



'SAARC nations lack correct trading mindset'

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Experts on Sunday said South Asian countries lack the correct trading mindset.

Speaking at a session on 'Promoting Trade through non-Tariff Barriers (NTBs) in South Asia' in a regional consultation on Sunday, Prof Selim Raihan of University of Dhaka said mindsets cannot be coded in studies about barriers in regional trades. "There, however, are several recommendations for reducing trade-impeding effects of non-tariff barriers and non-tariff measures to improve trading in the region," he added. Raihan also suggested for harmonization of Technical Barriers to Trade (TBT), and sanitary and phytosanitary measures between exporter and importer countries.

Raihan is one of the authors of a study entitled 'Non-Tariff Measures (NTM) in South Asia: Assessment and Analysis' which was released in June this year. The study suggests for developing a lobby and advocacy agenda for reducing and eliminating NTMs and establishing benchmark for NTMs to be carried out by NTM-Desks that are soon to be set up as the basis



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of advocacy agenda, harmonizing TBT and SPS standards and creating a forum for regular interactions between the government organizations and trading bodies on NTM issues.

The two-day regional consultation on 'Deepening Economic Cooperation in South Asia: Expectations from the 18th SAARC Summit' kicked off in Kathmandu on Sunday. It aims to provide useful recommendations to deepen economic cooperation in South Asia.

The event is being organized by South Asia Watch on Trade, Economics and Environment (SAWTEE).

Likewise, Prof Nisha Taneja of New Delhi-based Indian Council for Research on International Economic Relations, said that the problems in regional trade should be pinpointed and

conflicting regulations need to be harmonized.

NTBs are considered one of the most important factors hindering trade among countries in the region. The Agreement on South Asian Free Trade Area (SAFTA) is also weak in terms of addressing issues related to NTBs.

In his inaugural remarks, Minister for Foreign Affairs Mahendra Bahadur Pandey said he was hopeful that SAARC would undertake necessary steps to promote intra-regional investments and attract foreign direct investments (FDIs) as well as undertake initiatives to facilitate trade by removing constraints. He also hoped that the 18th SAARC Summit would be able to relay a strong message that SAARC leaders are ready to revitalize and implement all past

initiatives undertaken by SAARC to deepen regional integration.

Speaking on the occasion, Govind Raj Pokhrel, vice chairman National Planning Commission (NPC), highlighted the immense economic potential of the region and underlined the need to improve trade facilitation for boosting intra-regional trade. "The recent efforts undertaken by Nepal to promote energy cooperation with India are a step forward in the right direction. It could further facilitate regional energy cooperation," he added.

Pradeep Jung Pandey, president of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), provided an account of the barriers faced by the business commu-

nity while conducting trade within South Asia. He also said businesspeople in the region should explore ways to exploit the untapped potential of the services sector in the region.

Executive Chairman of SAWTEE Posh Raj Pandey said progress in deepening regional integration has been frustratingly slow. "Substantially higher informal trade compared to formal trade is testimony of policy-induced trade barriers in the region. They need to be overcome to make SAARC a truly economically integrated region," he added.

The two-day regional consultation will shed light on improving trade and transport facilitation, and transit, intra-regional investments and technology transfer in South Asia.