

7th SOUTH ASIA ECONOMIC SUMMIT

Towards South Asia Economic Union

5-7 November 2014
New Delhi, India

Co-organisers



Partners



List of Recommendations

Background

1. Research and Information System for Developing Countries (RIS) organized the 7th South Asia Economic Summit (SAES) at New Delhi on 5 - 7 November 2014. The Ministry of External Affairs (MEA), Government of India provided the major financial support. Additional resources were received from the World Bank, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and Confederation of Indian Industry (CII). The co-organizers of the event were the Institute for Policy Studies (IPS), Colombo; the Sustainable Policy Development Policy Institute (SDPI), Islamabad; South Asia the South Asia Watch on Trade, Economics and Environment (SAWTEE), Kathmandu; South Asia Centre for Policy Studies (SACEPS), Kathmandu; and the Centre for Policy Dialogue (CPD), Dhaka. Representatives from several Indian, regional and international organizations also participated in the 7th SAES.

2. The 7th SAES has seen a very high level participation including serving Ministers, Parliamentarians and Academics from the region. The event was inaugurated by Hon'ble M. Hamid Ansari, Vice-President of India. Besides, Hon'ble Mohammad Mustafa Mastoor, Deputy Minister for Finance, Afghanistan; Hon'ble Gowher Rizvi, Adviser for International Affairs to the Prime Minister of Bangladesh, Bangladesh; Hon'ble Lyonpo Namgay Dorji, Finance Minister, Bhutan; Hon'ble Ram Sharan Mahat, Finance Minister, Nepal; and Hon'ble Sarath Amunugama, International Monetary Cooperation Minister, Sri Lanka addressed the 7th SAES.

3. The 7th SAES was organized under the leadership of Ambassador Shyam Saran, Chairman, RIS. Prof. Rehman Sobhan, Chairman, Centre for Policy Dialogue (CPD), Dhaka; Prof. Muchkund Dubey, Chairman, Council of Social Development (CSD), New Delhi; Prof. Sachin Chaturvedi, Director General, RIS, New Delhi; Dr. Posh Raj Pandey, President, South Asia Watch on Trade, Economics and Environment (SAWTEE), Kathmandu; Ambassador Shafqat Kakakhel, Chairman, Sustainable Development Policy Institute (SDPI), Islamabad; Dr. Saman Kelegama, Executive Director, Institute of Policy Studies of Sri Lanka(IPS), Colombo shared major responsibilities in organizing the 7th SAES. Senior Directors of the SAARC Secretariat and BIMSTEC Secretary General took active part in the Summit. Besides, former Secretary General of SAARC Secretariat also addressed the Summit. The entire event was coordinated by Prof. Prabir De, RIS, New Delhi with support of RIS faculty and administration.

4. The leaders of SAARC countries have been continuously emphasising the importance of enhancing economic cooperation for regional integration. At the 17th SAARC Summit, held at Maldives in 2011, South Asian leaders spoke about the need to work on a vision for future development of South Asia, including the goal and elements of a South Asian Economic Union (SAEU). Therefore, the theme of the 7th SAES - "Towards South Asia Economic Union", was selected unanimously. There were seven plenary and ten parallel sessions at the 7th SAES. A number of lead papers were presented including South Asia Economic Union, South Asia Connectivity, Regional Value Chains, Investment Cooperation, Food Security and Post-2015 Development Agenda. A number of reports and books relating to SAARC cooperation were also released at the Summit. Over 200 people attended the Summit and 114 presentations were made. The final programme is attached as Annexure 1.

5. As declared at the 7th SAES, the following list of recommendations has been prepared for consideration of SAARC Council of Ministers at the 18th SAARC Summit, which will be held at Kathmandu on 26-27 November 2014.

General Observations

- The overall objective of South Asian Economic Union (SAEU) is to ensure the transformation of South Asia into a peaceful, stable, and prosperous region. SAARC countries must consider the mutual benefits that could be derived from greater economic integration and thereby contribute to the furtherance of their common developmental agenda. They should, therefore, collectively address the challenges that confront them in the process of regional integration.
- Our survival depends on the cooperation. Creation of South Asian Economic Union (SAEU) would prove to be a milestone in regional cooperation efforts. Most regions in the world are moving towards greater economic integration, while South Asia lags behind. The logic of economic union lies in re-distribution of common and shared resources within the region in the most efficient and effective manner. Economic union enhances manifold the bargaining power of member countries in the global arena and helps in realising the full potential of trade complementarities. There are definite advantages of moving towards an economic union but the roadmap has to be well thought out and a strategy has to be in place, which is ambitious but realistic.
- Regional disparity needs to be accounted for. Interest of the smaller countries in the region should be taken care of. ASEAN is a better model, where stronger partners take care of weaker ones.
- South Asian countries should prepare a roadmap towards Economic Union, which has been strongly recommended by the SAARC Eminent Person Group before. South Asia has ample scopes to learn lessons from European Union (EU), while moving towards the SAEU. European Union (EU) was the first effective customs union way back in 1960s. South Asian countries need to undertake concrete collaborative research on economic union with EU as a reference point.
- South Asian countries need to work more closely on climate change and environmental issues since all the South Asian countries have monsoon dependent livelihood, where precipitation varies in terms of quantum, timing and places.
- South Asian countries have to undertake a stronger resolution to stop inter-state terrorism in the region.
- South Asian countries may constitute an independent panel for monitoring the SAARC progress.
- FTA can be less effective in setting up institutions required for Economic Union. A stronger institution is must in order to achieve substantial progress in SAEU.

- Active political leadership is required to realize the objective of regional economic integration in South Asia.

South Asia Economic Union

- The lead presentation at the 2nd Plenary Session has indicated that the region may confront welfare loss in context of SAEU due to high trade costs. Computable General Equilibrium (CGE) simulations presented at the Summit have indicated that the South Asia region is yet to be ready for an Economic Union. However, South Asian countries may work closely to adopt a common external tariff (custom union) in due course of time. What is needed is to undertake major actions for harmonization of economic policies in the region.
- India has offered Duty Free Quota Free (DFQF) market access to South Asian neighbours. Ideal tariff regime is still an ambition. South Asian countries should remove all tariff barriers, and rationalize NTMs in order to facilitate trade and regional value chains.

South Asia Connectivity

- Priority in South Asia connectivity would be to undertake investment in regional infrastructure, especially transport connectivity that would facilitate ease of travel and trade.
- South Asian countries need to remove all obstacles along the transport corridors. Backend infrastructure is needed for improvement in border infrastructure. Border area can be converted into manufacturing zone, if we provide adequate infrastructure support and security.
- Steps like common transport policy, recognizing driving license, developing border infrastructure, developing soft infrastructure, etc. should be taken in order to facilitate trade in the region.
- South Asian countries may agree to single stop border point, which will help facilitate trade and regional value chains.
- Immediate need of investment in border infrastructure can be tackled with improvements in trust building measures – allowing trucks into each other's territory up to custom points.

Investment Cooperation

- FDI has more symbolism than trade, and deserves to be encouraged. Governments in South Asia should proactively support investments, especially of flagship investors. Bilateral investment within the region

must be facilitated. This will help to bring in other investors through the “late-mover advantage”.

- South Asian policy vs. reality very different in FDI. Bridging that gap will take time, as will bringing in ASEAN type comprehensive investment agreement. There is no doubt that investments will help narrow the trade gap.
- In order to streamline regulations relating to cross-border investments, focused sector/investor approach can also be considered.
- Investment is also crucial for regional value chain. There are intra-regional differences in investment regimes in South Asia. Governments should proactively support investments in the region.
- Investment climate can be improved by ensuring steady progress on other fronts including granting of MFN status by Pakistan to India, harmonization of visa procedures by the South Asian countries, and generating trust through active participation in composite political dialogue processes.

Regional Value Chains

- Value chains are the future for South Asia. There are some preconditions. For example, South Asian countries should have adequate infrastructure for export-oriented industries. South Asian countries have to remove obstacles in terms of differentiated tariffs and NTBs.
- Mapping of resources, institutions, market access, skills, and potential of traditional industries would help the region in framing a strategy to promote the regional value chains.
- Industrialization promotes value chain, and manufacturing value chain could have regional character. Countries to encourage manufacturing activities with regional sources of resources and sale of final products.
- Value added services such as single permit, domestic branding, mutual recognition of degrees, etc. are needed to encourage regional value chains in South Asia.

Food Security

- South Asian countries shall promote regional trade in food (from surplus to deficit regions). Regional cooperation in exchange knowledge and technologies in food security is very important. Countries shall cooperate in weather forecasting, early warning system, etc.

- South Asian countries shall undertake mutual resource management for food security. National government shall take lead responsibility, whereas regional initiative may complement it. Sri Lanka, Bangladesh, Nepal have already started commodity exchange programme, whereas India has to collaborate with it.
- South Asian countries shall aim for SAARC food security standard and work closely for management food wastage and distribution losses. Empowering women can address the problem of food security in the region.
- Addressing the challenges of food security requires a multi-dimensional approach that includes policies for increasing agriculture production, promoting trade in agricultural commodities, ensuring fair return to investments in agriculture, mitigating climate change risks, activating targeted public distribution systems, strengthening regional initiatives like SAARC Food Bank, SAARC Seed Bank, SAARC Milk Grid, etc.

Post-2015 Agenda

- South Asia is on track for three, and an early achiever for five of MDG. But the progresses of most of the indicators are slow (10 out of selected 18 indicators). The outcome document of the 2012 Rio+20 Conference on Sustainable Development initiated a process to develop a set of sustainable development goals.
- Post-2015 process is currently at a transitional phase. The discussions of the implementation issues (finance and non-finance) are gathering momentum. Inter-governmental negotiation process will be soon launched.
- South Asian countries shall accept the resolution that no one will be left behind in the region. Therefore, countries in the region shall take action to eliminate poverty and reduce all forms of inequality and discrimination.
- South Asian countries shall generate productive capacity for the decent job and sustainable income. Countries have to build a peaceful and inclusive society with enhance accountability and voice.
- As per the third SAARC Ministerial Meeting on Poverty Alleviation (held on 4-5 April, 2013), the first cycle of SAARC Development Goals will be extended from 2012 till 2015 which would coincide with the completion of MDGs in 2015. SAARC may build on its work on the SAARC Development Goals (SDGs) and work on new post-2015 goals, customised for South Asian countries. To support implementation at regional level, South Asian countries may use and better align its existing mechanisms with the post-2015 Development Goals.

Macroeconomic Challenges

- Macroeconomic challenges are very high in the region. High inflation, unemployment (youth unemployment), etc. are common. High budget deficit is due to lower tax to GDP ratio. Revenue generation is low because of low investment, high subsidy expenditure and institutional reforms. Therefore, efficiency and distributional aspects are to be taken into account.
- Macroeconomic performance of South Asian countries can be improved by taking two aspects into consideration: (i) Economic Growth: Reviving business cycle, improving infrastructure and investment scenario, increasing social sector spending, tackling energy shortage, improving tax-GDP ratio by improving tax structure and domestic resource mobilization; and (ii) Inflation Moderating.
- Fiscal policies such as pump priming, fiscal expenditure and investment in infrastructure are needed. Monetary approach to inflation target will not work since mechanism linkages are missing.
- Market driven exchange rate and SWAP facilities is needed. South Asia needs exchange rate policy coordination.
- Finally, regulatory and institutional reforms are essential in the region

Non Tariff Measures (NTMs)

- Strong political commitment and top level support are essential to meet the goals on standards and technical regulations. The way forward for SAARC is to make duties in SAFTA zero, formulate a custom union by ways of harmonisation of duties and solving issues related to SPS and TBT, and finally aim for an economic union.
- Transparency of information related to NTMs is must. There is lack of information on NTBs that leads to lack of predictability. There is lack of information on corrective measures taken up by the members of the region which leads to continued talks on NTBs. At the same time, adequate notification on corrective measures is needed which will help us to tackle NTMs appropriately. The solution could be to establish a regional monitoring mechanism in South Asia. SAARC should make available the required documents on website for the information and use of public.
- There is also a need to address the existing gaps in operationalization of MRAs and gaps in communication channels and institutional mechanisms in order to address the issue of lack of adequate information on NTBs.

- SAFTA does not have a proper mechanism to address NTBs, which calls for a need of “Working Group” in this regard. There is absence of any mechanism for regular dialogue on NTB, where organizations, for instance, SAARC Chambers of Commerce and Industry (SCCI) can play a very significant role.
- Capacity building of national standard setting bodies and institutions along with understanding their requirements to function adequately is very much needed.
- South Asian countries have to provide assistance and guidance to new member of SAARC such as Afghanistan in strengthening the country’s capacity in product standards and accreditation.

Trade Facilitation and Customs Cooperation

- Trade facility should be made available across the border on 24X7 basis for seamless movement of goods and vehicles. South Asian countries also have to modernise and reform customs and border agencies. This may require additional capital inflow and technology improvement, which can be sourced from the regional fund or international or regional development organisation.
- Cost of trade among SAARC countries has been very high. Monitoring the cost and time to trade in a sustainable manner is crucial. Integrated and sustainable trade and transport facilitation monitoring mechanism (TTFMM) may be considered to measure the performance in implementing trade facilitation. Business Process Analysis (BPA) is another tool to implement paperless trade.
- Trade will be much faster with minimum process re-engineering. Cross-border electronic submission will reduce lengthy customs and cargo handling time at exporting and/or importing port(s). Synchronisation of cross-border customs should be prioritised. Harmonisation of customs documents is necessary.
- Customs transit declaration (CTD) and supporting documents should be shared between ports, customs and border control authorities.
- Introduce the GPS to track the container traffic flow, particularly for transit traffic. This will reduce transaction costs and time heavily.
- National Single Window is essential for paperless trade in the region. SAARC Secretariat may initiate the process to integrate the national single windows and converge into a regional single window over time.
- South Asian countries can introduce single administrative documents for export and import in the region.

Financial and Monetary Cooperation

- Too early to consider monetary and financial integration in South Asia because minimum benchmarks have not yet been set up and major economies of the region are prone to global risks. However, there exists great potential for financial and monetary cooperation in the region. India being a major player has to take serious steps towards economic and financial cooperation in the region.
- There are advantages of using local currency for trade transactions. It encourages local currency pricing, which reduces pass through and inflation and also reduces exposure to continuing dollar volatility.
- South Asian countries may consider a Payment union with credits enabled to full dynamic gains from trade. India announced bilateral SWAP in 2012 to SAARC countries. SWAP is a useful way of expanding liquidity in the region. South Asian countries may draw lessons from AMRO and Chiang Mai Initiatives in ASEAN.
- There is more movement of capital outside the region than within with South Asian countries are becoming part of global financial arrangements like BRICS Bank and Asian Infrastructure Investment Bank (AIIB). Greater cooperation with international banks would help the South Asian countries in sourcing infrastructure investments in the region.
- More monetary policy coordination is required and can be done through regional monetary unit.
- Regional cooperation is possible in guarantee for deposit insurance, tax incentives and stop illegal money transaction.
- Scope for capital market development in the region. Corporate Bond Market should be encouraged.
- Export credit insurance and risk assessment of small producers and exporters shall be encouraged. EXIM Bank India can extend operations in context of suitable trade financial instruments in the region.
- Joint information assessment and exchange can be adopted for better risk management.
- Rupee settlement of trade finance can be considered, since it is the best amongst the currencies in the region.
- South Asian countries shall increase the opportunity of banking business. For example, only 20 Indian banks are doing business at present in the South Asian region.
- India's insurance density is only US\$ 53, whereas ASEAN average is US\$ 134. Insurance cooperation in the region is possible with data sharing in the public domain.

Services Trade, Mutual Recognition and Trade Reforms

- SAARC Agreement on Trade in Services (SATIS) has been signed but services trade liberalization has not yet taken off in the region. South Asian countries shall take immediate steps for full implementation of SATIS.
- Requests are quite extensive, but offers are very low, even for India. India's offers are on four (sub-group) services sectors. Extra-regional (other than South Asia) offers are higher than the intra-regional. South Asian countries shall complete all formalities which are needed to operationalize the SATIS.
- Countries should sign MRAs in services trade, particularly in trade in educational services.

South Asia Energy Cooperation

- Inter-dependence of South Asian countries must be acknowledged to address regional energy security. Energy security is critical for economic development. South Asia is lagging behind other regions in sharing energy. Energy efficient technology should be adopted. South Asian countries should move towards clean energy. Regional cooperation in energy security will be a win-win situation for all the South Asian countries.
- Energy surplus and energy deficit countries need to come together to develop a comprehensive agreement for mutual benefit. More projects like Central Asia-South Asia Electricity Transmission and Trade Project (CASA-1000) are needed to meet the growing energy requirement of South Asia. Need to have sustainable transmission and sophisticated plan for ensuring energy security.
- South Asian region have energy resources but utilisation is poor. South Asian countries shall adopt a sustainable energy security development policy. Institutions should be strengthened for regional energy cooperation.
- South Asia needs to have a stronger cooperation for sharing of energy in the region. SAARC Energy Grid should consider South Asian Solar Grid since the region inherits benefits in terms of its geography.
- An energy cooperation roadmap for intra- and inter- regional energy grid links should be prepared.

Science & Technology (S&T) Cooperation

- South Asia is very disaster prone – per annum loss due to disaster has been very high. S&T has a role to play in disaster recovery planning and improving response and also in risk mapping and early warning system. S&T cooperation may help countries in disaster preparedness efficiently.
- Presently, South Asia S&T cooperation is minimal. Moreover, the S&T policies are not coherent among member countries. South Asia is largely not part of international S&T collaborations. Therefore, the S&T policies need to be updated. At the same time, S&T should be primarily oriented towards developmental objectives (lessons from ASEAN). Technology transfer among member countries needs to be promoted
- Specific focus areas need to be developed within scientific fields oriented towards developmental goals. Best practices need to be shared among the member countries. Some of the areas where countries can generate regional cooperation in S&T are climate change, traditional medicine, energy, etc. In parallel, we may make an effort to reach a convergence in IPR practices and law, which are not uniform across South Asian countries.
- Knowledge sharing in S&T is also very important for South Asian countries. A regional interface may help facilitate knowledge sharing in the region. South Asia Disaster Knowledge Network has been created.

Media Cooperation

- It is a misnomer that media could compete in the region. But, in the international context, media cooperation is important in the form of information syndication. However, media cooperation has been widely discussed in the past but there is a sheer absence of the same in South Asia.
- Media needs to understand the free market economy and only then the process of economic integration can be realized in South Asia. Economic/developmental stories reporting should come into picture.
- Good media coverage can shape the market discourse itself. South Asian countries shall increase the number of correspondents in the region.
- The region bears common history, media is strongest tool but full potential is yet to be explored.
- Initiative was taken up in the form of South Asia Free Media Association (SAFNA) towards cooperation and joint media action. However, there is little reciprocity among the nations in the presence of technical barriers.

- The leaders can channel media cooperation in their respective countries. Sharing of information among regional members has a huge potential. Media cooperation becomes a strong tool to fight against political conflicts, terrorism and many more.
- Media is a powerful instrument and each form of the media has different roles to play. It has three prominent roles: first as a communicator, second as a disseminator and third as an educator. Media creates images in the mind of the people and helps in forming opinions. It can also plant a seed of misunderstanding.
- Getting together and writing about each other is a way forward. Until and unless media understands the importance of economic integration, economic union and free market economy, media cooperation cannot take place.

South Asian Development Bank

- The financing needs of the countries and needs of the banks should be considered. Specifically, development banks should be focused on long term goals like infrastructure development goals. The complementarities between the existing institutions and the new ones need to be considered.
- Establishment of the new banks will be time consuming and given the urgent needs of the region, can we afford to wait for some more years? New banks will face the problem of capital since south Asia region has the high fiscal deficit already and merely diversion of funds from existing institution to new one would increase the cost of loans. Therefore, strengthening the existing institutions should be considered
- South Asian countries will have a better participation in decision making process in regional banks such as South Asian Development Bank. Need of South Asian Development Bank should come from all the LDCs (least developed countries) to which this bank will cater to. If their requirements are fulfilled, we should go for the bank. Given that infrastructure is a key bottleneck for connectivity and growth, we need huge financing in the region, whether from South Asia Development Bank or Asian Development Bank or any other. The bank should be able to meet the huge financial needs. At the same time, member countries credit rating matters a lot since it leads to capital raising viability.
- Areas to focus on by the South Asian Development Bank would be infrastructure development. Revenues generated should be in foreign currency. Foreign currency can be generated from the sectors like tourism, hydropower, transport corridors, etc.

- Technical realities are needed to be considered before welcoming the South Asian Development Bank. We need to look for complementarities between existing institutions and the new ones. Trade off between existing institution and new bank needs to be examined.

South Asia Growth Zone

- Infrastructure development particularly cross-border infrastructure is key to activate the growth impulses in the region. The focus of SASEC and GMS initiatives has been on the transportation and communication (about 60 GMS projects, of which 78 percent have been spent on transportation). To strengthen trade and investment, infrastructure should be provided to link countries by modernising and efficient rail and road connectivity.
- Within SAARC region, connecting the Northeast of India to the neighbouring areas could be a potential growth area. Exports from the Northeast India are low due to various bottlenecks that include broken supply chains, lack of adequate investment and other impediments. From a wider perspective, progress on BIMSTEC initiatives would have complementary effects on economic activity in South Asia. On the other, SAARC initiative may promote sub-regional integration in Asia. While economic growth assumes more attention the social faces of growth should not be undermined, given the fact that South Asia is home to a significantly large number of poor people in the world. ADB's initiatives can contribute to growth in the region.
- ADB's SASEC is the most discussed South Asia Growth Zone model. Four 'Key pillars' of such growth zone model are (i) investment in cross-border infrastructure and associated software, (ii) eliminate monetary and financial barriers, (iii) higher trade and investment, and (iv) presence of regional public goods.
- South Asia has mainly focused on its eastern part. To generate further cooperation in the region, South Asia has to focus on its western and southern parts in compare with eastern region. Complementarities should be identifies in western and southern zones of South Asia.

Way Forward

- Economic Union is going to happen, and shall take its own course.
- Creation of South Asian Economic Union (SAEU) would prove to be a milestone in regional cooperation efforts. There are definite advantages of moving towards an economic union, but the roadmap has to be well

thought out and a strategy has to be in place, which is ambitious but realistic.

- Deeper integration in trade should continue. Our immediate actions should be to remove large sensitive list, NTMs, etc. before we move into a Customs Union.
- Connectivity, physical, people-to-people and digital, have to be strengthened. Undertaking special projects – software and hardware, is of utmost importance. An efficient, secure and integrated transport network is essential to support the realisation of South Asian Economic Union.
- Some of the regional trade facilitation projects may ease the way for an economic union. These could be (i) coordinated border management, such as co-location of facilities, delegation of administrative authority, cross-designation of officials, and effective information sharing; (ii) regional single window which is a digital interface that allows traders to submit all information and documentation required by regulatory agencies via a single electronic gateway; and (iii) regional transit, which would help the region to move the goods and services move freely, thereby strengthening production networks in South Asia.
- South Asia has set-up many regional organisations, such as SAARC Development Fund (SDF) to finance regional development projects, a South Asia Regional Standards Organization (SARSO) to harmonize standards and reduce time taken in customs clearance, a South Asian University in Delhi to promote higher education, to mention a few. Regional institutions like the SAARC Food Bank and SAARC Disaster Management Centre have the potential to help address the common regional challenges. Proposed institutions such as SAARC Satellite or SAARC Corridor or SAARC Development Bank deserve more attention, as we contemplate moving towards an economic union.
- Building on enhanced connectivity, we need to also encourage proliferation of regional value chains that can pool together competitiveness of each of our economies, at various stages of production. These would require greater flow of financial capital and intra-regional investments.
- The respective representatives from all South Asian countries agreed that the way forward is through cooperation. The potential areas of cooperation include trade, energy, connectivity, regional value chain, investment, climate change, natural disasters, food security, etc. The level of cooperation would determine the possibility of South Asia community and economic union. Therefore, all member countries must work for a prosperous South Asia.

Annexure 1



Agenda

5 November 2014 (Wednesday): Venue: The Oberoi

11.00 – 12.00

Media Interaction [Venue: Ball Room, The Oberoi]
[By invitation]

In Chair: Amb. Shyam Saran, Chairman, RIS, New Delhi

- **Bangladesh:** Prof. Rehman Sobhan, Chairman, Centre for Policy Dialogue (CPD), Dhaka
- **India:** Prof. Sachin Chaturvedi, Director General, RIS, New Delhi
- **Nepal:** Dr. Posh Raj Pandey, President, South Asia Watch on Trade, Economics and Environment (SAWTEE), Kathmandu
- **Pakistan:** Amb. Shafqat Kakakhel, Chairman, Sustainable Development Policy Institute (SDPI), Islamabad
- **Sri Lanka:** Dr. Saman Kelegama, Executive Director, Institute of Policy Studies of Sri Lanka (IPS), Colombo

14.00

Registration

15.00 – 15.45

Inaugural Session

- Welcome by Prof. Sachin Chaturvedi, Director General, RIS
- Opening Address by Amb. Shyam Saran, Chairman, RIS
- Special Address by Prof. Rehman Sobhan, Chairman, Centre for Policy Dialogue (CPD), Dhaka
- Inaugural Address by Hon'ble M. Hamid Ansari, Vice-President of India
- Vote of Thanks by Prof. Prabir De, RIS

- 16.00 – 16.30** **Book Release**
- **Democracy, Sustainable Development, and Peace: New Perspectives on South Asia**, Edited by Akmal Hussain and Muchkund Dubey
 - **Towards a Stronger Dynamic and Inclusive South Asia** [Proceedings of 6th SAES], Edited by Saman Kelegama and Anushka Wijesinha
 - **Regional Integration in South Asia: Trends, Challenges and Prospects**, Edited by Mohammad A Razzaque and Yurendra Basnett

17.00 – 18.30 **Plenary Session 1: South Asia Regional Integration: Past, Present and Future**

In Chair: Amb. Shyam Saran, Chairman, RIS and NSAB

- Hon'ble Mohammad Mustafa Mastoor, Deputy Minister for Finance, Afghanistan
- Hon'ble Gowher Rizvi, Adviser for International Affairs to the Prime Minister of Bangladesh, Bangladesh
- Hon'ble Lyonpo Namgay Dorji, Finance Minister, Bhutan
- Hon'ble Ram Sharan Mahat, Finance Minister, Nepal
- Hon'ble Sarath Amunugama, International Monetary Cooperation Minister, Sri Lanka

18.30 – 19.30 **Cultural Programme**

19.45 **Welcome Dinner, Hosted by Amb. Shyam Saran, Chairman, RIS & NSAB**
[Venue: Ballroom, The Oberoi]

6 November 2014 (Thursday): Venue: India International Centre (IIC)

09.00 – 11.00 **Plenary Session 2: South Asia Economic Union: Challenges and Tasks Ahead**
[Venue: Multipurpose Hall, IIC New Building]

In Chair: Prof. Muchkund Dubey, President, Council of Social Development (CSD), New Delhi

Special Address: Ms. Sujata Mehta, Secretary (DPA & ER), Ministry of External Affairs (MEA), Government of India

Lead Presentation: Prof. Selim Raihan, Dhaka University & Executive Director, South Asian Network on Economic Modelling (SANEM), Dhaka

Panellists

- Amb. Sheel Kant Sharma, Former Secretary General, SAARC Secretariat
- Dr. Arvind Mehta, Jt. Secretary (SAARC/Iran), Department of Commerce, Ministry of Commerce & Industry (MoCI), Government of India
- Dr. Akmal Hussain, Distinguished Professor of Economics, Forman Christian College, Lahore
- Prof. Jim Rollo, Sussex University, Brighton
- Ms. L. Savithri, Director (Economic, Trade and Finance), SAARC Secretariat, Kathmandu

11.15 – 11.30 **Tea/Coffee Break**

11.30 – 13.00 **Plenary Session 3: South Asia Connectivity: Regional Agenda for South Asia Economic Union [with Special Reference to Economic Corridor and Trade at Border]
[Venue: Multipurpose Hall, IIC New Building]**

In Chair: Amb. Shafqat Kakakhel, Chairman, SDPI, Islamabad

Special Address: Dr. Nagesh Kumar, Head, United Nations ESCAP South and South-West Asia Office, New Delhi

Special Remarks: Prof. Rounaq Jahan, Distinguished Fellow, CPD, Dhaka

Lead Presentation: Dr. Prabir De, RIS

Panellists

- Dr. A. M. Gondane, Jt. Secretary (SAARC and Border Connectivity), Ministry of External Affairs (MEA), Government of India, New Delhi
- Mr. Y S Shahrawat, Chairman, Land Ports Authority of India (LPAI), New Delhi
- Dr. Dushni Weerakoon, Dy. Director & Fellow, IPS, Colombo

13.00 – 14.00 **Lunch**

14.00 – 15.30 **Plenary Session 4: Cooperation for South Asia Investment Bloc
[Venue: Multipurpose Hall, IIC New Building]**

In Chair: Dr. Mohan Man Sainju, Chairperson, Institute for Integrated Development Studies (IIDS), Kathmandu

Special Address: Dr. Anup K Pujari, Secretary, Ministry of Mines, Government of India

Lead Presentation: Dr. Saman Kelegama, Executive Director, Institute of Policy Studies of Sri Lanka (IPS), Colombo

Panellists

- Prof. Ram Upendra Das, RIS
- Dr. Sanjay Kathuria, Lead Economist, The World Bank, Washington, D.C
- Amb. Farooq Sobhan, President, Bangladesh Enterprise Institute (BEI), Dhaka
- Dr. Anjum Assad Amin, Director – General, Pakistan Institute of Trade and Development (PITD), Islamabad

15.30 – 15.45 Tea / Coffee Break

15.45 – 17.15 Parallel Sessions

Session I Seminar Hall I	Session II Seminar Hall II	Session III Seminar Hall III	Session IV Multipurpose Hall	Session V Conference Room II
<i>Non-tariff measures including standards and regulations</i>	<i>Macroeconomic performance, prospects and policy coordination</i>	<i>Financial and monetary cooperation</i>	<i>Trade facilitation including customs cooperation</i>	<i>Services trade, mutual recognition and trade reforms</i>
<i>Chair: Prof. Rajat Acharyya, Dean, Jadavpur University, Kolkata</i>	<i>Chair: Prof. B B Bhattacharya, Former Vice-Chancellor, Jawaharlal Nehru University (JNU), New Delhi</i>	<i>Chair: Mr. Syeduzzaman, CPD Board of Trustee and Former Finance Minister, Bangladesh, Dhaka</i> <i>Special Remarks: Dr. Ramgopal Agarwala, Director, Pahle India Foundation, New Delhi</i>	<i>Chair: Prof. Abhijit Das, Head, Centre for WTO Studies, New Delhi</i> <i>Special Remarks: Mr. T A Khan, Vice Chair, UN/CEFACT</i>	<i>Chair: Dr. Mia Mikic, Chief, Trade Policy and Analysis Section, Trade and Investment Division, United Nations ESCAP, Bangkok</i>
<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>
<ul style="list-style-type: none"> • Mr. Rajan Ratna, Trade Policy and Analysis Section, United Nations ESCAP, Bangkok • Prof. Nisha Taneja, ICRIER, New Delhi • Mr. Puspa Sharma, SWATEE, Kathmandu • Mr. Raveen Ekanayake, IPS, Colombo • Mr. Ahmad Shah Mobariz, Gharjistan Institute of Higher Education, Kabul 	<ul style="list-style-type: none"> • Dr. Tom Richardson, International Monetary Fund (IMF), New Delhi • Dr. Famida Khatun, CPD, Dhaka • Dr. Vatcharin Sirimaneetham, United Nations ESCAP, Bangkok • Dr. Saikat Sinha Roy, Jadavpur University, Kolkata 	<ul style="list-style-type: none"> • Dr. Ashima Goyal, IGIDR, Mumbai • Dr. Khondaker Golam Moazzem, CPD, Dhaka • Dr. Somya Kanti Ghosh, State Bank of India, Mumbai • Prof. Amita Batra, JNU, New Delhi 	<ul style="list-style-type: none"> • Dr. Tengfei Wang, Trade Facilitation Section, United Nations ESCAP, Bangkok • Mr. Ismail Nashid, Maldives Customs, Male • Mr. Raghu Dayal, AITD, New Delhi • Mr. Shasank Priya, Commissioner, Patna • Ms. Dharshani Premeratne, IPS, Colombo 	<ul style="list-style-type: none"> • Prof. Rupa Chanda, Indian Institute of Management (IIM), Bangalore • Prof. Shahid Ahmed, Jamia Millia Islamia, Delhi • Ms. Rajju Malla Dhakal, South Asia Centre for Policy Studies (SACEPS), Kathmandu • Mr. Anushka Wijesinha, IPS, Colombo • Mr. Nitya Nanda, TERI, New Delhi

18.15 – 19.45 **Special Event: India – Pakistan Cooperation and Implications for South Asian Economic Union**
[Venue: Nilgiri Hall, Oberoi]

Opening Remarks & Session Moderation: Mr. Rakesh Bharti Mittal, Chairman, CII Agriculture Council, Vice-Chairman & Managing Director, Bharti Enterprises Ltd., Gurgaon

Presentation by: Dr. Martin Rama, Chief Economist, The World Bank, New Delhi

Panellists

- Mr. Zubair Ahmed Malik, Immediate Past President, Federation of Pakistan Chambers of Commerce & Industry (FICCI), New Delhi
- Mr. Deepak Amitabh, Chairman and Managing Director, Power Trading Corporation (PTC), New Delhi
- Mr. Syed Mazhar Ali Nasir, Vice President, Federation of Pakistan Chambers of Commerce & Industry

20.00 **Dinner, Hosted by Smt. Sujatha Singh, Foreign Secretary of India** [by invitation]
[Venue: Nilgiri Hall, The Oberoi]

7 November 2014 (Friday): Venue: India International Centre (IIC)

09.00 – 10.30 **Plenary Session 5: Strengthening South Asia Value Chain: Prospects and Challenges**
[Venue: Multipurpose Hall, IIC New Building]

In Chair: Dr. Rajiv Kumar, Senior Fellow, Centre for Policy Research (CPR), New Delhi

Lead Presentation: Dr. Abid Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Islamabad

Panellists

- Dr. S K Mohanty, Professor, Research and Information System for Developing Countries (RIS), New Delhi
- Dr Keshab Das, Professor, Gujarat Institute of Development Research (GIDR), Ahmedabad
- Prof. Ajitava Raychaudhuri, Head, Centre for Advanced Studies, Jadavpur University, Kolkata
- Dr. Mohammad Razzaque, Adviser & Head, International Trade Policy, Commonwealth Secretariat, London
- Mr. Pradeep K. Shrestha, Managing Director, Panchkanya Group, Kathmandu

10.30 – 10.45 **Tea / coffee break**

10.45 – 12.00

Plenary Session 6: Regional Cooperation for Food Security in South Asia

[Venue: Multipurpose Hall, IIC New Building]

In Chair: Dr. S. Mahendra Dev, Director, Indira Gandhi Institute of Development Research (IGIDR), Mumbai

Special Address: Dr. P K Joshi, Director, South Asia, International Food Policy Research Institute (IFPRI), New Delhi

Lead Presentation: Dr. Posh Raj Pandey, President, South Asia Watch on Trade, Economics and Environment (SWATEE), Kathmandu

Panellists

- Dr. Abid Suleri, Executive Director, Sustainable Development Policy Institute (SDPI), Islamabad
- Dr. Mustafizur Rahman, Executive Director, Centre for Policy Dialogue (CPD), Dhaka
- Prof. I N Mukherjee, Consultant, ESCAP SSWA, New Delhi
- Mr. Matthew Hammill, Economic Affairs Officer, United Nations ESCAP, South and South-West Asia Office, New Delhi

12.00 – 13.15

Plenary Session 7: Post-2015 Agenda: South Asian Perspectives

[Venue: Multipurpose Hall, IIC New Building]

In Chair: Dr. Nagesh Kumar, Head, United Nations ESCAP South and South-West Asia Office, New Delhi

Special Address: Prof. Sachin Chaturvedi, Director-General, RIS

Lead Presentation: Dr. Debapriya Bhattacharya, Distinguished Fellow, Centre for Policy Dialogue (CPD), Dhaka & Chair, Southern Voice on Post-MDGs network

Panellists

- Mr. Tanmay Lal, Joint Secretary (UN), Ministry of External Affairs (MEA), Government of India, New Delhi
- Mr. Rabi Shanker Sainju, Programme Director, National Planning Commission (NPC), Kathmandu
- Dr. Aliya H Khan, Dean, Quaid-e-Azam University, Islamabad
- Dr. Manmohan Agarwal, RIS

13.15 – 14.15

Lunch

14.15 – 15.45 Parallel Sessions

Session VI Seminar Hall I	Session VII Seminar Hall II	Session VIII Seminar Hall III	Session IX Multipurpose Hall	Session X Conference Room II
Regional Energy Security	South Asia Development Bank	Science & Technology including IPR	Media Cooperation	South Asia Growth Zone
<i>Chair:</i> Amb. Rajeev Bhatia, Director-General, Indian Council of World Affairs (ICWA), New Delhi	<i>Chair:</i> Prof. S K Mohanty, RIS	<i>Chair:</i> Prof. Sachin Chaturvedi, RIS	<i>Chair:</i> Mr. T N Ninan, Chairman, Business Standard	<i>Chair:</i> Amb. Sheel Kant Sharma, Former Secretary General, SAARC Secretariat
				Special Address: H.E. Sumith Nakandala, Secretary-General, BIMSTEC, Dhaka
<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>	<i>Panellists:</i>
<ul style="list-style-type: none"> • Dr. Ritu Mathur, TERI, New Delhi • Dr. Mahendra Lama, Jawaharlal Nehru University (JNU), New Delhi • Dr. Sunil Khosla, Task Manager, CASA Project, World Bank • Mr. Bipul Chatterjee, CUTS, Jaipur • Mr. Rajeev Ranjan Chaturvedi, ISAS, Singapore 	<ul style="list-style-type: none"> • Mr Karma, CEO, SAARC Development Fund (SDF), Thimpu • Mr. David Rasquinha, EXIM Bank, Mumbai • Dr. Hiramani Ghimire, SWATEE, Kathmandu • Mr. Pranav Kumar, CII, New Delhi • Mr. Arvind Kumar, TERI, New Delhi 	<ul style="list-style-type: none"> • Prof. Santosh Kumar, SAARC Disaster Management Centre, New Delhi • Dr. T C. James, RIS • Dr. K. Ravi Srinivas, RIS • Ms. Dilani Hirimuthugoda, IPS, Colombo 	<ul style="list-style-type: none"> • Mr. Pranab Dhal Samanta, India Today, New Delhi • Mr. Shawkat Hossain, Prathom Alo, Dhaka • Mr. Prateek Pradhan, Nagarik News Daily, Kathmandu • Amb. Paramjit Singh Sahai, CRRID, Chandigarh 	<ul style="list-style-type: none"> • Amb. Dago Tshering, Former Ambassador of Bhutan to India • Dr. Bishnu Dev Pant, IIDS, Kathmandu • Dr. Kavita Iyenger, Asian Development Bank (ADB), New Delhi • Dr. Biswajit Nag, IIFT, New Delhi • Dr. Mizanur Rahman, Dhaka University, Dhaka

- 15.45 – 16.00** **Tea / Coffee Break**
- 16.00 – 17.30** **Plenary Session 8: Summary, Conclusions and Way Forward
[Venue: Multipurpose Hall, IIC New Building]**
- Co-Chair 1:* Prof. Rehman Sobhan, Chairman, Centre for Policy Dialogue (CPD), Dhaka
- Co-Chair 2:* Prof. Muchkund Dubey, President, Council of Social Development (CSD), New Delhi
- Presentation of Summary* by Prof. Prabir De, RIS
- Remarks by*
- Dr. Saman Kelegama, IPS, Colombo
 - Dr. Mustafizur Rahman, CPD, Dhaka
 - Dr. Abid Suleri, SDPI, Islamabad
 - Mr. Pradeep S Mehta, CUTS International
 - Dr. Posh Raj Pandey, SWATEE, Kathmandu
 - Prof. Ram Upendra Das, RIS
- 17.30 – 17.45** **Concluding Session**
- Remarks by Prof. Sachin Chaturvedi, RIS
 - Closing Remarks by Amb. V S Seshadri, Vice-Chairman, RIS
 - Vote of Thanks by Prof. Prabir De, RIS
- 20.00** **Dinner, Hosted by Prof. Sachin Chaturvedi, Director-General,
RIS [Venue: Nilgiri Hall, Oberoi]**
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