue the focus on substantive measures to restore and enhance the role and authority of the General Assembly including in exercising control over legislation, material and manpower, and its role as the chief oversight organ of the United Nations.

**Mr. President,**

Being the voice of the international community, the General Assembly must have a greater say in the process of selection of the Secretary General. The mandate for the appointment of the UN Secretary-General flows from Article 97 of the UN Charter, which envisages a role for both the General Assembly as well as the Security Council. The modalities of the appointment process have, however, come to be governed by para 4(d) of General Assembly resolution 11(1) of 24 January 1946. It would appear strange today that while we all promote the principles of transparency and an



inclusive selection process, the General Assembly willingly agreed to impose such restrictions on its own Charter mandate. However, it is important to recall that the reason for resolution 11(1) was the context of the post-1945 world. More than sixty years since the adoption of resolution 11(1), we live in a different world. While the Security Council itself must change to reflect contemporary realities and expand its membership in both permanent and non-permanent categories, the General Assembly cannot remain bound by self-imposed restrictions reflecting an era gone by. The General Assembly's role cannot be merely to rubber-stamp the recommendation of the Security Council. The need for changes in the process of appointment of the Secretary-General has been recognized by all Member States. General Assembly resolutions 51/241 of 22 August 1997 and 60/286 of 9 October 2006 outline in detail proposals on improving this process. These proposals include making full use of the Charter provisions on the General Assembly's power of appointment; due regard to regional rotation and gender equality; the possibility of the President of the General Assembly consulting with Member States to identify potential candidates endorsed by a Member State; encouraging formal presentation of candidatures for the position of Secretary-General in a manner that allows sufficient time for interaction with Member States; and requesting candidates to present their views to all States members of the General Assembly. Clearly, what is required is the necessary political will to comprehensively consider and implement these changes. A more inclusive and interactive selection process would also enhance the authority and effectiveness of the Secretary-General, as well as increase the confidence of all Member States in the Secretary-General.

**Mr. President,**

The revitalization process also implies that the General Assembly should take a lead in setting the global agenda and restore the centrality of the United Nations. The convening power of the United Nations must be used more decisively in this regard. There has been an increasing tendency to undermine the prerogatives and authority of the General Assembly by encroachment of its agenda by the Security Council. It is important that the balance between the principal organs of the United Nations, envisaged in the Charter, must be maintained and respected. Of special concern is the encroachment by the Security Council on issues that traditionally fall within the General Assembly's competence, such as the process of standard-setting and codification of international law. Of concern also is the holding of thematic debates in the Security Council on issues that frequently fall

within the purview of the General Assembly or the Economic and Social Council. The resolution 60/286 reiterated that in addition to the Security Council making its annual report more analytical, it should submit special reports to the General Assembly. It is important to fulfill this provision to the satisfaction of Member States while the Security Council considers ways to further improve the quality of its reports to the General Assembly. And, it is important that a truly representative body such as the General Assembly have a much greater say in the international economic and financial matters. The UN Conference on the 'World Financial and Economic Crisis and Its Impact on Development' has successfully demonstrated the convening power that the General Assembly can exercise on such global issues. Our expectation is that the Member States will continue their constructive engagement in the ad hoc open-ended working group of the General Assembly that has been set up in pursuant to the outcome of this Conference.

**Mr. President,**

Before I conclude, I would like to felicitate the distinguished Permanent Representatives of Norway and Ecuador for their significant efforts in this direction as Co-Chairs of the Ad-Hoc Working Group on the Revitalization of the General Assembly for the 63rd session. My delegation looks forward to working with distinguished Permanent

Representatives of Slovenia and Argentina, co-Chairs for the present session of the Ad-Hoc Working Group, and assured them of our fullest cooperation and support. I would also like to re-emphasise the need for undertaking comprehensive discussions on substantive issues that are critical for the revitalization of the work of the General Assembly.

Thank you.



**816. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on Agenda Item 10 - Report of the Peace-building Commission and Agenda Item 1088 - Report of the Secretary General on the Peace-building Fund at the 84th Session of the UNGA.**

**New York, November 20, 2009.**

**Mr. President,**

We welcome the joint debate on today's agenda items, all of which have an underlying substantive connection. The work of the Peacebuilding commission over the last three years has sought to draw on the synergies of three principal organs of the United Nations, namely the General Assembly, the Security Council and the Economic and Social Council when they are handling post-conflict situations. Let me begin by placing on record our appreciation for the good work done by Ambassador Yukio Takasu as the Chair of the Peacebuilding Commission. His leadership of this important responsibility contributed in large measure to building up the institution. We are happy that he has been succeeded by Ambassador Heraldo Munoz, who brings to the Commission his rich experience of dealing with complex issues at the UN. We will be happy to cooperate with him in his efforts. I would also like to congratulate the new Chairs of the country-specific configurations as well as the chair of the Working Group on the Lessons Learned for their work. Furthermore, I would also like to extend congratulations to Ms Judy Cheng Hopkins on her appointment as the Head of the Peacebuilding Support Office. My delegation will work constructively and in a spirit of positive cooperation with all of them.

**Mr. President,**

India is a member of the Peacebuilding Commission and has contributed to the Peacebuilding Fund. We will continue our active association with both the Commission

and the Peacebuilding Fund with a view to enable these institutions to fulfill in their entirety the tasks as assigned to them by the General Assembly and the Security Council. We have always held the view that the setting up of the PBC filled an important institutional gap and that the Commission can and should make an important contribution to the recovery, reconstruction and development of countries emerging from conflict, wherever it agrees to act upon a request for advice and assistance by any

such member state. Mr. President, India has a unique experience of nation-building in a large, complex and most diverse setting as we have strived to give our people a better life. This has allowed us to develop multifaceted capacities relevant to peacebuilding and development. We have shared this experience and expertise in a number of countries transiting from conflict to peace. We are very happy to continue to make available our capabilities in nation building to countries in post-conflict situations and cooperate with the United Nations' in its peacebuilding activities, including for development, social sector reform and rule of law and security. Mr. President, We welcome the three reports under consideration, in particular the new one on peacebuilding in the aftermath of conflict. The Report of the Secretary General on peacebuilding in the aftermath of conflict had as its central theme the imperative of national ownership and rightly notes that peacebuilding efforts must be anchored at the country level. We are hopeful that a sincere effort will follow during the implementation phase so that the advisory function of the Peacebuilding Commission can be thoroughly exploited for the benefit of the countries and regions concerned and for the cause of international peace and security in general.

**Mr. President,**

India had co-sponsored the resolution on the Peacebuilding Fund in May this year. This reflects our determination to ensure that the Fund is so structured as to enable it to serve as a flexible, responsive and focused recourse for peacebuilding support. In this context, we are happy to note that the Report on the Peacebuilding Fund observes that the revised terms of reference which essentially transformed its three-window architecture into two facilities, namely the Immediate Response Facility and the Peacebuilding and Recovery Facility has enabled the Fund, "to serve as a fast-disbursing, agile, responsive and risk-taking peacebuilding instrument." Equally heartening is the fact that these improvements have been effected as a result, amongst other things, of self-introspection within the Commission on its working.

**Mr. President,**

We are also happy to note that the Commission is taking a comprehensive approach to handling its tasks. Quite notable is the fact that it is trying to cooperate and coordinate with other UN agencies as well as other international institutions such as the World Bank. Equally praiseworthy are the efforts to expand the web of stakeholders as well as their involvement in the process of peacebuilding. At the same time, Mr. President, I would

be remiss if I do not stress on two very important imperatives. First, we must always strive to ensure that there is effective two-way dialogue between countries on the Agenda of the PBC and the Commission itself through all stages. This dialogue should help bring the requisite assistance at the appropriate time, and should be flexible enough to allow for mid-course corrections where necessary. This dialogue will also ensure that relevant information is constantly relayed and absorbed within the peacebuilding architecture for the best results. Second, we need to constantly improve the governance structures of the peacebuilding architecture. In our view, such improvements must seek to ensure that all the available resources that are geared towards peacebuilding in post-conflict situations are properly harnessed in the shortest possible time. This we believe is the sine qua non of peacebuilding. Mr. President, In conclusion, I would like to reiterate India's commitment to the peacebuilding architecture. India will continue to be constructively engaged in the process of perfecting this architecture to the benefit of the country concerned.

Thank you.



**817. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri on the Report of the Peace-building Commission at the UN Security Council.**

**New York, November 25, 2009.**

**Mr. President,**

We appreciate the timely scheduling of today's debate on the Annual Report of the Peacebuilding Commission. Let me begin by placing on record our appreciation for the good work being done by Ambassador Heraldo Munoz, the Chair of the Commission, who brings a wealth of experience to this assignment, the new Chairs of the country-specific configurations, the Chair of the Working Group on the Lessons Learned, and congratulate Ms Judy Cheng Hopkins on her appointment as the Head of the Peacebuilding Support Office. My delegation will remain constructively engaged in the process and assure them of our fullest cooperation and support.

**Mr. President,**

The report of the Secretary General on peacebuilding in the aftermath of conflict rightly acknowledges the imperatives of national ownership and for anchoring peacebuilding efforts at the country level. Equally significant is the fact that the Peacebuilding Commission is trying to cooperate and coordinate with other UN agencies as well as other international institutions, and is trying to expand the web of stakeholders as well as their involvement in the process of peacebuilding.

**Mr. President,**

As a contributor to the Peacebuilding Fund and as a member of the Peacebuilding Commission, India has remained actively engaged in the critical task of peacebuilding. We will continue our active association with both the Commission and the Fund with a view to enabling these institutions to fulfill in their entirety the tasks as assigned to them by the General Assembly and the Security Council.

India has always held the view that the setting up of the Peacebuilding Commission filled an important institutional gap and that the Commission can and should make an important contribution to the recovery, reconstruction and development of countries emerging from conflict, wherever it agrees to act upon a request for advice and assistance by any such Member State.

It is with this conviction India was proactively engaged in revising the terms of reference for the Peacebuilding Fund and had co-sponsored a resolution in this regard in May this year. We are happy to note that the Secretary General's Annual Report on the Peacebuilding Fund observes that its revised terms of reference have enabled the Fund, "to serve as a fast-disbursing, agile, responsive and risk-taking peacebuilding instrument."

In all our endeavours, it is important that the relationship with the Peacebuilding Commission and all donors is managed creatively, so as to utilize synergies in existing peacebuilding strategies.

**Mr. President,**

In its own unique experience of nation-building, India has developed multifaceted capacities relevant to peacebuilding and development. We have shared this experience and expertise in a number of countries transiting from conflict to peace. We are very happy to continue to make available our capabilities in nation building to countries in post-conflict situations and cooperate with the United Nations in its peacebuilding activities, including for development, social sector reform and rule of law and security.

**Mr. President,**

Let me conclude by stressing two important imperatives.

**First**, we must always strive to ensure that there is an effective two-way dialogue between countries on the Agenda of the Peacebuilding Commission and the Commission itself through all stages.

**Second**, we need to constantly improve the governance structures of the peacebuilding architecture. It should be in a position to respond swiftly and with greater efficiency so that all available resources that are geared towards peacebuilding in post-conflict situations are properly harnessed in the shortest possible time.

Thank you.



**818. Statement by the Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri on the Question of Palestine at the 64th Session of the UNGA.**

**New York, December 1, 2009.**

**Mr. President,**

At the outset, please allow me to express our appreciation for convening the discussion on the Question of Palestine at the General Assembly as we mark the International Day of Solidarity with the Palestinian People. Let me also express our appreciation for Ambassador Paul Badji, Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People.

**Mr. President,**

India has long civilizational ties with the entire region of the Middle-East and a strong tradition of support for the Palestinian cause. We voted in support of the Resolution on the United Nations Fact-Finding Mission on the Gaza Conflict at the United Nations Human Rights Council and also at the United Nations General Assembly. India believes that the conflict in West Asia is essentially political. It cannot be resolved by force. We favour a negotiated solution wherein a sovereign, independent, viable and united State of Palestine can live within secure and recognized borders, side by side at peace with Israel as endorsed in the Quartet Roadmap and UNSC Resolutions 1397 & 1515. This is also in line with our support for UN Security Council Resolutions 242 and 338. We also participated at the Annapolis conference in 2007. The Arab Peace Plan calls for withdrawal of Israel to pre-1967 borders, the recognition of Israel and the establishment of the State of Palestine with East Jerusalem as its capital. We have supported this plan. India has also called for an end to Israeli settlements in the occupied Palestinian territory and major improvements at an early date on easing restrictions within Palestine of free movement of goods and persons.

**Mr. President,**

India has always stood by the Palestinian people in pursuit of their legitimate goals and their efforts aimed at economic and social development with dignity and self-reliance. Towards this end, India has been doing what it can in extending development support to Palestine. In New Delhi, we have completed the Palestinian Chancery building as a gift from the Government of India and an enduring symbol of our solidarity with the people of Palestine. Mindful of the deteriorating humanitarian situation, India contributed \$1



million in response to United Nations Relief and Works Agency's (UNRWA) Flash Appeals in the context of the conflict in Gaza in late 2008-early 2009. In this 60th anniversary year of the establishment of UNRWA, we have increased our contributions to the UNRWA. We have furthermore contributed US\$ 10 million as budget support to the Palestinian National Authority after the International Conference to Support the Palestinian Economy for the Reconstruction of Gaza held in Sharm El-Sheikh in March 2009. India has also participated at various donors conferences, including in Paris, Jakarta and Sharm El-Sheikh and has expeditiously implemented its pledges.

**Mr. President,**

Instability and violence coupled with humanitarian issues in Palestine have impacted upon the wider situation in the Middle East and beyond. There can be little doubt that the situation in Palestine remains a matter of grave concern to the international community and there is a need for all stakeholders to come together and create an environment for the earliest possible resumption of dialogue in the Middle East Peace Process.

**Mr. President,**

Our Prime Minister in his message on the occasion of the International Day of Solidarity with the Palestinian People has reiterated that concerted and all round action is necessary to invigorate the peace process with the objective of achieving a durable, comprehensive and just settlement. We remain convinced that lasting peace in the region will contribute to global stability and prosperity. Thank You.



**819. Statement by Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri on the Situation in the Middle East at the 64th Session of the UNGA.**

**New York, December 1, 2009.**

**Mr. President,**

At the outset, please allow me to express our sincere appreciation for scheduling this discussion on an important subject that demands our collective attention - The situation in the Middle East. Today's discussions that follow the commemoration of the International Day of Solidarity with the Palestinian people are timely and appropriate.

**Mr. President,**

As a nation with age-old historic and cultural ties with the Middle East, India has an abiding interest in the early resolution of the unresolved issues that have troubled the region since the inception of the United Nations.

The West Asian region is of vital importance to India. The region is home to nearly 5 million Indians and is an important source for India's energy needs.

India's commitment to the Palestinian cause, as well as its solidarity with the Palestinian people, are well-known. Our ties with the friendly people of Palestine are rooted in our common history and dates back to our struggle for independence. India remains unwavering in its support to the Palestinian people in their struggle for their legitimate rights.

**Mr. President,**

The conflict in West Asia being essentially political in nature, it cannot be resolved by force. We have consistently supported the Middle East Peace Process in all its tracks and wish to see the creation of an environment for the earliest possible resumption of dialogue in the Middle East Peace Process.

We favour a negotiated solution wherein a sovereign, independent, viable and united State of Palestine can live within secure and recognized borders, side by side at peace with Israel as endorsed in the Quartet Roadmap and UNSC Resolutions 1397 & 1515.

We are also supportive of the Arab Peace Plan and have called for an end to Israeli settlements in the occupied Palestinian territory along with early easing of restrictions within Palestine of free movement of persons and goods.

**Mr. President,**

India is aware that genuine peace in the region also requires resolution of other issues on the remaining tracks of the Middle East Peace Process, including restoration of other Arab lands that remain under occupation. Progress in the Lebanese and Syrian tracks of the peace process is important for achieving comprehensive and durable peace in the region. Our leadership is in touch with our interlocutors in the region at the highest level.

**Mr. President,**

India remains steadfast in its commitment in rendering assistance to the Palestinian people, including in capacity building and national reconstruction.

We have also contributed to United Nations peacekeeping efforts in the region.

**Mr. President,**

Given the complexity of the task, unprecedented determination, goodwill and capacity to offer and accept compromises and concessions are needed on all sides. It is here that the members of the international community have a collective duty to help in creating a favourable environment within which the negotiations can move forward. Concerted and all round action is necessary to invigorate the peace process with the objective of achieving a durable, comprehensive and just settlement. We remain convinced that lasting peace in the region will contribute to global stability and prosperity.

Thank you, Mr. President.



**820. Statement by Minister of State in the Ministry of External Affairs and Head of the Indian Delegation Mrs. Preneet Kaur to the High Level Conference on South - South Cooperation.**

**Nairobi, December 2, 2009.**

Please see Document No.705.

**821. Statement by Acting Permanent Representative at the UN Ambassador Manjeev Singh Puri on Agenda Item 76 - [A] and [B] - Oceans and the Law of the Sea and Sustainable Fishing at the 64th Session of the UNGA.**

**New York, December 4, 2009.**

**Mr. President,**

I would like to take this opportunity to thank you for convening this debate. We would also like to thank the Secretary General for his excellent Reports on issues relating to the oceans and the law of the sea. We appreciate the presentation of the report on the work of the Ad Hoc Working Group of the Whole, established pursuant to the General Assembly Resolution 63/111, on the regular process for the global reporting and assessment of the state of marine environment, including socio economic aspects. We are happy to note that the regular process would be guided by international law, including UNCLOS and other applicable international instruments and capacity building, sharing of data, information and transfer of technology would be crucial elements of the framework for the regular process. The United Nations Convention on the Law of the Sea (UNCLOS) provides the basic framework for carrying out any activity in the oceans and seas, for the use of its resources and for national, regional and international action and cooperation to counter threats and challenges to the marine environment. We need to take concerted action and to adopt integrated approaches to preserve oceans for future generations. The draft Omnibus resolution rightly recognizes that the problems of ocean space are closely interrelated and need to be considered as a whole as an integrated, interdisciplinary and intersectoral approach. We thank the coordinator Ambassador Henrique Valle for his efforts in coordinating this year's draft Omnibus Resolution.

**Mr. President,**

India attaches high priority to the effective functioning of the institutions established under the United Nations Convention on the Law of the Sea namely the International Sea-bed Authority, the International Tribunal for the Law of the Sea and the Commission on the Limits of the Continental Shelf. These institutions have made considerable progress in their respective areas of work over the past year. We follow closely the work of all these subsidiary institutions. We congratulate the Chairman of the Commission on the Limits of Continental Shelf for the considerable progress

made by the Commission in undertaking the considerations of the submissions. However we note that since a considerable number of States have made their submissions, it would take a long time for the Commission to consider those submissions. We fully share the concerns expressed in the draft Omnibus resolution regarding the projected timetable of the work of the Commission on the submissions already received by it and those yet to be received and the significant inequities and difficulties for states that may arise out of the projected timetable, including with respect to retaining expertise, where there is a considerable delay between the preparation of a submission and its consideration by the Commission. We hope that the informal working group engaged in examining this issue would consider and suggest short, medium and long term measures to address this problem with a view to shorten this time frame in a practical and realistic manner. This would enable the forthcoming Meeting of the States Parties to consider this issue in a holistic manner and suggest practical solutions to address this important issue. We support the efforts made by Secretariat to strengthen the capacity of the DOALAS that serves as the secretariat of the Commission, to ensure enhanced support and assistance to the Commission in its consideration of submissions.

**Mr. President,**

We are committed to the goal of protection and preservation of marine biodiversity, in particular in areas beyond national jurisdiction. Marine biodiversity in areas beyond national jurisdiction is threatened by a number of causes such as destructive fishing activities, over exploitation in vulnerable marine environments, open unregulated access to fisheries, bottom trawling, bio-prospecting, geo-engineering activities, and pollution of marine environment from various sources, to name a few. Coordinated and combined efforts are required to minimize the harmful effects of these activities on the marine environment. We recognize the need to consider new approaches within the overall framework of UNCLOS to promote international cooperation aiming at conservation and sustainable use of living resources of the high seas and benefit sharing of seabed resources located in areas beyond national jurisdiction. However the participation of developing countries in devising and adopting such approaches greatly depends on the scientific information and technical knowhow available with them. The promotion of flow of scientific data and information and transfer of technology resulting from marine scientific research, especially to developing States, is therefore essential to achieve this objective. Marine scientific research can lead to a better understanding and utilization of all

most all aspects of the oceans and its resources. The marine scientific research which aims at exploration of biodiversity of deep seabed for commercially valuable genetic and biochemical resources should be carried out in accordance with the general principles of marine scientific research, namely, those contained in Articles 140(1) and 241 of UNCLOS.

**Mr. President,**

In the area of maritime navigation, we would like to express our serious concern over piracy and armed robbery at sea, particularly off the coast of Somalia. Piracy is not only a threat to the freedom of the seas, maritime trade, or to the security of maritime shipping, but it also endangers lives of sea seafarers, affects national security, territorial integrity and hampers economic development of the countries in the region. India is actively cooperating in international efforts to combat piracy and armed robbery at sea. We support joint and concerted efforts taken by the international community in this regard. As the past incidents have shown there is a persistence of this menace especially off the coast of Somalia. There is a growing need for well considered, coordinated course of action in accordance with international law. There is also a continuous need to assist developing coastal States, through capacity building, including by training of law enforcement officials, transfer of equipment etc., to enhance their capacity and enable them take effective measures against the threats of maritime security. We would also like to emphasize the importance of the principle of freedom of navigation including the right of innocent passage as well as transit passage through straits used for international navigation. In this regard we reaffirm our view that the States bordering straits may adopt laws or regulations relating to transit passage through straits but such laws should be enforced in a manner that is non-discriminatory and fully consistent with Article 42 of the United Nations Convention on the Law of the Sea.

**Mr. President,**

Speaking of fisheries, we would like to take this opportunity to thank Ms. Holly Koehler of the United States of America for coordinating in a skillful and professional manner the informal consultations on the draft resolution on sustainable fisheries. The fisheries sector occupies an important place in the socio-economic development of India. We support increased adherence to the 1995 UN Fish Stock Agreement and to strengthen its implementation.

The effective implementation of measures proposed to combat the adverse impact of bottom fishing on vulnerable marine ecosystems in Resolution 61/105 was an area of particular interest during the negotiation of this year's Fisheries Resolution. We hope that additional measures agreed to that end which include, inter-alia, identification of vulnerable ecosystems, assessment of impact of bottom fishing on such ecosystems, exchange of best scientific information and adoption of conservation and management measures to prevent adverse impact on such ecosystems, would help towards regulating bottom fishing in areas beyond national jurisdiction. We are pleased to note that draft sustainable fisheries resolution duly recognizes the special circumstances and requirements of the developing States and specific challenges they may face in giving full effect to their obligations under this resolution. The most important task before the developing countries in the development of their fisheries sector is to develop and enhance their capacity building. For this purpose they require access to and sharing of the scientific knowledge, resources, technology transfer, as well as development of skills. In this context we particularly support OP 27 of the Sustainable fisheries resolution that invites States and international financial institutions and organizations to, inter-alia, provide assistance to developing States to enable them to develop their national capacity to exploit fisheries resources, including developing their domestically flagged fishing fleet, value added processing and the expansion of their economic base in the fishing industry.

Thank you, Mr. President.



**822. Intervention by the Permanent Representative at the UN Ambassador Hardeep Singh Puri during the informal plenary meeting: Exchange 1 of the Fourth Round of Negotiations on the Question of Equitable Representation on and Increase in the Membership of the Security Council Reform and Related Matters at the 64th Session of the UNGA.**

**New York, December 8, 2009.**

**Mr. Chairman,**

Allow me to begin by congratulating you on your reappointment as Chair of the intergovernmental negotiations on UNSC reform.

These negotiations have benefited immensely from your leadership and guidance. We look forward to your continued efforts in expediting the negotiations towards achieving, at the earliest, a genuine reform of the UNSC.

One persistent problem in the OEWG process that preceded the current intergovernmental negotiations, apart from it being an unending series of statements, was that there was very little continuity in each UNGA session. Each session essentially restarted the reform process.

We believe your reappointment will provide the much needed continuity in the process of intergovernmental negotiations, allowing us to build upon the progress achieved in the first three rounds of negotiations held earlier this year.

In this context, let us recall that during these three rounds, an overwhelming majority of member states unambiguously expressed their preference for a reform that involves an expansion in both the permanent and non-permanent membership categories.

The Chair's summaries, compiled in document A/63/960, clearly acknowledged this fact when stating that the model with expansion in both categories had commanded the most support. The somewhat understated manner of presenting the level of support in the Chair's summaries is perhaps natural given your impartial position as Chair.

It is essential that we now build on this widespread demand for expansion in both categories.



Let us also be clear that genuine reform cannot be achieved without an expansion in both the permanent and non-permanent membership.

The current structure of the UNSC continues to reflect 1945 and is no longer tenable.

The Charter itself envisaged a review after 10 years. But it took 20 years for a minimum movement, when in 1965 a limited expansion in the non-permanent category was implemented.

It has since been 44 years with no further movement, even though the world has changed significantly.

Contemporary reality demands new inclusions in the permanent membership.

Working methods also need improvement, and it would be unrealistic to hope to achieve this without an expansion in the permanent membership.

Any expansion that is limited to adding more non-permanent members, either directly, or indirectly through convoluted proposals, will merely perpetuate the current problems that are clamouring for reform.

**Mr. Chairman,**

For today's meeting, you had asked us to reflect on our own positions and proposals and that of our peers.

Our reflection has only served to strengthen our view that the overwhelming majority shares our position for the need for an expansion in both categories. We believe that it is, therefore, natural to build on this.

We hope the handful that do not share our perspective will truly reflect on their position and acknowledge that the interest of the membership at large, and that of the organization itself, is best served by supporting the views that the vast majority espouses.

We remain convinced that this is where convergence of ideas can and will happen.

Over the last few months, delegations have repeatedly elaborated on their preferred proposals and options. These are now available in oral or written form.

It is imperative that you, Mr. Chairman, now provide a text or a document on which actual negotiations can proceed.

The time for making statements reiterating our positions is now past. Instead, decisive progress needs to be made through detailed and textual negotiations.

In this effort, Mr. Chairman, you can count on our full support. There are some delegations that attempt to question your authority to present such documents, despite clear precedence and practice in your support.

The reality is that these delegations are attempting to disguise their real desire of ensuring no progress. They are worried that any text will serve to make genuine movement in the reform process.

We must not let such views of a small minority block our path. We call upon you, Mr. Chairman, to present a text that you believe captures the views of the membership and can lead us down the path of genuine reform.

We are at the cusp of history and our actions will determine the evolution of international governance structures.

We must bring about real change in the UNSC, both in its composition and in its working methods.

We count on your wisdom, courage and initiative in presenting a Chair's document or text, a document that must necessarily include the core demand of the overwhelming majority for an expansion in both permanent and non-permanent membership.

Thank you.



**823. Statement by the Permanent Representative at the UN Ambassador Hardeep Singh Puri at the Annual High-level Conference on the Central Emergency Response Fund.**

**New York, December 9, 2009.**

**Mr. Chairman,**

India accords the highest importance to the role of the United Nations in coordinating emergency humanitarian assistance and of providing support to national authorities in responding to humanitarian emergencies. India also values the multilateral setting, voluntary and impartial nature of United Nations humanitarian assistance.

My delegation reiterates that humanitarian principles and international humanitarian law only must provide the basis for humanitarian assistance. The letter and spirit of these principles needs to be scrupulously respected.

India believes that the capabilities and role of the United Nations in coordination and delivery of international humanitarian assistance need to be strengthened. We are in favour of strengthening OCHA and CERF.

India has made a commitment of contributing US\$1.5 million to CERF over a three-year period from 2009. In accordance with this we had had contributed US\$500,000 in 2009. I am happy to announce that we will contribute US\$500,000 in 2010.

Thank you.

