

Press Release

High Commissioner of India, Mr. Sharat Sabharwal, addressed the Lahore Chamber of Commerce and Industry earlier today. The High Commissioner said that in recent years, the Indian economy has emerged as one of the fastest growing economies of the world. India hopes to attain an annual growth rate of 9% or more during the coming years. He added that even as India progresses on the path of high growth and rapid development, it regards the prosperity of the rest of South Asia in its own interest. He recalled Prime Minister, Dr. Manmohan Singh's vision of a transformed South Asia where, with the cooperation of all countries of South Asia, the region moves from poverty to prosperity and from ignorance to a knowledge economy. The High Commissioner said that as the fastest growing economy of the region, India has the potential to become a growth opportunity for all its neighbours.

2. Mr. Sabharwal said that India had fulfilled its commitments under the South Asian Free Trade Agreement or SAFTA by drawing up a sensitive list beyond which all items can be imported from Pakistan and other SAARC countries and all such items will benefit from the Trade Liberalization Programme under SAFTA. However, Pakistan continues to maintain a positive list of less than 2000 items and the import of all the remaining items from India remains banned. He expressed the hope that this situation will change in the interest of expanded trade relations between the two countries. Referring to the so called non-tariff and para-tariff barriers in India, the High Commissioner said that the reference appears to be to requirements of technical standard certification, standard of quality, sanitary and health regulations etc. He clarified that such specifications apply to all trading partners of India and are not specific to Pakistan. India is willing to discuss any issues that the Pakistani businessmen may have in this area. However, keeping the import list from India highly restricted because of such perceived barriers only deprives the Pakistani economy of goods and machinery that can be imported from India at considerable cost and freight advantage. The High Commissioner also referred to the observations made in the Final Report of the Panel of Economists, appointed by Pakistan's Planning Commission, on Medium Term Development Imperatives and Strategy for Pakistan. The report

talks of several advantages of normalizing trade between India and Pakistan for the Pakistani economy. These include cheaper transportation costs and absence of need for the Pak industry to maintain large inventories of raw material, intermediate goods and parts, available in India, which could be imported at a short notice.

3. Mr. Sabharwal expressed his happiness that over the last one year, a number of business delegations from Pakistan have visited India. A delegation of 50 businessmen went to Delhi in May this year at the invitation of the Confederation of Indian Industry. Around 40 businessmen from Pakistan attended the buyer-seller meet of chemical industry in Delhi last month. 269 businessmen were given visa to attend the 15th Edition of CII Chandigarh Fair from October 29 to November 1, 2010. 185 business visas have been accorded for participation of Pakistani businessmen in the ongoing India International Trade Fair at Delhi. A high powered delegation of the Federation of Pakistan Chambers of Commerce and Industry is currently in India at the invitation of the Federation of Indian Chambers of Commerce and Industry. A day long business seminar has been organized during this visit, where issues of interest to businessmen of both sides will be discussed.
