



South Asian Association for Regional
Cooperation (SAARC)

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International Council on Social Welfare

The International Council on Social Welfare (ICSW) is a global non-governmental organisation which represents a wide range of national and international member organisations that seek to advance social welfare, social justice and social development.

ICSW's basic mission is to promote forms of social and economic development which aim to reduce poverty, hardship and vulnerability throughout the world, especially amongst disadvantaged people. It strives for recognition and protection of fundamental rights to food, shelter, education, health care and security. It believes that these rights are an essential foundation for freedom, justice and peace. It seeks also to advance equality of opportunity, freedom of self-expression and access to human services.

In working to achieve its mission, ICSW advocates policies and programs which strike an appropriate balance between social and economic goals and which respect cultural diversity. It seeks implementation of these proposals by governments, international organisations, non-governmental agencies and others. It does so in cooperation with its network of members and with a wide range of other organizations at local, national and international levels.

ICSW's main ways of pursuing its aims include gathering and disseminating information, undertaking research and analysis, convening seminars and conferences, drawing on grass-root experiences, strengthening non-governmental organizations, developing policy proposals, engaging in public advocacy and working with policy-makers and administrators in government and elsewhere.

In 2001, the International Council on Social Welfare began a three-year project that focuses on strengthening civil society input into long-term or emerging regional intergovernmental structures such as the South Asian Association for Regional Cooperation (SAARC), the Association of Southeast Asian Nations (ASEAN), the African Union (AU) and others. The project aims to encourage regional agreements on social development issues and to advocate the implementation of social policy instruments at a regional level.

Among civil society organisations there is often a lack of awareness on the importance, roles and activities of regional intergovernmental structures such as SAARC. ICSW is therefore developing a series of briefing papers on the different groupings in order to highlight their work and explore the ways that civil society organisations can interact with them.

The paper aims to describe the history and evolution of SAARC, describe the structures and mechanisms that guide the work of SAARC, review some of the mechanisms for social development organisations to be involved at the level of SAARC and look at the opportunities for interaction by civil society organisations with the SAARC secretariat.

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SAARC - A PROFILE

I. Introduction:

The South Asian Association for Regional Cooperation (SAARC) comprises the seven countries of South Asia, i.e. Bangladesh, Bhutan, India, The Maldives, Nepal, Pakistan and Sri Lanka. It is an Association based on the consciousness that in an increasingly independent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the South Asian region by fostering mutual understanding, good neighborly relations and meaningful cooperation among the Member States which are bound by ties of history and culture.

The idea of regional cooperation in South Asia was first mooted in November 1980. After consultations, the Foreign Secretaries of seven countries met for the first time in Colombo in April 1981. This was followed up, a few months later, by a meeting of the Committee of the Whole, which identified five broad areas for regional cooperation. The Foreign Ministers, at their first meeting in New Delhi in August 1983, adopted the Declaration on South Asian Regional Cooperation (SAARC) and formally launched the Integrated Programme of Action (IPA) initially in five agreed areas of Cooperation namely, Agriculture; Rural Development; Telecommunications; Meteorology, and Health and Population. Scientific and Technological Cooperation; Sports, Arts and Culture were added to the IPA at a later stage.

The Heads of State of Government at their First SAARC Summit held in Dhaka on 7-8 December 1985 adopted the Charter formally establishing the South Asian Association for Regional Cooperation (SAARC).

The objectives, principles and general provisions as mentioned in the SAARC Charter are as follows:

Objectives:

- To promote the welfare of the peoples of South Asia and to improve their quality of life;
- To accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential;
- To promote and strengthen collective self-reliance among the countries of South Asia;
- To contribute to mutual trust, understanding and appreciation of one another's problems;
- To promote active collaboration and mutual assistance in the economic, social, cultural technical and scientific fields;
- To strengthen cooperation with other developing countries;
- To strengthen cooperation among themselves in international forums on matters of common interests; and
- To cooperate with international and regional organisations with similar aims and purposes.

Principles:

- Cooperation within the framework of the Association is based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.
- Such cooperation is to complement and not to substitute bilateral or multilateral cooperation.

- Such cooperation should be consistent with bilateral and multilateral obligations of Member States.

General Provisions:

- Decisions at all levels in SAARC shall be taken on the basis of unanimity;
- Bilateral and contentious issues shall be excluded from the deliberations of the Association.

2. Institutional Set-up:

The Charter of the Association provides for the following:

- **The Summit:**

The highest authority of the Association rests with the Heads of State or Government, who meet annually at Summit level. To date, eleven meetings of the Heads of State or Government have been held respectively in Dhaka (1985), Bangalore (1986), Kathmandu (1987), Islamabad (1988), Male (1990), Colombo (1991), Dhaka (1993), New Delhi (1995), and Male (1997), Colombo (1998) and Kathmandu (2002).

The Heads of State or Government during the Ninth SAARC Summit agreed that a process of informal political consultations would prove useful in promoting peace, stability and amity and accelerated socio-economic cooperation in the region. This was further reiterated at the Tenth SAARC Summit.

- **The Council of Ministers:**

The Council of Ministers, which comprises the Foreign Ministers of Member States, is responsible

for formulating policies, reviewing progress, deciding on new areas of cooperation, establishing additional mechanisms as deemed necessary and deciding on other matters of general interest to the Association.

The Council is expected to meet twice a year and may also meet in extraordinary session by agreement of the Member States. Informal meetings of the Council are also held as agreed during the Sessions of the United Nations General Assembly.

- **The Standing Committee:**

The Standing Committee comprising the Foreign Secretaries of Member States is entrusted with the task of overall monitoring and coordination of programmes; the approval of projects and programmes and the modalities of financing; determining inter-sectoral priorities; mobilizing regional and external resources; and identifying new areas of cooperation. It meets as often as deemed necessary and submits its reports to the Council of Ministers.

The Standing Committee may also set up Action Committees comprising of Member States concerned with implementation of projects involving more than two Member States. The Standing Committee is assisted by a Programming Committee. The Programming Committee, which comprises senior officials, is responsible for scrutinizing the Secretariat Budget, finalizing the Calendar of Activities, and taking any other matter assigned to it by the Standing Committee. The Programming Committee has also been entrusted to consider and submit to the Standing Committee, recommendations for action on the Reports of the Technical Committees, SAARC Regional Centres and the SAARC Audio Visual Exchange (SAVE) Committee.

- **The Technical Committees:**

At the time SAARC was formally established in 1985, the core of its work programme was the Integrated Programme of Action (IPA), consisting of a number of Technical Committees on agreed areas of cooperation. However, as the agreed Agenda of SAARC expanded, new areas were identified for regional cooperation. The IPA too, was expanded correspondingly. The Technical Committees formulate specialized programmes and prepare projects in their respective fields under the IPA. They are responsible for monitoring the implementation of such activities and submit their reports to the Standing Committee through the Programming Committee.

Under the new SAARC Integrated Programme of Action (SIPA), the number of Technical Committees has been reduced from eleven to seven mainly through the amalgamation of the different sectors covered by the various Technical Committees and eliminating overlapping, duplication and waste. The prime objective of the reorganization has been to enhance clarity in terms of the goals and targets of the activities undertaken, as well as to improve the Committees quality and efficacy.

The seven Technical Committees under SIPA now cover:

1. Agriculture and Development
2. Communications and Transport
3. Social Development
4. Environment, Meteorology and Forestry
5. Science and Technology
6. Human Resources Development, and
7. Energy

An in-built mechanism for automatic review of activities under SIPA has been provided for. The review will be undertaken every three years by an independent multi-disciplinary Expert Group that would be constituted by the Secretary General in Consultation with the Member States. The Secretary General reports to the Standing Committee on the progress of the implementation of the IPA both at its inter-Summit and the pre-Summit sessions.

- **Specialized Ministerial Meetings:**

Since the establishment of the Association, a number of SAARC ministerial meetings have been held, to focus attention on specific areas of common concerns, and have become an integral part of the consultative structure. These meetings initiated cooperation in important areas such as trade, manufactures and services, basic needs, human resources development, database on socio-economic indicators, energy modeling techniques, plan modeling techniques and poverty alleviation strategies.

3. Regional Centres

SAARC has established five regional centres. Each centre is managed by a Governing Board which includes the Director of the Centre. The Governing Board reports to the Standing Committee. The Regional Centres are as follows:

I. SAARC Agricultural Information Centre (SAIC)

The first regional institution was established in Dhaka in 1988. SAIC serves to network relevant National Information Centres in each Member State with a view to exchange regionally generated technical information particularly to strengthen agricultural research and development activities. SAIC has brought out sev-

eral publications which contain information on agricultural institutions in SAARC countries and current services on fisheries, forestry, livestock and crops such as rice. SAIC also publishes a quarterly newsletter.

II. SAARC Tuberculosis Centre (STC)

The STC was set up in 1992 in Kathmandu. The main objective of STC is to work towards the prevention and control of TB in the region by coordinating the efforts of the National TB Programme of the Member States.

III. SAARC Documentation Centre (SDC):

The SDC was established at the Indian National Scientific Documentation Centre in New Delhi in May 1994. The SAARC Documentation System comprises the central facility i.e. SDC and its sub-units in Member States act as the Centre's repositories with the SAARC Secretariat and SAARC Regional Institutions. In fulfilling the need for ready access to information, the SDC focuses on data in Member States and international databases in the areas of biological, physical, chemical, engineering, and life sciences as well as in development matters.

IV. SAARC Meteorological Research Centre (SMRC)

The SMRC in Dhaka was inaugurated on January 2, 1995. The Centre concentrates primarily on the research aspects of weather forecasting and monitoring. The research areas include weather prediction and compiling climatological information. In addition to monitoring weather phenomena, the Centre is also engaged in developing a networking system among the Member States.

V. SAARC Human Resources Development Centre (SHRDC)

The SAARC Human Resources Development Centre (SHRDC) has been established in Islamabad with an objective to undertake research, training and dissemination of information on human resources development issues.

4. Economic Agenda

While the acceleration of economic growth is a Charter objective of SAARC, cooperation in core economic areas among SAARC Member Countries was initiated following the Study on Trade, Manufactures and Services (TMS), completed in June 1991.

➤ Committee on Economic Cooperation

A Committee on Economic Cooperation (CEC) was formed comprising Commerce/Trade Secretaries of the SAARC Member States. The CEC was mandated to formulate and oversee implementation of specific measures, policies and programmes within the SAARC framework to strengthen and enhance intra-regional cooperation in the field of trade and economic relations. With the creation of the CEC, regional economic cooperation was formally institutionalized as an integral component of the SAARC process.

➤ SAARC Preferential Trading Arrangement (SAPTA)

The Tenth Summit in Colombo approved the formulation on an institutional framework for trade liberalisation in SAARC through SAPTA. In 1993, the framework agreement on SAPTA was finalized and signed at the Seventh Summit at Dhaka. It entered into force in 1993.

The basic principles underlying SAPTA are:

- a. Overall reciprocity and mutuality of advantages so as to benefit equitably all Contracting States taking into account their respective levels of economic and industrial development, the pattern of their external trade, trade and tariff policies and systems;
- b. Negotiation of tariff reform step by step, improved and extended in successive stages through periodic reviews;
- c. Recognition of the special needs of the Least Developed Contracting States and agreement on concrete preferential measures in their favour; and
- d. Inclusion of all products, manufactures and commodities in their raw, semi-processed and processed forms.

➤ **South Asian Free Trade Area (SAFTA)**

The Tenth SAARC Summit in Colombo also decided on the setting up of a Committee of Experts which would draft a comprehensive treaty regime for creating a free trade area within the region. The Committee has been set up and a draft prepared by the Secretariat is under consideration. The process has benefited from inputs suggested by the South Asian corporate sector.

➤ **Trade Facilitation Measures**

Action has also been simultaneously initiated on a series of practical measures aimed at trade facilitation, such as consideration of a Regional Agreement on the Promotion and Protection of Investments in the SAARC Region, the setting up of a SAARC Arbitration Council, and the consideration of a Regional Agreement on the Avoid-

ance of Double Taxation. In 1996, a Group on Customs Cooperation was set-up and entrusted with a mandate inter-alia to harmonise customs rules and regulations; simplify documentation and procedural requirements; upgrade infrastructure facilities and provide training facilities. A Customs Action Plan has also been drawn up. Standing Group on Standards, Quality Control and Measurement was also established by the second meeting of SAARC Commerce Ministers in May 1998.

➤ **Enhancement of Institutional Capacity**

The Colombo Summit recognized the need to strengthen the individual financial systems of the SAARC countries through the enhancement of their institutional capacity, surveillance mechanisms, as well as through closer consultations on, and coordination of, macroeconomic policies where appropriate. In order to enhance SAARC's collective capacity in respect of policy analysis with specific emphasis on international financial and monetary as well as trade and investment issues, meetings of finance officials of SAARC countries have been held, including regular consultations between Governors of Central Banks.

In addition, as mandated by the Colombo Summit, a Network of Researchers on Global, Financial and Economic Issues has been set up to identify, analyse and help SAARC face global, financial and economic developments affecting the region. The Network which brings together the views of the private sector, central banks, planning ministries, research institutes and eminent economists nominated by Governments is working on an immediate and long term research agenda which would help identify areas of common concerns, as well as new areas of cooperation among the Member Countries. The Network also brings out the South Asia Economic Journal in collaboration with Sage Publishers.

5. Social Sectors Development:

The Charter includes among the objectives of SAARC the acceleration of social progress and active collaboration and mutual assistance among Member States in the social field.

➤ Women

Thirteen meetings have been held of the Technical Committee on Women in Development since gender issues were included under the IPA in 1986. Activities have included pursuing a Regional Plan of Action for Women; publishing the SAARC Solidarity Journals on specific themes on women; highlighting the plight of the Girl Child in South Asia; and holding gender related workshops, seminars and training programmes. A Memorandum of Understanding for cooperation with the United Nations Development Fund for Women (UNIFEM) was signed on 30 December 2001.

Concerned at the trafficking of women and children within and between countries, Member Countries signed a Regional Convention on Combating the Crime of Trafficking in Women and Children for Prostitution on 5 January 2002 during the Eleventh Summit held in Kathmandu.

➤ Children

The development and well-being of children is a principal area of cooperation identified by SAARC from its very inception. The objective of building a region-wide consensus on social action for achieving the rights of the child and the goals set for them within the framework of a survival, development and protection strategy was addressed during three Ministerial Conferences on Children held in Delhi (1986), Colombo (1992) and Rawalpindi (1996) respectively.

In the areas of child development and health issues, SAARC has been closely cooperating with international agencies such as UNICEF with which it has signed an MOU in December 1993. The MOU envisages cooperation in implementing the relevant SAARC decisions relating to children through an annual agenda which includes joint studies, exchange of documentation and monitoring of implementation.

➤ Health

Health and population activities were one of the original five areas of cooperation identified by member states. The primary focus of the Technical Committee thus setup in 1984 was on maternal and child health, primary health care, disabled and handicapped persons, control and combating major diseases in the region such as malaria, leprosy, tuberculosis, diarrhoea, rabies and AIDS.

Important health issues have also been at the centre of SAARC social agenda. The SAARC member states have thus taken a number of initiatives to address several key issues relating to population control, serious problems in the area of health care and disease control. Discussion on health issues has highlighted the need for strengthening efforts to tackle problems posed by the resurgence of communicable diseases such as malaria, tuberculosis, water borne diseases and the emergence of AIDS as major health hazards. Stress has been laid on greater inter-country coordination and cooperation amongst the Member States to enable them to make a frontal attack on the communicable and non-communicable diseases afflicting the region.

Networking arrangements for training, research and eradication of malaria and a regional approach for combating major diseases in the region have been undertaken. A directory of training programmes in six priority areas, i.e. malaria, tuberculosis, leprosy,

diarrhoeal diseases, human rabies and maternal and child health have been prepared and subjects relating to health have been circulated among the Member States. Member States have also identified centres such as the National Institute of Malaria Training and Research, Lahore to act as focal points on the different diseases.

The SAARC Tuberculosis Centre, established in Katmandu in 1992, is playing an important role in the prevention and control of tuberculosis in the SAARC region by coordinating the efforts of the National TB Control Programmes of the Member Countries.

➤ **The Social Charter**

The Tenth Summit while reviewing the progress made in the Social Sector by SAARC determined that, in order to enhance social development, it would be necessary to develop, beyond national plans of action, a regional dimension of action including a specific role for SAARC. In this context, it directed that a Social Charter be developed for SAARC which would focus on drawing up targets with a broad range to be achieved across the region in the areas of poverty eradication, population stabilization, the empowerment of women, youth mobilization, human resources development, the promotion of health and nutrition and protection of children.

➤ **Technical Committee on Social Development**

In line with the decision taken at the Twenty-first Session of the Standing Committee, the Technical Committee on Social Development subsumes the work of two erstwhile Technical Committees respectively those on Health, Population Activities and Child Welfare and Women in Development. In addition, broader issues relating to drug de-addiction, rehabilitation of drug ad-

dicts and demand reduction are also to be addressed by the Social Development Committee. The Committee held its first meeting in March 2002 in Kathmandu.

6. Poverty Alleviation and Development Activities:

Poverty eradication has been placed high on the social agenda of SAARC since the Sixth SAARC Summit (Colombo, 1991). The Summit accorded the highest priority to the alleviation of poverty in South Asia and decided to establish an Independent South Asian Commission on Poverty Alleviation (ISACPA) consisting of eminent persons from Member States to conduct an in-depth study of the diverse experience of Member States and report their recommendations on the alleviation of poverty to the Seventh Summit.

The Seventh Summit welcomed the report and expressed its commitment to eradicate poverty from South Asia through an agenda of action which would, inter-alia, include a strategy of social mobilization, a policy of decentralized agricultural development village re-awakening and small scale labour intensive industrialization and human development.

The Summit also stressed that within the conceptual approach of “Dhal-Baat”, the right to work and primary education should receive priority.

The Eighth SAARC Summit (New Delhi, 1995) approved the establishment of a three-tier mechanism for dealing with poverty issues. The first tier would comprise the Secretaries to the Governments concerned with poverty eradication and social development in SAARC countries. The second tier would comprise the Finance and Planning secretaries and the third tier would comprise Finance and Planning Ministers.

The tenth SAARC Summit noted that human resources development is a key element in any poverty eradication programme. The Summit agreed that with the establishment of the SAARC Human Resources Development Centre in Islamabad, it could look into the possibility of its contributing to the strengthening of the human resources development component of regional poverty eradication programmes.

National Poverty Alleviation Programmes are being implemented in accordance with the specific domestic priorities and hence a single plan to fit the region has not been feasible. Nevertheless, UNDP as a response to the 1993 Dhaka Summit initiated the South Asian Poverty Alleviation Programme (SAPAP), which is now operational in six member countries. UNDP and SAARC co-chaired a meeting of South Asian Finance/Planning Ministers in Kathmandu in May 2001. The Ministerial level consultation was preceded by a three-day workshop on SAPAP achievements, challenges and future plans with participation by experts, practitioners and beneficiaries from the seven SAARC countries.

7. Legal Issues, Conventions and Agreements

✓ Agreement on the SAARC Food Security Reserve

During the Third SAARC Summit in Kathmandu 1987, an agreement on establishing the SAARC Food Security Reserve was signed. The agreement which came into force on 12 August 1988 provides for a reserve of food grains to meet emergencies in Member Countries. The size of the Reserve stood at 241,580 tonnes as of March 2001. The possibility of instituting more practical measures for facilitating the use of the

Reserve during emergencies was considered at a special meeting of the Board held in Kathmandu in April 2001.

✓ Regional Convention on Suppression of Terrorism

The SAARC Regional Convention on the Suppression of Terrorism was signed in Kathmandu in November 1987 during the Third SAARC Summit and came into force on 22 August 1988 following ratification by all Member States.

The Convention provides a regional focus to many of the well established principles of international law in respect of terrorist offences. Under its provisions, Member States are committed to extradite or prosecute alleged offenders thus preventing them from enjoying safe havens. Regional cooperation is also envisaged in preventive action to combat terrorism through exchange of information, intelligence and expertise identified for mutual cooperation under the Convention.

✓ Regional Convention on Narcotic Drugs and Psychotropic Substances

The SAARC Convention on Narcotic Drugs and Psychotropic Substances which was signed in Male during the Fifth SAARC Summit in November 1990 came into force on 15 September 1993, following ratification by all Member States. The Convention seeks to reinforce and complement, at the regional level, the relevant international conventions and promote regional cooperation among Member States in both law enforcement and demand reduction.

✓ Convention on Prevention of Trafficking of Women and Children for Prostitution

The SAARC Convention on the Prevention of Trafficking of Women and Children for Pros-

titution was signed on 5 January 2002, at the Eleventh Summit in Kathmandu. The scope of the Convention is to promote cooperation amongst Member States to effectively deal with various aspects of prevention, interdiction and suppression of trafficking in women and children; repatriation and rehabilitation of victims of trafficking and preventing the use of women and children in international prostitution networks, particularly where the SAARC Countries are the countries of origin, transit and destination.

✓ **Convention on Regional Arrangements for the Promotion of Child Welfare**

The SAARC Convention on Regional Arrangements for the Promotion of Child Welfare in South Asia was signed on 5 January 2002 at the inauguration of the Eleventh Summit in Kathmandu. The purpose and objectives of the Convention are to unite the SAARC Member Countries in their determination of redeeming the promises made by them to the South Asian Child at the World Summit for Children and various other national, regional and international conferences and successive SAARC Summits; to facilitate and help in the development and protection of the full potential of the South Asian child, promote understanding and awareness of the rights, duties and responsibilities of the children and others; and to set up appropriate regional arrangements to assist the Member States in fulfilling the rights of the child, taking into account the changing needs of the child.

8. The Secretariat:

The SAARC Secretariat was established in Katmandu on 16 January 1987. Its role is to coordi-

nate and monitor the implementation of SAARC activities, service the meetings of the Association and serve as the channel of communication between SAARC and other international organisations. The Secretariat has been increasingly utilised as the venue for SAARC meetings.

The Secretariat comprises the Directors and the General Services Staff. The Secretary General is appointed by the Council of Ministers upon nomination by a Member State on the principle of rotation in alphabetical order. The seven Directors are appointed by the Secretary General upon nomination by the seven respective Member States for a period of three years.

9. Financial Arrangements:

Member States make provision in their national budgets for financing activities and programmes under the SAARC framework, including their assessed contributions to the Secretariat budget and those of the Regional Centres. The financial provision thus made is announced annually, at the meeting of the Standing Committee.

The annual budget of the Secretariat, both for capital as well as recurrent expenditure, is shared by Member States on the basis of an agreed formula.

A minimum of forty percent of the institutional cost of each Regional Centre is borne by the respective host governments and all Member States, on the basis of an agreed formula, share the balance. In the case of approved activities in the SAARC Calendar, local expenses including hospitality are borne by the host Governments, while the sending Government meets the cost of travel.

10. Review of Key SAARC Declarations:

- ✓ **POVERTY:** The issue of Poverty and the quality of life in South Asia has been addressed at almost all the SAARC Summits. At the Sixth Summit held at Colombo, the “Heads of State or Governments decided to establish an independent South Asian Commission on Poverty Alleviation, consisting of eminent persons from each member State...” The report, **MEETING THE CHALLENGE**, is an excellent document. To further highlight this issue, the 11th SAARC Declaration in seven paragraphs, “The leaders directed the Council of Ministers to coordinate efforts to integrate poverty alleviation programmes into the development strategies of member states.” In this context, they agreed to reconstitute the Independent South Asian Commission on Poverty Alleviation and further called that the first meeting of this Commission be held before the Ministers’ Conference in April 2002.
- ✓ **ECONOMIC CO-OPERATION:** Economic Cooperation has been in the forefront of discussions at all the Summits. At the Sixth Summit an agreement for the establishing of a SAARC Preferential Trade Arrangement (SAPTA) was proposed. This was finalized in 1993 and came into effect in December 1995. This is to lead to South Asian Free Trade-which was reflected in the 11th SAARC Declaration “Recognizing the need to move quickly towards a South Asian Free Trade Area, the Heads of State or Government directed the Council of Ministers to finalize the text of the Draft Treaty framework by the end of 2002...” There have also been regular consultations on the issue of WTO, WIPO, and others. Besides, SAARC has relations with the following International organizations: EC, ASEAN, UNCTAD, UNICEF, Asia-Pacific Telecommunication, ESCAP, UNDP, ITU, CIDA, WHO, etc.
- ✓ **VIOLENCE / SMALL ARMS:** Small Arms have not emerged as an agenda item under SAARC, though various Summits have reflected the Arms Race, the Need for Disarmament efforts etc. However, at the Tenth Summit held at Male, “The Heads of State or Government expressed concern that Member States were compelled to divert their scarce resources in combating terrorism.” The issue of Terrorism finds reflection right from the Second SAARC Summit. The SAARC Regional Convention on Suppression of Terrorism is a result of these concerns. At the Eleventh Summit they have gone a step further by reiterating their firm resolve to accelerate enactment of enabling legislation with a definite time-frame for the full implementation of the convention together with the strengthening of SAARC Terrorist Offences Monitoring Desk.”
- ✓ **TRAVEL IN THE REGION:** Restrictions of various categories of persons are being lifted and travel has been made easier where there are no bilateral tensions.
- ✓ **CIVIL SOCIETY:** Civil Society finds reflection in almost all of the SAARC Declarations. This has helped in the emergence of the SAARC Chamber of Commerce, SAARC Law, Architects, Management Development Institutions, Federation of Universities, of Town Planners, Accounts, of Speakers and Parliamentarians.
- ✓ **TRAFFICKING IN WOMEN AND CHILDREN:** The Ninth SAARC Summit noted this issue and at the Tenth Summit it welcomed a draft text to be signed at the Eleventh Summit. Also at the Tenth Summit “They agreed to work

in close association, where possible, with professionals and other women's groups in the Region" on this issue. A Convention was signed at the Eleventh Summit.

- ✓ **THE ENVIRONMENT:** This is another issue of concern that has been taken note of in each successive SAARC Summit. At the Sixth Summit they took note of the report on the Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Preservation of the Environment and endorsed the Council of Ministers to establish a Committee on the Environment. In the Second Summit – A Regional Study on Greenhouse Effect and Its Impact on the Region, was also taken note of. At the Eleventh Summit they called for an early and effective implementation of the SAARC Environment Plan of Action.

To come to an agreement on any specific issue, the SAARC countries are involved in a series of meetings and consultations at the highest levels. Some of these processes have been recorded in the SAARC Publications: Milestones in the Evolution of Regional Cooperation in South Asia in 6 volumes.

Further some very good studies conducted include the Conventions on Suppression of Terrorism, Narcotic Drugs & Psychotropic Substances, Preferential Trading Arrangements, Poverty, Preventing and Combating Trafficking in Women and Children for Prostitution, Promotion of Child Welfare in South Asia.

A SAARC Group of Eminent Persons was constituted by the Ninth SAARC Summit held in Male with the objective to undertake a comprehensive appraisal of SAARC and to identify measures including mechanisms to further realize and enhance the effectiveness of the Association in achieving its objectives.

II. The SAARC Publications:

The various SAARC Publications giving a record of the meetings and discussions held are given below.

- ✓ **A Brief on SAARC:** a leaflet giving a glimpse of SAARC and its activities.
- ✓ **SAARC a Profile:** This publication gives an overview of the SAARC process including its historical background, institutional setup and areas of cooperation including the Integrated Programme Action. It also outlines the role of the SAARC Regional Centres, Apex and Recognized bodies and its Cooperation with International and Regional organizations.
- ✓ **Charter of the SAARC and Provisional Rules of Procedure:** The Charter of SAARC which was adopted in Dhaka on December 8, 1985 by the Heads of States/Government of the seven member countries remains the constitutional instrument under which the process of cooperation moves forward. This publication includes the Charter, and the Provisional Rules of Procedure which shall apply to the various meetings of SAARC.
- ✓ **Declaration of SAARC Summits (1985 – 2002):** The Declaration of the Heads of State/Government of member countries of SAARC at the conclusion of all the eleven Summits that have taken place since the inception of SAARC have been compiled into this publication.
- ✓ **Regional Economic Cooperation:** This publication highlights the activities that have taken place in the field of regional economic cooperation including economic and trade issues leading to the Agreement on SAARC Preferential Trade Agreement (SAPTA).

- ✓ **Convention and Agreements:** Includes all the Convention and Agreements signed by the Heads of State/Government during the SAARC Summits from 1985 – 2002.
- * SAARC Convention on Regional Arrangements for the Promotion of Child Welfare in South Asia
- * SAARC Convention on Suppression of Terrorism
- * SAARC Convention on Narcotic Drugs and Psychotropic Substances
- * Agreement on SAARC Preferential Trading Agreement (SAPTA)
- * Agreement on Establishing SAARC Food Security Reserve
- * SAARC Convention on Preventing and Combating Trafficking in Women and Children for Prostitution
- ✓ **The Two Volumes on SAARC Summits** has the text of the Statements made by the Heads of State/Government during the Summits from 1985 to 1988 and from 1990 to 1995. The Statements were made both at the inaugural and concluding Session.
- ✓ **The Six Volumes: From SAARC to SAARC – A Milestone in the Evolution of Regional Cooperation in South Asia (1980 to July 1998),** gives an historical documentation of the various meetings.
- ✓ **SAARC Ministerial Meetings, April 1986 to August 1999,** is once again a record of the meetings held during this period, during which they focused on the following issues: Economics & Commerce; Women and Children; Environment; Finance/planning on Poverty Eradication; Disabled persons; Housing; Agriculture; Tourism ; Information Technology.
- ✓ **The Regional Study on Greenhouse Effect and Its Impact on the Region:** Initiated by the SAARC leaders at the fourth Summit in Islamabad, this study covers a wide range of topics including, inter alia, sources of greenhouse gases, impact of greenhouse effect and strategies for emission reduction. It also contains a legal framework for environmental protection and measures for implementation, monitoring requirements and most importantly, recommendations for regional cooperation in this vital field.
- ✓ **Regional Study on the Causes and Consequences of Natural Disasters and the Protection and Prevention of the Environment:** The third Summit held in Kathmandu in November 1987 mandated this study for which a group of experts was constituted together with a group of Coordinators representing the Member States.
- ✓ **Study on Trade, Manufactures and Services:** This study is the first of its kind prepared under the auspices of the Association. It was undertaken pursuant to the Summit directive to the Secretary General to prepare a study in consultation with the National Coordinators.
- ✓ **Meeting the Challenge—Report of the Independent Commission on Poverty Alleviation:** This document is a product of the deliberations of the Independent South Asian Commission on Poverty Alleviation, which was mandated by the Colombo SAARC Summit in 1991, to diagnose what went wrong with past attempts at poverty alleviation, draw positive lessons from the ground where the poor have

been mobilised to economic growth and human development, and, finally, to identify the crucial elements in a coherent overall strategy of poverty alleviation in South Asia.

- ✓ **The SAARC Eminent Persons' Report:** The Ninth SAARC Summit held at Male constituted a group of Eminent Persons, mandated to undertake a comprehensive appraisal of SAARC and to identify measures including mechanisms to further vitalize and enhance the effectiveness of the Association in achieving its Objectives. The Report termed as SAARC Vision beyond the Year 2000, focuses on the evolution of SAARC, the main achievements, the Political dimensions, limitations of the SAARC Process and a Vision for SAARC – Economic Cooperation, Trade, Investment and Finance, Infrastructure Social Sector, SAARC Institutional Structures, including the Secretary General and the Secretariat. Cooperation in the Service Sectors; In each Sector specific issues for cooperation and data are provided.
- ✓ **SAARC & Women in Development 1986-1990,** is a documentation of the several meetings held on this issue. The various issues that were focused upon at these meetings, the statements made by the various participants and the guidelines they worked under etc.

12. SAARC Website

While taking full advantage of information and communication technologies available in the region, the SAARC Secretariat has reorganized and expanded the presentation of its website through a user-friendly surfing touch. An independent website <http://www.saarc-sec.org> is easy to access and contains general information on SAARC and Member Countries as well on the publications of SAARC.

13. Challenges to the SAARC process

The independent South Asian Commission on Poverty Alleviation was established by the Heads of State of the South Asian Association for Regional Cooperation (SAARC). Its brief was to enquire into the development options for South Asia. In its report of 1992, the Commission stated that no matter what indices are used, the broad magnitude of poverty was in the order of 40 percent in the region as a whole. This magnitude of poverty was likely to increase in the short to medium term as a result of ideologically oriented liberalisation and simplistic structural adjustment policies. The Commission also sent a political message to the SAARC Summit of 1993, that these numbers not only put democracy at risk in South Asia, but also would make for an unmanageable polity. No SAARC country could solve this problem by itself. As an indispensable first step a coherent regional effort at poverty eradication in a given time frame was required.

The SAARC Heads of State accepted these warning signals when they endorsed and took over ownership of the recommendations of the Poverty Commission Report. The recommendations laid out an overall longer-term development strategy and a transitional shorter-term pro-poor strategy with social mobilisation. The objective was the eradication of the worst forms of poverty in South Asia in a given time frame, leaving only residual numbers to be carried by safety nets and welfare. Both the long and short-term transitional strategies were pro-poor and growth oriented, and not redistribution and welfare oriented. Thus, there was a two-fold challenge to SAARC - one to bring the problem of poverty to the centre stage of concern, and the other to embark on a pro-poor growth strategy.

Today, with the failure of South East Asia to sustain the miracle of simplistic liberalisation, the in-

creased polarisation of South Asian societies and the inability to stabilise the polities, one is compelled to ask the question: why are SAARC Governments and their Finance and Trade Ministries, uncritically wedded to this ideologically oriented globalisation, liberalisation and inadequate structural adjustment strategy?

Even the United Nations Development Programme (UNDP), 1999 Human Development Report has said globalisation, in its present frame, is making the rich richer and the poor poorer, between and within countries. How can there be a sustained consensus on this irrational external oriented strategy and not on the more complex strategy, with greater self-reliance that was elaborated on the Poverty Commission report? The report is culturally rooted, economically rational and also politically sound. This more rational strategy is not based on re-distributive justice but rather on a parallel pro-poor growth strategy starting at the base of the economy. This could demonstrate that the poor need not be the problem in South Asia. The poor could be a part of the solution and a resource.

The challenge to SAARC is to revise its approach towards more self-reliant development and a stable polity. By eradicating the worst forms of poverty, such a strategy would also set the preconditions for trade liberalisation and trade cooperation. This advice by an independent South Asian Commission was not taken seriously enough. Instead, an ad hoc shopping list approach to SAARC has continued, with a great deal of rhetoric about poverty eradication.

The recommendation of the Poverty Commission Report was for each country to prepare a pro-poor coherent macro-plan. Using the overall perspective and premises for action in the report as points of departure, South Asia could articulate a new vision for the poor, so that the poor are no longer part of the problem, but can contribute directly to the solution. The whole process should be

monitored continuously in a participatory manner with built-in-self-corrective measures.

The report helped to clarify a great deal of conceptual confusion and conflicting, narrow, ideologically oriented advice both from internal and external sources being given to SAARC Governments, regarding solutions to the poverty problem. The repeated endorsement of the recommendations at the 1993 and 1995 SAARC Summits meant that the ownership of the vision and recommendations and the how of poverty eradication were now in the hands of the Heads of State of SAARC.

SAARC also needs to take up the resolution of long standing bi-lateral issues if it is to move towards achieving its objectives. Presently bilateral problems and issues cannot be discussed under Article X, point 2 of its Charter stating “Bilateral and contentious issues shall be excluded from the deliberations”. Further, it needs to strengthen its link and involvement of the civil society organizations and regional coalitions to ensure that people’s perspective on the regional issues is adequately included in all its deliberations.

14. Role of the Civil Society in Strengthening SAARC

The Civil Society working in the Region need to actively monitor decisions made at the Summits, the studies that are undertaken and Conventions that are placed and approved at Summits. They need to create a wider awareness and an effective lobbying force to ensure that these Studies/Conventions do not become one more document of the SAARC Secretariat. Unless pressure is built on the individual Governments to bring about the relevant changes in their laws, these Studies and Conventions cannot be implemented.

CHARTER OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

We, the Heads of State or Government of BANGLADESH, BHUTAN, INDIA, MALDIVES, NEPAL, PAKISTAN and SRI LANKA;

1. Desirous of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the UNITED NATIONS CHARTER and NON-ALIGNMENT, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of all disputes;
2. Conscious that in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the SOUTH ASIAN region by fostering mutual understanding, good neighbourly relations and meaningful cooperation among the Member States which are bound by ties of history and culture;
3. Aware of the common problems, interests and aspirations of the peoples of SOUTH ASIA and the need for joint action and enhanced cooperation within their respective political and economic systems and cultural traditions;
4. Convinced that regional cooperation among the countries of SOUTH ASIA is mutually beneficial, desirable and necessary for promoting the welfare and improving the quality of life of the peoples of the region;
5. Convinced further that economic, social and technical cooperation among the countries of SOUTH ASIA would contribute significantly to national and collective self-reliance;
6. Recognising that increased cooperation, contacts and exchanges among the countries of the region will contribute to the promotion of friendship and understanding among their peoples;
7. Recalling the DECLARATION signed by their Foreign Ministers in NEW DELHI on August 2, 1983 and noting the progress achieved in regional cooperation;
8. Reaffirming their determination to promote such cooperation within an institutional framework;

DO HEREBY AGREE to establish an organisation to be known as SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION hereinafter referred to as the ASSOCIATION, with the following objectives, principles, institutional and financial arrangements:

Article I

OBJECTIVES

The objectives of the ASSOCIATION shall be:

- a) to promote the welfare of the peoples of SOUTH ASIA and to improve their quality of life;

- b) to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potentials;
- c) to promote and strengthen collective self-reliance among the countries of SOUTH ASIA;
- d) to contribute to mutual trust, understanding and appreciation of one another's problems;
- e) to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
- f) to strengthen cooperation with other developing countries;
- g) to strengthen cooperation among themselves in international forums on matters of common interests; and
- h) to cooperate with international and regional organisations with similar aims and purposes.

Article II

PRINCIPLES

1. Cooperation within the framework of the ASSOCIATION shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.
2. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.
3. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

Article III

MEETINGS OF THE HEADS OF STATE OR GOVERNMENT

The Heads of State or Government shall meet once a year or more often as and when considered necessary by the Member States.

Article IV

COUNCIL OF MINISTERS

1. A Council of Ministers consisting of the Foreign Ministers of the Member States shall be established with the following functions:
 - a) formulation of the policies of the ASSOCIATION;
 - b) review of the progress of cooperation under the ASSOCIATION;
 - c) decision on new areas of cooperation;
 - d) establishment of additional mechanism under the ASSOCIATION as deemed necessary;
 - e) decision on other matters of general interest to the ASSOCIATION.
2. The Council of Ministers shall meet twice a year. Extraordinary session of the Council may be held by agreement among the Member States.

Article V

STANDING COMMITTEE

1. The Standing Committee comprising the Foreign Secretaries shall have the following functions:
 - a) overall monitoring and coordination of programme of cooperation;

- b) approval of projects and programmes, and the modalities of their financing;
 - c) determination of inter-sectoral priorities;
 - d) mobilisation of regional and external resources;
 - e) identification of new areas of cooperation based on appropriate studies.
2. The Standing Committee shall meet as often as deemed necessary.
3. The Standing Committee shall submit periodic reports to the Council of Ministers and make reference to it as and when necessary for decisions on policy matters.

Article VI

TECHNICAL COMMITTEES

1. Technical Committees comprising representatives of Member States shall be responsible for the implementation, coordination and monitoring of the programmes in their respective areas of cooperation.
2. They shall have the following terms of reference:
- a) determination of the potential and the scope of regional cooperation in agreed areas;
 - b) formulation of programmes and preparation of projects;
 - c) determination of financial implications of sectoral programmes;
 - d) formulation of recommendations regarding apportionment of costs;
 - e) implementation and coordination of sectoral programmes;

- f) monitoring of progress in implementation.
3. The Technical Committees shall submit periodic reports to the Standing Committee.
4. The Chairmanship of the Technical Committees shall normally rotate among Member States in alphabetical order every two years.
5. The Technical Committees may, inter-alia, use the following mechanisms and modalities, if and when considered necessary:
- a) meetings of heads of national technical agencies;
 - b) meetings of experts in specific fields;
 - c) contact amongst recognised centres of excellence in the region.

Article VII

ACTION COMMITTEES

The Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two but not all Member States.

Article VIII

SECRETARIAT

There shall be a Secretariat of the ASSOCIATION.

Article IX

FINANCIAL ARRANGEMENTS

1. The contribution of each Member State towards financing of the activities of the ASSOCIATION shall be voluntary.
2. Each Technical Committee shall make recommendations for the apportionment of costs of implementing the programmes proposed by it.

3. In case sufficient financial resources cannot be mobilised within the region for funding activities of the ASSOCIATION, external financing from appropriate sources may be mobilised with the approval of or by the Standing Committee.

Article X

GENERAL PROVISIONS

1. Decisions at all levels shall be taken on the basis of unanimity.
2. Bilateral and contentious issues shall be excluded from the deliberations.

IN FAITH WHEREOF We Have Set Our Hands And Seals Hereunto. **DONE** In **DHAKA, BANGLADESH**, On This The Eighth Day Of December Of The Year One Thousand Nine Hundred Eighty Five.

Hussain Muhammad Ershad

PRESIDENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

Jigme Singye Wangchuk

KING OF BHUTAN

Rajiv Gandhi

PRIME MINISTER OF THE REPUBLIC OF INDIA

Maumoon Abdul Gayoom

PRESIDENT OF THE REPUBLIC OF MALDIVES

Birendra Bir Bikram Shah Dev

KING OF NEPAL

Muhammad Zia-ul-Haq

PRESIDENT OF THE ISLAMIC REPUBLIC OF PAKISTAN

Junius Richard Jayewardene

PRESIDENT OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

PROFILE OF MEMBER COUNTRIES

Bangladesh

Bangladesh emerged as an independent country on 16 December 1971. Its official name is the 'People's Republic of Bangladesh'. Dhaka is the capital of the Republic and Bangla is the state language. The Independence and National Day of Bangladesh is 26 March.

The population of the country currently stands at around 126 million. About 80 percent of the people live in rural areas. Sixty percent of the people depend on agriculture for their livelihood.

The four major religions in the country are Islam, Hinduism, Buddhism and Christianity. The Muslims constitute about 88% of the population and Hindus about 10%. The constitution guarantees religious and cultural freedom to all citizens of Bangladesh.

Bangladesh is a unitary, independent and sovereign republic comprising three basic organs: the Executive, the Legislature, and the Judiciary. The President is the Head of State and is elected by the members of Parliament. The President acts in accordance with the advice of the Prime Minister.

Bangladesh has primarily an agrarian economy. Agriculture is the single largest sector in the economy producing about 30% of the country's GDP and employing around 60% of the total labour force. The country has a considerable number of large, medium and small-sized industries in both the public and private sectors based on both indigenous and imported raw materials. Among them are jute, cotton, textiles, fertilizer, engineering, shipbuilding, steel, oil-refinery, paper, newsprint, sugar, chemicals, cement and leather.

Bhutan

The Bhutanese call their country Druk-yul, the land of the Drukpas (the people) and of the Druk (Thunder Dragon as in the national flag of Bhutan). The ancient history of the kingdom remains shrouded in mystery. Since the 8th century A.D., however, it is clear that Buddhism has played a large part in shaping the course of Bhutan's history. Although Bhutan was unified under a central authority in the 17th century, evidence strongly suggests that it had existed as an independent entity from very early times.

Bhutan's population currently stands at 638,000 people. The people of Bhutan may be divided into two main groups – the Drukpas, who are of Mongoloid origin and are Buddhists, and the Lhotsampas, or the southerners, of Nepali origin, mainly Hindus.

Bhutan is a monarchy, ruled by the Wangchuck dynasty, which was founded in 1907 by King Ugyen Wangchuck. Over the years, the monarchs of Bhutan have been the fountainhead of far-reaching and often dramatic changes in the legislative, judicial and administrative systems in the country.

With over 80% of the people dependent on subsistence farming, the Bhutanese economy is predominantly rural. The share of the agriculture sector in the gross domestic product has dropped to less than 50% with the increase in the contribution of hydroelectric power generation and sale which now accounts for over 30 percent. The country has the potential to generate 30,000 MW of power from its rivers. Besides electricity, Bhutan exports calcium carbide, wood products and cement.

India

The roots of Indian civilization stretch back in time to pre-recorded history. The earliest human activity in the Indian subcontinent can be traced back to the Early, Middle and Late Stone Ages. India gained independence from the British on 15 August 1947. The freedom struggle was led by Mohandas Karamchand Gandhi, also known as The Mahatma, who is revered as the Father of the Nation.

India has one of the world's most diverse populations, with most of the major races represented. Today, India has over one billion people. There are fifteen languages recognized by the Indian Constitution and these are spoken in 1600 dialects. Hindi, the fourth most widely spoken language in the world, is the language of 30% of the population and the official language of India.

The Constitution of India, which envisages a parliamentary form of government, is federal in structure with unitary features. The President of India is the Constitutional Head of the Executive of the Union. The Constitution provides that there shall be a Council of Ministers with the Prime Minister as head, to aid and advise the President, who shall in exercise of his functions, act in accordance with such advice. Real executive power, thus, vests in the Council of Ministers with the Prime Minister as head. The Legislature of the Union is called the Parliament, and consists of the President and two Houses, known as the Council of States (Rajya Sabha) and the House of the People (Lok Sabha).

India ranks among the top ten industrial nations of the world and has an increasingly powerful middle class. The Indian economy is potentially very strong with its large industrial output, technological knowledge and extensive reservoir of skilled manpower. Major exports include cotton goods, iron, raw jute and jute products, coffee, electrical goods, leather,

handicrafts, diamonds, chemicals and software. The major imports are machinery, petroleum, chemicals, cereals, copper, and zinc.

The majority of Indians (64%) earn their livelihood from the land with agriculture accounting for about 35 % of national income.

Maldives

The civilizations of Maldives as far as can be estimated, dates back more than 2000 years. Archeological findings from many ancient sites in Maldives show ruins of old Buddhist structures, some dating back to 3rd and 4th centuries. The evidence shows that at the time of conversion to Islam in 1153 A.D. the population of Maldives was mainly Buddhist.

Throughout its history, Maldives has remained independent, although the Portuguese occupied the country for 15 years in the 16th century. From 1887, Maldives was a British protectorate until it became fully independent on 26 July 1965.

The archipelago of the Republic of Maldives is made up of a chain of 1190 small and low-lying islands, stretching over 800 kms from north to south. Out of them only 198 islands are inhabited.

The population of Maldives is 270,101 (2000 census). Maldivians comprise a mixed race, unified through sharing a common history, language and religion. Dhivehi is the official language. Islam is the strength and backbone of the country, permeating the entire fabric of the Maldivian culture, polity and civil society.

The Maldives political system is a unique blend of its history, traditions, Islamic faith and modern democratic principles. It has evolved over a period of many years, the first written constitution having been proclaimed in 1932, though unwritten constitutional principles had been in exist-

ence long before then. A republican form of government in 1968 replaced the constitutional monarchy, with an Executive President as the Head of State. A new Constitution, that is more comprehensive and in tune with the country's democratic principles was adopted by the country on 1 January 1998.

The mainstay of the Maldives economy today comprises fisheries and tourism. Nearly 19% of the labour force is engaged in the fisheries sector, which account for over 6% of the GDP. Tourism, which became a major industry since the mid-eighties accounts for 33% of the GDP. Industrial activity consists of a traditional and a modern sector. The traditional sector consists of boat building, mat-weaving, rope making, black-smithing, handicrafts and other cottage industries. The activities in the modern sector include fish canning, manufacture of garments construction of fiberglass boats, production of cleaning fluids, and bottling of aerated water.

Nepal

The documented history of Nepal begins with the Changu Narayan temple inscription of King Manadeva I (464 A.D.) followed by Malla rulers among other important ones. Before Nepal's emergence as a unified nation in the latter half of the eighteenth century, the designation of Nepal was applied only to the Kathmandu Valley. Nepal had been segmented into more than 52 small principalities. Prithvi Narayan Shah, the Great King of Gorkha was the maker of modern Nepal who united the country by 1769 by conquering Kathmandu Valley and making it the Capital.

Nepal has a population of about 23.9 million made up of over 61 ethnic groups living in different regions speaking 70 languages and dialects. Nepali is the national language. Hinduism is the official religion of Nepal and Hindus constitute over 85% of the population. Buddha, the founder

of Buddhism, was born in Nepal about 563 B.C. and Buddhists account for 7.8% of the population. A small minority of Nepalese adheres to Islam and Christianity.

After 1951, Nepal has exercised multi-party democracy except during the period of about three decades from 1961 to 1990 when a party-less panchayat system existed. But again, following the democratic movement of 1990, Nepal restored a multiparty system with a constitutional monarchy. His Majesty The King is the Head of State and the Prime Minister serves as Head of Government. Constitutionally, there are two houses of parliament namely Pratinidhi Sabha (House of Representatives) and Rastriya Sabha (National Assembly). The House of Representatives consists of 205 members elected by the people for a five year term. The National Assembly comprises 60 members, 10 of whom are nominated by His Majesty the King while remaining 50 are elected, 35 by members of the Pratinidhi Sabha and 15 by members of local bodies.

The mainstay of the Nepalese economy is agriculture, which accounts for 41% of the GDP with more than 80% of the people dependent on it. The main crops grown are paddy, maize and wheat. Manufacturing, trade and tourism follow farming as the main economic activities of the country. Hand knitted woolen carpets and readymade garments are flourishing industries in the country whose total share in the exports figures is almost 32 percent. Petroleum products, chemicals and drugs, food and live animals, vehicles, machinery and equipment are the major imports of Nepal.

Pakistan

The Islamic Republic of Pakistan appeared on the world map on 14 August 1947 under the leadership of Muhammad Ali Jinnah, Quaid-e-Azam (the Great Leader), who is revered as the Father of the

Nation. Pakistan is divided into four provinces: Sindh, Baluchistan, Punjab and the North-West Frontier Province. Islamabad is the capital of the country.

The population of Pakistan (1998 estimate) is 130.58 million. The national language is Urdu, while the official language is English. The leading religion of Pakistan is Islam, which is the faith of about 95 percent of the people. Hinduism and Christianity form the leading minority religions. Other religious groups include the Sikhs, the Parsis and a small number of Buddhists.

Pakistan has a federal structure. The Parliament consists of the Lower House (National Assembly) and the Upper House (Senate). The new administration consists of the President, who continues in office, the National Security Council headed by the Chief Executive, and the Cabinet. Governors have been appointed in all the four Provinces.

Agriculture and related activities engage 46.1 percent of the workforce and provide 25 percent of GDP. The main exports include cotton textiles, cotton yarn and thread, clothing, raw cotton, rice, carpets and rugs, leather, fish and petroleum products. The main imports include machinery, electrical equipment, petroleum products, transportation equipment, metal and metal products, fertilizer and foodstuffs.

Sri Lanka

Lanka means “resplendent” (from the Pali “*alankara*”). Stone-age implements found on the island date back at least ten millennia, while evidence is available that the domestication of plants may have taken place around 15,000 B.C. Given Sri Lanka’s central location on the trade routes of the ancient world and the attraction then of her “products”, pearls, timber, gems and ivory, and later spices, the island had become a center of East-West commerce

well before the Christian era. The direct influence of European maritime powers was felt beginning from the 16th century with the arrival of the Portugues, Dutch and later British. Sri Lanka gained independence from the British on 4 February 1948

The population of Sri Lanka (1998 estimate) is 18.77 million. The country is a multi-ethnic nation. The Sinhalese, of Indo-Aryan origin, comprise 74 percent of the population; the Sri Lankan Tamils, of Dravidian origin, who migrated to the island thereafter: 12.6 percent; the Indian Tamils, descendants of migrant workers from South India recruited in the last century by the British: 5.5 percent; the Moors, descendants from Arab traders who arrived in the island from about the 12th century AD: 7.1 percent; and others, who include Burghers, descendants of the Dutch and Portuguese: 0.8 percent. Sinhalese and Tamil are official languages while English is the national language. Four major religions are freely practiced in Sri Lanka. Buddhists account for 69.3 percent of the population, Hindus for 15.5 percent, Christians for 7.6 percent and Muslims for 7.5 percent.

At the time of independence, Sri Lanka adopted a Westminster system of Parliamentary government with a House of Representatives, a Senate and a Cabinet headed by a Prime Minister. The British monarch was retained as constitutional head of state, and was represented in the Island by a Governor-General. In 1972, a Republican Constitution was adopted with a single legislature (the National State Assembly) and a constitutional President thus formally severing links with the British Crown. Following the amendment of Constitution in 1978, an Executive Presidential system of government prevails.

The President of Sri Lanka is both the Head of State and Head of Government. The President is directly elected by the people for a term of six years. The supreme legislative body is a unicameral parlia-

ment consisting of 225 members elected by a system of proportional representation. A multi-party system prevails and many smaller parties are allied to either the government or the opposition group. The leader of the majority party in the parliament is elected as the Prime Minister.

Ninety percent of the economy of the country at independence depended on the export of the three plantation crops of tea, rubber and coconut. Since the late 1970s, the economy has been progressively liberalized. Industrial policy has shifted from import substitution to export-oriented production. The service center now accounts for 52%

in the sectoral composition of the GDP; the manufacturing sector for 16.5%; agriculture for 21.1%; construction for 7.6%; and mining for 1.9%.

Colombo is the largest Tea Auction Centre in the world since London auctions ceased to function in June 1998. Other exports include textiles and garments, coconut products, spices, cocoa, coffee, essential oils, gems, fishery products, rubber, machinery, footwear and leather products and petroleum by-products. Major imports include rice, wheat and sugar, fertilizer, crude oil and investment goods such as raw materials, building materials, transport equipment and machinery.