

Tenth South Asia Economic Summit
Welcome Speech and Introduction
Posh Raj Pandey

Mr. Chairman;

Honorable Mr. Gyanendra Bahadur Karki, Finance Minister, Government of Nepal;

Honorable Meen Bahadur Biswakarma, Minister for Commerce, Government of Nepal;

Honorable Mr. Lyonpo Lekey Dorji, Minister for Economic Affairs, Government of Bhutan;

Hon'ble Mr. Abdul Latheef Mohamed, Minister of State for Economic Development, Government of Maldives;

Friends from media,

Excellencies, Distinguished Delegates, Ladies and Gentlemen

It gives me great pleasure to extend to you all a very warm welcome on behalf of the organizers of Tenth South Asia Economic Summit, namely, National Planning Commission and Ministry of Commerce, Government of Nepal and South Asia Watch on Trade Economics and Environment (SAWTEE). We are grateful to your gracious presence.

South Asia Economic Summit (SAES) was launched in 2008 by south Asian think-tanks as a premier regional platform with an objective of deliberating, discussing, debating and discoursing economic and development issues and challenges of south Asian countries. It has always worked to advance the cause of regional cooperation and integration in south Asia. Five south Asian think-tanks- Centre for Policy Dialogue (CPD), Bangladesh; Research and Information System for Developing Countries (RIS), India; South Asia Watch on Trade, Economics and Environment (SAWTEE), Nepal; Sustainable Development Policy Institute (SDPI), Pakistan; and Institute of Policy Studies (IPS), Sri Lanka- host South Asia Economic Summit annually on rotational basis. We believe that regional economic cooperation and integration brings transformative change, powers trade and economic growth, supports investment and competitiveness, and offers great potential to eliminate poverty and achieve inclusive and sustainable development.

Let me demystify some of the oft quoted statements on south Asian economic integration and cooperation. South Asia is least integrated region with low regional trade of 5.9 percent in 2016. We need to note that intra-regional trade was 5.6 percent in 2006, the year of implementation of SAFTA. Increased intra-regional trade share, although marginally, implies that intra-regional trade has been expanding at higher rate than extra-regional trade. In absolute term, the intra-SAARC trade has increased by 2.3 times in 2016 compared to 2006, from US \$10 billion to more than US \$ 23 billion. Similarly, it is often said that South Asia is home to over 300 million people living on less than \$1.90 per day. But we should not forget that South Asia had been the fastest growing region in the world since the second quarter of 2014. In the first quarter of 2016, regional growth had even reached a record high of 9.1 percent. South Asia is pioneer and leader in microfinance, community forest management, co-operative movement and other social entrepreneurs, which directly address deprivation and exclusion.

The regional integration and cooperation in South Asia has not been a linear process, it has been an evolutionary path marked by ups and downs, and the achievements should be assessed in terms of cumulative progress or incremental, not at the marginal level. Head of state and government have been exchanging shared perception and goals. We have signed South Asia Free Trade Agreement (SAFTA), SAARC Agreement on Trade in Services (SATIS), SAARC Framework Agreement for Energy Cooperation. We have established SAARC Development Fund. We have taken initiatives on food security, health and nutrition, climate change, disaster management and trade facilitation.

Having said this, we have many unfinished agenda. We need to accelerate the process of creating free trade in goods and services in the region through adoption of simplified, transparent and facilitative rules of origin; implementation of trade facilitation measures, elimination of non-tariff and para-tariff barriers; smooth and efficient transit and transport facilities. We should reduce the number of goods in the Sensitive Lists, conclude services sector negotiation and investment promotion agreement. We must strengthen the Social Window of the SAARC Development Fund (SDF), and activate and fortify its Economic and Infrastructure Windows. We ought to operationalize SAARC Food and Seed Banks. We must cooperate to modernize, sustainably intensify and enhance productivity of agriculture to ensure food and nutritional security. We must effectively implement SAARC Declaration on Climate change, SAARC Agreement on Rapid Response to Natural Disasters and SAARC Convention on Cooperation on Environment.

A galaxy of experts and key policy leaders are here with us to discuss these issues in the next couple of days in 4 plenary and 14 parallel sessions. I wish very productive deliberation in these sessions.

I also welcome all of you who are hooked with us in the webcasting of this event.

Once again warm welcome and thank you for your kind attention.