

Call to normalize trade ties between Pakistan, India

Tuesday, 25 November 2014 19:56 Posted by Imaduddin

212



ISLAMABAD: Dr Vaqar Ahmed, the Deputy Executive Director, Sustainable Development Policy Institute (SDPI), Islamabad, has stressed the need for normalizing trade relations between Pakistan and India to benefit both the local manufacturers and consumers besides technology transfer and greater export surplus.

He was speaking at a two-day regional consultation on 'Deepening Economic Cooperation in South Asia: Expectations from the 18th SAARC Summit' organized by South Asia Watch on Trade, Economics and

Environment (SAWTEE) in cooperation with SDPI in Kathmandu.

The programme was organized as a side-event to the 18th SAARC Summit to provide useful recommendations to deepen economic cooperation in South Asia.

"The Government of Pakistan must take a lead in expediting SAARC-level pending agreements on transport, energy, connectivity and dispute resolution," Dr Vaqar said, adding that the current free trade agreements in the region should be revised to include investment and technology clauses. He suggested that trade and investment barriers can be addressed only by increasing people to people interaction and moving towards a more open visa regime.

Earlier, in his inaugural remarks, Nepalese Foreign Affairs Minister Mahendra Bahadur Pandey said that South Asian Association for Regional Cooperation (SAARC) has long dreamed of deeper regional cooperation for economic growth and prosperity, and has undertaken initiatives to facilitate trade and investment, and improve regional connectivity. However, financial and investment-related constraints largely affect the efficient implementation of trade and transport facilitation measures.

He expressed the hope that SAARC would undertake necessary steps to promote intra-regional investments and attract foreign direct investments (FDIs).

Expressing dissatisfaction over most of the countries' failure in implementing Millennium Development Goals (MDGs) in the region, he emphasized that the SAARC Development Goals should be aligned with the Sustainable Development Goals in line with the post-2015 development agenda.

Further, he highlighted the necessity to take mitigation and adaptive measures to address the threat of climate change, which is going to impact, among others, food security of the region. Strengthening of regional cooperation on this front is essential, he added. He expressed hope that the 18th SAARC Summit would be able to send across a strong message that SAARC leaders are ready to revitalize and implement all past initiatives undertaken by SAARC to deepen regional integration.

Adil Khattak, CEO of Attock Oil Refineries, said as to how regional supply chains in energy sector could alleviate the various forms of power and gas deficits in Pakistan and South Asia. He said Pakistan had significant potential of trade in energy and petroleum products with South Asian countries, which should not go wasted due to the slow cooperation in SAARC region.

Former President of Federation of Pakistan Chambers of Commerce and Industries Zubair Ahmed provided an account of the barriers faced by the business community when conducting trade within South Asia, and stressed the need to go beyond trade in goods and also look at how to exploit the untapped potential of the services sector.

He called upon the Government of Pakistan to grant MFN status to India.

SAWTEE Executive Chairman Dr Posh Raj Pandey said that despite the existence of SAARC, progress in deepening regional integration has been frustratingly slow and gains have only been modest. "What is needed to move SAARC forward is political will and sincere commitments at the highest level," he suggested.

He further said that informal trade in the region being substantially higher than formal trade is testimony of policy-induced trade barriers, which need to be overcome to make SAARC a truly economically integrated region.

More than 60 participants, including researchers, policy makers, private sector representatives and media, among others, from different South Asian countries participated in the regional consultation.

They deliberated on issues such as trade and transport facilitation, and transit; non-tariff barriers; trade, gender and technology transfer; India-Pakistan trade relations; intra-regional investment cooperation; and regional cooperation for energy security.