

Saarc Summit

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Afghanistan into the association and for allowing China as an observer or a dialogue partner of Saarc. The Dhaka summit has brought unprecedented media attention as about 300 foreign journalists are already in Dhaka to cover the event.

As Saarc is entering its third decade, the leaders are optimistic about reaching an agreement about the South Asian Free Trade Area (SAFTA), the first step in the evolution of Saarc as a regional trade bloc and an economic union.

Under the SAFTA accord, India, Pakistan and Sri Lanka, the region's largest economies, have until the end of 2008 to reduce their tariffs to somewhere between zero and five percent. Bangladesh, Bhutan, Nepal and the Maldives have until 2016 to do so. However, each country will be able to maintain a "sensitive list" of products on which tariffs will not be reduced.

The agreement would bring to fruition the idea of a free trade area that was first envisaged in Dhaka in 1985 when the group was formed. Considering that SAFTA was seen as a non-starter at one point in time, the current moves are quite significant -- especially in view of political gains foreseen in terms of peace in the region.

South Asia, home to 1.5 billion people (a quarter of the world's population) is moving to boost regional trade by emulating the Association of Southeast Asian Nations (ASEAN) and the European Union (EU).

Annual trade among the seven countries is \$5.0 billion which may rise to \$14 billion once restrictions are removed, the Federation of Indian Chambers of Commerce and Industry estimates.

Trade among the ASEAN countries is 29 percent, while the EU countries it is 63 percent while it is only four percent among the Saarc countries though the region has immense prospects.

Seventy percent of trade among the South Asian countries is dominated by India, which is barely a five percent of the region's total trading. Saarc members have a 450 million strong middle-class, bigger than the combined population of the USA and Canada or of the EU.

Saarc members have reached a consensus that regional economic integration is more about finding an engine of growth rather than just promoting trade. Political leadership of Saarc is now determined to make SAFTA operational from January 1, 2006.

On the eve of the Saarc summit in Bangladesh, economists here said regional economic integration could generate billions of dollars in new income, employment and trade. Creation of a free trade area is necessary for economic integration and for promoting the region as a trade bloc, they said.

Regional economic cooperation and integration will also make the member countries, especially the smaller ones, more attractive destinations for third-country investments by removing the constraints imposed by a small domestic market.

Economic integration of South Asia could also help the region fight against poverty, the economists observed. The World Bank estimates about half the world's 1.1 billion poor, who earn less than a dollar a day, live in South Asia.

By removing trade barriers, SAFTA will lead to an estimated tripling of the intra-regional trade. This will make South Asia's internal trade more respectable compared to its existing marginal four to five percent share in similar trading by making it possible to trade directly rather than through third countries. It will also lead to cost savings for the region.

A common Saarc transport policy to facilitate movement of goods should also be in place, experts said. The association should take steps to improve communications by roads, railways, waterways, and by air.

Tarique to receive

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Chairperson of the 12th Saarc Summit and Pakistan Prime Minister Shaukat Aziz.

Ziaur Rahman in the early 1980s took the initiative to set in motion the process of regional cooperation aimed at promoting overall progress and economic development.

The seed of regional cooperation sown by the late president continues to grow with the intensification of the Saarc process.

His vision and unremitting efforts at mobilising public opinion in the region in favour of institutionalised cooperation culminated in the formation of Saarc in December 1985.

The South Asian Association for Regional Cooperation (Saarc) will remain a testimony to Ziaur Rahman's vision and foresight in all times to come.

Saarc Secretary General Chenkyab Dorji will read out a citation at the award distribution function.

Sources said the family of the late president have decided to donate the \$25,000 award money to the Ziaur Rahman Foundation.

The Saarc leaders will place floral

Officials here said the 13th summit is expected to provide fresh impetus to regional cooperation with specific focus on implementation of previous commitments and on plans of actions adopted over the past two decades.

Dhaka, the birthplace of Saarc, is hosting the summit for the third time with several proposals for revitalising the association to tackle some of the major challenges of its third decade.

In the context of urgency for economic integration, the 13th Saarc summit will be an important landmark in the history of the seven-nation group as it will culminate in signing of key agreements among the member countries.

It is expected that the summit will provide the member states with a unique opportunity to have a fresh look at the rich and comprehensive Saarc agenda and to prioritise Saarc activities focusing on areas considered vital for achieving the charter objectives that will contribute to tangible improvement of lives of the teeming millions.

The regional grouping now has a number of important prospective agreements ready to be signed, which include customs cooperation, avoidance of double taxation, investment protection and setting up of a Saarc Arbitration Council.

The leaders are likely to endorse Dhaka's proposal of consolidating different funds under Saarc under the umbrella of Saarc Development Fund (SDF) which will have different outlets, one of which will be Saarc Poverty Alleviation Fund. India has already committed to contribute 100 million dollars for the fund. Officials said a Media Development Fund would also be established under the SDF.

In addition to making formal speeches at the summit on November 12, Saarc leaders will have the opportunity to sit together for several times, mainly during the retreat on the concluding day on November 13.

The retreat is considered as one of the most interactive part of the summit as the heads of state and government will sit together with open agendas from 10:30am till 1:30pm.

After the retreat, all the seven leaders will go to Bangabhaban to pay a courtesy visit to President Prof Iajuddin Ahmed.

The leaders will also meet the new Saarc Chairperson Prime Minister Khaleda Zia individually at her office in the afternoon of the first day of the summit when they will discuss bilateral issues.

Saarc leaders have a packed schedule with a number of bilateral meetings being worked out around the summit schedule by the member states.

Khaleda Zia's meetings with her Indian and Pakistani counterparts will be crucial since they will discuss a whole gamut of bilateral issues.

The Indian prime minister is likely to have meetings with Pakistani Prime Minister Shaukat Aziz and his Bangladeshi counterpart Khaleda Zia today.

The summit will adopt a Dhaka Declaration that has been prepared through intensive consultations by senior officials, foreign secretaries and foreign ministers of the member countries for the last four days.

The first Saarc summit was held on December 7-8, 1985 in Dhaka, the second was on November 16-17, 1986 in Bangalore, the third was in Kathmandu on November 2-4, 1987, the fourth was in Islamabad on December 29-31, 1988, the fifth was in Malé on November 21-23, 1990, the sixth was in Colombo on December 21, 1991, the seventh was in Dhaka on April 10-11, 1993, the eighth was in New Delhi on May 2-4, 1995, the ninth was in Malé on May 12-14, 1997, the 10th was in Colombo on July 29-31, 1998, the 11th was in Kathmandu on January 4-6, 2002 and the 12th was in Islamabad on 2-6 January, 2004.

The seven Bottleglass plants have now grown into large trees.

Four among the seven leaders -- Sri Lankan president Julius Richard Jayawardhane, Pakistan president Ziaul Haq, Indian prime minister Rajiv Gandhi and Nepal King Birendra Bir Bikram Shah Dev -- have meanwhile passed away.

Among the three others, now in power is President of the Maldives Maumoon Abdul Gayoom, who has attended all the Saarc summits.

The Saarc leaders are visiting the National Mausoleum today to pay homage to the country's martyred freedom fighters. But this time there are no such plans of sowing plants like the previous Dhaka summit in 1993.

The award will be presented during the inaugural session of the 13th Saarc Summit at China-Bangladesh Friendship Conference Centre today. The award includes a gold medal, certificate and \$25,000.

The award aims to encourage South Asian individuals and organisations to undertake programmes and activities complementing the efforts of Saarc; encourage individuals and organisations in South Asia contributing to the improvement of the conditions of women and children; and honour outstanding contributions and achievements of individuals and organisations within the region in the fields of peace and development, poverty alleviation, environment protection and regional cooperation.

Pak PM

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According to the official, Pakistan's visions include evolving mechanisms for confidence building measures, preventive diplomacy, peaceful settlement of disputes and setting up of a Saarc regional forum to discuss security issues.

Pakistan has already circulated concept papers among member states on certain steps required to make the Saarc process more vibrant and meaningful. These pertain to the strengthening of Saarc Secretariat and the holding of one-day Saarc Summit with one executive session and retreat.

Other proposals are on project cooperation with the participation of two or more member states in social sector and review of decisions, their implementation and impact on regional cooperation by the Saarc Ministerial Troika Group.

The Pak PM will advocate establishing a Saarc Poverty Alleviation Fund with \$300 million contributions from member states, a Saarc Cancer Hospital and a Saarc Medical University, the source said.

The PM is also likely to reiterate the need to establish a Saarc dialogue partnership on the lines of the ASEAN Regional Forum with interested countries such as China and Japan and with other regional groupings like the Gulf Cooperation Council, Asean, and the EU.

Pakistan is also likely to draw attention on building linkages between the central banks of Saarc countries to promote coherent fiscal and monetary policies in the region.

The official said Pakistan has made substantial contribution to strengthening the Saarc process and to enhance its international profile during its chairmanship. On Pakistan's initiative the UN General Assembly accepted Saarc as an observer in December 2004.

Pakistan was instrumental in the adoption of Saarc Social Charter, signing of South Asian Free Trade Area, Additional Protocol on Terrorism and initiation of Saarc Energy Forum, he added.

FMs agree

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From a \$300 million fund for poverty alleviation, with India reiterating its previous commitment to donate \$100 million to the fund.

There will be an umbrella fund styled Saarc Development Fund containing the existing South Asian Development Fund, the proposed poverty alleviation and other funds, the Saarc FMs decided.

The meeting was going on at Dhaka Sheraton Hotel when this report was filed at 9:45 last night with Bangladesh FM M Morshed Khan in the chair.

Lyonpo Khandu Wangchuk of Bhutan, Dr Ahmed Shaheed of the Maldives, Ramesh Nath Pandey of Nepal, Khurshid M Kasuri of Pakistan, Anura Bandaranaike of Sri Lanka and State Minister for External Affairs of India E Ahmed were the other council members present.

The meeting discussed implementation of the South Asia Free Trade Area (Safta) by the January 1, 2006 deadline, Saarc Social Charter, Saarc Visa Exemption Scheme and expansion of visa categories, which now numbers 23. The progress in ratification and implementation of Saarc conventions and instruments, conferment of the Saarc Youth Award 2003 and evolving a vision for the third decade of Saarc were also on the agenda.

The council scrutinised the Saarc secretary general's periodic analytic reports with comments and recommendations of the Saarc Standing Committee, the report of the 31st session of the Standing Committee comprising the foreign secretaries as well as reports of various ministerial meetings.

Earlier, the council had met in an informal meeting on Thursday.

Saarc snippets

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however, using the bulletproof Mercedes cars provided by the Bangladeshi government.

PLANTS HAVE GROWN INTO TREES

Seven Saarc leaders sowed seven plants on the National Mausoleum premises in Savar in Dhaka on December 7, 1985 when the curtain rose on the First Saarc Summit in Bangladesh.

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Baby Naznin performs at the cultural function following the lunch tomorrow at National Guesthouse Jamuna, while a dance performance by Sharmila Bandopadhyaya, Deepa Khandokar and Shafigur Rahman, and Minu Haq is also included.

Homage to martyrs

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initiative to set the process of regional cooperation in motion in the early 1980s. Zia's unremitting efforts at mobilising public opinion in the South Asian region for institutionalised cooperation culminated in the formation of Saarc in December 1985.

After placing wreath at 10:40am, the leaders will unveil a plaque of excerpts of letters sent by Zia to the then six heads of state and government with proposal to float a regional body for cooperation.

The plaque structure will be set up on the mazar premises, from where it will be shifted permanently to the Zia Museum being constructed adjacent to the graveyard.

The Saarc leaders will move to the Bangladesh-China Friendship Conference Centre (BCFCC) for the inaugural session, which is scheduled to begin at 11:30am.

Prime Minister Khaleda Zia, foreign minister, adviser for foreign affairs, foreign secretary and chief of protocol will receive the Saarc leaders.

The 140-minute opening will begin with playing of the Bangladesh anthem followed by photo session and recitation from the Quran.

Pakistan Prime Minister Shaukat Aziz, the current Saarc chair, will then formally declare the summit open.

The Saarc leaders will adopt agendas for the Dhaka summit before announcing the Saarc Award 2004, which goes to Zia for his outstanding contribution to the birth of Saarc.

After the inaugural address by Khaleda Zia, the Pakistan prime minister convenes the formality to elect new Saarc chairperson for the summit. Shaukat Aziz will then declare Khaleda Zia as the new chairperson before requesting her to take over.

The Saarc leaders from Bhutan,

India, the Maldives, Nepal, Pakistan and Sri Lanka will address the inaugural session, which is to be concluded with a statement by Saarc Secretary General Lyonpo Chenkyab Dorji.

Bilateral meetings will be held before the banquet to be hosted by the Bangladesh premier at the BCFCC in the evening.

The banquet scheduled for an 8:30pm start, will be followed by a cultural programme.

On the second day, Saarc leaders will have a retreat at the state guesthouse Jamuna where they will sign agreements.

They will have their lunch at the Jamuna followed by a cultural show featuring country's leading singers, dancers and musicians.

The Saarc leaders will also pay a courtesy call on President Iajuddin Ahmed at the Bangabhaban at 1:40pm.

The concluding session, chaired by Khaleda Zia, will begin at 4:00pm at the International Conference Centre (ICC) inside the Prime Minister's Office. The session will adopt reports on 25th and 26th sessions of the council of ministers and the Dhaka Declaration.

The new Saarc chairperson will also address a press briefing.

The summit winds up with vote of thanks to be given by India Prime Minister Manmohan Singh after the concluding statement of Khaleda Zia.

State-run BTV and Bangladesh Betar will air both opening and concluding sessions live.

The heads of state and government will leave Dhaka in special and commercial flights on Monday.

Meantime, a fair of Bangladeshi traditional products will be held at the State Guesthouse Padma for the spouses of the Saarc leaders on Sunday.

Leaders arrive

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After the introduction ceremony at the presentation line, the Pakistan premier set off for Sheraton in a motorcade guarded by smart security force with a security helicopter circling above.

Red carpet was rolled out also to welcome King of Nepal Gyanendra Bir Bikram Shah Dev as a special flight carrying him touched down at the ZIA at 5:36pm.

Prime Minister Khaleda Zia received the monarch of the Himalayan kingdom and Queen Komal Rajya Laxmi Devi Shah as they got off from a special flight of Royal Nepal Airlines at the VVIP tarmac at about 5:36pm.

After the gun salute and guard of honour, Khaleda introduced Bangladesh ministers, diplomats and dignitaries at the presentation line. Two girls presented bouquets to the King and the Queen.

After the ceremony at the airport was over, the Nepalese monarch and his entourage were chauffeured to Hotel Sheraton.

Indian Prime Minister Manmohan Singh reached Dhaka at 6:15pm to a ceremonial welcome for his maiden participation to a Saarc Summit. Manmohan flew in a special flight with his wife and was also received by Bangladesh PM Khaleda Zia at the VVIP tarmac.

Hasina

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and Pakistani prime ministers had been rescheduled for November 13 after the summit meetings, AL sources said.

"Hasina might meet all the seven Saarc leaders. But till now, only meetings with the leaders of India, Pakistan, Nepal and Bhutan have been finalised. We are trying to arrange meetings with the presidents of Maldives and Sri Lanka as well," said a top AL leader.

"We are hopeful that the leader of the opposition will be able to meet almost all the Saarc leaders between November 13 and 14," Saber Hossain Chowdhury, political secretary of Sheikh Hasina, told The Daily Star last night.

Regional co-operation among the Saarc countries in the fight against terrorism, poverty alleviation, infrastructure development, among others, would be discussed at those meetings, he added.

Sumptuous meals

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zarda and Dhakai shahi firni.

The snacks menu at Bangabhaban when the Saarc dignitaries meet the Bangladeshi president tomorrow are pati shapta pitha, black and green grapes, salmon tart, quail egg, fish finger, chicken shaslik, chicken samusa, white chocolate, brown chocolate and chocolate brownies.

The menu at the Saarc Retreat at the state guesthouse Jamuna will be mixed green salad with shrimp, smoked hilsha, garlic toast and bread roll as starters while the main course will be chicken polao, mutton malai curry, shami kebab, king prawn bhootna, rui fish fry, parata, steamed rice, dal, salad, borhani, mixed vegetables and alu bokhara chutney.

The desserts will be curd, malai chop, puli pitha, bhapa pitha, pati shapta pitha, gur shondesh, kacha golla and fruit platter decorated with papaya, pineapple, grape, kiwi, cherry, strawberry and honey dew. Tea, coffee and betel leaf will also be served.

Sri Lankan President Kumaratunga is due to meet the Bhutanese PM, the King of Nepal and the President of the Maldives.

Protocol

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which would enable Saarc countries to "work together on the legal side as well", a foreign ministry high official said.

The additional protocol, which is comprehensive in nature and enables member countries to take measures to prevent and suppress financing of terrorist activities, was adopted at the Islamabad summit in January 2004.

Faced with the scourge of terrorist acts, South Asian countries, including India, Bangladesh, Pakistan, Sri Lanka and Nepal, have taken initiative to jointly combat terrorism. The August 17 countryside blasts in Bangladesh and October 29 deadly blasts in New Delhi have apparently added to their anti-terrorism drives.

Bhuiyan holds

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Tuesday announced the cancellation of its Tk 68 million finance to three government projects "after investigations found evidence of inappropriately and collusive bidding practices that violated the procurement norms agreed between the World Bank and Bangladesh". The bank also asked the government to refund the amount and to take appropriate action against the officials responsible.

But, responding to queries from reporters yesterday, Bhuiyan said, "The irregularities in the bidding process of the MSP were actually detected by the LGED [Local Government and Engineering Department]. The LGED officially communicated this finding to the World Bank, as the LGED did not have the authority to cancel the tender and call a fresh one without the bank's permission."

"In its first letter," Bhuiyan elaborated, "the LGED suggested floating a fresh tender. But the bank did not give the permission. The LGED in another letter to the bank sought the permission again, but in vain. This was why transparency in the procurement process could not be ensured." So, the minister said, the WB is equally responsible for the breach of procurement guidelines.

He said his ministry has already clarified its position on the issue in an official letter to the WB, adding any official proven involved in the alleged irregularities will be duly punished.

Essentials prices

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Hatirpool kitchen market.

Green chilli was selling at Tk 80 per kg at Hatirpool market yesterday. At Palashi market, it sold at Tk 60 yesterday against Tk 30 to 35 in the previous days.

In some markets, local variety onion sold at as high as Tk 50 to Tk 56 per kg yesterday against Tk 28 to Tk 32 only on the previous day. Indian variety onion was selling at Tk 42 to 45 against Tk 24 to Tk 28 a day before.

Prices of cucumber and tomato remained the same as last week while beans were selling at Tk 40-45 against Tk 20 - 24 per kg yesterday, patal at Tk 20-25 against Tk 14-16, potato at Tk 12-15 against Tk 8 - 10, okra at Tk 32 -40 against Tk 24-26, carrot at Tk 24-30 against Tk 15 - 17 and cabbage and cauliflower at Tk 25 -30 per piece against Tk 10-12 previously.

Fish prices, especially of hilsha, rui and katal, have also increased.

The price of coarse rice however remained as before.

Meat prices have also risen. Broiler was selling at Tk 85 per kg yesterday against Tk 80 on the day before. Beef sold at Tk 125 to Tk 135 a kg and mutton at Tk 160 to Tk 170 a kg yesterday.

The fresh price hike has hit hard the middle and lower middle class and poor people, already experiencing a crippling effect price spiral on their day-to-day life during the Ramadan.

Cabinet body

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who heads the body. "We will finalise the amendments at our next meeting on November 14," he added.

The cabinet's approval of the PPL is one of the conditions the WB imposed for the \$200 million DSC tranche. A WB board meeting in Washington, DC on November 17 is scheduled to decide whether to sanction the tranche or not.

The proposed law was tabled at a cabinet meeting on November 2. The meeting did not pass the draft but formed the subcommittee to further scrutinise its clauses.

However, a high-level meeting source said, though an official hand-out claimed that the cabinet meeting has approved the PPL in principle, the government's real intention is to drag its clearing process indefinitely and the subcommittee was formed with that specific aim.

Sources said the WB has come to know of this covert government intention and told a number of ministers that it would not sanction the DSC instalment, unless the cabinet approves the law in time.

In response, sources in the subcommittee said, the meeting was hurriedly called even on a Friday in a bid to fulfil the WB condition. "We are working very hard to fulfil the conditions and hope to get the law approved by the cabinet by the end of this month," said a subcommittee member.

Another source said the amendments to the draft law would be such as to provide loopholes by which the legal provisions could be bypassed.

An agenda

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agenda at the Jamuna State Guest House.

This is the one and only opportunity for the leaders themselves to demonstrate their commitment and willingness to breathe fresh life into Saarc. If they are sincere and really do want to bring about some meaningful changes to Saarc, then they should, for the first time, take personal and direct responsibility for bringing about some radical changes and reforms.

1. First and foremost, they should commit themselves to meeting on a regular basis to monitor and expedite the decisions they take, which either never get implemented or are implemented in such a manner as to serve no useful purpose. They should agree to meet again in Dhaka for half a day in February or March next year and thereafter meet every three months to ensure that there is substantive progress. These meetings should be short businesslike meetings with a fixed agenda and should be free of all ceremonials and speech making. The heads will be presented a detailed progress report by the Saarc secretary general and will personally provide guidance, inputs and proposals for the future. It will, above all, be a decision-oriented meeting.

2. There will be one working session lasting for perhaps three to four hours, which will be restricted to the heads plus Foreign Ministers and Foreign Secretaries. The Heads will arrive by 12 noon and leave for their respective capitals by 6:00pm.

Any problems which cannot be resolved at the ministerial or secretary level will have to be tackled by them rather than allowing these problems to stand in the way of serious progress. In other words, all the unresolved problems relating to Safta should be dealt with directly by the Heads.

3. The heads at the retreat should agree to reconvene the group of eminent persons and ask them to give them an updated vision document, a five year plan of action, and finally a road map for converting Saarc into the South Asian Economic Union (SAEU). The action plan and road map should be the main subject of discussion along with making Safta more meaningful and effective at the half day summit meeting in March 2006.

4. It is equally important that the heads agree in Dhaka to enhance the powers and authority of the secretary general and totally revamp the Secretariat. A separate task force should be set up to put forward concrete proposal directly to the Heads at the March meeting. Alternately, the standing committee can be given this responsibility.

Enact laws

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The call was made on the closing day of the two-day Saarc Journalists Summit-II in the capital, organised by the South Asian Free Media Association (Safma) and held at a local hotel.

Participants at the conference said not only the governments but also big non-government organisations (NGOs) and private sector companies should be made accountable and transparent in their operations.

In his keynote speech, Editor of The Daily Star Mahfuz Anam underscored rephrasing people's right to information. "Our strength as journalists mainly come from the people but we have not been able to present before them the issue of access to information in the right perspective," he noted.

The governments or big companies