

Text of Dhaka Declaration of the 13th Saarc Summit



Dhaka Declaration
Thirteenth SAARC Summit
13 November 2005

The Prime Minister of the People's Republic of Bangladesh, Her Excellency Begum Khaleda Zia; the Prime Minister of the Kingdom of Bhutan, His Excellency Lyonpo Sangay Ngedup; the Prime Minister of the Republic of India, His Excellency Dr. Manmohan Singh; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the King of Nepal, His Majesty Gyanendra Bir Bikram Shah Dev; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Shaukat Aziz; and, the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Thirteenth Summit meeting of the South Asian Association for Regional Cooperation (SAARC) in Dhaka, Bangladesh on 12-13 November 2005.

Regional Cooperation

2. The Heads of State or Government noted that the 13th Summit was taking place at an important moment in the evolution of South Asia when SAARC stood at the threshold of a new decade of its existence. They agreed that the Summit provided a unique opportunity to consolidate the gains made in regional cooperation during its first two decades and to chart a forward-looking strategy to promote effective cooperation at all levels to realize the objectives and principles set out in the Charter of the Association.

3. The Heads of State or Government noted that cooperation and partnership within the framework of SAARC is based on the sound foundation of shared values, beliefs and aspirations. The objectives and goals of SAARC, they affirmed, were of continuing relevance and importance to all Member States. The dynamics of recent political and economic changes in South Asia and the world highlighted the importance of, and the compelling logic for, a more vibrant and effective process of constructive regional cooperation. They emphasized their commitment to making such cooperation an enduring feature and thus contribute to the region's peace, progress and stability.

4. The Heads of State or Government noted that SAARC has evolved in a positive direction during the first two decades of its existence and that its agenda encompassed concerns and areas vital for the fulfilment of the Charter objectives of promoting the welfare of the peoples of South Asia, accelerating economic growth, social progress, cultural development and strengthening collective self-reliance among the countries of South Asia. They stressed that realization of these objectives not only called for continued and serious result-oriented efforts but also for consistent endeavours to translate pledges and commitments into concrete actions, regional initiatives and projects. They reiterated their commitment to making SAARC an effective instrument for cooperation, which will visibly improve the quality of life of millions in South Asia.

5. The Heads of State or Government emphasized that efforts must continue to free South Asia from poverty, hunger and other forms of deprivation and social injustice which continue to present a daunting challenge. Member States expressed determination to work towards significantly accelerating regional cooperation in economic areas. The main emphasis will be to secure a wider economic space, so that benefits and opportunities offered therein can be shared by all, and that the true economic potential of South Asia can be fully realized. Efforts will be made to create dynamic complementarities in the development of human resources and

capacity of Member States to address their common challenges. They underlined the need to accelerate regional cooperation through all possible means and mechanisms, including exchange of best practices in various fields in the Member States.

6. The Heads of State or Government reiterated that the people of South Asia are the real source of strength and driving force for SAARC and resolved to make regional cooperation more responsive to their hopes and aspirations. They agreed that the Association should broaden its engagement with the civil society organizations, professional groups, and entrepreneurs. Member States should also strive to promote and assert their South Asian identity, encourage greater people-to-people contact and draw strength from their shared cultural heritage.

7. The Heads of State or Government emphasized the importance of initiating Project Cooperation under the SAARC auspices. They encouraged the Member States to undertake projects, as per the existing provisions of the Charter. These projects may pertain to economic and social sectors, including Human Resource Development and Poverty Alleviation. These may be undertaken, where required, with financial or technical assistance, from International Financial Institutions (IFIs) or, UN Funds and Programmes or any extra-regional State, as appropriate.

Poverty Alleviation
8. The Heads of State or Government decided to declare the decade of 2006-2015 as the SAARC Decade of Poverty Alleviation. During the Decade, endeavours -- both at the national and regional level -- will continue to be made with a sense of commitment and urgency to free South Asia from poverty.

9. The Heads of State or Government appreciated the valuable work of the Independent South Asian Commission on Poverty Alleviation (ISACPA). They also endorsed the SAARC Development Goals (SDGs), a recommended by the Commission, and called for follow-up and implementation of the Plan of Action on Poverty Alleviation, adopted by the 12th SAARC Summit. They entrusted the ISACPA to continue its advisory and advocacy role in this regard. They endorsed the priorities for action identified in the Report of ISACPA adopted by the Twelfth SAARC Summit. They agreed that these priorities would be duly taken into account while working out the elements for regional initiatives in this vital area. They decided to focus on formulation and implementation of concrete regional programmes and projects as well as forging partnerships among all stakeholders.

10. Underlining the need for an exclusive forum for focused and comprehensive examination of poverty related issues, the Heads of State/Government decided to replace the three-tier mechanism on poverty alleviation by a two-tier one, comprising the Ministers and the Secretaries dealing with Poverty Alleviation at the national level.

Funding Mechanisms

11. The Heads of State or Government decided to establish a SAARC Poverty Alleviation Fund (SPAF) with contributions both voluntary and/or, assessed, as may be agreed. They called upon the Finance Ministers to formulate recommendations on the operational modalities of the Fund, taking into consideration the outcome of the Meeting of the Financial Experts. In this regard, they welcomed the offer of Pakistan to host the next meeting of the Finance Ministers. The operational modalities of the SPAF shall be decided by the Finance/Planning Ministers. They agreed that the SPAF shall function within the SADF to be reconstituted, as SAARC Development Fund (SDF), to serve as the umbrella financial institution for all SAARC projects and programmes and comprise three Windows namely Social Window, Infrastructure Window and Economic Window with a Permanent Secretariat.

12. The Heads of State or Government decided that Finance Ministers should meet within the first quarter after every Summit and also on the sidelines of the World Bank and ADB annual meetings, to take stock of macro-economic developments and outlook for South Asia, achievement of SAARC Development Goals as co-related to Millennium Development Goals (MDGs) and to assess the investment climate, foreign capital inflows, financial sector reforms and other areas of cooperation.

Advancing Economic Cooperation

13. The Heads of State or Government stressed that accelerating cooperation in the core economic areas was of vital importance for the realization of Charter objectives and also for making South Asia

truly vibrant, dynamic and secure in its robust progress. They reaffirmed their commitment to accelerate cooperation in the economic and commercial fields, especially in the energy sector. They noted the progress in the negotiations on outstanding issues and directed early finalization of all the Annexes ensuring entry into force of the SAFTA Agreement as agreed, with effect from 1 January 2006.

14. The Heads of State or Government stressed the importance of the entry into force of the SAFTA Agreement on the scheduled date i.e. 1 January 2006. The launching of SAFTA would mark an important milestone on the road to a South Asian Economic Union. They directed that the negotiations on the outstanding issues under the Agreement should be completed by end November 2005. They further directed that the necessary national procedures should be completed in time to facilitate the operationalisation of the Agreement.

15. They reiterated the need to strengthen transportation and communication links across the region for accelerated and balanced economic growth. They directed further measures aimed at trade liberalisation, as provided for in the SAFTA Agreement. They noted with satisfaction the ongoing SAARC Regional Multimodal Transport Study to enhance transport connectivity among the Member States. The Heads of State or, Government agreed to undertake trade facilitation measures, including transit among SAARC countries, on the basis of understanding among concerned countries, for enhancing intra-regional trade and other economic activities. They noted the Indian proposal in this regard. They agreed to study the proposal by India for daily air service facility by designated airlines, on a reciprocal basis and without prejudice to existing rights, to all the SAARC Member States and also the proposal to extend fifth freedom rights to designated airlines from the Member States, both intermediate and beyond, within the SAARC region on a reciprocal basis.

16. The Heads of State or Government recognized the need to take the process of regional economic integration further by expanding the scope of SAFTA to include trade in services, enhanced investment and harmonized standards.

17. The Heads of State or Government welcomed the signing of the following Agreements during the Thirteenth SAARC Summit:

-- The Agreement on Mutual Administrative Assistance in Customs Matters

-- The Agreement on the Establishment of SAARC Arbitration Council

-- The Limited Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters

18. They emphasized the need for parallel initiatives for dismantling of non-tariff and para-tariff barriers. In this context, they called for expeditious action on conclusion of agreements on mutual recognition of standards, testing and measurements with a view to facilitating intra-regional trade. They recognized the potential of trade in services which have expanded rapidly at the informal level. They called for a study to see how services could be integrated into the SAFTA process.

19. The Heads of State or Government decided to encourage, where appropriate, trade-creating investment in the Member States. They stressed the need for closer regional cooperation in the field of Information and Communication Technologies (ICT), including tele-communications.

20. The Heads of State or Government welcomed the Joint Statement of the first SAARC Energy Ministers meeting in October 2005 in Islamabad. They agreed to the recommendation to establish the SAARC Energy Centre in Islamabad; to promote development of energy resources, including hydropower; and energy trade in the region; to develop renewable and alternative energy resources; and promote energy efficiency and conservation in the region. They underlined the need to constitute a South Asian Energy Dialogue process, involving officials, experts, academics, environmentalists and NGOs, to recommend measures to tap potentials of cooperation in energy sector to provide inputs to the Working Group on Energy.

21. The Heads of State or Government noted the proposal for the establishment of a Regional Food Bank proposed by India and agreed to examine the proposal.

22. With regard to paragraph 15 of the Council of Ministers Report, the Heads of State or Government noted the offer of Nepal to host the Regional Support Unit.

South Asia's Social Challenges

23. The Heads of State or Government reiterated their commitment to take initiatives at national as well as regional levels for achieving the specific objectives contained in the SAARC Social Charter. They recognized that realization of these objectives is crucial to enable SAARC to meet the hopes and aspirations of the common peoples of South Asia and visibly improve the quality of their lives. They emphasized that in outlining future actions in this regard national implementation efforts should be complemented by regional programmes and projects in areas requiring collective regional response. They appreciated the establishment of National Coordination Committees (NCCs) in all Member States, decided on annual meetings of the Heads of NCCs and directed convening of their first meeting at the earliest for follow-up and implementation of the Social Charter. In this regard, they noted the proposal from the Maldives to convene an experts' group meeting on establishing a Civil Society Resource Centre.

24. The Heads of State or Government called upon the Member States to expeditiously complete the process of preparing their national strategy and plan of action. They also emphasized that national implementation efforts should be complemented by regional projects

and programmes. In this context, they directed that regional projects, particularly in health and poverty alleviation, should be initiated.

25. The Heads of State or Government reiterated their pledge to continue to work in the next decade and beyond to address the formidable challenges faced by women and children, especially the girl child. They noted that sustained efforts were needed on the part of the Member States not only to free them from all types of deprivation but also to make them full partners and beneficiaries of South Asian progress and development. In this context, they decided that a mid-term review of the progress in realizing the objectives of SAARC Decade on the Rights of the Child (2001-2010) should be undertaken in 2006.

26. The Heads of State or Government affirmed their strong resolve to continue to work together to address the problem posed by trafficking in women and children. They expressed satisfaction at the ratification of the SAARC Conventions relating to Trafficking in Women and Children and Promotion of Child Welfare by all Member States and called for effective measures for their early implementation. They noted that the civil society organizations and the media have an important role to play in raising awareness of the degrading and inhuman treatment faced by the victims of trafficking. They encouraged them to continue their constructive role in this regard. They stressed that law enforcement agencies in the Member States should also coordinate and strengthen their efforts to address this problem effectively.

27. The Heads of State or Government noted the achievements of the Member States during recent years in the area of primary education through sustained efforts and adoption of country specific innovative approaches. They recognized that regional initiatives in this particular area might focus on sharing of experiences and best practices. They also called for optimal utilization of resources and identification of strategic interventions in the area of training, management and performance evaluation of these programs so as to ensure sustainability, coverage and quality of education imparted and services provided. They stressed that freeing South Asia from the scourge of illiteracy is a major objective of SAARC in the third decade of its activities. They called for effective measures to realize the SDGs, in particular universal primary education in the context of pursuing the Millennium Development Goals.

28. The Heads of State or Government stressed that to meet the challenges of the twenty-first century Member States must make important strides in the areas of science, technology and higher education. They decided to give priority attention to encourage regional cooperation in these areas to derive benefits from the synergy of collective, well-planned and focused initiatives undertaken by Member States. They directed that a SAARC Plan of Action for Science, ICT and Technology be elaborated for consideration during a Meeting of SAARC Science, ICT and Technology Ministers to be convened as soon as possible. They noted the offer of India to establish a South Asian University and agreed to examine this matter further.

29. The Heads of State or Government recognized the need to collaborate on preparedness for addressing health emergencies, including prevention and control of pandemics like avian influenza, as these pose a major global threat with impact on health, trade and tourism involving human mobility. They emphasized on the need to develop a regional strategy for such emergencies as soon as possible; and identify and strengthen collaboration within and beyond the region and establish links with other regional organizations. They called for early establishment of a SAARC Health Surveillance Centre and a Rapid Deployment Health Response System, to deal with emerging and re-emerging diseases.

30. The Heads of State or Government welcomed the preparation of a strategy for collective SAARC response to prevent the spread of HIV/AIDS. They noted that regional response in this regard should be further enhanced to eliminate this dreadful disease from South Asia. In this regard, they emphasized the importance of early implementation of the Regional Strategy of HIV/AIDS. At the same time, they underscored the need for increasing cooperation to develop regional strategies for the prevention and treatment of Dengue, Malaria and other infectious and communicable diseases constituting major public health concerns.

31. The Heads of State or Government agreed to launch a regional initiative with regard to basic healthcare services and sanitation in the rural areas and encouraged exchange of experience and best practices within the region. They called for expediting elaboration of a SAARC Plan of Action for cooperation in medical expertise and pharmaceuticals, as well as traditional medicine, and availing affordable pharmaceuticals produced in the region, harmonization of standards and certification procedures and production of affordable medicines. They also agreed that steps should be taken to promote traditional medicine and to protect the intellectual property rights related to them as a matter of regional priority.

South Asia's Environmental Challenges and Natural Disasters

32. They further decided to consider the modalities for having a Regional Environment Treaty in furthering environmental cooperation among the SAARC Member States. They expressed deep concern at the continuing degradation of environment and reaffirmed the importance of concerted action in the protection and preservation of environment. While expressing satisfaction at the progress in implementation of the SAARC Environment Action Plan, the Leaders welcomed the decision of the Council of Ministers to establish a SAARC Forestry Centre in Bhutan. They emphasized on the need for the Centre to have a

coordinating role in the field of Forestry for exchange of information, expertise, training and formulation of regional projects with emphasis on social forestry.

33. The Heads of State or Government welcomed the Declaration of the Special Session of the SAARC Environment Ministers in Male in June 2005 convened in the wake of the tsunami catastrophe. They endorsed the recommendation for elaboration of regional programmes and projects for early warning, preparedness and management of tsunami and other natural disasters. They called for elaboration of a Comprehensive Framework on Early Warning and Disaster Management.

34. They endorsed the decision of the Special Session of the SAARC Environment Ministers to further enhance the capacity of the existing SAARC Institutions namely, SAARC Meteorological Research Centre and SAARC Coastal Zone Management Centre, to carry out their mandated tasks.

35. In view of the extensive loss of life and colossal damage to property as a result of earthquake and tsunami and other natural disasters in South Asia, the Heads of State or Government underscored the urgency to put in place a permanent regional response mechanism dedicated to disaster preparedness, emergency relief and rehabilitation to ensure immediate response. They directed the concerned national authorities to coordinate their activities in such areas of disaster management as early warning, exchange of information, training and sharing of experiences and best practices in emergency relief efforts.

36. The Heads of State or Government underlined the need for collaborative action in the area of environment, including water conservation, to promote sustainable development. They decided to proclaim the Year 2007 as the "Year of Green South Asia" devoted to a region-wide afforestation campaign. They also agreed to address the problem of arsenic contamination of groundwater and assistance to affected peoples.

Combating Terrorism

37. The Leaders agreed that terrorism violates the fundamental values of the SAARC Charter and the United Nations, and constitutes one of the most critical threats to international peace and security. The Heads of State or Government expressed their satisfaction at the ratification of the Additional Protocol to the SAARC Convention on Suppression of Terrorism by all Member States and called for putting in place effective mechanisms for its implementation. They strongly condemned terrorist violence in all its forms and manifestations, agreed that terrorism is a challenge to all States and a threat to all of humanity, and cannot be justified on any grounds. They underlined that there should be no double standards in the fight against terrorism. In view of the continuing and recent terrorist attacks in the region and their impact on security, economic stability and social development, they expressed their determination to unite in their efforts in preventing and combating terrorism. They also noted the United Nations Security Council resolution 1373 (2001) in this regard.

38. They called for early and effective implementation of the Additional Protocol to the SAARC Convention on Suppression of Terrorism. They underscored the need for an early conclusion of a Comprehensive Convention on International Terrorism. They also agreed that Member States would strengthen their cooperation in such important areas as exchange of information, coordination and cooperation among their relevant agencies.

39. They decided that SAARC Interior/Home Ministers would meet annually preceded by a meeting of the Interior/Home Secretaries.

40. The Heads of State or Government directed that concrete measures be taken to enforce the provisions of the Regional Convention on Narcotic Drugs and Psychotropic Substances through an appropriate regional mechanism.

Security of small states

41. The Heads of State or Government noted that due to their specific vulnerabilities, small states require special measures for support from all concerned for safeguarding their sovereignty, independence and territorial integrity. In this context, they stressed that protection of small states should be firmly rooted in scrupulous adherence to the UN Charter, rule of law and the strict adherence to universally accepted principles and norms related to sovereign rights and territorial integrity of all States, irrespective of their size. They committed themselves to give concrete expression to protect the interest and security of all small states through the pursuit of appropriate policies and actions.

People-to-people contact and cultural cooperation

42. The Heads of State or Government noted that the spirit of SAARC needed to be sustained by efforts to promote people-to-people contact and by a vibrant civil society throughout South Asia actively engaged in forging links across national boundaries. They felt that the Association of SAARC Speakers and Parliamentarians should meet at an early date to establish a mechanism for periodic contacts among the Parliamentarians of South Asia. They stressed that continued efforts would be made by the Member States at all levels to promote people-to-people contact by facilitating travel among SAARC countries, promotion of youth exchanges in culture and sports, promotion of intra-SAARC tourism, establishment of linkages among professional bodies and through adoption of other concrete measures. They welcomed the decision to launch 2006 as "South Asia Tourism Year." They directed their Ministers for Tourism to meet at an early date and elaborate a plan of activities to be undertaken during the year 2006. They also stated that Member States would encourage initiatives by private sector entities in promoting understanding and harmony in the region.

43. The Heads of State or Government

recognized the crucial role of culture in bringing the peoples of South Asia closer. They also stressed that cooperation in the area of culture was vital for reinforcing and projecting the distinct identity of South Asia. In this context, they expressed satisfaction on the progress made in establishing the SAARC Cultural Centre in Kandy and underlined the importance of making it operational at the earliest. They also directed the SAARC Ministers of Culture to meet as soon as possible to elaborate a SAARC Agenda for culture. They noted the offer of India to establish a SAARC Museum of Textiles and Handicrafts *inter alia* to preserve designs in various crafts and related traditions, train artisans and crafts persons, foster design skills, hold promotional events, undertake research.

International political and economic environment

44. The Heads of State or Government reviewed international political and economic developments since their last Summit in Islamabad. They underscored the imperative need to ensure universal adherence to the principles and objectives enshrined in the UN Charter. They called upon the international community to redouble efforts to meet the commitments of the Millennium Summit and the Monterrey consensus. They noted the outcome of the UN World Summit 2005 and underlined the need for meaningful reforms of the United Nations system in consonance with its role as the central organ for the cooperative management of the global problems and for the promotion of peace, security, development, justice and human rights. They also reiterated their full support for a comprehensive approach, which would facilitate implementation of the Millennium Declaration and the Millennium Development Goals (MDGs) in a time-bound manner.

45. The Heads of State or Government stressed that promotion of global peace and security *inter alia* called for removing the existing asymmetries in security and in ensuring undiminished security for all, at the regional and global levels. They also emphasized the importance of pursuing effectively the global objectives of universal disarmament and preventing the proliferation of weapons of mass destruction.

46. The Heads of State or Government reaffirmed their commitment to further strengthen the multilateral trade regime of WTO. They called upon all WTO members to demonstrate necessary understanding and accommodation for a breakthrough at the Hong Kong Ministerial meeting in December 2005 to pave the way for the successful conclusion of the Doha Development Round. They underscored that the development dimension should continue to be at the heart of the on-going negotiations so that the legitimate concerns of the developing countries are adequately reflected in the outcome of the current round of trade negotiations. They agreed that the

SAARC Member States would work closely together to coordinate their positions in the on-going negotiations on trade and other key economic issues. The Heads of State or Government directed the Commerce Ministers to hold consultations on the sidelines of the 6th WTO Ministerial Conference to be held in Hong Kong in December 2005, to evolve a common SAARC Position on issues of common concern.

47. The Heads of State or Government addressed the question of electing the Secretary General of the UN in the year 2006, being aware of the unanimous view that the well-established principle of geographical rotation should be observed and that an Asian should be appointed as the next Secretary General of the United Nations. In this regard, they noted that Sri Lanka has offered a candidate.

Enhancing Political Cooperation

48. The Heads of State or Government welcomed the growing importance being placed by all Member States to promote cooperation in an environment of enduring peace and stability in South Asia. They reiterated their commitment to the principles of sovereign equality, territorial integrity and national independence, non-use of force, non-intervention, and non-interference in the internal affairs of other Member States. Recognizing the increasing interdependence and the imperative of pursuing the objectives of peace, freedom, social justice and economic prosperity, they re-affirmed their resolve to foster mutual understanding, good neighbourly relations and a more meaningful cooperation through sustained constructive engagement among Member States.

External Profile and Linkages of SAARC

49. The Heads of State or Government welcomed the observer status granted to SAARC by the United Nations General Assembly at its Fifty-ninth Session; and expressed the hope that this would not only enhance the profile of SAARC in the world body but would also enable Member States to project common positions of SAARC in various multilateral forums. They also acknowledged the renewed interest of other regional and international organizations, bodies and entities to cooperate with SAARC in various collaborative endeavours in accordance with the objectives and priorities of SAARC. The Heads of State or Government welcomed the request by the Islamic Republic of Afghanistan for membership and invited Afghanistan as a member, subject to the completion of formalities. They also welcomed and agreed in principle with the desire of the People's Republic of China and Japan to be associated as observers. The Council of Ministers will decide the modalities in this regard at their 27th meeting in July 2006.

Strengthening Institutional Mechanisms of SAARC

50. The Heads of State or Government agreed that with the incremental broadening of the SAARC agenda and increased emphasis begin placed on implementation of plans and programmes, there was a need for a commensurate strengthening of institutional capabilities of SAARC. Recognizing the importance of thematic Ministerial meetings, they emphasized that these meetings should focus on regional challenges and priorities and contribute to the realization of the objectives of SAARC. They agreed that on completion of twenty years of SAARC's existence, it was essential that a comprehensive review and reform of all SAARC institutions and mechanisms, including the Secretariat and the regional Centres should be undertaken. In this context, they called on the Council of Ministers to convene a Meeting of Experts, to be nominated by each Member State, to undertake a detailed Study and present a report to the next Council of Ministers. They empowered the current Chairman of the Council of Ministers to prepare within the next fifteen days a draft Terms of reference for the Study to be approved, if necessary, by tele-conferencing of all SAARC Foreign Ministers.

SAARC Vision: An agenda for Third Decade of SAARC

51. The Heads of State or Government reiterated their commitment to the realisation of the vision of South Asian Economic Union in a phased and planned manner. They agreed that as SAARC completed its 20 years existence, it was an opportune occasion to draw a roadmap for regional cooperation in South Asia for the next decade. In view of the new challenges facing the region, pledges and commitments made in the last two decades should be translated into concrete actions in the form of regional projects and programmes and innovative initiatives.

52. They directed all SAARC institutions and mechanisms to work collectively towards a decade dedicated to implementation so that visible and discernible impact can be felt across South Asia. They emphasized that while this would enable SAARC to realize its basic objectives of improving the quality of life of all South Asian peoples, it would at the same time create an enabling environment towards the establishment of a South Asian Economic Union. They directed the Standing Committee to formulate its recommendations, at its next Special Session, on a Vision for SAARC's Third Decade and the course of action for its realization, to be elaborated by a high-level Committee of Senior Officials.

Date and venue of the Fourteenth SAARC Summit

53. The Heads of State or Government welcomed the offer of the Government of India to host the Fourteenth SAARC Summit in 2007.