

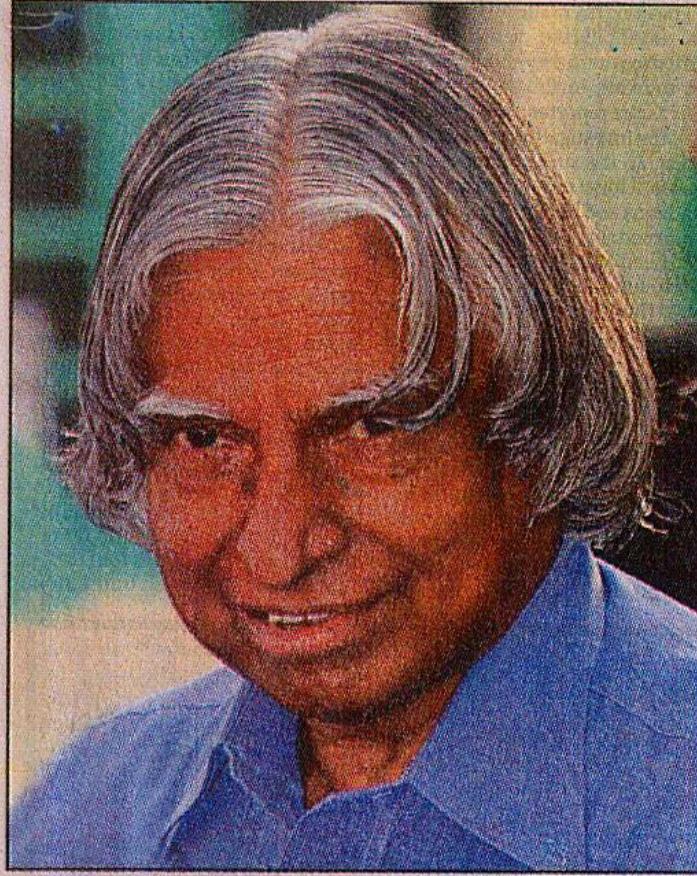


REPUBLIC DAY OF India

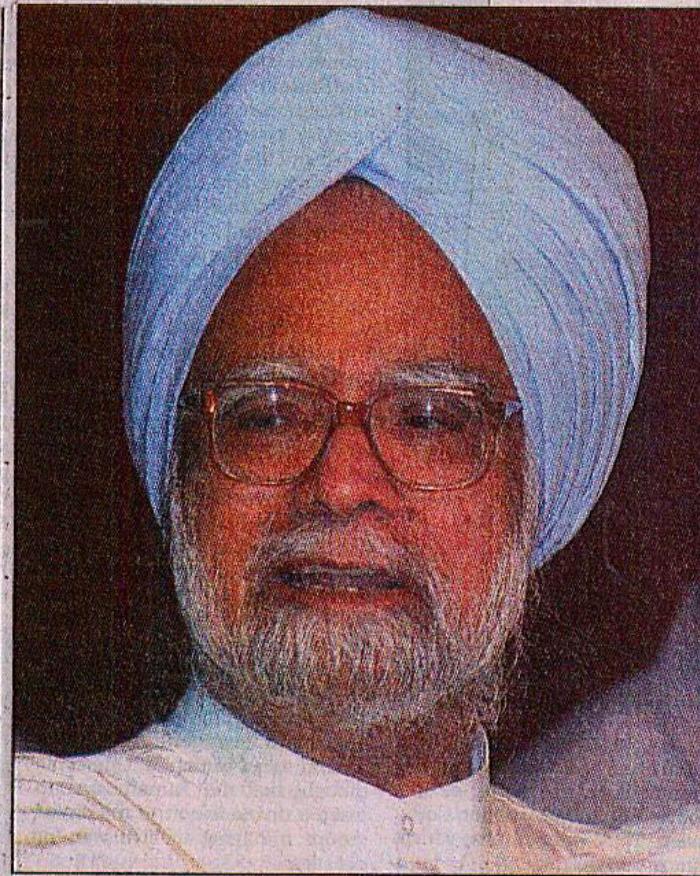
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SPECIAL SUPPLEMENT

JANUARY 26, 2005



APJ Abdul Kalam
President of the Republic of India



Manmohan Singh
Prime Minister of the Republic of India

MESSAGE



On the occasion of the 55th Republic Day of India, I extend my sincere greetings to all friends in Bangladesh and also to all members of the Indian community. I would like to take this opportunity to convey my deep appreciation and gratitude to the Government and the people of Bangladesh for the warm and friendly welcome accorded to me since my arrival here in December 2003. I look forward to working together with all of you to further deepen and strengthen the bonds of friendship and brotherhood between our two countries.

2. India attaches the utmost importance to developing close and cordial relations with Bangladesh. Strong strands of shared history and culture together with geographical proximity bind us together. Our common land boundary of over 4000 Kms is the longest that India has with any of its neighbours. Our people-to-people contact is close and intense as we at the High Commission issue over 500,000 visas annually to Bangladeshi nationals for all purposes: tourism, business, medical treatment, education and pilgrimage. The commercial and ongoing close interaction between Bangladesh and India in all sectors provide the strong bed-rock on which we can further develop our rich and dynamic relationship. At the same time, these very same factors bestow on us a tremendous joint responsibility to work sincerely towards fulfilling our common destiny and to bringing the fruits of friendship and economic development to our two peoples.

3. We have just witnessed the historic SAARC Summit in Islamabad, which has heralded in a bright new chapter in our regional co-operation. Certainly, the cordial, successful and friendly bilateral meeting between our respective Prime Ministers, Her Excellency Begum Khaleda Zia and His Excellency Shri Atal Bihari Vajpayee, held on the sidelines of the SAARC Summit was in its own way a significant milestone, with great promise for the future development of friendship and cooperation between Bangladesh and India in every area.

4. India's own successes during the last year in achieving rapid economic growth and bringing the fruits of development to our citizens have been extremely encouraging. India crossed the historic landmark of US\$100 billion in foreign exchange reserves in December 2003. With the estimated GDP growth rate of over 8% this year, India today is one of the world's fastest growing economies, an international hub for R&D, and an emerging market

with excellent prospects, given the expanding middle-class of 250 million to 300 million people. Our middle class is now almost as big as the European Union and it is growing steadily. The Indian Rupee has appreciated against the U.S. Dollar by about 6 per cent, making dollar imports cheaper and fuelling growth. There have also been significant developments in infrastructure during the last year. Nearly 1,000 km of four/six-lane highways were built during 2003. A new confidence is discernible in a broad swathe of business sectors such as the IT, pharmaceuticals and automobile industries. Two million mobile phone connections are being added every month. India's service sector exports are expected to generate 24 million jobs by 2020. The stock market has shot up to record high levels with foreign investors bringing in US \$ 7 billion into the stock market in 2003. Ever growing numbers of global companies are shifting software development, call centres, accounting, insurance claims processing and other jobs to India to take advantage of our highly skilled, English-speaking workforce.

5. Bangladesh is India's closest and largest trade and investment partner in the SAARC region. In turn, India is one of the largest trade and investment partners of Bangladesh among developing countries. Bangladesh-India bilateral trade in 2002-03, totalled US Dollars 1.26 billion. Bangladesh imports from India are the largest from any single country. At the same time, Bangladesh exports to India are the largest to any developing country, and worldwide, Bangladesh exports to India rank fourth after your exports to the USA, the European Union and Japan.

6. It is true that the Bangladesh-India trade is heavily weighted in India's favour. However, this is in no way detrimental to Bangladesh's economy nor does it adversely affect small and medium entrepreneurs in Bangladesh. A majority of India's exports to Bangladesh are commodities which are direct inputs into Bangladesh's fast developing manufacturing infrastructure and export sectors, so essential for the development of the Bangladesh economy. For example, imports from India of cotton and man-made fibre, as well as other categories of yarn and chemicals from India are important inputs into Bangladesh's all-important garment exports. This, together with construction material, mechanical and electrical machinery, railway locomotives and parts thereof, form the backbone of India's exports to Bangladesh covering nearly 60% of total value. And if you add to this the imports of cereal, foodgrains and allied products, the figure goes up to over 80%.

7. Bangladeshi imports from India are cost effective, they meet the most exacting international standards and have tremendous comparative advantage in terms of transport costs. When taken as inputs into Bangladesh's manufacturing and export sectors, these imports from India generate local employment and revenue, and above all contribute handsomely to the growth of Bangladesh's GDP and the global competitiveness of Bangladesh's economy.

8. Simultaneously, we are deeply conscious of Bangladesh's concerns and sensitivities regarding the adverse trade balance with India. We are fully committed to working jointly with the Government and the people of Bangladesh as partners in boosting Bangladesh exports to India. Indeed I consider this as an important priority in my work here. We all know that during 2002-03 Bangladesh exports to India grew from US Dollars 50 million to US Dollars 84 million registering a record increase of 67%. This is an important success story due equally to the efforts of Bangladesh exporters and the matching efforts from India through the numerous duty concessions provided for imports from Bangladesh, both bilaterally and under SAFTA.

Nearly 70% of Bangladesh exports to India avail of these trade concessions. India grants tariff concession to Bangladesh ranging from 50 to 75% on about 2600 tariff lines and duty-free concessions on 79 items.

9. I can assure you that given the right strategies and interactive efforts, Bangladesh exports to India can increase faster and even more substantially in the years to come. There is a great interest in India in purchasing goods from Bangladesh. We look forward to working closely with the Government of Bangladesh, and with Chambers of Commerce and Industry on both sides in overcoming every perceived barrier, para-tariff, non-tariff or others, that are seen as obstacles to increasing our bilateral trade.

10. In fact, for the true development of economic complementarities and synergies between India and Bangladesh, both of us must work towards creating a hassle free environment for traders, businessmen and their products to move across our borders whether by land, by rail, by river, by air or by sea. Trade and commerce can only flourish where transport and communication linkages are satisfactory. Both sides, therefore, need to encourage more trans-border movement through additional transport linkages on the lines of the Dhaka-Agartala and the Dhaka-Kolkata bus services. Together with this, rail and telecommunication linkages should be strengthened and free movement of people across the border should be encouraged through liberalized visa regimes. All of us comment positively on the success achieved by the European Union in that their intra-regional trade is now at the all time high of 65% of the total bilateral trade of all EU countries. Surely, the EU could not have achieved this figure if goods being transported from one end of the EU to the other had to be reloaded on different trucks at each international boundary!

11. The ultimate route to removing trade barriers lies through negotiating a bilateral Free Trade Agreement, a process which India and Bangladesh jointly launched with great success in July 2003. More recently, all of us have welcomed the conclusion of the Framework Agreement on SAFTA at the SAARC Summit in Islamabad. This is a very timely and crucial development for enhancing market access to each other for the countries of SAARC. With this we hope that intra-SAARC regional trade which today stands at just 5% of the total foreign trade of SAARC countries will be able to rise substantially. Yet, SAFTA is the penultimate step.

12. The ultimate step for enhancing our bilateral trade will be to complete the negotiations and the signing of the bilateral Free Trade Agreement (FTA) between Bangladesh and India. The bilateral FTA will complement and supplement SAFTA by providing faster and more effective access on a preferential basis for specific goods from Bangladesh to the fast burgeoning Indian market.

13. Sri Lanka and India's successful experience through their bilateral FTA indicates precisely the useful role this instrument can play. Similarly, India has signed a Framework Agreement for a bilateral FTA with Thailand, and simultaneously with ASEAN (where Thailand is a member). India has signed a Framework Agreement on Comprehensive Economic Cooperation, which envisages the ASEAN-India FTA.

14. Such examples show that we must discard the myth of asymmetries in economies which have often inhibited smaller countries from benefiting from closer economic integration with the larger economy. Bangladesh should be particularly reassured since in the first round of bilateral FTA talks with India, India has already agreed on the need for preferential treatment for Bangladesh to take into account the different levels of economic development.

opment between our two countries. It is our earnest hope that despite the temporary postponement of the second round of the bilateral FTA talks at the request of the Bangladesh Government, this process will resume and lead to a speedy conclusion of a bilateral FTA between Bangladesh and India.

15. Trade is among the most important but certainly not the only measure of the extent and depth of economic interaction between two countries. Investments, financial remittances, and service sector interaction and collaboration are rapidly playing greater roles in developing the bilateral cooperation between Bangladesh and India.

16. In 2003, India was the eighth largest investor in Bangladesh. In overall terms, India has a total investment registered with the Bangladesh Board of Investment of more than US Dollars 400 million. There are 35 Indian joint ventures functioning in Bangladesh (together with wholly-owned subsidiaries) in such sectors as textiles, construction industry, chemicals, information technology and automobiles. An additional 10 projects are under implementation. Indian companies are also involved in key infrastructure areas in Bangladesh such as power generation and transmission, telecom and roads and railways. ARs 200 crore credit line offered by India in 1999 has gone a long way in strengthening the public transportation such as bus system and railways in Bangladesh. Another Indian credit line, denominated in US dollars for the first time, is at present on the anvil to cover the sector of development of railways and other infrastructure areas in Bangladesh.

17. India is also promoting human resource development through a large number of scholarships amounting to nearly 200 annually to Bangladeshi students for professional studies in India including in such world-class institutions such as Indian Institutes of Technology, medical colleges and NIT, CMC, APTech and Tata Infotech. Over and above this, a very large number of Bangladeshi students enrol in Indian schools and colleges each year. Ten mobile clinics were gifted by India to the Government of Bangladesh last year. India has also offered to train 250 Bangladeshi teachers in IT and to gift 650 computers to various schools in Bangladesh.

18. We are deeply committed to promoting greater cultural exchanges between Bangladesh and India through such events as film festivals, art exhibitions, theatre workshops and visits by performing artists from different parts of India. In the last one year itself, dance/music troupes from Punjab, Rajasthan, Manipur, Jammu & Kashmir, West Bengal, Tripura and Meghalaya (to name just a few) have performed here. We hope to continue our efforts to further intensify our interaction in these areas.

19. Finally a word about the Indian community in Bangladesh. It is gratifying to note that the Indian community has made an indelible impression in the host country through their hard work and entrepreneurship. While a large number of Indians have made significant contribution towards the success of Bangladesh's Ready Made Garments Industry, yet others are working in crucial infrastructure areas such as railways, roads, telecom, and power transmission. We are proud of them!

Once again, I would like to extend the greetings and felicitations of the Government and people of India on the occasion of our Republic Day. I earnestly wish that the New Year brings increased prosperity, happiness and well-being to the peoples of our two countries.

Veena Sikri
High Commissioner of India to Bangladesh

Our Heartiest Felicitations and Best Wishes to the Government and the People of India on Their 56th Republic Day

India

Tsunami relief efforts made by India

As parts of India's ongoing efforts to provide relief to people affected by Tsunami, the Prime Minister has sanctioned relief for the calamity hit states of Tamil Nadu (Rs 250 crore), Pondicherry (Rs 50 crore), Kerala (Rs 100 crore) and Andhra Pradesh (Rs 100 crore) and Andaman and Nicobar Islands (Rs 200 crore).

2. The Armed Forces launched operation "Sea Waves" for relief, rescue and evacuation in the wake of Tsunami disaster, which has been coordinated by Integrated Defence Staff (IDS). The aircrafts have undertaken 340 sorties for A&N Islands, 41 sorties for mainland States, evacuating 9284 people including 7419 civilians and 1865 service personnel in A&N Islands. 19,450 personnel were evacuated in Tsunami hit mainland states. Army, Navy and Coast Guards are assisting the local administration by opening relief and medical camps for the affected persons.

3. With Phase-I of relief more or less completed, the operation is now moving into Phase-II, where there will be strong emphasis on bringing back normal life to the affected areas of the country. Work is in full swing to restore facilities for communication, transport, power etc. Priority is being accorded to supply fumigation and disinfectant to avoid outbreak of epidemics. Supply of drinking water

and restoration of infrastructure is high on the agenda.

4. The government is contemplating introduction of a bill in the Parliament during the coming Budget Session for establishing the National Disaster Management Authority and create the Central Legislation of Disaster Management in the country. Ministry of Science and Technology will also initiate action for setting up the Tsunami Warning Centre. The Government has assured of a comprehensive relief package for the Tsunami affected families to enable them to restart a secured normal life. An Ex-gratia payment of Rs 1.00 lakh has been announced to the next of the kin of the deceased from the PM National Relief Fund, in addition to the assistance available from the National Contingency Relief Fund.

5. 24-hour control rooms have been opened in Indian Missions abroad to render assistance on the spot. India is providing relief assistance to Sri Lanka, Maldives, Indonesia and Thailand, including aid and substantial assistance through deployment of Indian naval ships, aircraft and helicopters & personnel.

6. The Prime Minister has announced a Rs 100 crore composite relief package for Sri Lanka. The Indian Navy has responded to Sri Lanka's request for assistance in searching for fishermen and boats missing at sea. 4000 people have been treated in a makeshift 40 bedded hospital set up by Indian Navy. More than 220 tonnes of relief supplies have been ferried till date. The Indian Navy is being assisted by the Air Force in search and rescue operations.

7. A Rs 5 crore of composite relief package has been announced by the Prime Minister. Around 200 tonnes of relief supplies received from international aid agencies have been ferried to various outlying islands by Indian Naval Ships and aircraft. Indian Navy has also restored power supply and operationalised communications equipment.

8. The Indian Government has announced a composite relief package of 1 million US dollars for Indonesia and proposed extending concessional lines of credit for reconstruction of roads, buildings and harbours in Aceh. Thailand

9. Though Thailand was the least affected, a composite relief package worth half-a-million USD has been announced.

E-governance: A growing trend in India

BY SUMEET CHATTERJEE

FARMERS, many of them illiterate, flock around a monitor in India's eastern state of Orissa using a touch screen to access data on crop patterns, weather, soil status - demonstrating how even a lone computer can change the dynamics of life. Given India's size, the information kiosk in a campus in Orissa's capital may not amount to much at the macro level. But the computer is changing lives at the most fundamental level as farmers in the state, one of the poorest in India, start to improve productivity and their money power. "I had seen a computer but never operated it. But now, since everything is written in the local language Oriya, I can use it without any help," said a farmer, Bharat Pujari, busy trying to figure out which would be the most suitable crop for his land. As far as he is concerned, it is nothing less than a revolution, taking on the role of a consultant and obviating the need to meet officials for every bit of information. And this e-revolution is taking place all over the country, as the once esoteric computer becomes a part of life in large swathes of India, even in the rural hinterland, from Haryana in the north to Tamil Nadu in the deep south. Armed with cutting edge technologies and a vast pool of skilled software professionals, India is fast using IT as a means to expedite delivery of health, education and information. Asia's fourth largest economy, dogged by its yawning disparities, corruption, lack of transparency and red tape, is now embracing electronic governance, better

known as e-governance, to make a difference in the life of its citizens like Bharat Pujari. Like in Orissa, many state governments in India are now attempting to use technology to deliver services to people in rural as well as urban areas. They have tied up with private sector companies to help them set up Internet kiosks in rural areas and provide e-governance related services at an affordable cost. "E-governance is the latest buzzword that has caught the fancies of many state governments here as they strive to cut poverty, address corruption and make themselves more responsive to their citizens," said Sameer Kochhar, managing director of Skoch Consultancy, an independent IT industry research firm. Karnataka, home to marquee Indian tech firms such as Infosys and Wipro, for instance, is one of the few Indian states to have computerised many government departments and rolled out innovative e-governance projects for faster delivery of services. Its Bhoomi, or land, e-governance project launched in 2001 is one of India's most prominent projects. The project has seen the revenue department computerising the state's 20 million rural land records, involving some 6.7 million farmers. It's a project the federal government now wants all states to emulate since the conventional method of maintaining land records in India is seen as being inefficient and corrupt. Further south, the Kerala government experimented with the Akshaya centre to make all families in one of its most backward districts, Malappuram, e-literate.

—Indo-Asian News Service

Heartiest Greetings
on the
56th. Republic Day
of
India

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