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## DOCUMENTS

**(1 January – 30 June 2005)**

### DOCUMENT No. 1

#### **PRIME MINISTER DR. MANMOHAN SINGH'S INTERVIEW WITH TORONTO STAR [EXCERPTS]**

**Star:** You know that Canadians have of course been following with great concern the events of the tsunami. And they have been struck by the way in which India has shown great self-reliance at this time, on the one hand providing aid and assistance to other neighbouring countries, but also initially declining emergency relief aid.... What does this say about India's place in the world, and also the world's place in India?

**Singh:** Well I think this was a classic case where disaster has affected the well-being of so many countries. Sri Lanka is our close neighbour, Maldives is our close neighbour, Indonesia is our close neighbour. And therefore we thought adversity is an occasion when we should stand by the side of our neighbours, and that's what we did as a good-neighbourly device.

**Star:** How do you believe this affects India's image in the world and its standing in the world?

**Singh:** I don't think that the image of India was the most important consideration when we took that decision. Our concern was that we were afflicted with this terrible disaster, we should do utmost to relieve something to ensure that our own people are provided with relief and rescue operations and that we shared our experience, our knowledge and our resources with our neighbours.

**Star:** Do you believe that the worst is behind you now?

**Singh:** Certainly we have completed the first stage with relief and rescue operations. Now it's the longer term task of giving the affected populations the new livelihood strategies which will I think give them new sources of livelihood and also will be ecologically sustainable. So that's the big challenge we have.

**Star:** Was there a sense of concern that India's actions were being misinterpreted in some ways?

**Singh:** My concern was that by saying we would like to make the maximum possible use of our own resources we were not turning our back on the world. We believe that distances have lost their old meaning. In the one world that is now on the horizon, both prosperity as well as disaster are indivisible. My only concern was that there should be no misunderstanding of what we have done. We certainly would like to go to the international financial institutions when it comes to questions of seeking rehabilitation assistance.... We feel it is appropriate if we should take advantage of the facilities that they offer. But at that particular time quite frankly we didn't know how the international community's efforts could fit in. Our immediate requirement was rescue and relief, and there we felt that involving too many agencies could become

counterproductive. But not in any sort of chauvinism or isolationism that we arrived at that decision.

**Star:** The Indian media have reported that Kofi Annan was discouraged from making a visit to Tamil Nadu and also that the Canadian Prime Minister was discouraged from spending time there. What was the thinking there?

**Singh:** Well I really don't know whether that is so. But our major concern has been that nothing should come in the way of effective relief and rehabilitation operations, and sometimes the visits of high dignitaries-when Indian press had commented on my visit also they said the best I could do was to stay away. So our concern has been that nothing should come in the way of officials concentrating on their primary task that is to engage in effective relief and rehabilitation measures. But I think certainly we would welcome any honoured guests if at a later stage they would like to look at what we have done.

**Star:** I remember when I was covering the elections, when you were sworn in, you said that the 21st century would be the Indian century. It reminded me of one of our great Prime Ministers, Wilfred Laurier, who said the 20th century would be Canada's century. He might have been a bit overoptimistic. How do you ensure that your goals-your very ambitious goals of continuing the economic reforms that you pioneered, and ensuring a broader distribution to India's poor and rural people-how do you actually ensure that happens. And what happens if you don't succeed in those goals?

**Singh:** Well, the first thing that I would like to emphasize is that (for) any country as poor as India, meaningful solutions to the problems of mass poverty can be found only in the framework of a rapidly expanding economy. Therefore our first and foremost requirement is that our economy should experience robust growth rates. We have been growing at the rate of 6, 6-1/2. But I think we would like these growth rates to go up to 7 to 8 per cent per annum. For more than one reason, I think. When an economy is growing at a fast rate, the redistribution tensions tend to be much less keenly felt. If the economy is stagnant and you superimpose redistributive objectives, I think then this attempted redistribution becomes a zero-sum game. Those who have, they don't want to part; those who do not have, their desire and their intensity of deprivation also increases.

So we feel the redistributive tensions are inevitable in societies which are unequal societies, and we recognize that we are an unequal society. But we also recognize for a functioning democracy we cannot live with these inequalities, and therefore the first and foremost task is that the economy should grow and then that the growth should have an employment-friendly pattern, growth should pay particular attention to ensuring that those who are in the bottom rung of social and economic ladder do become effective partners in processes of development, and that means greater emphasis on education, greater emphasis on health, and that since 65 per cent of our population lives in rural areas, greater emphasis on social and infrastructure in rural areas.

**Star:** Will you be judged on that, and will you find yourself in the same position as the BJP if you fail to achieve those goals?

**Singh:** Well I think those are our challenges and we would like, as our term proceeds, that we would make an effective dent on some of these chronic problems. But having said that, I must say that problems of mass poverty cannot be solved overnight. I think what we need to ensure is that the direction is right, that we are sincere, that we have

effective strategies working on the ground, at the grassroots level to deliver some of the basic social services.

**Star:** One of your other challenges is managing your coalition. I think you have 15 parties that are in your alliance. I'm sure Prime Minister Paul Martin would be interested in hearing, since he is governing with a minority Parliament in Canada, how do you manage to keep the coalition on the same page?

**Singh:** We need to spend a lot more time in discussion. Coalition politics is essentially an essay in mutual comprehension. But I think we have this advantage of having agreed upon a Common Minimum Programme, so I think that focuses our discussions on a pre-designed set of priorities. So that certainly has helped in managing the tensions which are an inevitable of a functioning coalition of various parties.

**Star:** Speaking of managing tensions and prosperity, obviously you need peace in order to maintain that kind of stable growth. What is your sense of what it would take to achieve a new beginning or new dawn-not a false dawn-in Kashmir and in your relations with Pakistan.

**Singh:** Well let me say that we are very sincere, very keen that India-Pakistan relations should make a new beginning. We are committed to discussing and resolving all outstanding issues which affect the relationship between India and Pakistan, and that includes the issue of Jammu and Kashmir. Our only concern is that this dialogue, composite dialogue, to which both of our countries are committed, can proceed only if Pakistan remains firm in its commitment ... that Pakistan territory would not be used to promote terrorism directed against us.

**Star:** And so far has Pakistan been living up to its word? You've reduced troop levels recently.

**Singh:** Let me say there has been some progress, but the overall infrastructure of terrorism has not been dismantled. And we hope that Pakistan would honour its commitment, and therefore I sincerely hope that our two countries can work together to make a new beginning.

**Star:** You met President Musharraf I believe in New York, and I expect you would meet him again next month in Dhaka. What is your measure of Musharraf? Can you do business with him?

**Singh:** We have to do business with President Musharraf. I was very happy with the outcome of that meeting in New York, and it is my hope and prayer to sustain the momentum.

**Star:** One of the explanations given for your election victory was that India had turned the page on communalism in Gujarat of the last few years. What is your sense of the legacy of the BJP's policy of Hindutva? And can any of the problems with saffronization, as the phrase is used here, can those problems be undone?

**Singh:** Let me say that the BJP even at the best of times never got more than 25 per cent of votes. It is certainly true that they tried to distort the essence of our civilization and cultural heritage. I think a sense of Indian civilization throughout the many centuries has been respect for diversity, tolerance, respect for pluralism, working towards an inclusive society where people of all diverse religious persuasions can live together as equal citizens in peace and amity. And therefore I think what happened in Gujarat was a big shock to our people. I think it's not wrong to say that the May 2004 elections were a reaffirmation of the hearts and minds of the people of India.

**Star:** India has the world's second-largest population of Muslims, and I'm wondering if you think there is a way for India-India's Muslims and their role in Indian society-to be a role model for the rest of the world?

**Singh:** Islam is an integral part of our civilization and cultural heritage. We have probably one of the largest Muslim communities in the world and we take pride in the fact that these 150 million Muslims live as peaceful citizens of our country, that there is not a single incident of their being involved in Al Qaeda and other international terrorist groups.

**Star:** I believe you were chairman of the University Grants Commission in a previous life, and as you probably know there was a great debate about the idea of adding astrology to the curriculum at Lucknow University and other places. Now that you're Prime Minister, what do you think of that?

**Singh:** Anything which interferes with the promotion of scientific tenor, scientific outlook, I think distracts people from concentrating on issues which they ought to be concentrating on. I have never gone to an astrologist.

**Star:** The fact that you are a Sikh Prime Minister, does that also provide a symbol for people that everyone is included in this society?

**Singh:** I don't look upon myself as a Sikh or a non-Sikh. I am an Indian first, an Indian last. But I am proud to be an Indian and proud to be a Sikh. And the fact that a person of any religion can rise to the highest office-we have a President who happens to be a practising Muslim, I am a practising Sikh-well that is one indication of the India that we want to build, an India where as I said people of diverse religious backgrounds can live together as equals and be active, effective partners.

**Star:** Prime Minister, I know you wouldn't let me leave without talking about Non-Resident Indians in Canada, and I know you've thought very carefully with your staff about how to reach out to NRIs. Can you tell us what that means for Canadians, and what your message is particularly to them?

**Singh:** Well we have a large community of Canadian citizens who are of Indian origin. In an increasingly interdependent world that we live in, I think all these Canadian citizens can become major instruments of promoting cordial relations between our two countries.

**Star:** What about investment?

**Singh:** Well I very much hope that some of them would find India a very desirable, profitable investment destination. But we would like our relations to have a multi-faceted character, and that cultural link should also have a prominent place.

**Star:** Are you hoping Canada will support you on the Security Council bid that is so important to India?

**Singh:** I very much hope that all right-thinking people would support India's case. I believe we have a very strong case.

**Star:** What can Canada do particularly though at the UN to help with your Security Council seat?

**Singh:** We very much hope that Canada will back us up in our quest for a more balanced composition of the Security Council.

**Star:** Thank you very much.■

**DOCUMENT No. 2****PRESIDENT BUSH'S SPEECH ON BEING  
SWORN IN AS THE 43RD PRESIDENT OF THE UNITED STATES  
[EXCERPTS]**

... There is only one force of history that can break the reign of hatred and resentment, and expose the pretensions of tyrants, and reward the hopes of the decent and tolerant, and that is the force of human freedom.

We are led, by events and common sense, to one conclusion: the survival of liberty in our land increasingly depends on the success of liberty in other lands.

The best hope for peace in our world is the expansion of freedom in the entire world.

America's vital interests and our deepest beliefs are now one.

From the day of our founding, we have proclaimed that every man and woman on this earth has rights, and dignity, and matchless value, because they bear the image of the Maker of Heaven and Earth.

Across the generations we have proclaimed the imperative of self-government, because no one is fit to be a master, and no one deserves to be a slave.

Advancing these ideals is the mission that created our nation. It is the honourable achievement of our fathers.

Now it is the urgent requirement of our nation's security, and the calling of our time.

**Ending Tyranny**

So it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world.

This is not primarily the task of arms, though we will defend ourselves and our friends by force of arms when necessary.

Freedom, by its nature, must be chosen, and defended by citizens, and sustained by the rule of law and the protection of minorities.

And when the soul of a nation finally speaks, the institutions that arise may reflect customs and traditions very different from our own.

America will not impose our own style of government on the unwilling.

Our goal instead is to help others find their own voice, attain their own freedom, and make their own way.

The great objective of ending tyranny is the concentrated work of generations.

The difficulty of the task is no excuse for avoiding it.

America's influence is not unlimited, but fortunately for the oppressed, America's influence is considerable, and we will use it confidently in freedom's cause.

My most solemn duty is to protect this nation and its people against further attacks and emerging threats.

Some have unwisely chosen to test America's resolve, and have found it firm.

We will persistently clarify the choice before every ruler and every nation: the moral choice between oppression, which is always wrong, and freedom, which is eternally right.

America will not pretend that jailed dissidents prefer their chains, or that women welcome humiliation and servitude, or that any human being aspires to live at the mercy of bullies.

We will encourage reform in other governments by making clear that success in our relations will require the decent treatment of their own people.

America's belief in human dignity will guide our policies, yet rights must be more than the grudging concessions of dictators; they are secured by free dissent and the participation of the governed.

In the long run, there is no justice without freedom, and there can be no human rights without human liberty.

Some, I know, have questioned the global appeal of liberty - though this time in history, four decades defined by the swiftest advance of freedom ever seen, is an odd time for doubt.

### **Call for Freedom**

Americans, of all people, should never be surprised by the power of our ideals.

Eventually, the call of freedom comes to every mind and every soul.

We do not accept the existence of permanent tyranny because we do not accept the possibility of permanent slavery.

Liberty will come to those who love it.

Today, America speaks anew to the peoples of the world:

All who live in tyranny and hopelessness can know: the United States will not ignore your oppression, or excuse your oppressors.

When you stand for your liberty, we will stand with you.

Democratic reformers facing repression, prison, or exile can know: America sees you for who you are: the future leaders of your free country.

The rulers of outlaw regimes can know that we still believe as Abraham Lincoln did: "Those who deny freedom to others deserve it not for themselves; and, under the rule of a just God, cannot long retain it."

The leaders of governments with long habits of control need to know: to serve your people you must learn to trust them. ....

### **Courage Triumphs**

A few Americans have accepted the hardest duties in this cause - in the quiet work of intelligence and diplomacy... the idealistic work of helping raise up free governments... the dangerous and necessary work of fighting our enemies.

Some have shown their devotion to our country in deaths that honoured their whole lives - and we will always honour their names and their sacrifice.

All Americans have witnessed this idealism, and some for the first time.

I ask our youngest citizens to believe the evidence of your eyes.

You have seen duty and allegiance in the determined faces of our soldiers.

You have seen that life is fragile, and evil is real, and courage triumphs.

Make the choice to serve in a cause larger than your wants, larger than yourself - and in your days you will add not just to the wealth of our country, but to its character.

America has need of idealism and courage, because we have essential work at home - the unfinished work of American freedom. In a world moving toward liberty, we are determined to show the meaning and promise of liberty.

In America's ideal of freedom, citizens find the dignity and security of economic independence, instead of labouring on the edge of subsistence.

This is the broader definition of liberty that motivated the Homestead Act, the Social Security Act, and the GI Bill of Rights.

And now we will extend this vision by reforming great institutions to serve the needs of our time.

To give every American a stake in the promise and future of our country, we will bring the highest standards to our schools, and build an ownership society.

We will widen the ownership of homes and businesses, retirement savings and health insurance - preparing our people for the challenges of life in a free society.

...

### **Heart for the Week**

In America's ideal of freedom, the exercise of rights is ennobled by service, and mercy, and a heart for the weak.

Liberty for all does not mean independence from one another.

Our nation relies on men and women who look after a neighbour and surround the lost with love.

Americans, at our best, value the life we see in one another, and must always remember that even the unwanted have worth.

And our country must abandon all the habits of racism, because we cannot carry the message of freedom and the baggage of bigotry at the same time.

From the perspective of a single day, including this day of dedication, the issues and questions before our country are many.

From the viewpoint of centuries, the questions that come to us are narrowed and few. Did our generation advance the cause of freedom? And did our character bring credit to that cause?

These questions that judge us also unite us, because Americans of every party and background, Americans by choice and by birth, are bound to one another in the cause of freedom.

We have known divisions, which must be healed to move forward in great purposes - and I will strive in good faith to heal them.

Yet those divisions do not define America.

We felt the unity and fellowship of our nation when freedom came under attack, and our response came like a single hand over a single heart.

And we can feel that same unity and pride whenever America acts for good, and the victims of disaster are given hope, and the unjust encounter justice, and the captives are set free.

We go forward with complete confidence in the eventual triumph of freedom.

Not because history runs on the wheels of inevitability; it is human choices that move events.

Not because we consider ourselves a chosen nation; God moves and chooses as He wills.

We have confidence because freedom is the permanent hope of mankind, the hunger in dark places, the longing of the soul. ...■

20 January 2005

<<http://news.bbc.co.uk/2/hi/americas/4192773.stm>>

### DOCUMENT No. 3

#### INDIA-BHUTAN JOINT PRESS STATEMENT [TEXT]

1. At the invitation of Dr. A.P.J. Abdul Kalam, President of India, His Majesty Jigme Singye Wangchuck, King of Bhutan, paid a six-day State Visit to India from January 24 to 29, 2005 as Chief Guest for the Republic Day. His Royal Highness Chhoetse Penlop Jigme Khesar Namgyel Wangchuck, the Crown Prince of Bhutan, Lyonpo Khandu Wangchuk, Minister for Foreign Affairs, and senior officials of the Royal Government of Bhutan accompanied His Majesty the King.

2. During the State Visit, the President held talks with His Majesty King Jigme Singye Wangchuck and hosted a State Banquet at Rashtrapati Bhavan. The Vice President, Shri Bhairon Singh Shekhawat, Prime Minister Dr. Manmohan Singh, Minister of External Affairs Shri K. Natwar Singh, Defence Minister Shri Pranab Mukherjee, Home Minister Shri Shivraj Patil, Power Minister Shri P.M. Sayeed, and other senior government officials and political leaders held separate talks with His Majesty the King.

3. The two sides had a cordial exchange of views and discussions on bilateral relations and economic cooperation as well as regional and international issues. They recalled the strong historical ties of friendship and understanding between the two countries. Both sides noted with satisfaction the excellent state of friendly relations and cooperation, and expressed their firm commitment to further strengthen these exemplary relations.

4. The two sides recognised the many years of successful economic cooperation and agreed to further strengthen this mutually beneficial partnership. The Royal Government of Bhutan expressed appreciation for the invaluable and substantial assistance that the Government of India continues to provide towards Bhutan's all round development. The Government of India reiterated its commitment to assist the Royal Government of Bhutan in its socio-economic development programmes in general and to the 9th Five Year Plan in particular.

5. The programme grant component of India's overall assistance for Bhutan's Ninth Five Year Plan (2002-07) was also finalised. The Government of India agreed to enhance this component of assistance from Rs. 430 crores to Rs. 710 crores during the Ninth Plan.

6. During the State Visit, the following three Memoranda of Understanding were signed on January 25, 2005:

- i) Preparation of Detailed Project Report for:
  - a) Punatshangchhu (Stage-II) Hydropower Project
  - b) Mangdechhu Hydropower Project

- ii) Establishment of Railway Links between bordering towns of India and Bhutan
- iii) Cooperation in the field of Agriculture and allied sectors

7. The Government of India lauded and expressed its appreciation for the successful operation launched under the leadership of His Majesty the King by the Royal Government and people of Bhutan in removing the Indian insurgent groups from its soil. The two Governments reiterated their full support and cooperation in addressing cross border concerns to improve border management and security and with a view to facilitating smooth trade and commerce between the two countries.

8. His Majesty expressed the deep appreciation of the Royal Government to the Government of India for the security protection to facilitate the movement of Bhutanese vehicles and passengers through neighbouring States of West Bengal and Assam in India.

9. The State Visit of His Majesty the King of Bhutan to the Republic of India is a milestone in the close and friendly relations between India and Bhutan, and greatly contributed in further enhancing the mutual understanding, trust and friendship between the governments, leaders and peoples of the two countries.

10. On behalf of the Government and people of Bhutan, His Majesty King Jigme Singye Wangchuck thanked the government and the people of India for the warm and gracious hospitality received by him and the members of his delegation during the State Visit.■

New Delhi, 28 January 2005  
<<http://meaindia.nic.in/>>

#### DOCUMENT No. 4

### **UN SECRETARY-GENERAL KOFI ANNAN'S ADDRESS TO THE WORLD ECONOMIC FORUM AT DAVOS, SWITZERLAND, 28 JANUARY 2005 [TEXT]**

Let me begin by thanking our friend Klaus Schwab for his very kind introduction, and for inviting me to Davos again

Two years ago I spoke here about the fragility of globalization. Some of you probably thought I was being too alarmist. Yet I believe events since then have shown that my concerns were justified.

Our challenge is not the protests we have witnessed, but the public mood they reflect and help to spread. For far too many people in the world today, greater openness looms as a threat -- a threat to their livelihoods, to their ways of life, and to the ability of their governments to serve and protect them. Even when it may be exaggerated or misplaced, "fear has big eyes," in the words of the Russian proverb. And, we might add, it has the ear of governments, who feel compelled to respond.

But it is not the case that most people would wish to reverse globalization. It is that they aspire to a different and better kind than we have today.

That was the overriding message to come out of the United Nations Millennium Summit last September -- the largest gathering ever of Heads of State and Government. Its purpose was to take a fresh look at the core priorities for the United Nations in the new century. None was ranked higher than the need to make globalization work for all the world's people.

You in this hall may take for granted that it can and will. But it is a much tougher sell out there, in a world where half of our fellow human beings struggle to survive on less than \$2 a day; where less than 10 per cent of the global health research budget is aimed at the health problems afflicting 90 per cent of the world's population.

Try to imagine what globalization can possibly mean to the half of humanity that has never made or received a telephone call; to the people of sub-Saharan Africa, who have less Internet access than the inhabitants of the borough of Manhattan.

And how do you explain, especially to our young people, why the global system of rules, at the dawn of the twenty-first century, is tougher in protecting intellectual property rights than in protecting fundamental human rights?

My friends, the simple fact of the matter is this: if we cannot make globalization work for all, in the end it will work for none. The unequal distribution of benefits, and the imbalances in global rule-making, which characterize globalization today, inevitably will produce backlash and protectionism. And that, in turn, threatens to undermine and ultimately to unravel the open world economy that has been so painstakingly constructed over the course of the past half-century.

At the Millennium Summit, our Heads of State and Government resolved to close these gaps - in the case of income inequalities, to halve world poverty by 2015.

But the Summit also acknowledged that governments alone cannot achieve these aims. Accordingly, in their Millennium Declaration, the leaders endorsed the idea of strong partnerships with the private sector and with civil society organizations, working towards the shared goals of all humanity.

Indeed, we have been making good progress in promoting such partnerships. You may recall that two years ago, here at the World Economic Forum, I proposed a Global Compact, inviting business leaders to play their part in building the missing social infrastructure of the new global economy. Today I want to return to that theme, and take it further.

I asked business leaders not to wait for governments to impose new laws, but to take the initiative in improving their own corporate practices. Specifically, I asked you to embrace and enact, within your own firms, nine core principles derived from universally accepted agreements on human rights, labour standards and the environment. And I offered you the help of the appropriate United Nations agencies.

I am glad to say that many business leaders have responded positively. Equally important, they have recognized the value of working with civil society to achieve these goals.

So the Global Compact now includes not only leading companies from around the world, but also the International Confederation of Free Trade Unions, and a dozen or so leading voluntary agencies which are active in upholding human rights, protecting the environment and promoting development. They are working together to identify and promote good practices, and helping, thereby, to drive out bad ones. The Compact is not a regulatory regime or a code of conduct, but a platform for learning and sharing lessons about what works and what doesn't.

Last July, representatives from all three sectors came to United Nations Headquarters. We agreed how to take the Compact forward and set a target of 1,000 major companies by 2002.

I am very pleased to announce today that Göran Lindahl, who recently stepped down as the chief executive of ABB, has agreed to lead this corporate recruitment effort and to provide strategic guidance as my special adviser on the Global Compact. He brings to this challenge not only a very successful business career, but also a strong commitment to corporate social responsibility and citizenship.

The Compact has also inspired many tangible projects, ranging from investment promotion in the least developed countries to human rights promotion in and around the workplace. But there is much more that we can do to ensure that the opportunities of globalization are more widely enjoyed and appreciated.

In many parts of the world the biggest obstacle to social and economic progress is violent, disruptive conflict.

This, of course, is primarily the responsibility of governments. But private companies operating in these unhappy regions should be very careful to act responsibly, in ways that improve the chances of peace, or at least do not fuel the continuation of conflict. De Beers has set an example, with its response to criticism of the diamond trade in Africa and its efforts to ensure that traders and consumers of diamonds will no longer unwittingly help to finance warlords. Within the Global Compact, we are about to launch our first thematic dialogue, seeking to establish a common understanding among the various stakeholders as to the appropriate roles companies can and should play in zones of conflict.

I believe that the Global Compact is an exciting venture that can help change the world, even if only in small steps. So I hope all of you business leaders here today, if you are not already involved in it, will soon join us.

And I hope equally that those of you from civil society organizations who have criticized the Compact will come to understand that for us at the United Nations, engaging with the private sector is not an option. It is an imperative - in this and other endeavours. We must engage all relevant social actors who can make a difference.

Only through effective partnerships can we beat back endemic or epidemic disease, which is such an unmerciful enemy of normal life in developing countries. I am not sure that any of us has yet grasped the full horror of the HIV/AIDS pandemic in Africa, either in its human or its economic dimensions. In some countries it has devastated entire generations. That puts an overwhelming obligation on all of us to do whatever we can to help those already infected, and above all to halt the spread of the virus.

Similarly, investment, not just in medicine but also across the board, is of decisive importance for the developing world. The only developing countries that really are developing are those that have succeeded in attracting significant amounts of direct foreign investment, as well as mobilizing the savings and resources of their own citizens.

Unfortunately, that is only a relative handful of countries. The rest of the developing world, and especially the least developed countries, is almost entirely missing out -- in spite of the fact that many of them have put in place highly welcoming regulatory frameworks for foreign investment, and are making extra efforts to attract it.

If they have not succeeded, it is often because they lack the necessary infrastructure, or because their market is too small and too isolated to be of interest. Local markets have to compete in the global market, and it is unforgiving.

Here, too, international companies could help change this, by working together, and working with governments, to reduce the risks and costs of doing business in the least developed countries, and to disseminate information about the investment opportunities there.

Another critical area where partnerships could make an enormous difference to developing countries is information technology. I have set up a small group of advisers to help find ways of bridging the "digital divide" - many of whom are present here today. My special thanks to them, and to all the others who have agreed to work with me on this issue, which I believe is crucial for the future of many poor countries.

The advocacy role of business leaders is equally important. To participate more effectively in the global economy, developing countries need, above all:

- faster and more generous debt relief;
- increased official development assistance, carefully targeted to make poor countries more attractive as investment destinations;
- and the full opening of rich countries' markets to poor countries' products.

These broader social roles, of partner and advocate, may be relatively novel for the corporate world, but they can no longer be separated cleanly from the standard business model, nor can they be reduced to a question of philanthropy. Companies are learning that, as markets have gone global, so, too, must the concept and practice of corporate social responsibility. And they are discovering that doing the right thing, at the end of the day, is actually good for business.

In other words, the fragility of globalization that I have spoken about poses a direct challenge to the self-interest of the corporate sector, and a central part of the solution is the need for you to accept the obligations -- not merely the opportunities -- of global citizenship.

Indeed, all of you here - leaders from business and civil society organizations alike - must come to realize that you represent the vanguard of tomorrow's global society, in which markets must be open, but open markets must be fully underpinned by shared values and global solidarity. You are the first truly global citizens, and only you can give meaning to that term through your actions and advocacy to ensure everyone, rich and poor alike, has the chance to benefit from globalization.

In doing so, my friends, you have my full support, and that of the United Nations.■

28 January 2005

<[http://www.un.org/News/dh/latest/address\\_2001.htm](http://www.un.org/News/dh/latest/address_2001.htm)>

**DOCUMENT NO. 5****JOINT COMMUNIQUÉ  
STATE VISIT TO PAKISTAN OF HER EXCELLENCY CHANDRIKA  
BANDARANAIKE KUMARATUNGA, PRESIDENT OF SRI LANKA  
[TEXT]**

Her Excellency, Chandrika Bandaranaike Kumaratunga, President of Sri Lanka was on a State visit to Pakistan from February 7-9 February 2005 at the invitation of the President of Pakistan, His Excellency General Pervez Musharraf. She was accompanied by Hon. Lakshman Kadirgamar, Minister of Foreign Affairs, Hon. Ferial Ashraff, Minister of Housing and Construction Industries, Eastern Province Education and Irrigation Development and senior officials. A High Level Business Delegation comprising representatives from Ceylon Chamber of Commerce, National Chamber of Commerce, the Federation of Chambers of Commerce & Industry and the SAARC Chamber of Commerce & Industry (SCCI) accompanied the Presidential delegation.

The President of Sri Lanka was accorded a warm welcome by the Government of Pakistan. The Sri Lanka President called on President Musharraf and held official talks at the Aiwan-e-Sadr. President General Pervez Musharraf hosted a dinner in honour of the visiting President. The Sri Lankan President also met the Pakistan Prime Minister Shaukat Aziz, who hosted a luncheon in her honour. The Minister of Foreign Affairs and the Minister of Commerce of Pakistan called on the Sri Lankan President. Wide ranging discussions were held between the two sides.

Both sides agreed that the excellent bilateral relations that exist between the two countries and friendship between the peoples provide a good foundation for further strengthening and expanding mutually beneficial relations, particularly in the sphere of economic and business activity.

Both countries recognize that they deeply value their bilateral cooperation which has been progressively strengthened and broadened in the political, economic and cultural fields.

At the political level, it was agreed that both countries shall make every effort to further develop their relations and multifaceted cooperation for the common benefit of the two countries based on the tradition of friendly relations which have always existed between the two countries.

With a view to further strengthening bilateral cooperation, both countries reached agreement on the following during the visit:

- (a) an exchange of Notes to formalize the Annexures in the bilateral Free Trade Agreement, with a view to its operationalization;
- (b) a Protocol to the Free Trade Agreement covering Services and Investments sectors;
- (c) Agreement for the Provision of Export Credit Facility of US\$10 Million to Sri Lanka;
- (d) MOU on cooperation and collaboration in the agricultural sector;

- (e) the promotion of close cooperation in the field of education, including contacts between academia; students and teachers exchanges. A high powered delegation from Pakistan will visit Sri Lanka to collaborate in the education field;
- (f) to waive student visa fees;
- (g) MOU on cooperation and collaboration in the field of Gemstones and Jewellery;
- (h) MOU between the Sri Lanka-Pakistan Business Council and Pakistan-Sri Lanka Business Forum on cooperation between the private sectors including their respective Chambers of Commerce and Industry;
- (i) the promotion of activities and programmes to enhance cultural and people to people contacts;
- (j) the joint promotion of tourism including facilitation of group tours to archaeological and historical sites of the two countries;
- (k) the collaboration at the institutional level in promoting Science and Technology;
- (l) the promotion of mutual collaboration in the field of information technology and telecommunications.

Both sides agreed that the next meeting of the Joint Economic Commission (JEC) would be held in April 2005, in Colombo. It was also agreed to explore the possibility of having a single country exhibition in Sri Lanka by the Export Promotion Bureau, Pakistan to coincide with the JEC. A proposal to play a cricket match between the two countries during the exhibition was also suggested.

The President of Sri Lanka accepted the offer of the Prime Minister of Pakistan to build two major Mosques damaged in Sri Lanka due to tsunami.

Pakistan and Sri Lanka will work together to further enhance cooperation in the field of defence, and in particular, cooperation in the training of military and police personnel. The President of Sri Lanka conveyed to Pakistan, Sri Lanka's appreciation for the support and assistance extended to Sri Lanka in the area of defence.

Both sides reaffirmed their commitment to strengthen cooperation in countering terrorism and trans-national crimes in a comprehensive manner.

It was further agreed that the two countries will strengthen juridical and judicial cooperation between them and improve the effectiveness of the law enforcement agencies through cooperation and mutual legal assistance in criminal matters.

An exchange of views took place on a range of international issues. They reaffirmed their commitment to the promotion of peace, stability, economic development and social progress. They agreed to intensify cooperation and consultations on bilateral, regional and global issues by maintaining regular high level contacts. ■

Islamabad, 9 February 2005  
<<http://www.slmfa.gov.lk/other/Pre's%20Pakistan%20visit%202005.htm>>

**DOCUMENT No. 6****VISIT OF INDIAN EXTERNAL AFFAIRS MINISTER TO PAKISTAN -  
STATEMENT ON ARRIVAL AT ISLAMABAD  
[TEXT]**

I am happy to be in Islamabad again.

2. I intend to use this first bilateral visit of an Indian External Affairs Minister since 1989, to provide further impetus to the present India-Pakistan process.

3. Substantial progress has been made in the bilateral relationship since January 2004. The process had been imparted renewed vigour after the new Government had come to power in India in May, 2004. Since then we have come a fair distance.

4. Diplomatic and communication links have been restored to earlier levels. One round of the Composite Dialogue process has been completed, and the second round initiated in December last year. We have brought additional subjects to the table through expert level dialogues, including on nuclear and conventional CBMs. We are looking at additional transportation links between us. The Commerce Secretaries of the two countries will meet in a week's time in the framework of a Joint Study Group to explore and enhance trade and economic cooperation. We have also now agreed to consider a pipeline through Pakistan, subject to satisfaction of our concerns related to security and assured supplies.

5. There are several agreements that are possible in the coming months, including on pre-notification of missile tests, MOU between Coastguards and Pakistan's Maritime Security Agency, MOU between narcotics control authorities.

6. Tomorrow I will have the opportunity to convey greetings of P.M. to President and Mr. Shaukat Aziz. In my meeting tomorrow with Foreign Minister Kasuri, I will be reiterating India's commitment to a tension-free, peaceful and cooperative relationship with Pakistan. I look forward to exploring with them further ways of strengthening the foundations of our cooperative interactions, based on the clearly expressed support of the people of the two countries.

7. I am hopeful of taking the process further during this visit. In today's context cooperation and cordiality between our two countries is an imperative and a desirable objective.

8. Of course the process can be sustained only in an atmosphere free from terrorism and violence in the framework of the commitment made on January 6, 2004. ■

15 February 2005  
<<http://meaindia.nic.in/>>

**DOCUMENT No. 7****STATEMENTS BY MR. NATWAR SINGH AND MR. KHURSHID  
MAHMUD KASURI AT THE JOINT PRESS CONFERENCE,  
ISLAMABAD**

**External Affairs Minister Mr. Natwar Singh:** I have just concluded an extremely useful and intensive discussion with my distinguished colleague and friend, the Foreign

Minister of Pakistan. H.E. Mr. Khurshid Kasuri, I want to thank you for your hospitality.

2. Earlier in the morning, I had the privilege of calling on President of Pakistan, H.E. General Pervez Musharraf and the Prime Minister of Pakistan, H.E. Mr. Shaukat Aziz. In both these meetings, I had conveyed the greetings and good wishes of the Prime Minister of India.

3. I have come to Pakistan for the first bilateral visit of the External Affairs Minister of India since 1989. I have also come at a stage in the present process between our two countries when significant positive developments have taken place over the past one year. At the same time, it was also felt that continued appropriate political interaction would inevitably impart further momentum to the process.

4. I am happy to be able to share with you that we have been able to take several significant further steps:

- (i) We have agreed between us on mutually acceptable procedures for establishing a bus service between Srinagar and Muzaffarabad.
- (ii) We have also agreed to look at a pipeline through Pakistan subject to satisfaction of our concerns related to security and assured supplies;
- (iii) We have instructed our officials that in the forthcoming series of meetings between now and July, agreements be finalized on Pre-notification of Missile Tests, MOU between Indian Coastguards and Pakistan's Maritime Security Agency, and MOU between Narcotics Control Authorities;
- (iv) We have agreed between us to start a bus service between Amritsar and Lahore, and also to agree religious places such as Nankana Sahib and we have instructed our officials to immediately tie up the technical details;
- (v) It was also agreed that discussion would be initiated on agreements on:
  - (a) Reducing Risk of Nuclear Accidents or Unauthorized Use of Nuclear Weapons;
  - (b) Preventing Incidents at Sea.

5. We have agreed to consider further measures to alleviate the situation of civilian prisoners and apprehended fishermen. I impressed upon His Excellency the Foreign Minister of Pakistan the need to release the apprehended fishermen along with their boats, and to expedite their return.

6. I also conveyed to my counterpart our readiness to start the Khokrapar-Munnabao rail link from October 2005, and requested Pakistan to expedite their own preparations. We are continuing with our efforts for early re-establishment of our respective Consulates General in Karachi and Mumbai.

7. Both of us are looking forward to the first meeting of the Joint Study Group on Trade and Economic Cooperation at the level of Commerce Secretaries scheduled for February 22-23, 2005 in New Delhi.

8. As you can see, we have come a long way over the past year or so. As I stated yesterday, I am convinced that cooperation between our two countries is not just a desirable objective; it is an imperative.

9. My visit has reinforced in me the determination to continue working for expanding cooperation and understanding between our two countries. The people of both our countries clearly desire it.

10. No doubt, we have differences between us. This is only normal given the history and complexity of our relationship. However, as leaders, it is incumbent upon us to find ways through which we can enhance trust and cooperation, so that the differences can be addressed more productively.

11. Of course, the process can be sustained only in an atmosphere free from terrorism and violence, in the framework of implementation of commitment made on January 6, 2004.

12. I have invited my colleague, the Foreign Minister of Pakistan to visit India to continue with these efforts. I look forward to welcoming him.

**Mr. Khurshid Kasuri:** I had a useful exchange of views with His Excellency Mr. K. Natwar Singh, External Affairs Minister of India.

Talks were held in a cordial, frank and positive atmosphere.

We had the opportunity to constructively review the status of our bilateral relations as well as the regional cooperation under SAARC.

We have agreed to work together for the early convening of the 13th SAARC Summit.

We have noted with satisfaction the over all improvements in atmospherics between the two countries. We have taken positive steps that auger well for the future of bilateral relations. We are strongly committed to carrying forward the Composite Dialogue process to make it productive and fruitful.

We had discussions on the core issue of Jammu & Kashmir and have impressed upon the Indian government for an early and final settlement of the issue in accordance with the aspirations of the people of Kashmir.

We discussed issues of Peace & Security. Pakistan expressed the hope that both the countries will be able to move forward to promote strategic stability in South Asia.

The Prime Minister of Pakistan has already instructed our Railway authorities to expedite the early operationalization of Khokhrapar-Munabao rail link.

We hope that the Joint Study Group meeting at the level of the Commerce Secretaries to be held in New Delhi from 22-23 February 2005 will come up with recommendations, which will be mutually beneficial to both countries.

The Indian Government has agreed to lease a government-owned building and a plot of land in Mumbai for simultaneous opening of Pakistan's Consulate at Mumbai and Indian Consulate at Karachi.

We held discussion on the Siachen issue. It was agreed to direct the Defence Secretaries of the two countries to discuss the issue in a friendly and cooperative manner. I hope that the issue will be resolved in accordance with the understanding reached earlier.

The issue of detained fishermen and civilian prisoners is an humanitarian issue. We have agreed to work out a mechanism for their early release following a summary procedure. Civilian prisoners and detained children who have completed their prison term may be released at an early date.

We have noted with satisfaction the Indian decision to treat the Gas Pipeline project as a stand alone project. We hope for the early finalization of an agreement.

We also held discussions over the Baglihar and Kishanganga projects. I impressed upon my Indian counterpart for an early resolution of the issues in accordance with the Indus Water Treaty.

The two Foreign Ministers took note of the joint survey conducted by the two countries on the Horizontal segment of the Blue dotted line in the Sir Creek area and express the hope that the issue would be resolved at an early date.

The two sides have agreed to continue the Composite Dialogue process in positive spirit and for constructive results in addressing all issues including Jammu & Kashmir, Peace & Security, conventional and nuclear CBMs, trade and people-to-people contacts.

The President and the Prime Minister of Pakistan reiterated invitation to Dr. Manmohan Singh, Prime Minister of India to visit Pakistan at the earliest convenience.■

16 February 2005  
<http://meaindia.nic.in/>

#### DOCUMENT No. 8

### INDIA - PAKISTAN JOINT STATEMENT [TEXT]

Both governments have agreed to allow travel across the LoC between Srinagar and Muzaffarabad by bus. Travel will be by on entry permit system, once identities are verified. Application forms for travel will be available with designated authorities in Srinagar and Muzaffarabad. The bus service is expected to commence from 7 April 2005.■

Islamabad, 16 February 2005  
<http://meaindia.nic.in/>

#### DOCUMENT No. 9

### PRESS BRIEFING BY INDIAN FOREIGN SECRETARY, SHRI SHYAM SARAN, HOTEL MARRIOTT, ISLAMABAD

**Official Spokesperson:** Ladies and Gentlemen, it gives me great pleasure to welcome Foreign Secretary of India, Mr. Shyam Saran accompanied by High Commissioner Mr. Menon and Joint Secretary Mr. Arun Singh here. After the Foreign Secretary has addressed the press, we will take questions.

**Foreign Secretary:** Good evening. Let me first of all extend a very warm welcome to all of you to this press conference. I will elaborate on some of the points which have already been made by our External Affairs Minister this afternoon after his talks with his counterpart H.E. Foreign Minister Kasuri. I think both the Foreign Ministers have given a fairly comprehensive idea of what the discussions they had focussed on, and also a sense of what transpired during the morning meeting between our External

Affairs Minister and His Excellency President of Pakistan, General Pervez Musharraf, as also with the Prime Minister of Pakistan, H.E. Mr. Shaukat Aziz.

The high point of the visit has been the agreement between the two sides to operationalise the Srinagar-Muzaffarabad bus service and this we regard as a very important development. It is really a win-win situation for both India and Pakistan. I think it has been already mentioned to you that this is going to be a service which will operate on the basis of entry permits. I would like to just elaborate here that what really we have agreed upon is a practical procedure, which applies to a route, and it does not affect or change our respective positions on the J&K issue. We will look at this as a humanitarian procedure which enables people from both sides to travel across the LoC. It is also an arrangement, which is open to all Pakistanis and Indians including the people of J&K but not third country nationals.

As you have seen in the announcement, the application forms can be obtained from the designated authority both in Srinagar and Muzaffarabad. I would like to inform you that the designated authority on the Indian side would be the Regional Passport Office under the Ministry of External Affairs, which is located in Srinagar. As it has been pointed out, this procedure covers travel to the entire territory of the erstwhile state of Jammu & Kashmir, which includes Gilgit and Baltistan. This is a very major achievement that both sides have made. Both sides have shown flexibility, both sides have shown a desire to make certain that we can... It has been our endeavour to see the early realisation of a proposal which has drawn so much interest on both sides, and it is a matter of satisfaction, I think, for both sides that this has been achieved. I must mention here that both President Musharraf as well as Prime Minister Shaukat Aziz welcomed the achievement we have made today.

We have pointed out that a number of other issues were discussed. In terms of transport linkages, I would like to mention here that we have also reached agreement for operationalising the new bus service between Amritsar and Lahore. For technical details for that we will get down and work out as early as possible. There is also agreement that we could also have more services to places of pilgrimage, for example Nankana Saheb. In terms of the rail link, you have all heard about our proposal for the resumption of the rail link between Khokhrapar and Munabao and we are very happy that at our request it was agreed that this particular route can also be operationalised pending the upgradation of the metre gauge line on the Pakistani side to broad gauge line. The idea is that passengers from the Pakistani side could come right up to the border on the metre gauge line and could cross the border and get into the train on the Indian side and travel on the broad gauge line and vice versa. So this arrangement can continue until such time as the broad gauge line on the Pakistani side also has been completed. This is with regard to transportation linkages.

I would also like to draw attention to the fact that both in the meeting with President Musharraf as well as in the meeting with Prime Minister Shaukat Aziz - and this was something which was further taken up during the meeting between the two Foreign Ministers - that we also looked at the importance of economic and trade linkages. There was general acceptance of the fact that there are many economic complementarities between India and Pakistan and that in not exploiting these economic complementarities our both countries are losing out. And for us to be able to build upon these economic complementarities again is something, which is a win-win situation for both sides.

In this context, on the 22nd and 23rd of this month, the Commerce Secretaries of the two countries will be having a meeting. The precise purpose of this meeting is to look at how we can promote economic and trade linkages between the two countries. This is something which we welcome. I would also like to mention that in terms of CBMs, in terms of people-to-people contacts, again both sides expressed satisfaction that there really has been a significant movement in this respect. The traffic, which is taking place on both sides of the border, has increased very significantly. As journalists you yourself are aware that there is far more interaction taking place in the media circles as well, including the visit of Pakistani journalists to J&K on our side. Our Indian mediamen were also able to visit Pakistan occupied Kashmir. This is something which both sides agree is a very positive development and this is something which we should continue to carry forward. So, there are a number of CBMs which we talked about. Our External Affairs Minister referred to some of them, distinguished Foreign Minister of Pakistan referred to some of them, and it will be our endeavour to carry these proposals forward.

At the end of these meetings, we have a very positive feeling; a feeling that we have made some progress, also a sense that there are a number of things in the pipeline where we believe further progress is possible. So, it is with a sense of optimism that we conclude our official part of the visit here in Islamabad.

External Affairs Minister will be guest at the banquet which will be hosted by his counterpart this evening. Tomorrow we leave for Lahore where there would be an interaction with the SAFMA. There would also be a call on the Governor of Punjab, as also a lunch which is being hosted by H.E. the Chief Minister of Punjab. Thereafter we return back to Delhi.

I will stop here. I will be happy to take your questions.

**Question (Saurabh Shukla, India Today):** Was there any discussion on the likely visit of the Indian Prime Minister to Pakistan. What happened to the proposal that India had put to Pakistan last time - to designate five points for crossing on the LoC. Did Pakistan respond to that?

**Foreign Secretary:** With regard to the visit of Prime Minister Dr. Manmohan Singh to Pakistan, yes, there was a reiteration of the invitation both by President Musharraf and Prime Minister Shaukat Aziz. External Affairs Minister told them that he would, on his return, be conveying this to our Prime Minister so that an early visit can take place. On the other question that you raised, no, so far we have not received a response.

**Question (Farhan Bukhari):** One subject that you have not mentioned today is Baglihar. Any discussions on that issue? Also, could you tell us where India and Pakistan come out on that subject? The other question that I may ask you very briefly is that while transportation links would certainly add to the atmosphere, there has been a lot of criticism here last year that there has not been anything major or tangible that has come out from this new peace process. I know pipeline is discussed, but more than that trading links... Can we put a time frame in which there is going to be a tangible process? Will it be the next 12-24 months or will it take longer? What is your sense?

**Foreign Secretary:** Let me take your last comment first. I concluded my opening remarks by saying that we have during this visit a sense that we have achieved something, that we have come a long way. This is what our External Affairs Minister

said in his press conference. I think the fact that we have managed to agree upon the Srinagar-Muzaffarabad bus service is itself an indication that this process is beginning to yield results. So, I do not think that there needs to be any pessimism about the process that we are involved in. We are moving steadily forward. This is a complicated relationship. We have to move in measured steps and I think the results are there for everyone to see. I don't think we should minimise the achievements that we have already made.

The fact is that for more than a year the ceasefire has held. There is tranquillity along the boundary as well as the LoC. That itself, I think, is an important achievement. The fact that there is such a large number of people travelling across the border is perhaps unprecedented between India and Pakistan. My High Commissioner tells me that for the last few months he has been issuing something like 10,000 visas per month. Even with some of the other friendly countries we do not have this intensity of contact which has come about between India and Pakistan.

With regard to other elements of the relationship, transport linkages are very important. Not only Srinagar-Muzaffarabad, the fact that we have a regular bus service running between Delhi and Lahore, the fact that we have now agreed upon Amritsar-Lahore, we have agreed that there should be more visits to places of pilgrimage, I do not think that these should be regarded as somehow insignificant and that we are not achieving anything more significant.

On the economic and commercial side one of the very important developments which has taken place is that with invitation given from your side we have had some very important captains of Indian industry visiting Pakistan recently. I believe that just some days back Mr. Ratan Tata was in Pakistan. So, there is a new kind of an interest developing on both sides to take forward our economic and commercial relationship.

You made a mention of the pipeline. We have agreed that we would go ahead with the Iran-Pakistan-India pipeline. What we are looking at and what we are currently discussing with Iran is the possibility of this pipeline bringing gas from Iran up to a designated point on the India-Pakistan border on terms and conditions which could be agreed upon between Iran and India. Perhaps there would be a necessity for some kind of an overarching trilateral agreement between the three countries. I think that the three countries are moving forward in a pragmatic fashion to see that this particular project becomes a reality.

So, if you put all this together, frankly I see no reason why there should be any room for pessimism.

On the Baglihar issue, our viewpoint is that the last round of talks, which were held between India and Pakistan, was perhaps the first time that there was a really very intensive technical discussion. It was our sense, perhaps not shared by the Pakistani side, that some degree of convergence was achieved during these discussions. It was also our assessment that if these technical discussions could be carried forward then perhaps the area of convergence could increase further. Perhaps, it was a sense on the Pakistani side that we were not going to get anywhere even if there were further discussions and they decided to come back. As you are aware, a reference has been made by Pakistan to the World Bank. It remains our view that we should continue bilateral discussions; it remains our view that there are possibilities for us to be able to find greater convergence through these discussions.

The point that is coming up again and again - we find sometimes in the Pakistani media or in some of the comments people make - is as if this is a project, which is somehow giving India the capability either to flood Pakistan or to deny water to Pakistan. That is the kind of sense, which comes out. It is not something that is within the parameters of the Treaty. The Treaty cannot deal with suspicions of this kind; it cannot deal with intentions of this kind. We are confident that what we are doing with this project is entirely within the parameters laid down by the Indus Water Treaty. We respect the Treaty because this Treaty has held for the last 45 years. It is a very important Treaty for us, as, I am sure, it is to you. So, it is our belief that the project is entirely in consonance with the provisions of the Treaty. But, if there are suspicions of the kind, which are sometimes mentioned on the Pakistani side, then we cannot find a technical fix for meeting this kind of an apprehension or meeting this kind of a fear.

I would also like to remind you that just downstream from Baglihar is another project called Salal, which has been built by India. This project is also very important to India and to the State of J&K. It has been functioning for several years. If we had any such intentions of either flooding Pakistan or denying water to Pakistan, the first installation, which would disappear, would be the Salal project. I cannot see why we should hurt ourselves in order to have the capability to hurt Pakistan. The Indus Water Treaty is precisely in order to give a sense of confidence to both India and Pakistan that adherence to the Treaty will prevent or will meet these kind of apprehensions, or these kind of suspicions.

So, we do not believe that Baglihar is in violation of the Indus Water Treaty. We believe that we were already achieving a degree of convergence during the last round of technical discussions and we also continue to believe that if this process were carried forward then we could have perhaps enlarged the area of convergence. So, we believe that the reference to World Bank was perhaps premature.

**Question (Rajiv Sharma, The Tribune):** This is with regard to the security and infrastructure aspects of the Srinagar-Muzaffarabad bus service. Now that only 7 weeks remain to operationalise this bus service, there are also reports that on both sides of the LoC the area is mined. It has to be de-mined. In fact, the roads and culverts are also not proper and the bridges are not in shape. Could you comment on these aspects?

**Foreign Secretary:** It is quite obvious that for operationalising the bus service, the road if it has to be improved has to be improved, security situation has to be ensured and also if there is any mining which has been done in that area, it has to be de-mined. These are precisely the kind of things that when we go back we will be sitting down together with all the concerned agencies and departments and making certain that hopefully by the 7th of April we are able to run the first bus to the LoC.

**Question (Al Jazeera TV):** What is the basic difference between entry passport and the Indian passport and what kind of features will it carry. Could you specifically tell us whether it would show a Kashmiri as an Indian citizen or a resident of Kashmir?

**Foreign Secretary:** It is not an entry passport, it is an entry permit system and I do not think it is worthwhile for us to get into the debate about whether or not this indicates whether J&K is part of India or J&K is part of Pakistan. We have made it very clear that this is without prejudice to the positions of both the countries. It is a practical measure, it has a humanitarian dimension. Let us leave it at that.

**Question (Chandan Mitra, The Pioneer):** Further to this question, I think there are certain issues and clarifications that are necessary on this entry permit system because you will accept that this is somewhat unusual international travel document. In the normal course a person entering another country is admitted by the country that he or she is entering. In this particular case, if an entry permit is issued by the RPO in Srinagar, what is the guarantee that this will be acceptable to the Pakistani authorities and what kind of stamp would any Pakistani national trying to enter India through this route have because our view, as you have explained, goes beyond what Pakistan describes as Azad Kashmir. It includes Gilgit and Baltistan, which do not form part of the Azad Kashmir area. So, without clarification on these kinds of modalities, do you think this is going to become a practical document as you have outlined?

**Foreign Secretary:** One, the passport office in Srinagar will be the place from which application forms can be obtained. What are the details required in the application form, whenever you get the application form you will see what are the details required. We have also pointed out that there will be a pre-verification process and as far as travel is concerned, across the LoC the travel will be on the basis of a permit which is issued by us, as I would imagine would be the entry permit which is issued by the other side as soon as a person crosses the LoC the permit on which he would be travelling will be issued by the authority on the other side, while on the Indian side it will be on the basis of the permit which will be issued by our side.

So this is a practical measure. Neither side is trying to use and neither side should try and use a procedure for travel across the LoC to try and change the stated position of the other side. That is the basic assumption on which this proposal has been agreed to by both the sides. That it is not something in which we are looking at how we can try and change the position of the other side. That is the agreement between the two sides and as I said this is an arrangement which is open to all Pakistanis and Indians including the people of J&K, if they are using this particular route. If they are using the regular route for travel by air, they will be using the normal passport and visa system. It is only with respect to this particular route that a certain procedure has been prescribed.

**Question (Chandan Mitra, The Pioneer):** Just a clarification on this. Are you suggesting that any travel permit issued by us in Srinagar will be necessarily regarded as valid by the Pakistan authorities when a person crosses the border?

**Foreign Secretary:** As I said, travel on our side of the LoC will be on the basis of a permit which we will issue and travel on the Pakistani side will be on the basis of an entry permit which will be given by the Pakistani side.

**Question (Chandan Mitra, The Pioneer):** In other words, he can be turned back?

**Foreign Secretary:** That authority is in any case available to both governments.

**Question (Mazhar):** I have a question on gas pipeline project. As Indians are talking about satisfaction and reservations, I just want to know what really Pakistan will have to do get this project matured?

**Foreign Secretary:** I am not quite sure what your question is because as I mentioned India is already talking to Iran in terms of delivery of gas at a designated point on the India-Pakistan border on terms and conditions which will have to be negotiated. These terms and conditions will relate to the quantum, it will relate to the price, it will relate to the guarantees of supply, on possible disruption. So, there are a number of issues, which is normal in any negotiations. Since the pipeline is crossing Pakistan, there will

also have to be a certain kind of an overarching agreement which I presume would be required. So, this is the basis on which we have agreed to look at the pipeline. So, these are the elements which need to be negotiated when the discussions are held.

**Question:** This means that Pakistan has not provided any kind of guarantees to Indians.

**Foreign Secretary:** We have not yet reached the stage of negotiations. We are still talking about it. What we have said is we accept that this pipeline is a good project that we should look at. As far as the terms and conditions are concerned, these need to be worked out. I understand that our Minister for Petroleum and Natural Gas has invited his counterpart to visit India or may be our Minister can visit Pakistan to take the discussions forward.

**Question (Amit Baruah, The Hindu):** Sir, my question is on a slightly lighter, but equally important subject and that is on Cricket. I know that this matter is being dealt with by the Cricket Boards, but do you have any information if the Pakistan series is going through and will the Pakistan team actually play a match in Ahmedabad or not?

**Foreign Secretary:** I have no reason to believe that the tour will not go through. As you yourself pointed out, it is best that these matters are left to the two Cricket Boards to resolve.

**Question (Simaf, Pakistan Press Agency):** Has the ice really started to melt to resolve the Kashmir issue because President Musharraf has also said that we have been talking for the last 50 years and it is difficult to wait for another 50 years. Your comments please.

**Foreign Secretary:** I would not like to comment on what President Musharraf may or may not have said. I can only speak for India and the Indian viewpoint is that we are engaged in a process which is perhaps a difficult process. But as we can see it is beginning to yield results. It should be necessary for us to stay on course. Are we really beginning to solve the J&K problem? Our viewpoint has been that we are not shying away from discussing the J&K issue. We are not trying to shelve it, we are not trying to put it aside, but we do believe that while we are talking about the J&K issue, we need to also address the issue of confidence building, we need to enlarge people-to-people contacts between the two sides. Why? Because ultimately any understanding that we arrive at on J&K between the two sides we will need to carry our people along with us, you will have to carry your people along with you. How do we do that unless we have more and more people meeting each other, more and more contacts taking place, more exchange of views taking place.

Often a reference is made to the trust deficit between the two countries. Unless we address that trust deficit - if we recognise that it is a very complicated problem that as you said we have been struggling with for 50 years - it may not be possible for us to find that space in which we come to a mutually acceptable solution. So, I think that the course that we have adopted is a very wise course. We are looking at a Composite Dialogue which not only deals with issues of confidence building, people-to-people contacts, at the same time it also addresses the issue of J&K and peace and security. So, I think this is the right course for us to follow and since it has been begun to yield results, why not be optimistic and take this forward.

**Question (Jyoti Malhotra, Star News):** Sir, just a clarification. Will an Indian citizen get an entry permit if he or she does not have a passport or is the passport essential for an entry permit?

**Foreign Secretary:** I mentioned to you that the arrangement that we have for crossing the LoC on the Muzaffarabad-Srinagar bus service. This particular arrangement is open to all Pakistanis and Indians including the people of J&K.

**Question (Jyoti Malhotra, Star News):** But if I do not have a passport, can I still get...

**Foreign Secretary:** I said that the travel is on the basis of entry permit, so why are you bringing in the question of a passport.

**Question:** My question has two parts to it. One, that there was at one point of time, if I am not wrong, an apprehension on the part of India that this CBM which is the bus where you commute on the basis of a travel permit could prove to be counter-productive if the security agencies on either side resort to denying this permit. So, how are we addressing this question on both sides, Second, the Foreign Minister of Pakistan today said that India has accepted gas pipeline was a stand alone project. I think earlier we were viewing it as a part of comprehensive economic and trade exchange between the two countries. What is the nuance involved here?

**Foreign Secretary:** Well, as far as the bus service is concerned, frankly if we have agreed to operationalise this bus service, I would imagine that on both sides there is a commitment to achieving the objective that it is supposed to achieve. So, why should we assume that agencies on the Pakistani side or the agencies on the Indian side will in some way or the other subvert this or sabotage this by not allowing enough people to travel across? We have said that April 7 is the date on which we will try and operationalise this service and let us see how it works.

With regard to the pipeline, I think, I have spelt out very clearly what our position is. What is the current state in terms of the negotiations on the pipeline particularly with Iran? As I said, what we are talking to Iran about is the delivery of the gas at a designated point on the India-Pakistan border and the terms and conditions under which this would be supplied is something which is to be negotiated. Naturally, since it is going through Pakistani territory, there would have to be an understanding among the three countries. That is a process which we will take forward in the days to come

Thank you.■

16 February 2005  
<<http://meaindia.nic.in/>>

#### DOCUMENT NO. 10

### STATEMENT BY EXTERNAL AFFAIRS MINISTER SHRI NATWAR SINGH ON ARRIVAL AT NEW DELHI AFTER THE VISIT TO PAKISTAN

1. I have had a productive and useful visit to Pakistan. As you are aware, this was the first bilateral visit of an Indian External Affairs Minister to Pakistan in 16 years.

2. I received a very warm welcome and friendly reception and my talks with President Musharraf, Prime Minister Shaukat Aziz and Foreign Minister Kasuri were

marked by cordiality and a shared desire to take our relationship forward towards the goal of peace, mutual understanding and a shared prosperity.

3. It now seems that there is a groundswell of goodwill and positive sentiment among people in both our countries for a relationship free from hostility and bitterness. This has enabled our two Governments to conclude significant agreements towards building confidence and trust.

4. These include the long-awaited Srinagar-Muzaffarabad bus service, which has been uniformly welcomed by all sections of society in both India and Pakistan, but particularly by the people of Jammu & Kashmir.

5. No doubt, we have differences between us. I underlined to the Pakistani leaders that the peace process could only be sustained in an atmosphere free from violence and terrorism and that the solemn assurances contained in the January 6, 2004 Joint Statement must be implemented fully.

6. Just before returning to Delhi, I spent a few hours in Lahore. Our decision to open a bus service between Amritsar and Lahore was warmly welcomed in the city, just as it has been in our Punjab. The Governor of Punjab received me with warmth and Chief Minister Elahi graciously hosted a lunch for me.

7. There was also an interaction with SAFMA (South Asia Free Media Association), which is a grouping of leading media personalities from South Asian countries. In all these interactions, I encountered a new spirit of goodwill and a commitment to open the doors between our two countries even wider in the days to come.

8. It is this foundation of positive sentiment and hope at the levels of people that gives us the conviction that the current peace process is more firmly anchored and more capable of yielding results than similar initiatives in the past.

9. It is in this spirit that we pledge to carry forward the dialogue between our countries in the days to come. ■

New Delhi, 17 February 2005  
<http://meaindia.nic.in/>

#### DOCUMENT NO. 11

### US PRESIDENT GEORGE W BUSH'S SPEECH TO EUROPEAN UNION AND NATO LEADERS IN BRUSSELS [EXCERPTS]

#### **Today's Opportunity**

Today, America and Europe face a moment of consequence and opportunity. Together we can once again set history on a hopeful course -away from poverty and despair, and toward development and the dignity of self-rule; away from resentment and violence, and toward justice and the peaceful settlement of differences.

Seizing this moment requires idealism: we must see in every person the right and the capacity to live in freedom. Seizing this moment requires realism: we must act wisely and deliberately in the face of complex challenges. And seizing this moment also requires co-operation, because when Europe and America stand together, no problem can stand against us.

As past debates fade, as great duties become clear, let us begin a new era of transatlantic unity. ...

### **Middle East Reform**

We seek peace between Israel and Palestine for its own sake. We also know that a free and peaceful Palestine can add to the momentum of reform throughout the broader Middle East. ...

### **Iraq**

Some European nations joined the fight to liberate Iraq, while others did not. Yet all of us recognise courage when we see it - and we saw it in the Iraqi people.

And all nations now have an interest in the success of a free and democratic Iraq, which will fight terror, which will be a beacon of freedom, and which will be a source of true stability in the region. In the coming months, Iraq's newly elected assembly will carry out the important work of establishing a government, providing security, enhancing basic services, and writing a democratic constitution.

Now is the time for established democracies to give tangible political, economic and security assistance to the world's newest democracy.

### **Iran**

In Iran, the free world shares a common goal: for the sake of peace, the Iranian regime must end its support for terrorism, and must not develop nuclear weapons.

In safeguarding the security of free nations, no option can be taken permanently off the table. Iran, however, is different from Iraq. We're in the early stages of diplomacy. The United States is a member of the IAEA Board of Governors, which has taken the lead on this issue. We're working closely with Britain, France and Germany as they oppose Iran's nuclear ambitions, and as they insist that Tehran comply with international law.

The results of this approach now depend largely on Iran. We also look for Iran to finally deliver on promised reform. The time has arrived for the Iranian regime to listen to the Iranian people, and respect their rights, and join in the movement toward liberty that is taking place all around them. ...

### **Russia**

I also believe that Russia's future lies within the family of Europe and the transatlantic community. America supports WTO membership for Russia, because meeting WTO standards will strengthen the gains of freedom and prosperity in that country.

Yet, for Russia to make progress as a European nation, the Russian government must renew a commitment to democracy and the rule of law. We recognise that reform will not happen overnight. We must always remind Russia, however, that our alliance stands for a free press, a vital opposition, the sharing of power and the rule of law - and the United States and all European countries should place democratic reform at the heart of their dialogue with Russia. ...

### **Trade**

Our alliance is determined to encourage commerce among nations, because open markets create jobs, and lift income, and draw whole nations into an expanding circle of freedom and opportunity.

Europe and America will continue to increase trade. As we do so, we'll resolve our trade disagreements in a co-operative spirit - and we should share the benefits of fair and free trade with others. That's why we'll continue to advance the Doha Development Agenda, and bring global trade talks to a successful conclusion.

We should all pursue fiscal policies in our nations - sound fiscal policies of low taxes and fiscal restraint and reform that promote a stable world financial system and foster economic growth. ...

### **Terrorism**

Our alliance is also determined to defend our security - because we refuse to live in a world dominated by fear. Terrorist movements seek to intimidate free peoples and reverse the course of history by committing dramatic acts of murder. We will not be intimidated, and the terrorists will not stop the march of freedom.

I thank the nations of Europe for your strong co-operation in the war on terror. Together, we have disrupted terrorist financing, strengthened intelligence sharing, enhanced our law enforcement co-operation, and improved the security of international commerce and travel...

For the sake of the security of our people, for the sake of peace, we will be relentless in chasing down the ideologues of hate.■

21 February 2005  
<<http://news.bbc.co.uk/2/hi/europe/4283445.stm>>

## **DOCUMENT NO. 12**

### **CHINESE ANTI-SECESSION LAW**

The Anti-Secession Law is a law passed by the third conference of the 10th National People's Congress of the People's Republic of China. It was ratified on March 14, 2005, and went into effect immediately. Hu Jintao, President of the People's Republic of China, promulgated the bill with Presidential Decree No. 34 (The law is relatively short, at ten articles, but was met with much controversy as it formalized the long-standing policy of the People's Republic of China to use "non-peaceful means" against the "'Taiwan independence' secessionist forces" in the event of a declaration of Taiwanese independence.

#### **Content**

Article 1 states that the aim of the law is to stop the Taiwanese independence movement and promote reunification. Stabilizing the Taiwan Straits area, protecting the interests of the Zhonghua Minzu (people of Chinese nationality/ethnicity) are also purposes of the law, which is formulated according to the Constitution of the People's Republic of China.

Articles two to four state the assertion by the People's Republic of China that the Mainland and Taiwan belong to one China and that there is only one China and that the sovereignty of that one China is indivisible. Significantly, the law does not mention one country, two systems, which is highly unpopular in Taiwan, and does not define explicitly China as only the People's Republic of China.

Article six states that in order to maintain peace and stability in the Taiwan straits and to foster cross-strait relations, the state (1) encourage people-to-people contact to foster closer relations and understanding (2) encourage cross strait economic exchanges (3) encourage scientific and cultural exchanges (4) joint efforts to fight crime and (5) encourage efforts to maintain peace and stability in the Taiwan straits.

Article seven states that the state shall support negotiations and consultations on both sides of the straits with equal status, with different modalities, and in differing stages. The topics of such talks can include (1) ending the states of hostilities across the straits (2) developing rules for cross strait relations (3) the means of promoting unification (4) the political status of the Taiwanese authorities, (5) appropriate means by which Taiwan can participate in international organizations, and (6) any other issues relating to unification. There are some aspects of article seven which commentators have pointed out. First, this is the first time that the PRC has officially spoken of talks between the Mainland and Taiwan occurring in terms of equal status. Second, the condition that Taiwan accept any form of the one China principle is not explicitly mentioned in the text, and the statement that talks can occur in different modalities and in differing stages suggests that Beijing is willing to start at least informal talks without requiring a one China commitment.

Article eight is the article which has caused the most controversy and attention. It states that state shall use non-peaceful and other necessary means under these conditions: (1) that Taiwan independence under whatever name and method accomplishes the fact of Taiwan's separation from the Mainland, (2) there is a large event which occurs to force Taiwan's separation from the Mainland and (3) that there is no hope for unification.

In announcing the drafting of the law in December, 2004, state press mentioned explicitly that the law was not intended to be applied to Hong Kong and Macao.

### **Development**

In December 2004, the Chinese state news agency Xinhua reported that the National People's Congress in its upcoming session would enact an 'anti-secession law', without specifying further details.

In a rare moment of agreement, Taiwanese politicians from both the Pan-green coalition and Pan-blue coalition have reacted negatively towards this development. Some politicians have proposed that Taiwan enact an 'anti-annexation law' to counter the proposed PRC law. Various opinion polls have revealed that 80% of Taiwan residents oppose such an 'anti-secession law' and a majority agree that a defensive referendum should be held in the advance of such a law to protect the status quo.

President Chen Shui-bian commented on the 'anti-secession law' during his 2005 new year speech: "Such actions will not only unilaterally change the status quo of peace in the Taiwan Strait, but will also pose the greatest threat to regional stability and world peace." Whereas PRC President Hu Jintao said "We will definitely not allow anyone to separate Taiwan from China by any means." in his New Year's Eve speech.

Although the PRC's official English translation of the law is the *Anti-Secession Law*, a name resembling the resolutions passed by the U.S. Congress before the states of the southern Confederacy seceded and war erupted, the Mainland Affairs Council on Taiwan has consistently translated it as *Anti-Separation law* as secession implies that Taiwan is a part of China. This alternate translation is not commonly found in the international media. It has been argued that the relationship across the Taiwan strait is not analogous to the situation during the American Civil War since Taiwan was never part of the PRC.

### **Reaction**

Beijing claims that this bill is the PRC's most sincere attempt at resolving the Taiwan issue peacefully (see Political status of Taiwan). However, Taipei points to the same Article 8 as cause for concern. Shortly after the bill was passed, Chen Shui-bian called for a National Security meeting in Taipei to discuss the issue.

One major topic of controversy between Beijing and Taipei is to what degree the law changes the status quo in the Taiwan straits. Beijing has maintained that the law preserves the status quo and creates no new conditions for the use of force. In contrast, Taipei has argued that the law does change the status quo and gave PLA a "blank check" to attack Taiwan. As opposed to Beijing's definition on the cross strait relationship, a statement from Taipei's Mainland Affairs Council stated that the status quo is that the Republic of China is sovereign and independent<sup>60)</sup> MAC official also called Beijing's contention that the two sides belong to "one China" a fiction.

### **Reaction in Mainland China**

Reaction in the PRC was mostly united. State media and the Beijing leadership all stood firmly behind the new law and vowed never to allow anyone, using any means, to "separate Taiwan from China", in any name. The Chinese parliament voted in favor of the law 2,896 to zero, with two abstentions. In the run-up to the law's ratification, state media in the PRC accused those on Taiwan in favour of Taiwan independence of creating hostility to the new law and of confusing the Taiwanese into thinking that the law had hostile intent. Prior to passing the law, Hu Jintao outlined a four points speech.

### **Reaction in Taiwan**

In Taiwan, the passage of the law was condemned by officials and politicians from both of the main political camps including the pan-green coalition and the pan-blue coalition, although there were differences in the type of criticism. Supporters of the pan-green coalition tended to react to the law angrily; whereas supporters of the pan-blue coalition, while opposing the law, called for more dialogue with the PRC and pointed to parts of the law in which the Beijing showed some flexibility.

Taiwanese mass media pointed to an increasing opposition to the new PRC law, and opinion polls indicate a widespread opposition to the law among the general public. Questions were also raised over whether Beijing has the authority to issue such a law as Taiwan is not under PRC jurisdiction. The Pan-Green coalition, in particular, reacted with distaste and there have been calls for an "anti anti-session law" to be passed by the legislature. A protest march is scheduled on March 26 and the organizers expect one million people to go on the streets to protest the law. Former President Lee Teng-hui is going to be one of the marchers. However, politicians of the pan-blue coalition have stated that they will not participate in any protest marches. An anti anti-session law is unlikely to pass, given that the pan-blue control of the legislature and that prime minister Frank Hsieh of the pan-green coalition has ruled out officially introducing such legislation. On the other hand, Hsieh pointed out that the PRC law has already infringed with the ROC sovereignty and that the situation has compromised ROC sovereignty and thus met the criteria for initiating a defensive referendum. However, whether a defensive referendum would be invoked is under the discretion of the incumbent ROC president, says Hsieh.

### **International Response**

US Secretary of State Condoleezza Rice commented the law as "not necessary," while White House spokesman Scott McClellan called its adoption "unfortunate," adding "It does not serve the purpose of peace and stability in the Taiwan Strait." In speaking about the law the United States repeated that it remained supportive of the one China policy, did not support Taiwan independence, and opposed any unilateral action to change the status quo. The U.S. House of Representatives approved a resolution criticizing China for the approval of the PRC law in Beijing. The resolution expressed grave concern about the law and said the PRC law provides a legal justification for PRC to use force against Taiwan, in its words, altering the status quo in the region.

In response to the enactment of the PRC law, the EU issued a statement urging "all sides to avoid any unilateral action that could stoke tensions," and recalled the "constant principles that guide its policy, namely its commitment to the principle of one China and the peaceful resolution of dispute...and its opposition to any use of force."

Australia foreign minister Alexander Downer stated that if war were to occur in the Taiwan Straits that Australia would be required under the ANZUS treaty to consult with the United States but depending on the situation that it would not necessarily commit the Australia to war. He further echoed the comments of other nations in reaffirming the one China policy and opposing unilateral action on either side. Downer further commented that Australia would have preferred it had China not passed the anti-secession law....

14 March 2005  
<[http://en.wikipedia.org/wiki/Anti-Secession\\_Law\\_of\\_the\\_People's\\_Republic\\_of\\_China](http://en.wikipedia.org/wiki/Anti-Secession_Law_of_the_People's_Republic_of_China)>

### **DOCUMENT No. 13**

#### **CONDOLEEZZA RICE: PRESS REMARKS WITH INDIAN FOREIGN MINISTER NATWAR SINGH**

**Foreign Minister Singh:** Good morning, ladies and gentlemen. Thank you for turning up in such large numbers. We are pleased to welcome Dr. Rice to India. It is her first visit, and the first visit by a cabinet member in the second term of the Bush administration. We view her as a friend of India who led the fashioning of the new policy in the first term. I look forward to working with her, and talking Indo-U.S. relations to even higher levels and more frequently, and we'll continue our discussion during lunch.

The issues that I'll just briefly mention: The Next Steps in the Strategic Partnership, or NSSP, Phase II should be concluded fairly soon. High Technology trade will continue to grow. We will cooperate more closely in the field of energy. Our defense cooperation will be expanded. Civil aviation is another major area of growth through an Open Skies agreement. This will impact positively on our economic and trade links. Both governments will encourage their business communities to be more aggressive in exploiting opportunities and challenges.

Madam, we acknowledge your great political vision, and I felt that we were on the same wavelength as you looked at this relationship not only for what it offers today, but at its enormous potential to shape our global future to our mutual advantage. Naturally, we discussed important regional and global questions. We approached these issues from a common commitment to democracy, pluralism and prosperity. On Nepal, we agreed that recent events have been a setback to these goals. Democratic freedoms must be restored and reconciliation with political parties must lead to a return to multi-party democracy in Nepal. I apprised the Secretary of State of recent developments in our composite dialogue with Pakistan, which is progressing satisfactorily. We look forward to welcoming General Musharraf here soon.

If I may be allowed to say something, I will also respectfully request him that he ensures that the Pakistan cricket team does not beat our team.

(Laughter)

There should be no doubt about our commitment to achieving peace in Pakistan. It is critical that Pakistan implements fully a solemn commitment to cease all cross-border terrorism against India.

On Afghanistan, we assessed our ongoing cooperation and support of President Karzai's government. We will continue to work together closely. We also exchanged views on West Asia, what you, Madam, call the Middle East. I informed the Secretary of State that India will be prepared to contribute to economic reconstruction in Iraq. We will await any requests from the newly elected government, and judge them on their merit.

Naturally, we spoke about the reform of the United Nations. It was agreed that as strategic partners, we should have a sustained dialogue on this very important issue. Dr. Rice met the Chairperson of the UPH Imadi Sonia Gandhi earlier this morning. Their meeting lasted half an hour. Apart from being extremely cordial and warm, almost all issues of mutual interest were discussed. Dr. Rice will be calling on the Prime Minister later in the day. I am hosting a lunch in her honor where we will, as I said earlier, continue our discussions. Even from this brief stay, I am certain that she will get a sense of warmth of the welcome that awaits President Bush. I told Condoleezza Rice that she comes here as a friend, and when a friend comes to India, they don't have to knock at any door. They will find the door open. Thank you.

**Secretary Rice:** Thank you very much. I have indeed had a very warm welcome here in India. I want to thank you very much, Foreign Minister Singh, for this very warm welcome and for our productive discussions. I did have a very cordial and wonderful meeting this morning with Mrs. Sonia Gandhi, the Chairperson of the Congress Party. We had met before at one time in Washington. It was really very good to have a chance to renew my discussions and my dialogue with her.

The President wanted me to have a chance to come to India early in my tenure as Secretary of State and early in his second term because this is a relationship that has transpired...transformed in recent years from one that had great potential into one that is really now realizing that potential. It is based first and foremost on the fact that we share common values, and there are no stronger relationships than those that are based on common values. This is a vibrant and wonderful democracy. It's remarkable that this large country with all of its ethnic and religious and heritage differences could be such a vibrant and functioning democracy. In fact, the United States is, of course, not nearly so large, but we also are a democracy that is multi-ethnic

and multi-religious and pluralistic and that's an experience that binds us together and gives us a firm foundation for our partnership in regional and global affairs.

We and India have taken our relationship to a new level through the NSSP, Phase I of which has been completed, and Phase II of which we look forward to having completed very shortly. And I said to the Foreign Minister and will say later to the Prime Minister, that there is much more that we can do. Our defense cooperation is strong in military-to-military contacts and joint exercises. The United States looks forward to enhancing that defense cooperation over the next several years. We also look forward to an energy dialogue, because, of course, the demands for energy of growing economies like India and the United States are demands that will have to be met in order to keep prosperous and growing and expanding economies that can then serve the needs of their people, and we look forward to a large-scale energy dialogue that looks at ways to meet our energy needs and at the same time to be responsive to environmental concerns.

We, as well, have had a chance to talk about American support for the composite dialogue with Pakistan. We very much admire what the Prime Minister and President Musharraf have been able to continue. Given the change in government here in India, it is heartening that that dialogue has continued and, indeed, accelerated and we want to be supportive in any way that we can. As the Foreign Minister said, we had the chance to talk about Afghanistan, about Iraq, and especially about the challenge to democracy in Nepal, where we have had outstanding cooperation between our Ambassadors to try and help that country to get back on a democratic path. That simply must happen, and we are in complete agreement that it needs to happen very, very soon.

I think it shows that India and the United States have regional responsibilities, but also increasingly global responsibilities. We respect this great democracy. We respect what it has been able to achieve for its people. We respect the challenges that it has to achieve even more for its people, and we respect the possibilities that the United States and India enjoy for global partnership.

And, I am going to make a promise to the Foreign Minister right now and that is that I'll even try to understand cricket. (Laughter.) That will help.

**Foreign Minister Singh:** I will try to understand baseball. (Laughter.)

**Secretary Rice:** Thank you.

**Moderator:** There will be time for two questions from the Delhi-based media and two questions from the traveling press. Please introduce yourself and indicate to whom the question is directed. Yes, I see NDTV.

**Question:** This question is on...

**Foreign Minister Singh:** Please stand up. Could you stand up?

**Question:** Yes, sorry. This question is for Ms. Rice. What do you feel about the cooperation between India and Iran on the gas pipeline, since you've just made a statement about expanding the dialogue on energy, since... Are there any reservations between cooperation between India and Iran on the gas pipeline? (repeats the question in Hindi) Thanks.

**Secretary Rice:** Well, thank you very much. I think that our views concerning Iran are very well known by this time, and we have communicated to the Indian government our concerns about gas pipeline cooperation between Iran and India. I think our Ambassador has made statements in that regard. And so, those concerns are well

known to the Indian government. We do need to look at the broader question of how India meets its energy needs over the next decades in what is a rapidly growing economy, and economy that must continue to grow in order for the benefits to be felt by India's people, and since that is something, that is a goal that we very much support, we believe that a broad energy dialogue should be launched with India because the needs are there, we have our own energy needs, and indeed, given the technological sophistication of our economy, of India's economy, I would hope that we could also explore new ways that new technologies can help us over the next decades to meet what are undoubtedly going to be burgeoning energy needs. So, yes, we do have our concerns. We've communicated those, but we intend also to look at this as a broader problem.

**Foreign Minister Singh:** Yes, as you know the discussions are going on between the Petroleum Minister of the Government of India, Shri Mansagar Rai, and his counterparts in Iran and in Pakistan. As the Secretary of State said, the energy requirements of India are growing exponentially in the years to come, becoming more and more industrialized. We have traditional good relations with Iran. We expect Iran will fulfill all of its obligations with regard to the NPT. We have no problems of any kind with Iran, and as Dr. Rice said, the requirement for energy and a new technology...India, Pakistan, Iran are indeed in touch with each other.

**Question:** In your discussions today . . .

**Foreign Minister Singh:** I can't hear you.

**Question:** This question is for both of you. In your discussions today, did you discuss the sale of F-16s to both India and Pakistan, reach any agreement on that, and does this kind of potential arms pact represent a tacit acknowledgement by the United States that both powers possess nuclear weapons that could be used against the other?

**Secretary Rice:** It will not be surprising to you that in our context of our discussions about the security environment here in the region and our discussions about defense cooperation that the question of arms sales, including F-16s has come up. As I've said, we are going to continue to have broad discussions about the security needs, about the defense needs, of India. I'm quite certain that when I go to Pakistan that I will have discussions about the defense concerns and the defense needs of Pakistan, but there has been no such agreement, as you called it, Anne. And as I've said to you I don't expect that there are going to be any announcements out of this, but we, of course, have discussed this as well as a number of other issues about the defense needs of India.

**Foreign Minister Singh:** It is known, India and the United States have an ongoing dialogue on defense, on various aspects of it, on defense supplies, on defense equipment, and every issue was brought up, including F-16, and as the Secretary has said, no announcement is going to be made. We discussed every aspect of our defense relationship with the Secretary of State, and if anything else happens between now and lunch, I'll let you know. (Laughter).

**Question:** I got the sense that you . . . Both talked about the UN reforms, and I'm sure a discussion must have happened on the expansion of the UN Security Council. There's a sense here that there's some ambiguity on the U.S.'s own position on the expansion of the UN Security Council. One, will the United States support the expansion at all, and second, will you support India's candidature as a permanent member in the UN Security Council? And, a quick question, too, for Mr. Natwar

Singh: Sir, would you like the U.S. to make its position clear with regard to the expansion of the UN Security Council and India's candidature into the council as a permanent member?

**Secretary Rice:** Thank you. We are at the beginning of discussions about UN reform, including of course, UN Security Council reform. Our view is that the reform of the United Nations has to be seen understood as a broad process, that there are many aspects of the UN that need reform, including, as we've said, Secretariat issues, General Assembly issues, Security Council issues, and agency issues, as well as management reforms. And so it's not surprising that we continue to have these discussions with countries around the world. I believe Secretary General Annan has talked about the need to have intensive consultations. I myself have just appointed a special advisor, Ambassador Shirin Tahir-Kheli, who will full-time for me be engaged in discussions around the world about UN reforms. So, we're just at the beginning of this. And, in that context, we have agreed to stay in touch with India and with others about how those discussions are going.

Let me make a broader point, separate from this, which is that the world is changing, obviously. There are countries like India that have emerged in recent years as major factors in the international economy, in international politics, taking on more and more global responsibilities. I was really quite interested in the fact that when we had the tsunami cooperation, which was a kind of ad-hoc arrangement for a while, to respond to the immediate needs of the tsunami, India was able, I'm told, to mobilize its ships and go to sea in about 48 hours or so. That's extraordinary, and that shows that India's potential is very great to help resolve humanitarian and other needs for the world, and so, we will continue to talk with people about Security Council reform, reform of the UN, but clearly we also note that there have been great changes in the world, and that international institutions are going to have to start to accommodate them in some way.

**Foreign Minister Singh:** I just, I might add that to the previous question about the defense issue that we did express certain concerns about certain matters on the defense issue as to how it might pave some complications I think there are no serious differences of opinion. There are one or two items on which we don't agree. Our relations will now reach a maturity but we can discuss these things freely and frankly and place our views firmly on record, and our views with regard to F-16 (inaudible).

Now with regarding security council: Yes, we did discuss and the Secretary of State is fully familiar with India's stand that India is an aspiring candidate for an expanded and reformed security council. We a democracy of one billion people. Our UN record is impeccable. We have been involved in many, many peacekeeping operations. We have led discussions on de-colonization. We have led discussion on the end of apartheid. In South Africa--I myself was for many years a top leader of the UN committee on de-colonization, where I worked with your colleagues Ambassador Plimpton, Ambassador (Inaudible), both of them last no more and with the father of your deputy here Bob Blake whose with us still, I mean the father.

Naturally we think that the world of 2005 has nothing to do with the world of 1945 and therefore it is imperative that the United Nations, if it is to be relevant and an effective instrument for maintaining peace and ensuring development and harmony, then it has to be drastically reformed. I also realize that the amendment to the UN charter is not an easy exercise. The charter has only been reviewed once, in

1963, when the non-permanent members were increased by four. So, the Security Council from eleven became fifteen.

Now there are many aspirants for the Security Council expansion and corporate membership. India, Japan, Germany and Brazil are working together and we are in touch with all our friends, including United States. We have got a chance of a very large number of countries, but let me add, quite categorically, that the amendment of the UN charter is a very, very complicated process. We are studying the report of the high-level panel appointed by the US Secretary General.

The Secretary General should be sending the report, I think today or tomorrow, to member of states and then we'll have our comments, intensive discussions will take place. If I may, Madam, in your presence say, that obviously the United States should play a very, very important role in this particular exercise.

**Question:** Madame Secretary, the Italian Prime Minister, Silvio Berlusconi is indicating that he is willing to pull Italian forces out of Iraq if the security situation in that country has not improved, perhaps as early as September. What is the official U.S. response to Mr. Berlusconi's announcement?

**Secretary Rice:** First is to note that the Italians have been steadfast in their support of the Iraqi people's desire to have their aspirations for freedom met. They were early supporters of the Iraqi people through the coalition. The Italians suffered casualties as a result of their commitment there, including among the carabiniers, and I remember that when that happened that they had more volunteers that they could take to take the place of those people. So, the Italians have served and served bravely in support of democracy in Iraq.

As we move forward, we know that coalition partners are beginning to look at what the future of their commitment can be, and we understand that Prime Minister Berlusconi has said that they will look at conditions. They, of course, are also engaged in the training of Iraqi security personnel, and for all of us, the real issue is how quickly can we get Iraqi police, army, border guards trained so that Iraqis can do the security tasks necessary to sustain the Iraqi democratic process. And indeed, we were all heartened by the way the Iraqi security forces stepped up to the plate during the Iraqi elections, really being the core. I remember General Casey saying that during that period of time he couldn't think of one case in which the coalition forces had to step in for Iraqi security forces. So, they are making a lot of progress. And, the real answer to Iraqi security will be when Iraqis can do those security tasks. So, I am quite certain, given the experience of working with the Italian government, given the experience of working with the Italian Ministry of Defense, that any decisions that the Italians make about their forces are going to be fully coordinated in a way that does not put at risk the mission. And whatever the Italians then decide, I want to be very clear that the United States and, I think especially the Iraqis appreciate what Italy has done, and what Italy will continue to do in the future in helping the Iraqis to sustain their democratic progress.

**Moderator:** Ladies and gentlemen, thank you very much. Thank you, Excellencies. ■

New Delhi, 17 March 2005  
<<http://www.noticias.info/asp/aspcomunicados.asp?nid=52738>>

**DOCUMENT No. 14****CONDOLEEZZA RICE: INTERVIEW WITH SHIVRAJ PRASAD OF NDTV**

**Mr. Prasad:** Dr. Rice, thank you very much for joining us on NDTV.

**Secretary Rice:** Thank you. Very nice to be with you.

**Mr. Prasad:** You've chosen India as your first stop in this six-nation tour since becoming Secretary of State. Perhaps your first ever visit to India. Any significance attached to making India your first stop?

**Secretary Rice:** Well, it really is emblematic of how far this relationship has come in the last several years. The President very much values the enhanced relationship between the United States and India, the fact that we are becoming in many ways important global partners as well as regional partners. And he wanted me very much to come here, and I'm glad that I was able to come here first.

**Mr. Prasad:** But there are still issues of contention. You've said it's a broad and deep relationship now between the two countries, but there are still issues of contention. One example, F-16 sales, for example, to Pakistan. Is that an announcement that you are likely to make in Islamabad?

**Secretary Rice:** Well, first of all, there are always going to be issues of disagreement, even among the best friends. And we are countries with our own interests, and that will be the case. But we and India have developed a relationship in which there is so much more positive in our relationship than negative, that it's just a new day.

I am here to talk about security relationships, about security concerns, about defense requirements in the region –

**Mr. Prasad:** Independent of Pakistan, it's a relationship –

**Secretary Rice:** Yes, it's a relationship -- we've tried very hard, as a matter of fact, to make the point that this is not a hyphenated relationship, the India-Pakistan relationship; this is a relationship with India. We also have a very good relationship with Pakistan and we are concerned about the wellbeing of both.

**Mr. Prasad:** But it's interesting that you mention the possibility of enhancing defense ties with India. There has been some speculation that the Bush administration may be ready to sell high-end F-16 planes to India as well?

**Secretary Rice:** Well, we will talk about defense requirements, and I look very much forward to doing that. We want very much for there to be a military balance in the region that preserves peace. We take note of the warming relations between India and Pakistan, very good for South Asia, very good for the entire region, very good for the world. But we are developing a very good defense relationship with India. We've had exercises. We were very much part of an effort with the tsunami, where I understand that India was able to deploy ships within 48 hours. That's extraordinary. So we have a lot of work to do together, and I want this defense relationship to work.

**Mr. Prasad:** The next steps in strategic partnership, as it's called, the NSSP, could that see facilitation of sale and transfer of civilian nuclear technology, because that's been another contentious issue?

**Secretary Rice:** Yes, well, we will certainly want to discuss the energy needs of India. I understand that this is a growing, in fact burgeoning economy and, like the United

States, we are all concerned about how we will meet our energy supply over the next decades and do that in a way that is clean for the environment. And so, clearly, we will want to discuss the broad range of energy possibilities.

The NSSP has been very good for our relationship. We've completed Phase I; we need now for Phase II - for there to be legislation here in India, and we look forward to accelerating our work on Phase II.

**Mr. Prasad:** But, Dr. Rice, specifically, will there be the sale of civilian nuclear technology? Last week, for example, you agreed to sell nuclear reactors to China. The feeling here is, why isn't that process being accelerated when it comes to India?

**Secretary Rice:** Well, we can certainly discuss anything in this new relationship, and I think we will want to discuss this issue. There have been -- and it will be no surprise to anyone -- that there have been proliferation concerns. But this is something that I think we can certainly discuss.

**Mr. Prasad:** You said that the Indo-Pak relationship for you is not a -- your relationship with the relationship with the region is not a hyphenated relationship. But India and Pakistan seem to have made progress. We've got the Srinagar-Muzzaferabad bus which will start next month. How do you see the relations between the two countries at the moment?

**Secretary Rice:** We are very heartened by the increased contact between the two parties. We're heartened by the fact that both now seem to be very intent in being good allies in the war on terrorism. This is a very important element, to root out extremism wherever it is. And we want to be supportive in any way that we can of a comprehensive dialogue between India and Pakistan, which is just very, very good for the region and, indeed, very, very good for the world.

**Mr. Prasad:** But there is a perception here that America remains soft on President Musharraf and Pakistan. He's still not really adhered to the various promises he's made about the restoration of democracy. Can we see some U.S. pressure on President Musharraf for restoration of democracy in Pakistan?

**Secretary Rice:** Well, the President has said - President Bush has said that he intends to make democracy a part of the dialogue with every country, friend and foe. And certainly, we expect more of our friends. We have to say that President Musharraf has done a lot to root out extremism in his own country, to start to reform education. But we do expect there to be a democratic path for Pakistan, and I hope that we'll have a chance to have that discussion.

**Mr. Prasad:** Interesting because Musharraf two days ago in a BBC interview said that he might have lost the trail to Osama bin Laden. Does that concern you?

**Secretary Rice:** Well, certainly, we would all like to find Osama bin Laden. That is something that - everybody looks forward to the day that you get that phone call. But we also have to look at the progress that we've made. More than three-quarters of al-Qaida's leadership has either been killed or captured. Many of their top field generals like Khalid Sheikh Mohammed or Abu Zubaida are captured. Pakistan was very much a part of that, indeed instrumental in helping to have that happen. The Pakistanis are fighting now in the frontier areas in ways that they never did before.

So while it may be a while, I can never tell you when we are going to find Osama bin Laden, his world is getting smaller, al-Qaida's world is getting more difficult, and that's what we need to concentrate on.

**Mr. Prasad:** Dr. Rice, you reportedly said that the U.S. wants democracy to be an integral part of any dialogue with a country. But in India's neighborhood, in the region, you've got Nepal where you've had a monarchical coup. We don't see the same level of U.S. involvement in Nepal. Is it just simply too small to be on the U.S. radar?

**Secretary Rice:** Oh, in fact, we have had very good cooperation with India in trying to deal with the situation in Nepal. Our ambassadors are in constant contact. In fact, our ambassadors came back at the same time. I was recently talking with our ambassador to Nepal and he talked about the daily contact between India, Great Britain and the United States on the situation in Nepal. There needs to be a return to democracy in Nepal. And, as a great democracy, India along with the United States, really must stand for exactly that.

**Mr. Prasad:** When you speak of spreading democracy across the world, it's been important in Lebanon, Egypt. We've seen elections in Palestine. But is this now the problem area, particularly in Iraq? We've seen violence continuing to spiral. Is this still an area of concern for you, that democracy American style doesn't always work?

**Secretary Rice:** Well, it will never be democracy American style. India is not democracy American style; it is democracy Indian style. And the important thing is that there be systems that respect human dignity, that respect the rule of law, that respect the right to say what you wish and worship as you please. And that can take many different forms.

But in Iraq, we have to look at how much has happened there in just the last year. They have not even been sovereign for a year, and they have had landmark elections that have really heartened people across the region and I think have helped this new democratic breeze to spread throughout the region –

**Mr. Prasad:** But you're aware of India's concerns of American intervention in Iraq. Do you now expect to reach out to India and get India involved in the rebuilding of Iraq?

**Secretary Rice:** Well, we and the Indian government have been talking now for some time. The intervention in Iraq, the war in Iraq, is behind us. And not everyone agreed with that decision, but everyone does agree that a stable, democratic Iraq in the heart of the Arab world, will be good for everyone. And we are talking to many different countries about, for instance, capacity support for the Iraqi ministries, perhaps some training for Iraqi security forces. And I'm sure that we'll have a chance to talk with India. But India has been a contributor already to help for the Iraqi people.

**Mr. Prasad:** Bilateral trade between India and the U.S. rose 17 percent to \$21 billion last year. You've now spoken of a strategic partnership. Can we expect President Bush -- you've come to India for the first time. Can we now expect the American President also to be here in his second term? If so, when?

**Secretary Rice:** Well, I'm quite certain that the President looks very much forward to getting here in his second term. He wants to come to India. He's said that to everyone.

**Mr. Prasad:** We've been hearing that for a long time. But when are we actually going to see him?

**Secretary Rice:** Well, I don't know an exact date, but I can tell you that the President very much wants to come here and –

**Mr. Prasad:** Within the next year? Can we expect that?

**Secretary Rice:** Well, I certainly hope that it will be relatively soon. I'm going to talk with my Indian counterparts about when we may be able to accomplish that. But you can be sure the President wants to get here.

**Mr. Prasad:** Okay, before I end, I just want to get a quick news point from you. On the F-16 deal, are you going to make an announcement in Pakistan that F-16 sales to Pakistan are going ahead?

**Secretary Rice:** I don't expect to make any announcements while I'm here. We -- the issue is to discuss the defense requirements, to -- these issues have been around for a while, we've been discussing them for a while. So it should be of no surprise to anyone that we'll discuss the issues.

**Mr. Prasad:** Okay, let me ask you my very final question, ma'am. Some would say you're arguably the most powerful woman in the world, although Sonja Ghandi, the Congress President, may not agree with that.

Secretary Rice: That's right. (Laughter.)

**Mr. Prasad:** So it's a bit of a diplomatic question. But there is the question of whether you could possibly still run for U.S. President in 2008. It could be a fascinating contest, Hillary Clinton versus Condoleezza Rice.

**Secretary Rice:** I don't know how many ways to say I don't have any intention or desire to run for President of the United States. I never even ran for class president when I was in school. So I think I'll try to be a good Secretary of State.

**Mr. Prasad:** Well, we know you're an academic person, then you're a politician. And we tend to trust academics more than we trust politicians. But any possibility of changing your mind? I mean, how --

**Secretary Rice:** I'm going to go back and be an academic. Or, if the job is open, I'll maybe be NFL Commissioner, National Football League Commissioner, a job I very much want.

**Mr. Prasad:** National Football League Commissioner. That's the next goal?

**Secretary Rice:** That's the next goal, yes.

**Mr. Prasad:** Right. Well, Dr. Rice, thank you very much for joining us on NDTV.

**Secretary Rice:** Thank you very much. ■

17 March 2005

<<http://www.noticias.info/asp/aspComunicados.asp?nid=52741&src=0>>

#### DOCUMENT No. 15

### CONDOLEEZZA RICE: INTERVIEW WITH QUATRINA HOSAIN CURRIM OF PAKISTAN TELEVISION [EXCERPTS]

Dr. Rice, thank you so much for joining us here in PTV World (inaudible) your first visit to the region.

And what were your expectations before you got here and after your talks with President Musharraf and Prime Minister Shaukat Aziz? Have your expectations been met? Any areas you feel you need to work on further?

**Secretary Rice:** Well, I've known for some time, of course, how very special this relationship has become with Pakistan, a vital ally in the war on terrorism, but also a

country that is going through a transition internally. And we've been interested with Pakistan in partnerships not just in the war on terrorism but a broad relationship. I had an opportunity to talk about the economic reforms that are going on here, about the possibilities for foreign direct investment in Pakistan, about the educational reforms that are going on here, and of course about the important work that we have still to do in fighting terrorism. So it has more than met my expectations. I met most of the leaders at one time or another but it's very nice to be here in Pakistan and I only wish I could stay longer.

**Ms. Currim:** And, of course, Pakistan and the United States, as you mentioned, have had this wonderful relationship and especially going with the war on terrorism, but the average Pakistani has this fear that when the United States loses interest, it walks away. And how would you allay those fears of the people here?

**Secretary Rice:** I would say to the people of Pakistan that the United States will be a friend for life, that we understand that at one time in our history we did not maintain and continue a deep relationship with Pakistan after having shared strategic interests during the Cold War. I believe that we paid a price for that in the United States and that Pakistan paid a price. And so we remain and will remain committed to this relationship for the long term.

**Ms. Currim:** And there have been concerns here in Pakistan about a proposed anti-missile system, the Patriot system, to India. How do you respond to that? Do you think that that would really upset the balance of power here in the region?

**Secretary Rice:** I am here, in part, to talk about strategic relationships, to talk about defense needs and defense cooperation. We are always concerned about the military balance in South Asia, as we're concerned about the military balance worldwide. But I would note that this is a good time, we believe, for relations between India and Pakistan. We understand that there are still deep differences to overcome. We understand the history. But we've been very impressed with how President Musharraf and now Prime Minister Singh and Prime Minister Vajpayee before him have been charting a course for a more peaceful relationship between the two countries. And I understand that there will even be a cricket match that President Musharraf will attend, and I promise that I'm going to learn to understand cricket. (Laughter.)

**Ms. Currim:** And, of course, one of the other issues that has been talked about was the sale or proposed sale of F-16 fighter jets to India and Pakistan. Now, Pakistan, of course, has purchased F-16s which haven't been delivered, so what is the status of both F-16s at this point?

**Secretary Rice:** Well, we continue to discuss the defense requirements of Pakistan. We are, of course, interested in those defense requirements and we've had good discussions here about the strategic relationship, about the defense cooperation, and we'll continue to have those discussions.

**Ms. Currim:** And you mentioned earlier the peace process between Pakistan and India, and Kashmir remains the major issue that Pakistan is very, very concerned about. Are you going to be bringing any suggestions that could help that process along, especially on Kashmir?

**Secretary Rice:** So far the parties have been making a lot of progress themselves on matters that really matter to ordinary people, people who want to travel and the people in Kashmir, and that is a process that is underway and that we fully support.

We do not believe that the United States can play a mediating role in the crisis or the differences over Kashmir, but certainly we want to be supportive of those discussions. We want to be supportive of efforts to bring a better life, a more -- a life with greater political participation for the people of Kashmir. And we want to see an end to the kind of violence that has wracked Kashmir and both India and Pakistan.

**Ms. Currim:** And, of course, in New Delhi you talked about the proposed gas pipeline project between Iran, India and Pakistan, and you said that you were opposed to it. Now, if that project were to go ahead, what would be the U.S. response to that?

**Secretary Rice:** Well, we're certainly concerned about it and we've made very clear our views. I wouldn't want to speculate on the U.S. response, but what we do understand is that this is emblematic of the fact that there are energy needs that growing economies have, the growing economy of India, the growing economy of Pakistan. In fact, the American growing economy has very dire energy needs. And we are all going to have to pool our technologies and our thinking to see if we can't find ways that are environmentally sound and that can meet the burgeoning demands for energy.

**Ms. Currim:** And last month, of course, when you were in London, I believe, you said that attacking Iran was not in the U.S. agenda at this point in time and that diplomacy can play a role. Now, what direction would U.S. policy be taking toward Iran? It's been some time now since you made that statement.

**Secretary Rice:** After we left - after the President left Europe, I worked with my colleagues in Europe and I think we've forged now a common approach concerning Iran's nuclear program. The goal here is to get Iran to live up to its international obligations not to seek a nuclear weapon under cover of civilian nuclear power development. And we and the Europeans have come to a common framework. We are working with them and we will continue to do that.

There is plenty of room here for diplomacy, but Iran needs to take the offer that is being made to them to demonstrate that they are going to live up to their international obligations.

We are concerned also about Iran's role in terrorism, about the role that, for instance, Iran plays in supporting groups that would destabilize the now developing chance for peace between the Israelis and the Palestinians.

And, of course, the Iranian people, like all people, deserve a chance to live in freedom....■

18 March 2005

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## DOCUMENT No. 16

### REPORT OF THE UN SECRETARY-GENERAL ON "LARGER FREEDOM: TOWARDS DEVELOPMENT, SECURITY AND HUMAN RIGHTS FOR ALL"

#### Executive Summary

#### Introduction: A Historic Opportunity in 2005

In September 2005, world leaders will come together at a summit in New York to review progress since the Millennium Declaration, adopted by all Member States in

2000. The Secretary-General's report proposes an agenda to be taken up, and acted upon, at the summit. These are policy decisions and reforms that are actionable if the necessary political will can be garnered.

Events since the Millennium Declaration demand that consensus be revitalized on key challenges and priorities and converted into collective action. The guiding light in doing so must be the needs and hopes of people everywhere. The world must advance the

causes of security, development and human rights together, otherwise none will succeed. Humanity will not enjoy security without development, it will not enjoy development without security, and it will not enjoy either without respect for human rights.

In a world of inter-connected threats and opportunities, it is in each country's self-interest that all of these challenges are addressed effectively. Hence, the cause of larger

freedom can only be advanced by broad, deep and sustained global cooperation among States. The world needs strong and capable States, effective partnerships with civil society and the private sector, and agile and effective regional and global intergovernmental institutions to mobilize and coordinate collective action. The United Nations must be reshaped in ways not previously imagined, and with a boldness and speed not previously shown.

### **I. Freedom from Want**

The last 25 years have seen the most dramatic reduction in extreme poverty the world has ever experienced. Yet dozens of countries have become poorer. More than a billion people still live on less than a dollar a day. Each year, 3 million people die from HIV/AIDS and 11 million children die before reaching their fifth birthday.

Today's is the first generation with the resources and technology to make the right to development a reality for everyone and to free the entire human race from want. There is a shared vision of development. The Millennium Development Goals (MDGs), which range from halving extreme poverty to putting all children into primary school and stemming the spread of infectious diseases such as HIV/AIDS, all by 2015, have become globally accepted benchmarks of broader progress, embraced by donors, developing countries, civil society and major development institutions alike.

The MDGs can be met by 2015 - but only if all involved break with business as usual and dramatically accelerate and scale up action now.

In 2005, a "global partnership for development" -- one of the MDGs reaffirmed in 2002 at the International Conference on Financing for Development at Monterrey, Mexico and the World Summit on Sustainable Development in Johannesburg, South Africa -- needs to be fully implemented. That partnership is grounded in mutual responsibility and accountability - developing countries must strengthen governance, combat corruption, promote private sector-led growth and maximize domestic resources to fund national development strategies, while developed countries must support these efforts through increased development assistance, a new development-oriented trade round and wider and deeper debt relief.

The following are priority areas for action in 2005:

**National Strategies:** Each developing country with extreme poverty should by 2006 adopt and begin to implement a national development strategy bold enough to meet the MDG targets for 2015. Each strategy needs to take into account seven broad

“clusters” of public investments and policies: gender equality, the environment, rural development, urban development, health systems, education, and science, technology and innovation.

**Financing for Development:** Global development assistance must be more than doubled over the next few years. This does not require new pledges from donor countries, but meeting pledges already made. Each developed country that has not already done so should establish a timetable to achieve the 0.7% target of gross national income for official development assistance no later than 2015, starting with significant increases no later than 2006, and reaching 0.5% by 2009.

The increase should be front-loaded through an International Finance Facility, and other innovative sources of financing should be considered for the longer term. The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria must be fully funded and the resources provided for an expanded comprehensive strategy of prevention and treatment to fight HIV/AIDS. These steps should be supplemented by immediate action to support a series of “Quick Wins” – relatively inexpensive, high-impact initiatives with the potential to generate major shortterm gains and save millions of lives, such as free distribution of anti-malarial bednets.

**Trade:** The Doha round of trade negotiations should fulfil its development promise and be completed no later than 2006. As a first step, Member States should provide duty-free and quota-free market access for all exports from the Least Developed Countries.

**Debt Relief:** Debt sustainability should be redefined as the level of debt that allows a country to achieve the MDGs and to reach 2015 without an increase in debt ratios.

New action is also needed to ensure **environmental sustainability**. Scientific advances and technological innovation must be mobilized now to develop tools for mitigating **climate change**, and a more inclusive international framework must be developed for stabilizing greenhouse gas emissions beyond the expiry of the Kyoto Protocol in 2012, with broader participation by all major emitters and both developed and developing countries. Concrete steps are also required on **desertification** and **biodiversity**.

Other priorities for global action include stronger mechanisms for **infectious disease** surveillance and monitoring, a world-wide early warning system on **natural disasters**, support for **science and technology** for development, support for **regional infrastructure** and institutions, reform of **international financial institutions**, and more effective cooperation to manage **migration** for the benefit of all.

## **II. Freedom from Fear**

While progress on development is hampered by weak implementation, on the security side, despite a heightened sense of threat among many, the world lacks even a basic consensus - and implementation, where it occurs, is all too often contested.

The Secretary-General fully embraces a broad vision of collective security. The threats to peace and security in the 21st century include not just international war and conflict, but terrorism, weapons of mass destruction, organized crime and civil violence. They also include poverty, deadly infectious disease and environmental degradation, since these can have equally catastrophic consequences. All of these threats can cause death or lessen life chances on a large scale. All of them can undermine States as the basic unit of the international system.

Collective security today depends on accepting that the threats each region of the world perceives as most urgent are in fact equally so for all. These are not theoretical issues, but ones of deadly urgency.

The United Nations must be transformed into the effective instrument for preventing conflict that it was always meant to be, by acting on several key policy and institutional priorities:

**Preventing Catastrophic Terrorism:** States should commit to a comprehensive anti-terrorism strategy based on five pillars: dissuading people from resorting to terrorism or supporting it; denying terrorists access to funds and materials; deterring States from sponsoring terrorism; developing State capacity to defeat terrorism; and defending human rights. They should conclude a comprehensive convention on terrorism, based on a clear and agreed definition. They should also complete, without delay, the convention for the suppression of acts of nuclear terrorism.

**Nuclear, Chemical and Biological Weapons:** Progress on both disarmament and non-proliferation are essential. On disarmament, nuclear-weapon States should further reduce their arsenals of non-strategic nuclear weapons and pursue arms control agreements that entail not just dismantlement but irreversibility, reaffirm their commitment to negative security assurances, and uphold the moratorium on nuclear test explosions. On non-proliferation, the International Atomic Energy Agency's verification authority must be strengthened through universal adoption of the Model Additional Protocol, and States should commit themselves to complete, sign and implement a fissile material cut-off treaty.

**Reducing the Prevalence and Risk of War:** Currently, half the countries emerging from violent conflict revert to conflict within five years. Member States should create an inter-governmental Peace building Commission, as well as a Peace building Support Office within the UN Secretariat, so that the UN system can better meet the challenge of helping countries successfully complete the transition from war to peace. They should also take steps to strengthen collective capacity to employ the tools of mediation, sanctions and peacekeeping (including a "zero tolerance" policy on sexual exploitation of minors and other vulnerable people by members of peacekeeping contingents, to match the policy enacted by the Secretary-General).

**Use of Force:** The Security Council should adopt a resolution setting out the principles to be applied in decisions relating to the use of force and express its intention to be guided by them when deciding whether to authorize or mandate the use of force.

Other priorities for global action include more effective cooperation to combat **organized crime**, to prevent illicit trade in **small arms and light weapons**, and to remove the scourge of **landmines**, which still kill and maim innocent people and hold back development in nearly half the world's countries.

### **III. Freedom to Live in Dignity**

In the Millennium Declaration, Member States said they would spare no effort to promote democracy and strengthen the rule of law, as well as respect for all internationally recognized human rights and fundamental freedoms. And over the last six decades, an impressive treaty-based normative framework has been advanced.

But without implementation, these declarations ring hollow. Without action, promises are meaningless. People who face war crimes find no solace in the unimplemented words of the Geneva Conventions. Treaties prohibiting torture are

cold comfort to prisoners abused by their captors, particularly if the international human rights machinery enables those responsible to hide behind friends in high places. War-weary populations despair when, even though a peace agreement has been signed, there is little progress towards government under the rule of law. Solemn commitments to strengthen democracy remain empty words to those who have never voted for their rulers, and who see no sign that things are changing.

Therefore, the normative framework that has been so impressively advanced over the last six decades must be strengthened. Even more important, concrete steps are required to reduce selective application, arbitrary enforcement and breach without consequence. The world must move from an era of legislation to implementation.

Action is called for in the following priority areas:

**Rule of Law:** The international community should embrace the “responsibility to protect”, as a basis for collective action against genocide, ethnic cleansing and crimes against humanity. All treaties relating to the protection of civilians should be ratified and implemented. Steps should be taken to strengthen cooperation with the International Criminal Court and other international or mixed war crimes tribunals, and to strengthen the International Court of Justice. The Secretary-General also intends to strengthen the Secretariat’s capacity to assist national efforts to re-establish the rule of law in conflict and post-conflict societies.

**Human Rights:** The Office of the High Commissioner for Human Rights should be strengthened with more resources and staff, and should play a more active role in the deliberations of the Security Council and of the proposed Peacebuilding Commission. The human rights treaty bodies of the UN system should also be rendered more effective and responsive.

**Democracy:** A Democracy Fund should be created at the UN to provide assistance to countries seeking to establish or strengthen their democracy.

#### **IV. Strengthening the United Nations**

While purposes should be firm and constant, practice and organization need to move with the times. If the UN is to be a useful instrument for its Member States, and for the world’s peoples, in responding to the challenges laid out in the previous three parts, it must be fully adapted to the needs and circumstances of the 21st century.

A great deal has been achieved since 1997 in reforming the internal structures and culture of the United Nations. But many more changes are needed, both in the executive branch - the Secretariat and the wider UN system - and in the UN’s intergovernmental organs:

**General Assembly:** The General Assembly should take bold measures to streamline its agenda and speed up the deliberative process. It should concentrate on the major substantive issues of the day, and establish mechanisms to engage fully and systematically with civil society.

**Security Council:** The Security Council should be broadly representative of the realities of power in today’s world. The Secretary-General supports the principles for reform set out in the report of the High-level Panel, and urges Member States to consider the two options, Models A and B, presented in that report, or any other viable proposals in terms of size and balance that have emerged on the basis of either Model. Member States should agree to take a decision on this important issue before the Summit in September 2005.

**Economic and Social Council:** The Economic and Social Council should be reformed so that it can effectively assess progress in the UN's development agenda, serve as a high-level development cooperation forum, and provide direction for the efforts of the various intergovernmental bodies in the economic and social area throughout the UN system.

**Proposed Human Rights Council:** The Commission on Human Rights suffers from declining credibility and professionalism, and is in need of major reform. It should be replaced by a smaller standing Human Rights Council, as a principal organ of the United Nations or subsidiary of the General Assembly, whose members would be elected directly by the General Assembly, by a two-thirds majority of members present and voting.

**The Secretariat:** The Secretary-General will take steps to re-align the Secretariat's structure to match the priorities outlined in the report, and will create a cabinet-style decision-making mechanism. He requests Member States to give him the authority and resources to pursue a one-time staff buy-out to refresh and re-align staff to meet current needs, to cooperate in a comprehensive review of budget and human resources rules, and to commission a comprehensive review of the Office of Internal Oversight Services to strengthen its independence and authority.

Other priorities include creating better system coherence by strengthening the role of **Resident Coordinators**, giving the **humanitarian response system** more effective stand-by arrangements, and ensuring better protection of **internally displaced people**. **Regional organizations**, particularly the African Union, should be given greater support. The Charter itself should also be updated to abolish the **"enemy clauses"**, the **Trusteeship Council** and the **Military Staff Committee**, all of which are outdated.

**Conclusion: Opportunity and Challenge** It is for the world community to decide whether this moment of uncertainty presages wider conflict, deepening inequality and the erosion of the rule of law, or is used to renew institutions for peace, prosperity and human rights. Now is the time to act. The annex to the report lists specific items for consideration by Heads of State and Government. Action on them is possible. It is within reach. From pragmatic beginnings could emerge a visionary change of direction for the world. ■

21 March 2005  
<<http://www.un.org/largerfreedom/executivesummary.pdf>>

#### DOCUMENT NO. 17

### **PRESS REMARKS OF PRIME MINISTER SHAUKAT AZIZ ON THE CONCLUSION OF TALKS WITH CHINESE PREMIER, 5 APRIL 2005 ISLAMABAD**

**Premier Wen Jiabao,  
Our Chinese friends,  
Ladies and Gentlemen,**

We are delighted and honoured by the presence of Premier Wen Jiabao and our Chinese friends in Islamabad.

Premier Wen Jiabao's visit is of historic significance. It is yet another milestone in further strengthening and deepening of Pakistan-China friendship and cooperation.

Ties between our two countries are rooted in antiquity. These multi-dimensional ties, span several millenniums.

We are not only geographically contiguous but are both proud inheritors of a glorious past and have a distinct sense of shared destiny.

These ties have been renewed and re-invigorated, for over half a century, by each succeeding generation.

Our friendship is based on complete trust. It is "all weather and time tested" and has withstood changes in the global and regional environment.

It is mightier than the Himalayas and deeper than the Oceans.

There is a complete identity of views between our two countries on global and regional issues.

China continues to play an important role in promoting global peace. China is an important factor for peace and stability in South Asia.

Today we have signed a Treaty of Friendship, Cooperation and Good-Neighbourly Relations.

This treaty is unique. First for Pakistan and cannot be replicated.

Both countries have committed themselves to carry forward their strategic partnership in the interest of global and regional peace.

This Treaty will ensure the further blossoming of Pakistan-China friendship in all domains.

It will translate into reality, in a big way, the dividends of our close strategic partnership for the peoples of our two countries and the region as a whole.

Pakistan is proud of the great economic accomplishments of Chinese people under their sagacious leadership.

China is today the powerhouse of global economy. It is the driving engine for growth and development in Asia.

China's phenomenal economic transformation is a source of strength for Pakistan.

We have agreed to launch the Second Chashma Nuclear Power Plant. The groundbreaking ceremony of Chashma-II will take place on 8 April.

Our cooperation in the field of defence is in the interest of peace and stability of our region. We deeply appreciate the contribution that China continues to make to assist Pakistan in meeting its legitimate security requirements.

The acquisition of four Frigates from China will add a new dimension to the ongoing close cooperation between the two Navies.

We are determined to make our economic and commercial relations commensurate with our close political ties.

Today we have signed the Early Harvest Programme, which is part one of Pakistan-China FTA. For Pakistan, it means that all important items of our exports, including textiles, surgical instruments, sports goods as well as Mangoes, Citrus and Rice, etc., will have full market access in China at zero tariffs.

The Early Harvest Programme would contribute to "quadrupling" our present trade of approximately \$ 3 billion in the next two years.

Both sides have put the Free Trade negotiations on the fast track. For Pakistan, FTA with China is a priority. This is also an important event as it is the first FTA related agreement that China has signed with any country of the world. It thus demonstrates the every special relationship between our two countries.

We have also today signed a host of agreements related to Agriculture, joint investment in manufacturing sector, Quarantine Certification for Pakistani products, such as Rice, Mangoes, Citrus, etc. Also on export of live animals from China through Pakistan to the world, border road transportation rules, cooperation in the field of information Technology as well as Education.

We are grateful to the Chinese Government, which has consented to build a Friendship Centre in Islamabad.

Arrangements have also been finalized for the setting up of Centres for Chinese Language and Civilizational Studies in Pakistan.

Both sides have also agreed to further strengthen their ongoing cooperation in countering terrorism, separatism and extremism.

The Chinese Government is assisting Pakistan in several mega economic projects. The Karakoram Highway and the Gwadar Deep Seaport are just two great symbols of Pakistan-China cooperation in the public sector.

We have now set the stage for enhancing private sector cooperation. This will have a tremendous beneficial impact for Pakistan's economy. Chinese investments and joint ventures will enjoy preferential terms in specific economic zones.

The plus twenty agreements that have been signed today both in the public and private sectors are a manifestation of the determination of the two governments to usher a new era of close collaboration and cooperation to fully utilize our enormous collective potential for assuring economic growth, development and prosperity for our peoples.

Pakistan has already granted "transit trade" corridor to China for its imports and exports. We will also cooperate closely in the field of energy. Pakistan will be happy to provide an "energy corridor" to China.

I can say with full confidence that Pakistan-China relations will grow in strength each passing day.

We believe that our "all dimensional" and "all directional partnership" is in the fundamental interest of the people of Pakistan, the people of China, the peoples of our region and the world.

Premier Wen Jiabao's visit has opened "new" avenues for realizing our enormous potential and build on the vast reservoir of goodwill that exists between our two countries for peace, progress and prosperity of our peoples. ■

*Source:* Press Information Department, 5 April 2005

**DOCUMENT No. 18****KEYNOTE SPEECH BY H.E. DR. SURAKIART SATHIRATHAI  
DEPUTY PRIME MINISTER OF THAILAND AT THE FOURTH ASIA  
COOPERATION DIALOGUE MINISTERIAL MEETING ISLAMABAD**

**Your Excellency Shaukat Aziz,  
Prime Minister of the Islamic Republic of Pakistan,  
Your Excellency Wen Jiabao,  
Premier of the People's Republic of China,  
Excellencies,  
Distinguished Guests,  
Ladies and Gentlemen,**

Please allow me to express my sincere appreciation to His Excellency the Prime Minister and Minister of Foreign Affairs of the Islamic Republic of Pakistan for the invitation and the distinct honour of joining the past and present hosts of the ACD Ministerial Meetings in addressing the Inaugural Session of the 4<sup>th</sup> Asia Cooperation Dialogue Ministerial Conference in Islamabad.

Pakistan was one of the key players in the inception of the ACD. As ACD coordinator, Thailand has been working closely with Pakistan who continues to play an active role in advancing the ACD process. I am confident that this fourth ACD Ministerial Meeting, held for the first time in South Asia, will once again prove to be a successful forum in advancing the goals of ACD as we strive towards the realization of a prosperous Asian community.

**Excellencies,**

As our ACD is entering its fourth year, we have 26 members as opposed to 18 when we were inaugurated in June 2002 in Thailand. Time wise, our cooperation may remain nascent. But judging by number, it was some 44% expansion in 3 years. The members represent more than half of the countries in Asia from every regional grouping and every geographical sub-region of our continent. The membership is indeed pan-Asia, representing everything that is Asia, economically, culturally, as much as the value and its diversity. Our 19 cooperation components are progressing well. Our New York meetings have proved to be a useful dialogue forum. For barely just three years, we have started to build a sense of Asian community, thanks to all of you. This is quite a remarkable achievement by any standard.

But you know it as much as I do that this is only the beginning. If the ACD is to bring real and tangible peace and prosperity to our people in Asia, the tasks ahead of us remain colossal. A long and winding road ahead is still awaiting. But getting there, we will.

As envisaged by my Prime Minister Dr. Thaksin Shinawatra upon launching the ACD in 2002, this first ever framework for continent-wide cooperation is paving way for a strong and prosperous Asia. The ACD's guiding principles of positive thinking, non-institutionalization, respect for diversity, and comfort level, have served us well. Unlike in the past, Asia is now utilizing the continent's enormous wealth and assets. Unlike the past, Asia is now learning to turn diversity into strength. Putting history behind us, Asia is now cooperating much more consistently through various

building blocks such as ASEAN, SAARC, GCC, CICA, BIMSTEC, Shanghai Cooperation Organization, and East Asia Community to bridge our gaps to reduce poverty, conflicts and misunderstanding.

Today, Asia's building blocks are linked by, the ACD for tomorrow's stronger and more prosperous Asian community. Ultimately, Asia's wealth and strength is not merely beneficial to Asia but will also be significant contribution to security, peace and prosperity for the rest of the world.

Excellencies,

With that scenario in mind, what can the ACD do?

In simplest term, the ACD must help Asia meet the challenges of today and tomorrow. The ACD must place these challenges high on its agenda. And the ACD must be the platform that incorporates Asian countries to create an Asian community on the one hand, and reaches out for partnership with others.

Let me turn now to some of these challenges.

Poverty is a major obstacle for Asia to achieve sustainable growth and becoming a stronger partner for other regions. Poverty eradication begins at home and should be guided by the principles of self-help and partnership. Relying only on foreign assistance or ODA and encouraging growth from exports alone cannot eradicate poverty. We must double and quadruple our effort to strengthen our grassroots economy. They are the backbone of our economic strength. With different levels of economic development in Asia, we can share our experiences, our misgivings and our best practices to combine our efforts to reduce poverty and inequity both within each country and amongst each other.

The second challenge is human resource development. Asia's competitiveness in SMEs cooperation, agriculture, tourism, and e-education cannot be enhanced without capacity building and increasing the quality of our workforce. The establishment of an "ACD Human Resources Development Center" and an ACD Study Center as proposed by the ACD Think Tanks Symposium in Thailand last year are important initiatives in sharing available resources and expertise based on our diverse strength.

The third major challenge is energy. The continual rise in oil prices is of critical concern to all of us. The volatility of oil prices has forced Asian countries to look for a common and comprehensive energy security strategy that seeks new and alternative energy, especially renewable energy, and policies to increase energy sufficiency.

Asia is home to some of the world's major energy producers as well as consumers. We need to reverse the gap between production and consumption levels in Asia as tight supplies and high prices could undermine the economic growth and development in Asia. The energy situation, if not well managed, could slow down our effort to reduce and eradicate poverty. Our commitment to the Qingdao Initiative as endorsed at the Third ACD Ministerial Meeting in China in June 2004 is crucial to attaining energy sustainability in Asia for long-term development. The proposal for an "Asian Energy Community" is well worth every consideration to enhance further cooperation between energy producing and energy consuming countries in Asia.

The fourth major challenge of Asia is financial instability. Thailand as prime mover on financial cooperation is working in partnership with the ACD members in designing a new financial architecture in Asia. We are committed to the development

of a regional bond market as envisaged in the Chiang Mai Declaration adopted by the ACD Foreign Ministers in June 2003. Asian countries have previously concentrated their efforts on the development of the demand side of the Asian Bond Market. We are now focusing our efforts on the supply of bonds and market infrastructure with emphasis placed on promoting the supply of quality bond denominated in local currency.

The fifth major challenge is natural disaster. The December 26 Tsunami disaster left a devastating impact of unprecedented scale on Asia. Yet, Asia was quick to respond, starting with the Jakarta Summit, the China-ASEAN meeting and the Phuket Ministerial Meeting on Regional Cooperation on Tsunami Early Warning Arrangements which I was honoured to chair. The tsunami disaster reemphasized how prone Asia can be to natural catastrophe. Preventive measures and relief arrangements for all natural disasters become imperative. I propose that we should consider an ACD standby arrangement for relief operation where we share check-lists relief operation apparatus and equipment ready to be on emergency call wherever a disaster strikes in Asia.

Finally, there is a question of environmental degradation and preservation. Asia is rich with natural resources, biodiversity, tropical forests and sanctuaries. But are we taking good care of our ecosystem enough to hand it over to our children and their children in good shape? How have we done with our air, our water, and our noise pollution? Perhaps, our ACD should look into the Asian wisdom to protect and preserve our ecosystem. Nature and environment preservation, after all, is not for competing but collaboration.

**Excellency the Prime Ministers,**

**Excellencies,**

**Distinguished Guests, Ladies and gentlemen,**

No doubt, the ACD will continue to grow and expand. As we are doing so, many countries and organizations, even outside Asia, express their interests in engaging with the ACD. For the ACD to be beneficial mutually both for Asia and the rest of the world, we must not be shut in. On the contrary, we must formulate linkages to open up with others outside the continent. By engaging those interested countries, we can reach the ultimate goal of not only to increase Asia's competitiveness and capacity, but also to build Asia as a stronger partner for the global community.

As we progress in all-our cooperation projects, which range from energy security to e-education, from agriculture to IT development, from tourism to science and technology, from SMEs cooperation to road safety, there seems to be increasing need to seek more mandate and more commitment. The ACD is progressing so well and so fast that it has reached a stage that requires refreshing mandate from the leaders to inject strength and guidance on the future direction towards the goal of realizing an Asian Community. The ACD project and dialogue components may have reached a stage where blessings by our leaders would give the necessary mandate for sectoral Ministers to deepen and broaden the ACD cooperation. With this in mind, Thailand is offering, for your consideration, to host the first ACD Summit in the near future. More importantly, such an opportunity will provide leaders to exchange views as part of the dialogue component of the ACD which is important for the trust and confidence-building for Asia.

As we address the opportunities and challenges facing Asia, there is yet another front where Asia can provide significant contribution. I believe that while there is a unanimous call for reform, more efficiency more effectiveness and more transparency, the United Nations remains the most important multilateral system for global peace, security, prosperity and development. While reforming the UN to become more efficient, more effective and more transparent require thorough consideration, efforts and rational inputs from all, Asia must offer our share of contribution in the process. And there are many ways to do that. I do hope that members of ACD will all take active interest in this.

Equally, I believe that regional groupings serve as important foundation for effective multilateralism. There must be better mechanism to allow regional groupings to supplement the role of multilateralism. Last April, our Asian Group in New York reached a consensus to enable Asia to make more contribution to the multilateral system by announcing that since it has been 40 years that the last Secretary-General from Asia took office, the term of the next Secretary-General to succeed Kofi Annan would be Asia's turn. As the most populous continent and encompassing over a quarter of the UN's membership with its growing significance in the world affairs, Asian nations bear a high responsibility for strengthening multilateralism and contributing to the UN's effectiveness. We, ACD can move to support our New York Asian Group by working together proactively to gain similar consensus from elsewhere. Asia can take pride in this undertaking only when Asia chooses to favour Asia. Inevitably, the combined ACD efforts will be most meaningful to put an Asian to succeed Secretary-General Kofi Annan. I am confident that Asia, through our ACD, will not allow this opportunity to slip away.

Finally please allow me once again to thank His Excellency Prime Minister Shaukat Aziz, and the Government and people of the Islamic Republic of Pakistan for the warm hospitality extended to me and my delegation. I am confident that this fourth ACD Ministerial Meeting will be concluded on an extremely positive note under the Pakistani chairmanship and will provide the crucial political support for the future path for development and consolidation of the ACD process.

*Thank you. ■*

*Source:* Press Information Department, 6 April 2005

#### DOCUMENT NO. 19

### SPEECH BY PREMIER WEN JIABAO OF CHINA AT THE OPENING CEREMONY OF THE 4TH FOREIGN MINISTERS' MEETING OF ASIA COOPERATION DIALOGUE (ACD), ISLAMABAD

**Respected Prime Minister Aziz,  
Ladies and Gentlemen,**

I am very pleased to attend the opening ceremony of the 4th ACD Foreign Ministers' Meeting at the invitation of Prime Minister Aziz. Asian Foreign Ministers have this annual meeting to exchange views and talk candidly, which is important for enhancing mutual understanding and Asian cooperation. On behalf of the Chinese Government, I would like to warmly congratulate the meeting and wish it a complete success.

**Ladies and Gentlemen,**

Asia has a long, history with splendid cultures. Our ancestors were industrious and talented, making Asia the home of the early Chinese, Indian and Babylonian civilizations. For centuries, Asia led the world in agriculture, handicraft, water conservancy, medicine, mathematics and astronomy, making a tremendous contribution to human progress.

Asia went through untold tribulations yet showed a stunning resilience. Many Asian peoples have in their past suffered from aggression and ravage by the colonialism and imperialism, and they have won liberation and independence only after long and arduous struggles. The Asian peoples know better how precious peace is.

Asia says "No" to backwardness and presses ahead in development. Since the beginning of the second half of the last century, many Asian countries have vigorously explored development paths suitable to their national conditions, resulting in many newly industrialized countries rising to prosperity. Asia has become the world's fastest growing and most dynamic region economically.

Coming into the 21st century, Asia remains a dynamic region, facing a historical opportunity of rejuvenation and development generally. The relaxed international situation provides Asia with a favorable external environment and its rich natural and human resources and broad market give Asia an incomparable advantage for sustained economic growth. Institutional innovation, economic restructuring and technological leapfrogging in many countries provide Asian economies with a powerful driving force for development. Regional cooperation with unique Asian characteristics is well on the upswing, which promises to upgrade Asian competitiveness as a whole.

Notwithstanding the promise it holds out; Asia is a very complicated region in the world today. There are problems left over by history, such as territorial, ethnic and religious disputes. There are also hot-spot issues, uneven economic development, terrorism, transnational crime, environment degradation, spread of infectious diseases and other new problems. The existence and interweaving of all these problems have created a serious impediment to Asia's development.

In the face of the opportunities and challenges, we the Asian countries should take up our historic responsibility and renew our joint commitment to a new Asia with peace, stability, cooperation and development.

**Asia Needs Peace.** Peace is the precondition and guarantee for well-being and prosperity. Warfares or conflicts not only cause agony and suffering to the people but waste the time and opportunity for national development. Mutual respect, dialogue on an equal footing, friendly consultation and mutual understanding and accommodation, these are rational choices when it comes to resolving disputes and conflicts. We must spare no efforts to cultivate in Asia a regional environment of peace with mutual trust and lasting stability.

**Asia needs Stability.** Domestic stability is essential to all Asian countries. The affairs of a country should be decided by the people of that country. The international community should do more to help the country and the region to maintain its stability and give greater attention and assistance to the economically less developed countries. Developing Countries in Asia have a pressing need to develop their economies, shake

off poverty and backwardness, narrow the wealth gap and improve democracy and legal system so as to realize lasting stability at home.

**Asia needs Cooperation.** Regional cooperation is all the more important given the backdrop of the trend of economic globalization. The diversity in Asia provides ample space for inter state cooperation. We should focus on trade and economic cooperation while moving forward mutually beneficial cooperation across the board. In such key areas as energy exploration, environmental protection, resource utilization and financial dialogue, we, should establish and improve cooperation mechanisms and raise the level of cooperation steadily. We should move ahead with regional free trade arrangements step by step, properly address trade frictions and work hard to bring about a new cooperation pattern characterized by mutual complementarity, diversity and openness.

**Asia needs Development.** Most Asian countries are underdeveloped, with the combined poor population making two thirds of the world's total. To accelerate economic development and social progress is the strong desire of the Asian peoples and also a major task before all Asian countries. If Asia succeeds in achieving development and improving the living standards of its peoples, this is, in itself, a monumental contribution to the whole world. A truly Asian century will never materialize unless Asia develops as a whole.

**Ladies, and Gentlemen,**

China is a member of Asia. The Chinese people, like other Asian peoples, love peace, cherish stability, seek cooperation and commit to development. After years of probing forward, we have already found a development path suited to China's national conditions. It is a path of modernization with Chinese characteristics, a path of peaceful development.

By sticking to domestic reforms, removing the institutional barriers to productive forces. aid establishing a market economy system, we have succeeded in bringing out the maximum enthusiasm and creativity in the Chinese people. By sticking to opening up, participating in international economic cooperation and absorbing the achievements of new revolution in world science and technology, we have succeeded in upgrading the level of industrialization at home and closing the gap with the developed countries. In coping with the big challenges in resources and environment, China has made positive progress by mainly relying on its own efforts, while engaging in mutually beneficial cooperation with others, thus not causing trouble to others. And by adhering to the independent foreign policy of peace and strengthening good-neighbourliness and friendship with other countries, we have succeeded in securing an external environment favorable to our domestic development. The path of peaceful development is determined, essentially, by the objective requirement of our modernization drive. Following such a path over the past 20 years and more has not only enabled us to achieve development, but also generated opportunities to other Asian countries while promoting peace and development around the world.

It is with sincerity and firmness that China adheres to the path of peaceful development. No matter how international climate might change, the Chinese people will always be a trustworthy and reliable partner for the Asian peoples. Some people are worried that a stronger and more developed China will pose a threat to other countries. Such a worry is completely misplaced for the following reasons.

- **First, we will continue to concentrate ourselves on addressing domestic concerns.** China is still a developing country with a per capita GDP slightly over US\$ 1,000, ranking well behind the 100<sup>th</sup> place in the world. We still have a very long way to go before China is modernized. Even if we become stronger and more developed, we will not stand in the way of others, still less become a threat to others. China will never seek hegemony!
- **Second, we will continue to broaden and deepen our economic cooperation with other Asian countries.** Countries, large or small, rich or poor, are all our equal partners, and mutual benefit and win-win results are the goal we are dedicated to. China supports the role of Asia-based regional and sub-regional cooperation mechanisms and works hard to enhance political trust, deepen trade and economic cooperation, expand cultural exchanges, and strengthen security dialogue with other Asian countries, with a view to making greater contribution to Asian cooperation in all fields.
- **Third, we will continue to appropriately handle the issues left over by history.** Adhering to the Five Principles of Peaceful Coexistence and stepping up dialogue and consultation contribute to removing sticking points, increasing common understanding, and arriving at a proper settlement of the issues left over by history. Through consultations on an equal footing, mutual understanding and mutual accommodation, China has resolved the land boundary issue, which is left over by history, with most of its neighbors. We have reached agreement with some countries on the issue of having joint development in the South China Sea in accordance with the principle of shelving differences and going in for joint development. The Chinese Government will unswervingly pursue its policy of building good-neighborly relationships and partnerships with its neighbors and make solid efforts to improve and develop the friendly relations with other Asian countries.
- **Fourth, we will continue to play a constructive role in regional affairs.**  
China is a responsible country, having done its share in fending off the Asian financial crisis, combating the SARS epidemic and providing relief in the aftermath of the Indian Ocean tsunami. In the future, we will continue to uphold justice, champion fairness and protect the rights and interests of developing countries. With respect to maintaining economic security and combating major natural disasters, we will, as always, give our support and assistance. China's assistance to other countries to the best of its ability is sincere and selfless, with no conditions attached.
- **Fifth, we will continue to support Asia in keeping its door open to the outside world.** Our successful development has benefited from our policy of opening up. This is why we always believe that Asia should be open to the outside world while striving for development. Asian cooperation is not exclusive, nor is it targeted against any third party. China wishes to join the rest of Asia in welcoming the participation of

all countries and organizations in the world in Asia's development and their positive roles in this process.

**Ladies and Gentlemen,**

The 21<sup>st</sup> century sets the stage for Asia to accomplish great deeds. Asia's expectation hinges on its peace, stability, cooperation and development. Such a promising goal requires all of us the Asian countries to make tireless efforts. Let us work together with one heart to give Asia a still better future it deserves.

Thank you. ■

*Source:* Press Information Department, 6 April 2005

**DOCUMENT NO. 20**

**PAKISTAN, CHINA TREATY OF FRIENDSHIP  
[REPORT]**

ISLAMABAD, April 5: China on Tuesday held out a categorical assurance to Pakistan to defend its "sovereignty, independence and territorial integrity" as Prime Minister Wen Jiabao began a three-day visit to the country.

The two countries signed 22 agreements to boost cooperation in defence, political, trade and economic areas after formal talks between Prime Minister Wen Jiabao and his Pakistani counterpart Shaukat Aziz.

The two prime minister held over an hour-long exclusive meeting before they were joined by their delegations. The two leaders signed the 'Treaty of Friendship, Cooperation and Good Neighbourly Relations' and witnessed the signing of other accords that include agreement on combating terrorism, separatism and extremism.

The agreement on 'early harvest programme' would offer special tariff arrangements to 767 items and would form the basis of negotiations on the free-trade area.

Under this programme, all exportable items of Pakistan, including textile goods, surgical and sports goods, vegetable, fruits, rice, citrus and mangoes, will have market access in China with tariff reduced to zero from January 2006, while Pakistan will import machinery and raw material.

Talking to reporters with Prime Minister Wen Jiabao, Mr Aziz said the treaty of friendship "institutionalizes the broad-based and multi-faceted relations between Pakistan and China".

The two leaders described the talks 'productive'. Prime Minister Aziz said Pakistan-China friendship had entered a new era. Mr Aziz underlined the need for their private sectors to more actively contribute to these efforts.

Mr Wen complemented the sentiments of Mr Aziz and said Pakistan and China enjoyed all-weather cooperation. He said the two countries held similar view on various issues. "The talks marked a new stage in the Pakistan-China friendship," he added and noted a huge potential that needed to be tapped in areas of economy and trade.

Mr Wen said they discussed means to enhance mutual trust and broaden cooperation. He said the two countries resolved the issue of 'early harvest' under the FTA negotiations which, he added, would give a fresh impetus to their bilateral trade.

"I can assure my friends that you (Pakistan) can expect more and more Chinese enterprises coming into Pakistan and vice versa," he said. Prime Minister Aziz said the two countries had agreed to encourage their private sectors to promote mutual investment and enhance flow of goods to boost trade.

He appreciated the strides Pakistan had made in the economic field, saying the conducive investment of the country offered attractive opportunities to foreign investors.

Briefing newsmen about official talks, Pakistan Ambassador to China Salman Bashir said the 'most important' aspect of the talks were the "clear and unambiguous, categorical assurance by China to defend Pakistan's sovereignty, independence and territorial integrity".

Both countries would support each other's efforts to safeguard their territorial integrity, he added. Prime Minister Aziz informed the Chinese side about Pakistan's efforts for peace in the region and the ongoing composite dialogue process with India to resolve their outstanding issues, including Jammu and Kashmir.

He said the Chinese prime minister extended full support to Pakistan's efforts to see a peaceful resolution of the Jammu and Kashmir dispute. Mr Bashir said the two leaders had institutionalized the Pakistan-China strategic partnership by providing modalities and practical mechanism for future cooperation.

He said the agreement on anti-terrorism efforts would further intensify cooperation in this area. The ambassador said that the early harvest programme would quadruple the existing bilateral trade of nearly three billion dollars per year.

He said the conclusion of this programme was a major achievement for Pakistan and the two-way trade would see an exponential growth. Prime Minister Aziz also offered China the energy corridor.

He said the agreements on customs cooperation and in the agriculture field would further strengthen their ties. The agreements signed on Tuesday also included deepening of the Chinese-funded Gwadar port.

Interior Minister Aftab Sherpao and Chinese Foreign Minister Li Zhaoxing signed an accord on combating terrorism, separatism and extremism. Education Minister Javed Ashraf and his Chinese counterpart Zhou Ji signed an accord on executive programme on cooperation and exchanges in the sphere of education.

A framework agreement for naval frigates F22P was signed by Defence Production Minister Habibullah Warriach and Zhang Yunchuan, Minister for COSTIND. Commerce Minister Humayun Akhtar Khan and Bo Xilai, Minister for MOFCOM, signed the early harvest agreement of Pakistan China free trade area. A protocol on quarantine certification of rice was signed by Food Minister Sikandar Hayat Khan Bosan and Li Changjiang, Minister of AQSIQ.

A MoU on cooperation in the field of agriculture was signed by Minfal Secretary Ismail Qureshi and China's Vice Foreign Minister Wu Dawei. Food Minister Sikandar Bosan and Li Changjiang, Minister of AQSIQ, signed a protocol on quarantine certification of citrus.

An agreement on export of live animals to the Middle East and other destinations through Pakistan was signed by Mr Bosan and Mr Li Changjiang. A

Pakistan-China IT agreement was signed by IT Secretary Khalid Saeed and Wu Dawei, Vice Foreign Minister of China.

A MoU between the Higher Education Commission (HEC) of Pakistan and China Scholarship Council (CSC) on the Pakistan Government-funded students education programme in China was signed by HEC chairman Dr Attaur Rehman and Madam Zhang Xiuqin, Secretary General of China Scholarship Council.

An agreement on economic and technical cooperation was signed by adviser to the prime minister on finance Salman Shah and Bo Xilai, Minister for MOFCOM of China. Another agreement on cooperation and mutual assistance in customs matters was signed by Salman Shah and Chinese Foreign Minister Li Zhaoxing.

The two countries also signed 'Implementation rules of the agreement between Pakistan and China concerning international road transport'. Communications Minister Shamim Siddiqui and the Chinese foreign minister signed the document.

Export Promotion Bureau chairman Tariq Ikram and Wan Jiefi, Chairman CCPI, signed an agreement on cooperation between the EPB and the China Council for the Promotion of International Trade (CCPIT).

A MoU on the Confucius Institute between National Office for Teaching Chinese as Foreign Language (NOTCFL) and NUML was signed by Brig (retd) Aziz.

NUML Rector Ahmed Khan and Cao Guo Xing, Director-General of the Department of International Cooperation and Exchange, Ministry of Education, signed a related agreement.

The two countries also signed a MoU to begin negotiations on the free trade agreement (FTA) and on other trading issues. Commerce Minister Humayun Akhtar and Bo Xilai, Minister for MOFCOM, signed the MoU.

A MoU on strengthening of corporate entities of the two countries in manufacturing sector was signed by Privatization Minister Abdul Hafeez Shaikh and Bo Xilai, Minister for MOFCOM.

Addendum No.1 to the agreement for development of Duddar lead zinc deposits in Balochistan for change of performing party was signed by Naseer Mengal, Minister of State for Petroleum and Natural Resources, and Chen Yuan, Governor of the China Development Bank. Salman Shah and Bo Xilai, Minister for MOFCOM, exchanged letters for the study of Pakistan-China friendship centre project.

**Arrival:** The Chinese prime minister was accorded a warm welcome on his arrival here on Tuesday for a three-day visit. He was received by Prime Minister Shaukat Aziz, ministers and senior officials at the airport.

Prime Minister Aziz himself went to the airport to receive the Chinese prime minister, in a departure from routine protocol reflecting the strong and time-tested friendly relations between the two countries.

The formal welcome ceremony was held at the Prime Minister's House. The Chinese prime minister was accorded a 19-gun salute when he alighted from his special plane. A contingent of Pakistan Air Force presented salute to the Chinese prime minister, while an army band played welcomed tunes on the occasion.

The airport was decorated with flags of Pakistan and China and big portraits of presidents and prime ministers of the two countries. The route from airport to the Prime Minister's House was also decorated with welcome banners, bunting and flags of Pakistan and China.

**Fruit Export:** Talking to China's Minister for General Administration Li Changjiang, Prime Minister Aziz said Pakistan produced a variety of fruits and was now focusing on maintaining international standards to encourage their export.

Mr Aziz said Pakistan produced one of the best oranges, especially kinnoo, and expressed the hope that its export would increase. He said Pakistan took the quarantine issue very seriously and wanted to maintain high quality of its products as it recognized their importance in enhancing export of agriculture products.

The Chinese minister informed the prime minister that he had held useful talks with Food Minister Sikandar Hayat Bosan and they had signed agreements in the livestock sector. - APP/AFP ■

*Dawn*, 6 April 2005  
[<http://www.dawn.com/2005/04/06/top2.htm>](http://www.dawn.com/2005/04/06/top2.htm)

## DOCUMENT No. 21

### THE ACD DECLARATION [TEXT]

Following is the complete text of the declaration of 4th Asia Cooperation Dialogue Ministerial meeting held here on Wednesday.

#### **Islamabad Declaration**

We, the Ministers of Foreign Affairs and other Heads of Delegations from 26 member countries of the Asia Cooperation Dialogue (ACD), namely, the Kingdom of Bahrain, the People's Republic of Bangladesh, the Kingdom of Bhutan, Brunei Darussalam, the Kingdom of Cambodia, the People's Republic of China, the Republic of India, the Republic of Indonesia, the Islamic Republic of Iran, Japan, the Republic of Kazakhstan, the Republic of Korea, the State of Kuwait, the Lao People's Democratic Republic, Malaysia, Mongolia, the Union of Myanmar, the Sultanate of Oman, the Islamic Republic of Pakistan, the Republic of the Philippines, the State of Qatar, the Republic of Singapore, the Democratic Socialist Republic of Sri Lanka, the Kingdom of Thailand, United Arab Emirates, and the Socialist Republic of Viet Nam, gathered here in Islamabad, Pakistan for the 4th ACD Ministerial Meeting.

Recall Asia's glorious heritage and civilizations. Asia is rich in resources, culture, wisdom, skills and talents. In this opening decade of the 21st century Asia is well positioned to emerge as a new shining star on the global horizon.

Recall the Declaration on Asian Cooperation - Hand in Hand for better Asia adopted by the 3rd Ministerial Meeting of the Asia Cooperation Dialogue at Qingdao, Peoples Republic of China.

Note the transformation taking place in the global political and economic environment that reinforces the need for cooperation among all States particularly Asian states to realize the vision of an Asian community.

Cognizant of the common challenges facing Asia, especially in terms of energy scarcity, poverty, and financial instability, we are determined to overcome these challenges through cooperation and solutions based on the sharing of resources and expertise, thereby resulting in sufficient energy allocation, the alleviation of poverty, and an effective financial infrastructure.

Recognize the need for resolving longstanding political disputes and other political crises through peaceful means and for enhancing tolerance and respect through political and social systems in the true spirit of peaceful co-existence.

Renew our commitment to the purposes and principles of the UN Charter and universally recognized international norms and underline the primacy of the United Nations and the need for the strengthening of the UN system including the Security Council and ECOSOC to address various challenges to peace and development.

Recognize Asia's growing contribution and significance in world affairs, which can positively reinforce multilateralism with the UN at the core and that in this regard support the Asian group's decision that since it is the turn of Asia, therefore, the next UN Secretary General should come from Asia.

Recognize that broad sweep of globalization is shaping international society, which is more aware, open, and inter-dependent. Asian states must position themselves to benefit from globalization, enhance mutually beneficial interlinkages and develop positive dependencies.

Resolve to direct the phenomenon of globalization towards the greater benefit of all regions of the world especially the marginalized sub-regions of Asia, thereby alleviating poverty, ensuring better trade terms and opportunities to developing countries, sharing advanced technology for human good, protecting the environment and creating decent job opportunities for all.

Aware that the most effective response to globalization is greater regional economic and commercial cooperation. These trends are particularly robust in the Asian region, which has witnessed important processes that will shape the future of our region and the world.

A peaceful and prosperous Asian neighbourhood is our goal, which we will pursue vigorously, Recognize that the destiny of the peoples of Asia, as of the world, is inextricably linked. Asia is a vast continent with immense resources. We are determined to build upon our rich Asian civilization and utilize economic complementarities in our common pursuit for ensuring a peaceful and prosperous future for Asia and the world.

Underline the importance of cooperation in disaster mitigation and preparedness in view of the devastating impact that natural disasters pose to development in the region.

Firmly believe that we must create a win-win situation for Asia by forging greater cooperation. We, therefore, value the contribution by regional cooperation mechanisms, *inter alia* the Association of Southeast Asian Nations (ASEAN), ASEAN plus three (China, Japan and Republic of Korea (ROK) cooperation, the Shanghai Cooperation Organization (SCO), the South Asian Association for Regional Cooperation (SAARC), the Economic Cooperation Organization (ECO), the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), the Conference of Interaction and Confidence Building Measures (CICA) and the Gulf Cooperation Council (GCC), Greater Mekong Sub-region Cooperation (GMS), Mekong - Ganga Cooperation (MCG), The Ayeyawady - Chao Phraya - Mekong Economic Cooperation Strategy (ACMECS) for enhancement of mutual trust and understanding and the promotion of regional economic cooperation and integration.

We recognize that these endeavours have created a network of cooperation and laid a solid foundation for a greater Asian neighbourhood towards which the ACD has emerged as an important forum encompassing the whole of Asia.

Emphasize the constructive role of ACD as an important link between all sub regions, building upon Asia's potentials, its strengths and diversity through supplementing and complementing existing cooperative frameworks.

Attach great importance to developing a common strategy for enhancing the future of Asia and its potential, not only by promoting region-wide cooperation, but also advancing Asia's interest and aspiration in the global community. Asian nations should coordinate their positions on issues impacting upon the peace and prosperity of the region and the world community as a whole.

Note with satisfaction the advancements made in each area of cooperation under the ACD, including poverty alleviation, financial cooperation, tourism, SMEs cooperation, biotechnology, IT development, energy security, e-education, agriculture, strengthening of legal infrastructure, standardization, environmental education and road safety, and in particular the heightened commitment by member countries through the coming years to organize activities which reflect the accelerated evolution of ACD dynamism. To this end, we reaffirm the commitment of the ACD member states to:

- (i) Render firm political support to the Asian Bond Market Development Initiative undertaken by the relevant fora in terms of market demand, supply and infrastructure development essential for the realization of fully developed Asian Bond Markets, which would ultimately lead to the creation of an effective, stable and dependable financial architecture for Asia;
- (ii) Reduce the high incidence of poverty in the Asian region by reinforcing active ACD Cooperation through sharing of best practices and exchange of information among Asian countries on working children and their rehabilitation by promoting multilateral cooperation on developing and implementing a realistic educational and vocational training programme and by seeking partnership of NGOs, private sector and civil society;
- (iii) Fully implement the joint initiative of ACD Agricultural Ministers on priority areas and modalities for agricultural cooperation for the common agricultural development in Asia;
- (iv) Strengthen cooperation in Energy Security as described in the "Qingdao Initiative" and to intensify dialogue on the need for establishing a forum on energy;
- (v) Identify steps designed to bridge the digital divide among the ACD countries;
- (vi) Resolve to ensure the provision of easily accessible and expanded educational opportunities for the peoples of Asia with the proposal for the establishment of an Asia e-University which will be an instrument for greater Asia-wide cooperation in closing the digital divide and spearheading e-Education efforts to meet future challenges, for the benefit of the region;

- (vii) Reinforce the role of SMEs in economic development through increased exchanges and information sharing amongst SME's in the ACD countries;
- (viii) Increase efforts for the harmonization of standards amongst the ACD countries with a view to establishing an Asian Institute of Standards, which would make the development, manufacturing and supply of products and services more efficient, safer and cleaner and would help making trade between ACD countries easier and fairer. The proposed Asian Institute of Standards (AIS) will act as an organization in which a consensus can be reached on solutions that meet both the requirements of regional governments' local standards, businesses and the broader needs of society including consumers.
- (ix) Identify focal points in biotechnology to operationalize the proposed Bio-technology Consortium.
- (x) To facilitate transport linkages among ACD member countries and to that end develop a concept paper for consideration.
- (xi) Promote the implementation of the United Nations Decade of Education for Sustainable Development through the ACD work on environmental education and to contribute to strengthening the cooperation among the ACD countries.
- (xii) Promote cooperation in the field of science and technology and to that end hold a Science Congress focussed on Life Science Technology in 2006.

Welcome Kingdom of Saudi Arabia, an Asian country, as full member of the ACD.

Welcome the Guidelines for Granting the Status of ACD Partner for Development for countries/regional and international organizations that have a firm interest in engaging with the ACD, and in promoting the objectives of the ACD in terms of sustainable development and the dynamism of Asia.

Acknowledge and value the interest of countries in becoming a member of the ACD and their potential constructive contribution to the ACD process.

Welcome the proposal to hold an ACD Summit at an opportune time to demonstrate our joint political will at the highest level. We will continue to discuss relevant factors at the forthcoming ACD. Ministerial breakfast on the margins of the United Nations General Assembly in this regard.■

7 April 2005

<<http://pakistantimes.net/2005/04/07/top1.htm>>

## DOCUMENT No. 22

### JOINT STATEMENT OF THE REPUBLIC OF INDIA AND THE PEOPLE'S REPUBLIC OF CHINA

1. H.E. Mr. Wen Jiabao, Premier of the State Council of the People's Republic of China, is currently paying a state visit to the Republic of India from 9 to 12 April

2005 at the invitation of H.E. Dr. Manmohan Singh, Prime Minister of the Republic of India.

During visit, Premier Wen Jiabao held talks with Prime Minister Dr. Manmohan Singh, called on President Dr. A.P.J. Abdul Kalam and Vice President Shri Bhairon Singh Shekhawat, and met with Chairperson, United Progressive Alliance Smt. Sonia Gandhi. External Affairs Minister Shri K. Natwar Singh and Leader of Opposition, Lok Sabha Shri L.K. Advani will call on him. Premier Wen paid a visit to Bangalore and will deliver a speech at the Indian Institute of Technology in New Delhi.

Leaders of the two countries had an in-depth exchange of views in a sincere, friendly and constructive atmosphere and reached broad consensus on bilateral relations and international and regional issues of common concern.

II. The two sides reviewed the friendly contacts and progress in their bilateral relations in recent years and agreed that India-China relations have entered a new stage of comprehensive development. Both sides noted with satisfaction that with the frequent exchange of visits between leaders of the two countries, the process of building trust and understanding has gained momentum. Rapid growth of trade and economic cooperation has been coupled with the expansion of exchanges and cooperation in other fields. The two sides have made incremental progress in addressing outstanding issues. The two sides have also maintained good communication and collaboration in international and regional affairs. Both sides agreed that India and China have made satisfying progress in developing their long-term constructive and cooperative partnership.

The two sides recalled the Declaration on Principles for Relations and Comprehensive Cooperation between the two Prime Ministers on 23 June 2003 and reiterated that the Declaration provided a shared vision of bilateral relations and an agreed framework for cooperation.

III. In the light of the development of their bilateral relations, in order to promote good neighbourliness, friendship and mutually beneficial cooperation and taking into account the profound changes in the regional and international situation, the two sides agreed that India-China relations have now acquired a global and strategic character. The leaders of the two countries have, therefore, agreed to establish an India-China Strategic and Cooperative Partnership for Peace and Prosperity.

Such a partnership is based on the principles of Panchsheel, mutual respect and sensitivity for each other's concerns and aspirations, and equality; provides a sound framework for an all-round and comprehensive development of bilateral relations based on mutual and equal security, development and prosperity of the two peoples; and contributes to jointly addressing global challenges and threats. It reflects the readiness of the two sides to resolve outstanding differences in a proactive manner without letting them come in the way of the continued development of bilateral relations.

IV. The two sides agreed that high-level exchanges between the governments, parliaments and political parties of the two countries play an important role in expanding overall bilateral cooperation. They conveyed their determination to maintain and strengthen the momentum of such exchanges in future and agreed to hold regular meetings between the leaders of the two countries. In this context, the

two sides also reiterated their intention to promote regular ministerial-level exchanges and make full use of the India-China strategic dialogue and other bilateral dialogue mechanisms.

V. The year of 2005 marks the 55th anniversary of the establishment of diplomatic relations between India and China. To mark the occasion, the two countries will organize a series of commemorative activities. It was noted that “Cultural Festival of China” was currently underway in India and that a corresponding “Cultural Festival of India” would be organized in China later in the year. The two sides would also organize other cultural activities to further promote mutual awareness and deepen the friendship between the two peoples. The two sides declared 2006 as the “year of India-China friendship”.

Both sides expressed satisfaction with strengthened exchanges in the area of culture, and affirmed that mutual understanding and cultural exchanges would facilitate development of cooperation in other areas as well. In order to reinforce traditional cultural links, an agreement was concluded for the construction of an Indian-style Buddhist temple at Luoyang in Henan Province of China.

VI. The two sides stressed that an all-round expansion of India-China economic cooperation, including trade and investment, constitutes an important dimension of a stronger India-China relationship. The two countries agreed to make joint efforts to increase the bilateral trade volume to US\$ 20 billion or higher by 2008. The two sides welcomed the report of the Joint Study Group (JSG) that was set up to examine the potential complementarities between the two countries in expanded trade and economic cooperation. The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The two Prime Ministers tasked the Ministerial-level India-China Joint Economic Group (JEG) to consider these recommendations and coordinate their implementation. For this purpose, the two sides will make their best endeavour to hold the next meeting of the JEG within the next six months. The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The Prime Ministers agreed to appoint a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

Both sides noted that the Agreement on the Establishment of a Financial Dialogue Mechanism would further facilitate the dynamic and diversifying economic cooperation between the two sides. They will continue consultations on concluding the Bilateral Investment Promotion and Protection Agreement.

The two sides noted with satisfaction that the two countries have signed the SPS Protocols for the export of grapes and bitter gourd from India to China. The two sides also agreed to constitute a Joint Working Group to implement expeditiously the MOU on Application of SPS between the Chinese General Administration of Quality Supervision, Inspection and Quarantine and the Indian Ministry of Agriculture.

China positively evaluates market access for Indian rice to the Chinese market and will launch as early as possible the risk analysis procedure of the Indian rice in accordance with relevant Chinese laws and regulations.

VII. The two sides agreed to further promote the cooperation in the spheres of education, science and technology, healthcare, information, tourism, youth exchange, agriculture, dairy development, sports and other fields on the basis of mutual benefit and reciprocity. The two sides decided to establish an India-China Steering Committee on Scientific and Technological Cooperation chaired by their Ministers for Science and Technology, and start consultations on an agreement on mutual recognition of academic certificates and degrees between India and China. The two sides announced the launching of regular youth exchange activities. China will invite 100 Indian youth to China within the year of 2005 and hold an exhibition this year on advanced and applicable technologies in India.

VIII. The two sides recognized the importance of strengthening mutual connectivity and agreed to jointly work towards further enhancement of direct air and shipping links, tourism and people-to-people contacts. It was noted with satisfaction that an MOU on major liberalisation of civil aviation links between India and China was concluded during the visit.

IX. The two sides will continue to cooperate in exchanging flood-season hydrological data of the trans-border rivers as agreed between them.

In response to concerns expressed by the Indian side, the Chinese side agreed to take measures for controlled release of accumulated water of the landslide dam on the river Parechu, as soon as conditions permit. It was noted with satisfaction that an agreement concerning the provision of hydrological data on Sutlej/Langqen Zangbo was concluded during the visit and that the two sides had also agreed to continue bilateral discussions to finalize at an early date similar arrangements for the Parlung Zangbo and Lohit/Zayu Qu Rivers.

The two sides agreed to cooperate in the field of energy security and conservation, including, among others, encouraging relevant departments and units of the two countries to engage in the survey and exploration of petroleum and natural gas resources in third countries.

X. The two sides noted the useful exchanges and interaction in the military field and decided to further promote such exchanges and interaction. They agreed that broadening and deepening of defense exchanges between the two countries was of vital importance in enhancing mutual trust and understanding between the two armed forces, and to ensuring a peaceful environment in which they could pursue their respective national development objectives. The two sides decided to further strengthen effective contacts and exchanges in this field.

XI. During the visit, the two sides exchanged views on the India-China boundary question and reiterated their readiness to seek a fair, reasonable and mutually acceptable solution, through equal and friendly consultations and proceeding from the overall interests of bilateral relations. They expressed satisfaction over the progress made in the discussions between the Special Representatives of the two countries and welcomed the conclusion of the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question. Both sides are convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective. They expressed

their commitment to the mechanism of Special Representatives for seeking a political settlement of the boundary question in the context of their long-term interests and the overall bilateral relationship.

Pending a final resolution, the two sides will continue to make joint efforts to maintain peace and tranquility in the border areas in accordance with the Agreements of 1993 and 1996. Both sides agreed that while continuing the discussions between the Special Representatives, it is also important that the Joint Working Group (JWG) continues its work to seek an early clarification and confirmation of the Line of Actual Control (LAC). Progress made so far on the clarification of the LAC in the India-China border areas was noted. It was agreed to complete the process of exchanging maps indicating their respective perceptions of the entire alignment of the LAC on the basis of already agreed parameters, with the objective of arriving at a common understanding of the alignment, as soon as possible.

The two sides expressed satisfaction at the progress achieved in the implementation of the Agreements of 1993 and 1996 and agreed to fully implement them expeditiously. Towards that end, they concluded a Protocol on Modalities for the Implementation of Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas.

XII. The Indian side reiterated that it recognized the Tibet Autonomous Region as part of the territory of the People's Republic of China and that it did not allow Tibetans to engage in anti-China political activities in India.

The Indian side recalled that India was among the first countries to recognize that there is one China and its one China policy remains unaltered. The Indian side stated it would continue to abide by its one China policy.

The Chinese side expressed its appreciation for the Indian positions.

XIII. Both sides reviewed with satisfaction the implementation of the memorandum on the border trade through the Nathula Pass between the Tibet Autonomous Region of the People's Republic of China and the Sikkim State of the Republic of India.

XIV. The two sides noted with satisfaction that through friendly consultations an agreement in principle had been reached between the two countries to solve the long-pending issue of property originally belonging to Indian Consulate General in Shanghai with the Chinese side agreeing to provide a plot of land in lieu of the premises of the original Consulate General of India.

XV. As two large developing countries, both India and China were aware of each other's important role in the process of promoting the establishment of a new international political and economic order. Both sides share common interests in the maintenance of peace, stability and prosperity in Asia and the world at large, and share the desire to develop closer and more extensive understanding and cooperation in regional and international affairs.

The two sides are supportive of democratization of international relations and multilateralism, stand for the establishment of a new international political and economic order that is fair, rational, equal and mutually beneficial, and promote North-South Dialogue and South-South Cooperation. The two sides believe that the international community should eliminate poverty, narrow the gap between North and South, and achieve common prosperity through dialogue and cooperation.

XVI. The two sides reiterated the importance of the United Nations in global peace, stability and common development and expressed their determination to continue their efforts, together with the international community, in strengthening the UN system to develop a sound multilateral basis to address global issues. Both India and China agree that reform of the United Nations should be comprehensive and multi-faceted and should put emphasis on an increase in the representation of developing countries. The Indian side reiterated its aspirations for permanent membership of the UN Security Council. The Chinese side also reiterated that India is an important developing country and is having an increasingly important influence in the international arena. China attaches great importance to the status of India in international affairs. It understands and supports India's aspirations to play an active role in the UN and international affairs. The two sides reaffirmed their readiness to conduct close consultations and cooperation in the process of UN reforms.

XVII. The two sides, aware of the threats posed by terrorism to the peace and security of the two countries and the whole world, resolutely condemn terrorism in any form. The struggle between the international community and global terrorism is a comprehensive and sustained one, with the ultimate objective of eradication of terrorism in all regions. This requires strengthening the global legal framework against terrorism. Both sides noted the positive outcome of the meetings held so far of their bilateral dialogue mechanism on counter-terrorism and agreed to further strengthen and consolidate their discussions and cooperation. It was agreed to hold the next meeting of the dialogue mechanism on counter-terrorism later this year.

XVIII. Both sides agreed to conduct regular exchange of views on major international and regional issues, strengthen cooperation in the WTO and other international multilateral organizations, and to continue the consultations on other issues of common concern. They agreed to work together to preserve stability and growth in the global economy and reduce disparities between developed and developing countries. They supported an open, fair, equitable and transparent rule-based multilateral trade system and resolved to safeguard the legitimate rights and interests of the developing countries.

XIX. Aware of their linked destinies as neighbours and the two largest countries of Asia, both sides agreed that they would, together, contribute to the establishment of an atmosphere of mutual understanding, trust and cooperation in Asia and the world at large, and facilitate efforts to strengthen multilateral coordination mechanisms on security and cooperation.

XX. During the visit, the two sides signed and/or released the following documents.

- i. Agreement on Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question
- ii. Report of India-China Joint Study Group on Comprehensive Trade and Economic Cooperation
- iii. Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas
- iv. Agreement on Mutual Administrative Assistance and Cooperation in Customs Matters

- v. MOU on the Launch of the India-China Financial Dialogue
- vi. MOU on Civil Aviation
- vii. Protocol of Phytosanitary Requirement for Exporting Grapes from India to China
- viii. Protocol of Phytosanitary Requirement for Exporting Bitter Gourds from India to China
- ix. MOU on Provision of Hydrological Information of the Sutlej /Langqen Zangbo River in Flood Season by China to India.
- x. Protocol on India-China Film Cooperation Commission
- xi. MOU on Cooperation between the Indian Council of World Affairs and the Chinese People's Institute of Foreign Affairs
- xii. Memorandum on the Construction of an Indian-style Buddhist Temple on the Western side of the White Horse Temple in Luoyang, China
- xiii. The two sides believed that Premier Wen Jiabao's highly successful State visit to the Republic of India marked a new level of India-China relationship and opened a new chapter in the friendly relations and cooperation between the two countries.

Premier Wen Jiabao, on behalf of the Chinese Government and people, expressed his appreciation to the Government and the people of India for their warm hospitality, and invited Prime Minister Manmohan Singh to visit China at a mutually convenient time. Prime Minister Manmohan Singh appreciated the invitation and accepted it with pleasure. The Indian side also reiterated the invitation to President Hu Jintao to visit India. The exact time of the visit will be decided through diplomatic channels.

*Prime Minister of the Republic of India*

*Premier of the State Council of the People's Republic of China.■*

New Delhi, 11 April 2005  
 <<http://meaindia.nic.in/>>

#### DOCUMENT No. 23

### SINO-INDIAN AGREEMENT ON THE POLITICAL PARAMETERS AND GUIDING PRINCIPLES FOR THE SETTLEMENT OF THE BOUNDARY QUESTION

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides),

Believing that it serves the fundamental interests of the peoples of India and China to foster a long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations, and equality,

Desirous of qualitatively upgrading the bilateral relationship at all levels and in all areas while addressing differences through peaceful means in a fair, reasonable and mutually acceptable manner,

Reiterating their commitment to abide by and implement the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas, signed on 7 September 1993, and the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas, signed on 29 November 1996,

Reaffirming the Declaration on Principles for Relations and Comprehensive Cooperation between India and China, signed on 23 June 2003,

Recalling that the two sides have appointed Special Representatives to explore the framework of settlement of the India-China boundary question and the two Special Representatives have been engaged in consultations in a friendly, cooperative and constructive atmosphere,

Noting that the two sides are seeking a political settlement of the boundary question in the context of their overall and long-term interests,

Convinced that an early settlement of the boundary question will advance the basic interests of the two countries and should therefore be pursued as a strategic objective,

Have agreed on the following political parameters and guiding principles for a boundary settlement:

#### **Article I**

The differences on the boundary question should not be allowed to affect the overall development of bilateral relations. The two sides will resolve the boundary question through peaceful and friendly consultations. Neither side shall use or threaten to use force against the other by any means. The final solution of the boundary question will significantly promote good neighbourly and friendly relations between India and China.

#### **Article II**

The two sides should, in accordance with the Five Principles of Peaceful Coexistence, seek a fair, reasonable and mutually acceptable solution to the boundary question through consultations on an equal footing, proceeding from the political perspective of overall bilateral relations.

#### **Article III**

Both sides should, in the spirit of mutual respect and mutual understanding, make meaningful and mutually acceptable adjustments to their respective positions on the boundary question, so as to arrive at a package settlement to the boundary question. The boundary settlement must be final, covering all sectors of the India-China boundary.

#### **Article IV**

The two sides will give due consideration to each other's strategic and reasonable interests, and the principle of mutual and equal security.

#### **Article V**

The two sides will take into account, inter alia, historical evidence, national sentiments, practical difficulties and reasonable concerns and sensitivities of both sides, and the actual state of border areas.

#### **Article VI**

The boundary should be along well-defined and easily identifiable natural geographical features to be mutually agreed upon between the two sides.

**Article VII**

In reaching a boundary settlement, the two sides shall safeguard due interests of their settled populations in the border areas.

**Article VIII**

Within the agreed framework of the final boundary settlement, the delineation of the boundary will be carried out utilising means such as modern cartographic and surveying practices and joint surveys.

**Article IX**

Pending an ultimate settlement of the boundary question, the two sides should strictly respect and observe the line of actual control and work together to maintain peace and tranquillity in the border areas. The India-China Joint Working Group and the India-China Diplomatic and Military Expert Group shall continue their work under the Agreements of 7 September 1993 and 29 November 1996, including the clarification of the line of actual control and the implementation of confidence building measures.

**Article X**

The Special Representatives on the boundary question shall continue their consultations in an earnest manner with the objective of arriving at an agreed framework for a boundary settlement, which will provide the basis for the delineation and demarcation of the India-China boundary to be subsequently undertaken by civil and military officials and surveyors of the two sides.

**Article XI**

This Agreement shall come into force as of the date of signature and is subject to amendment and addition by mutual agreement in writing between the two sides.

Signed in duplicate in New Delhi on 11 April, 2005, in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of divergence, the English text shall prevail.

*For the Government of the Republic of India*

*For the Government of the People's Republic of China* ■

New Delhi, 11 April 2005  
<<http://meaindia.nic.in/>>

**DOCUMENT NO. 24****PROTOCOL ON MODALITIES FOR THE IMPLEMENTATION OF CBMs IN THE MILITARY FIELD ALONG THE LINE OF ACTUAL CONTROL IN THE INDIA-CHINA BORDER AREAS**

The Government of the Republic of India and the Government of the People's Republic of China (hereinafter referred to as the two sides),

Recalling that both sides are committed to developing their long-term constructive and cooperative partnership on the basis of the Five Principles of Peaceful Co-existence, mutual respect and sensitivity for each other's concerns and aspirations, and equality,

Reaffirming that the two sides seek a fair, reasonable and mutually acceptable settlement of the boundary question,

Reaffirming their commitment that, pending an ultimate solution to the boundary question, both sides shall strictly respect and observe the Line of Actual Control in the India-China border areas,

Noting the utility of confidence building measures already in place along the Line of Actual Control in the India-China border areas,

Recognising that the maintenance of peace and tranquillity along the Line of Actual Control in the India-China border areas accords with the fundamental interests of the two sides, and will facilitate the process of early clarification and confirmation of the alignment of the Line of Actual Control,

Convinced of the need for agreed modalities for the implementation of confidence building measures between the two sides in the military field along the Line of Actual Control in the India-China border areas, and

Recalling further the relevant provisions of the Agreement on the Maintenance of Peace and Tranquillity along the Line of Actual Control in the India-China Border Areas signed in September 1993 and Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

Have agreed on the modalities as follows:

#### **Article I**

In accordance with Article II of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, the two sides should strictly respect and observe the Line of Actual Control and work together to maintain peace and tranquillity in the border areas.

#### **Article II**

In accordance with Article IV of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

- (a) Both sides shall avoid holding large-scale military exercises involving more than one Division (approximately 15,000 troops) in close proximity to the Line of Actual Control. However, if such exercises are to be conducted, the strategic direction of the main force involved shall not be towards the other side.
- (b) If either side conducts a military exercise involving more than one Brigade Group (approximately 5,000 troops) in close proximity to the Line of Actual Control, it shall not be targeted against the other side. The side undertaking the exercise shall give, through Flag Meetings, the other side prior intimation 15 days in advance of the exercise with regard to type, level, planned duration and area of exercise as well as the number and type of units or formations participating in the exercise.
- (c) Each side shall be entitled to obtain timely clarification within 15 days from the side undertaking the exercise in respect of data specified in paragraph (b) above of the present article, through Flag Meetings. (d) Each side shall give prior intimation of changes in the timing of any scheduled exercise 15 days in advance, through Flag Meetings.

**Article III**

In accordance with Article V of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

- (a) In the event of an alleged air intrusion of its controlled airspace by the military aircraft of the other side, either side may seek a Flag Meeting within 48 hours of the alleged air intrusion in order to seek a clarification. The investigation shall be completed by the other side and its results communicated through a Flag Meeting within a period of four weeks.
- (b) If a military aircraft of either side is required to fly across the Line of Actual Control or to overfly the airspace of the other side, prior permission shall be sought from the other side according to procedures and formats to be mutually agreed upon.
- (c) If a military or civilian aircraft of either side is required to fly across the Line of Actual Control or to land on the other side of the Line of Actual Control in an emergency situation, the two sides will ensure flight safety in such situations by adhering to procedures to be mutually agreed upon.

**Article IV**

In accordance with Article VI of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996, if the border personnel of the two sides come to a face-to-face situation due to differences on the alignment of the Line of Actual Control or any other reason, they shall exercise self-restraint and take all necessary steps to avoid an escalation of the situation. To this end, they shall follow the procedures as given below:

- (a) Both sides shall cease their activities in the area, not advance any further, and simultaneously return to their bases.
- (b) Both sides shall then inform their respective Headquarters and, if necessary, enter into immediate consultations through border meetings or diplomatic channels so as to prevent an escalation of the situation.
- (c) Throughout the face-to-face situation, neither side shall use force or threaten to use force against the other.
- (d) Both sides shall treat each other with courtesy and refrain from any provocative actions. Neither side shall put up marks or signs on the spots.

**Article V**

In accordance with Article VII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in India-China Border Areas signed between the two sides in November 1996,

- (a) Both sides shall hold two additional border meetings each year at Spanggur Gap in the Western Sector, Nathu La Pass in the Sikkim

Sector and Bum La in the Eastern Sector respectively in celebration of the National Day or Army Day of either side. Specific arrangements shall be decided through consultation between the border forces of the two sides.

- (b) Both sides agree in principle to expand the mechanism of border meeting points to include Kibithu-Damai in the Eastern Sector and Lipulekh Pass/Qiang La in the Middle Sector. The precise locations of these border meeting points will be decided through mutual consultations.
- (c) Both sides shall conduct exchanges between the relevant Military Regions of China and Army Commands of India. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.
- (d) Both sides shall strengthen exchanges between institutions of training of the two armed forces, and conduct exchanges between institutions of sports and culture of the two armed forces. Specific arrangements shall be decided upon through mutual consultations between the relevant agencies under the Ministries of Defence of the two sides.

## **Article VI**

In accordance with Article VIII of the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996,

- (a) In case the personnel of one side in the border areas cross over to the other side due to force majeure such as natural disasters:
  - i. The side having discovered it should promptly contact and notify the other side;
  - ii. The personnel crossing over to the other side should, in the light of the prevailing circumstances, take measures to return to their own side or proceed to places designated by the other side en route to return to their own side;
  - iii. The receiving side will provide all possible assistance to the personnel from the other side and ensure their earliest possible return; and
  - iv. At the request of the side affected by the natural disaster, the other side may consider all possible measures to help alleviate the situation.
- (b) In order to prevent infectious diseases in specific areas on either side in the border areas from spreading to the other side:
  - i. Both sides should share relevant information promptly through border meetings or diplomatic channels;
  - ii. Each side should take measures to prevent the spread of diseases from spilling onto the other side; and

- iii. At the request of the side suffering from spread of infectious diseases, the other side may consider all possible measures to help alleviate the situation.

### **Article VII**

The Protocol shall enter into force on the date of signature of this Protocol and will automatically be rendered invalid if the Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas signed between the two sides in November 1996 ceases to be in force. Subject to agreement after mutual consultations between the two sides, the Protocol may be amended and supplemented at any time.

Done in duplicate in New Delhi on April 11, 2005 in the Hindi, Chinese and English languages, all three texts being equally authentic. In case of any divergence, the English text shall prevail.

*For the Government of the Republic of India*

*For the Government of the People's Republic of China ■*

New Delhi, 11 April 2005  
<http://meaindia.nic.in/>

### **DOCUMENT NO. 25**

## **SYNOPSIS OF AGREEMENTS/MOUS/MEMORANDA - VISIT OF CHINESE PREMIER WEN JIABAO TO INDIA, APRIL 9-12, 2005**

### **(1) Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question**

*(Signatories: Shri MK Narayanan, National Security Advisor, and Mr. Dai Bingguo, Chinese Special Representative)*

### **(2) Protocol on Modalities for the Implementation of CBMs in the Military Field Along the Line of Actual Control in the India-China Border Areas**

*(Signatories: Shri Shyam Saran, Foreign Secretary and Mr. Wu Dawei, Vice Foreign Minister of China)*

This Protocol lays down modalities for the implementation of several measures contained in the Agreement of 1996 on Military CBMs along the LAC in the India-China Border Areas. The salient features of the Protocol include:

- Details on avoiding the holding of large-scale military exercises in close proximity of the LAC as per the 1996 Agreement and in case an exercise is being conducted, to provide relevant information to the other side;
- Dealing with air intrusions as per the provisions of 1996 Agreement;
- Procedure to be followed by both sides in the eventuality of their border personnel coming in face-to-face contact as a result of differences in the alignment of LAC or any other reason;
- Holding of additional meetings at the existing three border personnel meeting points, namely, Spanggur, Nathu La and Bumla to celebrate National Day or Army Day of each side;

- Extension of the mechanism of border meeting points to Kibithu-Damai in the Eastern Sector and the Lipulekh Pass in the Middle Sector;
- Exchanges between the relevant Military Regions of China and Army Commands of India;
- Exchanges between institutions of training, sports and culture of the two armed forces; and
- Action to be taken by either side in case the personnel of one side cross over to the other side due to force majeure, such as natural disasters, as also action to be taken to prevent trans-border spread of infectious diseases.

**(3) Report of the India-China Joint Study Group on Comprehensive Trade and Economic Cooperation**

*(Presented to the Prime Minister of India and the Premier of China by the Commerce and Industries Minister of India and the Commerce Minister of China)*

The Report of the Joint Study Group is the outcome of deliberations in the JSG over a period of one year, during which the JSG held four meetings alternately in China and India. The Report was finalised and signed by the two Co-Chairmen, Dr. Rakesh Mohan, Secretary (Economic Affairs) and Mr. An Min, Vice Minister, Ministry of Commerce, during the last meeting held in New Delhi from March 21-23, 2005.

The JSG Report consists of seven Chapters dealing with the Context of India-China Economic Cooperation, India-China Trade in Goods, India-China Trade in Services, Investments, India-China Economic Cooperation, India-China Regional Trading Arrangement and Recommendations for the Development of India-China Trade & Economic Cooperation.

The JSG in its Report has identified a series of measures related to trade in goods, trade in services, investments and other areas of economic cooperation, and recommended their expeditious implementation to remove impediments and facilitate enhanced economic engagement between India and China. The Ministerial-level India-China Joint Economic Group (JEG) will consider these recommendations and coordinate their implementation.

The JSG has also recommended an India-China Regional Trading Arrangement, comprising of trade in goods and services, investments, identified understandings for trade and investment promotion and facilitation, and measures for promotion of economic cooperation in identified sectors. The JSG has recommended to the governments the appointment of a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the India-China Regional Trading Arrangement and give recommendations regarding its content.

**(4) Agreement on Mutual Administrative Assistance and Co-Operation in Customs Matters between India and China**

*(Signatories: Shri Natwar Singh, External Affairs Minister, and Mr. Li Zhaoxing, Chinese Foreign Minister)*

This agreement aims to further co-operation between the Customs Administrations of the two countries in matters related to the application and enforcement of the Customs Laws. The agreement enables provision of administrative assistance for the proper application of customs law and for the prevention, investigation and combating of Customs offences and lays down that either Customs

Administration shall, in making enquiries on behalf of the other Customs Administration, act as if they were being made on its own account.

The agreement will allow the Customs Administrations to share information and intelligence relating to new Customs law enforcement techniques, new trends, means or methods of committing Customs offences and the movement of persons or goods known to have, or suspected of having contravened the Customs law of the other side. The agreement also provides for special surveillance over goods either in transport or in storage notified by the Requesting Administration as giving rise to suspected illicit traffic towards the customs territory of the Requesting Administration.

The agreement envisages exchange of customs officers or experts when mutually beneficial for advancing the understanding of each other's customs techniques. It also suggests the exchange of information relating to a number of areas including usage of interdiction and detection equipment, customs legislation and procedure, technical cooperation with third countries and simplification and harmonization of customs procedure.

#### **(5) Memorandum of Understanding on Civil Aviation between India and China**

*(Signatories: Shri Ajay Prasad, Secretary, Ministry of Civil Aviation, and Mr. Yang Yuanyuan, Director, General Administration of Civil Aviation)*

The MOU provides for major liberalisation of air links between India and China with multiple designation of carriers and an 'Open Skies' policy for cargo, an increase in capacity entitlements, more points of call and an increase in the number of intermediary and beyond points. According to the Memorandum, the designated airlines of both parties are entitled to have unlimited third, fourth and fifth freedom traffic rights with unlimited capacity entitlement for dedicated cargo services. The designated airlines of both parties may co-terminalize any two points in its own territory and/or any two points in the territory of the other party without any cabotage rights with the exception for airlines designated by India to combine Beijing and Shanghai, Beijing and Guangzhou, Shanghai and Guangzhou.

The designated airlines of each party have the following capacity entitlement for combination services:

- 14 weekly frequencies as of 2005 IATA summer season
- 28 weekly frequencies as of 2005 IATA winter season
- 42 weekly frequencies as of 2006 IATA summer season

The Memorandum also provides for simplification of the Visa procedures for operating and cabin crew, employment of foreign pilots by designated airlines of either party, use of dry leased aircraft for both combination services and cargo services. It lays down the guidelines for issues such as code-sharing arrangement, co-terminalization and the weekly frequency of flights.

#### **(6) Protocol of Phytosanitary Requirements for the Export of Grape From India to China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China**

*(Signatories: Smt. Radha Singh, Secretary, Ministry of Agriculture, and Mr. Li Changjiang, Director General Administration of Quality Supervision Inspection and Quarantine (AQSIQ) on the Chinese side)*

The MOU aims to facilitate the export of grapes from India to China by putting in place a regulatory mechanism on Sanitary and Phytosanitary standards and laying out in detail the procedural aspect, including certification and labeling requirements. The document specifies Dalian, Tianjin, Beijing, Shanghai, Qingdao, Nanjing as entry ports for grape from India to China.

**(7) Protocol of Phytosanitary Requirements for Exporting Bitter Gourds from India to China between the Ministry of Agriculture of India and the General Administration of Quality Supervision, Inspection and Quarantine of China**

*(Signatories: Smt. Radha Singh, Secretary, Ministry of Agriculture, and Mr. Li Changjiang, Director General Administration of Quality Supervision Inspection and Quarantine (AQSIQ) on the Chinese side)*

The MOU aims to facilitate the export of bitter gourd from India to China by putting in place a regulatory mechanism on Sanitary and Phytosanitary standards and laying out in detail the procedural aspect, including certification and labeling requirements.

**(8) Memorandum of Understanding on Cooperation between the Indian Council of World Affairs, India and the Chinese People's Institute of Foreign Affairs, China**

*(Signatories: Shri Shyam Saran, Foreign Secretary and Mr. Wu Dawei, Vice Foreign Minister of China)*

The MOU intends to enhance mutual understanding and friendship by promoting the development of friendly institutional relations.

The MOU envisages, inter alia, mutual exchange of visits, participation in conferences, seminars and symposia, co-sponsoring of bilateral symposiums on issues of common interest, exchange of publications and other forms of cooperation agreed upon by both parties through consultations

**(9) Memorandum of Understanding on the Launch of the India-China Financial Dialogue.**

*(Signatories: Dr. Rakesh Mohan, Secretary, Department of Economic Affairs and Mr. Wu Dawei, Vice Foreign Minister of China)*

This MOU is aimed at promoting mutual understanding and practical cooperation between the two sides in the financial sector.

The Dialogue will enable the two sides to exchange views on domestic and international macro-economic situations, national fiscal and monetary policies, financial reforms and regional or global developments of mutual interest in the financial sector and facilitate the development of bilateral cooperation between their banking sectors, budget and taxation authorities, financial regulatory agencies and capital markets.

The Dialogue seeks to enhance commercial and economic exchanges between the two countries and increase mutually beneficial bilateral cooperation and coordination in the International Monetary Fund, the World Bank, the Asian Development Bank and other International financial and development institutions.

**(10) Memorandum of Understanding between the Ministries of Water Resources of India and China upon Provision of Hydrological Information of the Sutlej/ Langqen Zangbo River in Flood Season by China to India**

*(Signatories: Shri J. Hari Narayan, Secretary, Ministry of Water Resources and Mr. Wu Dawei, Vice Foreign Minister of China)*

The MOU envisages provision of hydrological information in respect of the Sutlej /Langqen Zangbo River in flood season for flood control and disaster mitigation in downstream areas. The arrangement entails building of a hydrological station by the Chinese side on the Sutlej / Langqen Zangbo River before the flood season of year 2006 and provision of hydrological information to the Indian side beginning the flood season of year 2006. The Chinese side will bear the cost for setting up of the hydrological station and the Indian side will bear the cost for provision of the hydrological information and the operation of the hydrological station. The detailed implementation plan for exact modalities will be further discussed and finalised between the two sides. According to the MOU, the Chinese side will provide information on any abnormal rise/fall in the water level/discharge and other information, which may lead to sudden floods on the basis of existing monitoring and data collection facilities on real time basis. Both sides will continue to discuss the possibility of providing hydrological information during flood season by China to India in respect of two more rivers – Parlung Zangbo and Lohit /Zayu Qu.

**(11) Protocol on India China Film Cooperation Commission**

*(Signatories: Shri Navin Chawla, Secretary, Ministry of Information and Broadcasting and Mr. Wu Dawei, Vice Foreign Minister of China)*

The Protocol envisages the constitution of the India-China Film Cooperation Commission to strengthen cooperation and promote bilateral exchanges between India and China in the Entertainment Sector, with special focus on films, both feature and documentary and animation.

It will also consider issues such as increasing the import of each others original films, exchanging of information and technical know how in the sphere of filmmaking and allied sectors, providing location and studio facilities for shooting of films by one country in the other's territory and extending marketing and distribution facilities of each country's films in the other country.

The Commission has also been tasked with exploring avenues of bilateral co-operation in developing animation and facilitate their diffusion, conducting Film Weeks in the presence of the other party's delegation regularly and reciprocally in the two nations and organize movie professionals of the two nations to participate in international film markets, seminars and film festivals in India and China. The Protocol also envisages concrete implementation of the Sino-Indian co-production agreement. It lays out the composition of the India-China Film Commission and outlines its administrative and financial aspects.

**(12) Memorandum on the Construction of an Indian Style Buddhist Temple on the Western Side of The White Horse Temple In Luoyang, China**

*(Signatories: Shri. Nalin Surie, Ambassador of India, Beijing and Mr. Wu Dawei, Vice Foreign Minister of China)*

This Memorandum seeks to carry forward India-China Buddhist cultural links, with India and China jointly constructing an Indian style Buddhist temple in the International Garden of the Luoyang White Horse Temple. The Memorandum envisages that India would provide the Buddha Idol and other accompanying materials for the Temple. The Indian side will also be responsible for providing the main architectural design of the Temple project, its blue print, materials used for the Temple

and the landscape planning. The Chinese side will provide 2,666.67 square meters of land for constructing the Temple. It will also be responsible for advising and offering suggestions for the construction of the Temple, obtaining the support and approval of Chinese Government, Henan Provincial Government and the local administration and to handle all relevant procedures and formalities. The Chinese side will also facilitate the visits of experts and architects of the Indian side to visit the project site to supervise and inspect the quality of the work.■

New Delhi, 11 April 2005  
<<http://meaindia.nic.in/>>

#### DOCUMENT No. 26

### MEDIA BRIEFING BY INDIAN FOREIGN SECRETARY SHRI SHYAM SARAN ON THE VISIT OF PRESIDENT MUSHARRAF

**Foreign Secretary (Shri Shyam Saran) :** Good afternoon to all of you. Let me begin from what happened this morning.

As you know, President Musharraf and Prime Minister Dr. Manmohan Singh began the day today with the inauguration of the final ODI at Ferozeshah Kotla grounds. They were introduced to the two teams. Thereafter, for about an hour or so they watched the match. We then shifted to Hyderabad House where talks were held between the two sides. We began with talks at which some delegation members were present. From the Indian side, Minister of Defence Shri Pranab Mukherjeeji, our Railway Minister Shri Lalu Prasad Yadavji, our External Affairs Minister was also present. Our Minister for Commerce and Industry Shri Kamal Nathji was also there at the meeting. President Musharraf was accompanied by his Foreign Minister and other members of the delegation.

During these talks, the Prime Minister and President Musharraf reviewed the progress that had been made in our relations so far. I must say that the very positive and forward-looking atmosphere which was already evident both on the eve of the visit as also during the speeches which were made last evening at Prime Minister's dinner in honour of President Musharraf, that positive tone, was maintained throughout the talks.

Prime Minister welcomed the fact that during the past year and a half there had been a very significant change in the relationship between the two countries. There was a transformation in terms of the public mood in the two countries. He said that as Prime Minister of India he was prepared to travel the road towards lasting peace between the two countries. In reviewing the relationship, he went back to the Joint Statement which was made on January 6, 2004, particularly the assurance contained therein that no part of the territory under the control of Pakistan would be used for any terrorist activity against India. He said that this assurance opened up new opportunities for improvement of relations between the two countries, and taking this relationship forward, and that is precisely what had happened.

He mentioned that it was the responsibility of our two countries to ensure that this positive movement in our relations, the positive ambience which had been created in our relations, is not thwarted by the activities of terrorist elements. He

welcomed the fact that the terrorist attack on the Srinagar-Muzaffarabad bus service was condemned by Pakistan. This was just the kind of activity which can mar the ongoing peace process between the two countries, and hence the great importance of our controlling this particular aspect, that is, the activities of terrorist groups.

While we have seen forward movement in our relations, Prime Minister also conveyed that he was aware that there are difficulties that need to be overcome. So, we do not minimize those difficulties. But he put across in his talks his own vision of what he looks at the future of South Asia. He said that if one goes to other parts of the world, we see countries coming together, the economic and commercial prospects of regions improving because they are cooperating with one another. He suggested that if in South Asia, India and Pakistan as the two largest countries, as the two largest economies, if they were to join hands together, brought their creative energies together - after all the peoples of the two countries are extremely talented, we have resources - it is possible for us to transform the economic prospects of South Asian region as a whole so that it becomes also a dynamic pole in terms of economic prosperity of the Asian region and the world as a whole. He also conveyed that in his view this was eminently possible and this is the direction in which he would like to take the relationship between the two countries.

We were very happy to note that President Musharraf not only responded very positively to what Prime Minister had to say but shared his vision of the two countries focusing their energies on improving the livelihood of their peoples, of synergising their energies, so that there is common prosperity, shared prosperity between the two countries.

We also discussed, of course, the issue of Jammu and Kashmir. In this connection, the Prime Minister pointed out that while the redrawing of boundaries was not something that was possible, but anything that could bring the peoples on the two sides together whether it is in terms of increased transportation linkages; greater traffic of peoples across the border and the Line of Control; cross-LoC, cross-border trade between the two countries; encouraging across-the-spectrum contact between people – would help the process along which would create the ambience so that at sometime in the future the more complex problems could be addressed successfully.

President Musharraf, while stressing the importance of addressing the Jammu and Kashmir issue, agreed that the confidence-building process between the two countries had made a lot of progress. This is a process which should be continued, should be intensified, and that while we need not impose any deadlines or timelines, the more important thing was that we should be addressing whatever outstanding differences there are between the two countries.

There were a number of specific issues that were touched upon during these talks. For example, some of the proposals that have been put forward like the link between Khokhrapar and Munabao across Rajasthan and Sindh. As you know, we had made a pledge in Parliament that from our side this link would be ready to be operationalised by October 2 this year. President Musharraf mentioned that perhaps that deadline may not be feasible but he would ensure that this link became operational by December 2005.

On the economic side it was agreed that the Joint Commission that had already existed between India and Pakistan - and which I think has not met since the late 80s, since 1989 - should be revived. It was agreed that it should meet at an early

date. So, this would provide an umbrella within which a number of economic and trade related issues that the two countries have been talking about, we can take them forward in a much more focused manner.

As you know, we also have Joint Business Council that is between the private sectors of the two countries. It was agreed that the work of this Business Council should be further intensified.

As I mentioned to you, Commerce and Industry Minister was there. He referred to the establishment of the Joint Study Group at the Commerce Secretary level between the two countries which had already held its first meeting in February this year. This could be a mechanism to discuss promotion of trade between the two countries.

Reference was made to some of the obstacles which may be there to take the trading relationship forward. For example, the apprehension that the business community in Pakistan has about some non-tariff barriers or high tariff barriers that India imposes. We have said that, in fact, there are very few barriers that are there for this trade and we are prepared to sit down together with Pakistan and if there are any such barriers we are prepared to remove them.

In the context of developing our economic and commercial relations, the two leaders also discussed the important of transport linkages, infrastructure. In that connection, the possibility of opening more routes for trade between the two countries was discussed. This is something, which will require more detailed discussion in the future. But, again I would like to stress here that the approach on both sides were very positive, was very forward-looking, a willingness to look at all these particular aspects of taking our relationship forward.

During the meeting we also conveyed to the Pakistan President that 156 Pakistani fishermen are to be released on the 19th of April. There are another 136 civilian prisoners who will be also released as soon as their travel documents have been received from the Pakistani side. The two leaders also agreed that as a humanitarian measure, if there are people who innocently stray across the border or the LoC, then we should in fact hand them over without too much ceremony on either side.

In the context again of developing our trade and economic relationship, Prime Minister also stressed the great benefits, which could accrue both to India and Pakistan, if we were able to open the traditional transit routes through each other's countries. He mentioned the fact that transit routes, for example, to Central Asia, to the Gulf, if normal flow of trade could be possible through these routes this would bring benefit not only to India and Pakistan but to the region of South Asia as well as to Central Asia and the Gulf. This was something that leaders of India and Pakistan should be looking at.

In this context the pipeline was also mentioned. It was agreed that this was a worthwhile project to pursue. In this context it was agreed that we would remain untouched with one another and engage in further discussions in order to realize this project.

I would also like to mention here that at the end of the talks, Prime Minister presented to President Musharraf a fine painting of the haveli in Delhi where President Musharraf was born and was brought up for the first few years of his life. This was accepted with great delight and pleasure by the Pakistani President.

I will stop here and I will be open to questions from your side.

**Question:** ...*(Question in Hindi inaudible)...*

**Foreign Secretary:** *Kashmir ke bhi jo CBMs hain aur baaki bhi CBMs hain, donon taraf se yeh baat kahi gayi hai ki koi aise CBMs nahiin hain jo ki hum, jis pe ki hum dhyan dene ke liye taiyar nahiin hain. To uski details jo kuchh hain voh work out karni padengi. Lekin jo humne kaha ki jo kuchh bhee hamare taraf se prastaar diye gaye hain, jo prastaar unke taraf se hamare pass aaye hain, there is a readiness to positively look at all of them. The approach has been very forward-looking and also very positive.*

**Question:** Did President Musharraf come out with any fresh proposals on Kashmir? Prime Minister also suggested some new ideas. Did he talk about any fresh proposals?

**Foreign Secretary:** I am not aware of any specific proposals which have been made by either side in this regard apart from saying that this is a problem which needs to be dealt with. As I mentioned to you, I gave you the viewpoints which were expressed by both President Musharraf as well as by Prime Minister Dr. Manmohan Singh, that there is a readiness to take this dialogue forward, to continue building up confidence and trust between the two sides, remain engaged. The process is important, let us see where it takes us.

**Question:** After Ms. Condoleezza Rice's visit, this is the first formal meeting that has taken place between India and Pakistan. Was Iran pipeline discussed in this context?

**Foreign Secretary:** *Abhi to humne aapko bataya ki pipeline ke baare mein bhi baat-cheet hui aur yeh tay kiya gaya ki yeh project donon deshon ke hit ke liye hai, aur is pe aur baat-cheet honi chahiye.*

**Question:** Can you elaborate on this?

**Foreign Secretary:** Well, President Musharraf mentioned that the requirements of energy of Pakistan as well as India are such that pipeline from Turkmenistan through Afghanistan, Pakistan, India or from Iran, Pakistan, India and perhaps other possible pipelines as part and parcel of the economic development of both India and Pakistan as of the region, this is something that we ought to be thinking about, we ought to be discussing how to cooperate with each other. So, it was a broad discussion. At this level you do not go into negotiating details of these projects. But, overall as I mentioned to you, it was agreed that these are projects which are worthwhile pursuing and that we should remain engaged concerning them.

**Question:** What was General Musharraf's response on opening of transit routes?

**Foreign Secretary:** There was no specific answer to each and every one of these propositions. What I would like to convey to you is a sense that there was a very broad-based discussion of the importance of developing economic and commercial relations between the two countries, both bilaterally as well as part and parcel of a larger regional economic development. It is in this context that Prime Minister mentioned the importance of opening more routes across our borders, across the LoC, because transportation linkages are integral to any plan for development of economic and commercial linkages. So, in that context several of these plans were discussed – pipelines, road linkages, rail linkages. As I said, the point was made from our side that in the context of this broad economic and commercial development, naturally the easier it is to take goods from one place to another the benefit will be greater.

**Question:** *Hurriyat Conference ke baare mein koi charcha hui?*

**Foreign Secretary:** *Hamare jaankaari mein to nahiin hui.*

**Question:** Did you discuss the issue of withdrawal of troops from Siachen?

**Foreign Secretary:** What was discussed was the need to look at issues such as Siachen, Sir Creek, and see whether or not we can expedite, we can instruct the officials who are already engaged in discussions on these issues, that with a certain greater degree of urgency, with a certain greater sense of priority can we try and resolve these issues as early as possible. As you know, we are in the midst of the second round of our Composite Dialogue in which both Siachen as well as Sir Creek, apart from some of the other issues, are going to be taken up. We will make every effort possible in line with the directions given by the two leaders that we should try and find an early solution to these issues.

**Question:** You talked about a large number of points of convergence between the two sides. But what about the points of divergence? What did he say on Kashmir? What about Baglihar? What did he say when we raised the issue of terrorism?

**Foreign Secretary:** On the issue of terrorism for example, I think what came out clearly from President Musharraf was that a point of convergence is already apparent from the fact that when the attack against Srinagar-Muzaffarabad bus service took place Pakistan came out with an unequivocal condemnation of this act. At least, there is a sense that terrorism is something which can impact very adversely on this ongoing peace process, on this process which is bringing the people together and, therefore, there is a responsibility that we both have to try and make sure that terrorist elements do not derail this process.

As far as Baglihar is concerned, yes, there was a discussion about that. I think we have already discussed this before that there are certain apprehensions which Pakistan has. We have stated unequivocally, and this was repeated by Prime Minister, that we are committed to remaining entirely within the parameters which are laid down by the Indus Water Treaty. This Treaty is important to us. I think I mentioned yesterday also that this Treaty is important to us. For 45 years it has held. We certainly do not have any intention at all of harming the interests of Pakistan. Therefore, if there is a readiness to engage in further technical discussions on this issue to try and resolve it, we are prepared to do that.

On Kashmir, I think right at the beginning when I was making opening statement I mentioned to you the exchange which took place between Prime Minister and President. There is a recognition that yes, this is an issue which needs to be tackled between the two countries. But it is a complicated issue. It may take time to resolve. But in the meantime, as civilized countries we should try and make every effort possible to deal with whatever negative consequences there are of the existence of the Line of Control. I think there is a willingness on both sides in line with this approach, there is a willingness on both sides precisely to make life much easier for people residing on both sides.

**Question:** On the specifics of LoC confidence-building measures, is there going to be any Joint Statement in which specifics are going to be mentioned? The Prime Minister had also spoken about joint responsibility for this bus passengers. Would there be anything on that? And anything on increasing the frequency of the bus service?

**Foreign Secretary:** I think the Joint Statement is currently being worked because the talks, as you know, have only ended a short while ago. So, there will be, in the Joint Statement, a reflection of some of the things that were discussed. Let us see how

specific the references are. But, I think, some of the points that I have mentioned would be covered in the Joint Statement.

**Question:** On what PM spoke about the joint responsibility of the safety of bus passengers?

**Foreign Secretary:** I am just trying to give you a general sense of what was discussed. That was a sharing of belief that, yes, the present positive trend in our relationship, the peace process between the two countries, the many positive things which are happening between the two countries, could be adversely impacted by the activities of terrorist elements. If this is something which is a shared perception on both sides, I think it is very clear that both sides will do everything possible, hopefully, to prevent that from happening.

**Question:** Was the issue of joint patrolling of the LoC discussed at all? On the terrorism issue, do you perceive a mind shift? In the last few days the Defence Minister has gone on record saying that the infiltration is still present. You say that General Pervez talked about the terrorism issue. You mentioned the statement which had come out of Pakistan condemning the terrorist attack on the Muzaffarabad-Srinagar bus service. Do you think there is a mind shift on the part of Pakistan on this issue?

**Foreign Secretary:** I think we must go by what the facts are. What I am referring to is a statement, which was made by President Musharraf condemning the terrorist incident, which took place. In the talks between the two leaders there is a recognition that many positive things are happening in our relations; there is a greater degree of confidence, greater degree of, if not complete mutual trust, at least we are moving in that direction; and there is sense that incidence of terrorism can negatively impact on them. So, in that sense, I think there also, therefore, an acknowledgement that both sides will do whatever is necessary in order not to let this happen. Now, let us wait and see how things work out. Certainly, I do not think there were any discussions about joint patrolling of the LoC or measures like that.

**Question:** You were saying that Pakistan will not allow their territories to be used against terrorist activities against India. Do we see a shift in the Pakistan's stand there? Also, might we be in a position that India and Pakistan fight the same group of Kashmiri separatists who are making base in Pakistan and launching attacks in Jammu and Kashmir?

**Foreign Secretary:** That would be something that would be welcome.

**Question:** The National Security Advisor has said three days ago in an interview that there is a possibility of withdrawing troops from Kashmir in this summer after checking out when the snow melts for the passage of people. Is there something that is likely to happen?

**Foreign Secretary:** The National Security Advisor has made a certain comment which has been reported. Let us go by that.

**Question:** On Baglihar, you said yesterday that we abide by the terms and conditions of the Indus Waters Treaty and it was our belief that it should be resolved bilaterally. Was this proposal made to the visiting President Musharraf? What was his response?

**Foreign Secretary:** As I mentioned to you, Prime Minister conveyed to President Musharraf that India has every intention to abide by the letter and spirit of the Indus Water Treaty and Pakistan should have no apprehensions whatsoever that this

particular project will be used in any manner which is going to impact negatively on the interests of Pakistan.

**Question:** What was President Musharraf's response?

**foreign secretary:** He was very thankful for this assurance which was conveyed by Prime Minister Dr. Manmohan Singh. As I said, the way is open for our re-engaging in technical level discussions. But, I would like to mention here that this was not a negotiating session where they were working out how are we going to do this, when are we going to have the meeting, what is the calendar of meetings. That is not their job. I think there was a broad discussion of a number of issues in India-Pakistan relations. In those discussions the mood was, the approach was positive and forward looking.

**Question:** For a long time mention has been made on trade-related issues. The issue of denial of most-favoured nation status to us. Did this issue come up?

**Foreign Secretary:** It came up in the sense of the Pakistani apprehension that there are both tariff barriers as well as non-tariff barriers which come in the way of promotion of Pakistani exports to India. There is the apprehension that Pakistan's industry may be adversely impacted if there was an opening out to Indian exports without any restraint. It is in this context that it was agreed that we should, if there are apprehensions on the Pakistani side, we are willing to look at them and try and remove those apprehensions. If they say that this is a non-tariff barrier we are willing to look at it. If it is really true, then we should remove those non-tariff barriers. But it was also agreed that it is in the interest of both India and Pakistan to promote their economic and trade relations. It is because of this sentiment that we agreed to revive the Joint Commission because Joint Commission has not met since 1989. So, obviously there is a sense now, yes, it is worth the while reviving the Joint Commission which can then look into the trade relationship between the two countries, the economic relationship between the two countries, and hopefully take it forward. So, there is a change in the way we are looking at some of these issues.

**Question:** The Joint Statement that following the Chinese Premier's visit characterized that visit as 'highly successful'. How do you characterize the ongoing visit?

**Foreign Secretary:** We believe it is a very successful visit too.

**Question:** Is it highly successful?

**Foreign Secretary:** Why should we look for comparable adjectives? This is a visit, which stands on its own. High successful? Yes, it is highly successful. Very successful? Yes, it is very successful. I think what is more important is the substance of the visit. I think I have spelt out to you where it marks a change from the past. I think not so much in terms of specifics that have been discussed between the two leaders but the approach of the two leaders. The approach was forward-looking. Yes, we have problems. Yes, these are problems, which cannot be minimized. We will need to give them very concentrated, intensive attention. But, at the same time, there is a willingness to look forward, to take the relationship forward; a sense that we have come a long way in the last one and a half years; and that what we have achieved so far is something that both sides would like to preserve and to take forward. It is in this context that the issue of terrorism was brought up. That itself is important because if you want to take the relationship forward, and if we really want to preserve what we have achieved so far, this has to be addressed. There is no getting away from it.

**Question:** *Muzaffarabad-Srinagar bus service pe hamla kiya gaya tha usko Pakistan ne condemn kiya. December 13 ka hamle ke baad bhi Pakistan ne usko condemn kiya tha. Bharatiya paksh ne ye zaroor jaanna chaaha hogा kи yeh waqiyा ho kyon rahan hain?*

**Foreign Secretary:** *Dekhiye, humne detail mein ki yeh incident kaise hua, kisne kiya, kya us pe investigation hogा kи nahin hogा ... <>/i I think you need to understand that this is two leaders meeting and having a rather broad discussion in the limited time that is available to them. I mentioned to you that in terms of the issue of terrorism President Musharraf did say - I think he has said this publicly not only in the talks - that the fact that Pakistan condemned this incident brought in fact the two countries closer together. This is what he projected. So, he saw this as taking us towards a certain degree of convergence on this issue that we are both committed to ensuring the success of the bus service; we are both committed to increasing the frequency of the bus service; this is worth doing; and, therefore, both sides need to make sure that the kind of incidents that took place do not take place.*

*The text in italics is transliterated from Hindi■*

New Delhi, 17 April 2005  
 <<http://meaindia.nic.in/>>

## DOCUMENT No. 27

### MUSHARRAF- MANMOHAN SINGH JOINT STATEMENT [TEXT]

NEW DELHI, April 18: Following is the joint statement issued by Prime Minister Manmohan Singh and President Gen Pervez Musharraf here on Monday.

1. "The President of Pakistan, his Excellency General Pervez Musharraf and Begum Sehba Musharraf visited New Delhi as guests of the Prime Minister of India and Shrimati Gursharan Kaur on April 16 to 18, 2005.
2. "While in New Delhi, the President of Pakistan called on the President of India. He also had a meeting with the Prime Minister of India, who hosted a dinner in his honour. The President also watched the last ODI cricket match between India and Pakistan.
3. "The President of Pakistan and the Prime Minister of India used the opportunity provided by the visit to review progress in Pakistan-India relations. They assessed positively the progress that had been made so far through confidence building, people-to-people contacts and enhancing areas of interactions and determined to build on the momentum already achieved.
4. "They reaffirmed the commitments made in the joint press statement of January 6, 2004 and the joint statement issued after their meeting in New York on September 24, 2004 and expressed satisfaction on the progress in the peace process and the improvement of relations between the two countries that has since been realized.
5. "Conscious of the historic opportunity created by the improved environment in relations and the overwhelming desire of the peoples of the two countries for durable peace and recognizing their responsibility

to continue to move forward towards that objective, the two leaders had substantive talks on all issues.

6. "They determined that the peace process was now irreversible. In this spirit the two leaders addressed the issue of Jammu and Kashmir and agreed to continue these discussions in a sincere and purposeful and forward looking manner for a final settlement.
7. They were satisfied with the discussions and expressed their determination to work together to carry forward the process and to bring the benefit of peace to their people.
8. "They also agreed to pursue further measures to enhance interaction and cooperation across the LoC including agreed meeting points for divided families, trade, pilgrimages and cultural interaction.
9. "They condemned attempts to disrupt the Srinagar-Muzaffarabad bus service and welcomed its successful operationalization. The two leaders pledged that they would not allow terrorism to impede the peace process.
10. "They decided to increase the frequency of the bus service and also decided that trucks would be allowed to use this route to promote trade. They also agreed to operationalize additional routes including that between Poonch and Rawalakot. They also look forward to early start of the bus service between Amritsar and Lahore and to religious places such as Nankana Sahib.
11. "They agreed to re-establish the Khokhrapar-Munnabao route by January 1, 2006.
12. "They agreed that the consulates general of the two countries in Mumbai and Karachi, respectively, would be opened before the end of the current year.
13. "They endorsed the decisions taken in the meetings of foreign secretaries of the two countries on December 27-28, 2004, and the foreign ministers on February 15-17, 2005 on the schedule of meetings later in the year, the agreements to be worked upon through these meetings and the measures to be taken to alleviate the situation of prisoners.
14. "On the issues of the Sir Creek and Siachen, they instructed that the existing institutional mechanisms should convene discussions immediately with a view to finding mutually acceptable solutions to both issues expeditiously.
15. "It was agreed that the ministers of petroleum and natural gas would meet in May to explore cooperation in the sector including the issue of pipelines.
16. "Both leaders agreed that enhanced economic and commercial cooperation would contribute to the well-being of the peoples of the two countries and bring a higher level of prosperity for the region. The two leading economies of South Asia should work together for the greater prosperity of the region.

17. "The leaders decided to reactivate the Joint Economic Commission as early as possible. They also agreed that the joint business council should meet soon.
18. "The President of Pakistan conveyed his gratitude for the hospitality provided during the visit and invited the Prime Minister to visit Pakistan. The invitation was accepted in principle. Mutually agreed dates would be worked out through diplomatic channels." ■

Correspondent, *Dawn*, 19 April 2005  
<<http://www.dawn.com/2005/04/19/nat9.htm>>

## DOCUMENT NO. 28

### PAKISTAN - PHILIPPINES ACCORDS

MANILA, April 19: President Pervez Musharraf on Tuesday called upon Islamic and Western nations to reject a 'clash of civilizations' and urged Muslim countries to oppose extremism.

Addressing a joint session of the two houses of the Philippine Congress, President Musharraf also called for a rejection of terrorism, but asked the developed world to address the political and economic deprivations in poorer countries that give rise to the menace.

"We must reject the false notions of 'clash of civilizations', especially conflict between Islam and the West," he said, adding that "terrorism or extremism has no religion". President Musharraf reaffirmed Pakistan's role as "part of the international coalition against terrorism," but said the world must do more to address its 'root causes'.

The president called upon Muslim states to practise 'enlightened moderation' and "reject extremism and intolerance and promote socio-economic development that is lacking in many Islamic societies". He also urged "Western nations to help resolve long-standing political disputes that have caused so much pain in the Islamic world".

President Musharraf referred to the reforms carried out by his government, saying democracy had progressed and economic growth and stability had been sustained under his administration.

He said he hoped Pakistan would become a 'dynamic and moderate Islamic country,' but added that "our neighbourhood has remained disturbed," due to turmoil in Afghanistan and dispute with India over Kashmir.

The president also vowed continued support for Philippine peace efforts aimed at ending a decades-old insurgency through negotiations and called upon the Moro Islamic Liberation Front (MILF) to adopt the course of peace.

The Philippine government in turn, must respect the rights, tradition and culture of its Muslim minority who are based in Mindanao, he added. "I urge the Muslims of the Philippines, my brothers in faith, to shun the path of confrontation, suppress extremism and contribute to the socio-economic progress of their country," he said.

"We admire the courage and determination of the Philippine government in the peace process," the president said, adding that he was optimistic the government would eventually seal a peace accord with the MILF.

**Meeting:** Earlier, President Musharraf and his Philippines counterpart Gloria Arroyo held a one-to-one meeting during which the two leaders agreed to develop a vibrant trade and economic relationship.

President Musharraf was given a military welcome at the Malacanang presidential palace ahead of his talks with President Arroyo. The two presidents also agreed to boost intelligence cooperation to combat terrorism. They were of the opinion that vast prospects existed for mutually-beneficial economic and trade relations.

President Arroyo said she compared notes with Gen Musharraf on their respective governments' campaigns against terrorism. "He believes as much as I do that when we fight terrorism, there is the military aspect and then there's the socio-cultural aspect," President Arroyo told a news conference after the bilateral talks.

"So on the military aspect, we agreed to enhance our intelligence exchange," She said. "It's very important in the world of international terrorism," she said, adding that her country would try to learn from Pakistan's experience in dealing with religious schools promoting militancy.

President Arroyo said both countries would also work together in addressing the root causes of terrorism through enhancing 'inter-faith leadership dialogue' to moderate teachings in madressahs.

The Philippines president said she had instructed her national security adviser, Norberto Gonzales, to meet senior officials from Inter-Service Intelligence (ISI) in June to "enhance our technical intelligence exchanges".

President Musharraf also sought Manila's help in securing a free-trade agreement with the Association of South East Asian Nations, saying it would provide better access to Pakistani products in many areas.

The Philippine leader assured President Musharraf of her country's active role in this regard. The two presidents also exchanged views on regional and international issues of common concern, including Afghanistan and the Pakistan-India peace process.

President Arroyo said Manila appreciated President Musharraf's efforts for establishment of durable peace in South Asia through a composite dialogue process with India. "We believe in harmony in the region and peaceful resolution of all disputes," she added.

The two leaders decided to augment cooperation between private sectors, with President Arroyo saying that her country would import pharmaceuticals from Pakistan, which were not only inexpensive but also of good quality.

President Musharraf asked President Arroyo to facilitate import of Pakistani rice to her country, saying Pakistani rice ranked among the best in the world. President Arroyo expressed hope that the first-ever visit by the Pakistani head of state would impart a new vigour to bilateral ties.

Reciprocating her views, President Musharraf extended an invitation to the Philippine leader to visit Pakistan, which she accepted. Later, senior aides joined the two leaders in delegation-level talks, focusing on enhancing bilateral cooperation in various fields, including fight against terrorism.

The two presidents witnessed the signing of a memorandum of understanding that would serve as a "legal framework to facilitate cooperation and inter-operability between the security, intelligence and law-enforcement agencies of the two countries".

The two sides signed an agreement on cultural exchanges for promoting cooperation through people-to-people contacts. The United Marketing of Pakistan and the Philippine International Trading Corporation signed an accord for increased supply of pharmaceuticals to the Far Eastern country.

The two countries concluded an agreement on abolition of visa requirement for holders of diplomatic passports. Commerce Minister Humayun Akhtar Khan, Minister for Culture and Youth Affairs Mohammad Ali Durrani, Minister of State for Religious Affairs Dr Aamir Liaquat Hussain and Adviser to the Prime Minister on Women Development Nilofar Bakhtiar, Foreign Secretary Riaz Khan and Information Secretary Shahid Rafi assisted President Musharraf at the delegation-level talks. – Agencies. ■

20 April 2005  
<<http://www.dawn.com/2005/04/20/top8.htm>>

#### DOCUMENT No. 29

### ASIA - AFRICA SUMMIT - 2005: NEW PACT

Jakarta, 24 Apr (T. Rajamoorthy and Hira Jhamtani) -- The Asian-African Summit to commemorate the golden anniversary of the Bandung Declaration on 23 April adopted the Declaration on the New Asian-African Strategic Partnership (NAASP). The two-day event was attended by 89 Asian and African heads of state and envoys, and 19 observer countries and sub-regional organizations.

The Summit climaxed with a visit by the heads of state to the city of Bandung (in West Java) on April 24 to reenact the historic walk of the first generation of Asian and African leaders of the Bandung Conference, from the Savoy Homman Hotel to Gedung Merdeka (the venue of the 1955 Conference). The leaders also planted some Asian and African trees to mark the historical occasion.

The Declaration of NAASP focused on three areas of cooperation between the two continents, namely:

1. Political Solidarity, which commits Ministers to take various steps to promote peace and stability and prevent conflict in the region.
2. Economic Cooperation, under which steps would be taken to reduce poverty and promote greater flows of trade and investment between the two continents.
3. Socio-cultural Relations, to foster more people-to-people cultural contacts and promote dialogue among civilizations and cultures.

Based on the Ten Principles of the 1955 Bandung Conference and on a commitment to work towards a just, democratic, transparent and accountable society with full respect for human rights and fundamental freedom, the NAASP emphasizes the need to promote practical cooperation based on areas such as trade, industry,

investment, finance, tourism, ITC, energy, health, transportation, agriculture, water resources and fisheries.

It also contains commitments to promote collective and unified effort in multilateral fora, to address issues such as armed conflicts, weapons of mass destruction and terrorism, as well as to prevent conflict and resolve dispute by peaceful means. The NAASP also affirms the need to promote human resource development, enhance capacity building and technical cooperation between the two regions.

The Declaration envisages an institutionalized process through the convening of a Summit of Heads of State/Government every four years, a Foreign Ministers' meeting every two years and a sectoral Ministerial and other technical meetings deemed necessary. A Business Summit in conjunction with the Heads of State Summit is to be held every four years.

In their speeches, most of the Asian and African leaders seemed to have a remarkable identity of views, namely, that the Bandung Conference of 1955 was held during the era of colonialism, apartheid and the Cold War, that it played a decisive role in ending colonialism and apartheid. However, the socioeconomic aspirations remained unfulfilled.

And with the end of the Cold War, and confronted with challenges of globalization, developing countries have to work together to reap the benefits of globalization.

The NAASP was also seen by them as a major step to promote practical cooperation between the two continents to address globalization, poverty and underdevelopment.

The Summit began with a welcoming speech by the President of Indonesia, Dr. Susilo Bambang Yudhoyono, in which he paid tribute to the first generation of Asian and African leaders who launched the Bandung Conference.

He said that what they did was truly remarkable. At a volatile time when the new world was searching for order, they awakened the collective spirit of Asia and Africa, they set forth a new course, and they ignited a new sense of solidarity and activism, that transformed the fate of the two continents. "In short, what they did was no less than change the world and shape the second half of the 20th century".

While noting that the number of nations in both continents participating in the conference has grown from 29 in 1955 to 106 in 2005, he reminded the participants that this was not a nostalgic gathering or an occasion to lament about the problems of Asia and Africa. "We come here, because we need to ask the hard questions and find real answers about how Asia and Africa can adapt and respond to challenges of today's world".

He then posed the question: why did it take 50 years - a lifetime - for Asia and Africa to reconvene, after the success of the 1955 Summit? He further asked: if the Bandung Spirit is still alive, how can it be made relevant to today's circumstances?

In his opinion, although the Asia-Africa process faltered, the Bandung Spirit is still relevant, in fact even more so than it was 50 years ago. For, as he reminded delegates, Asia-Africa remains the missing link in the worldwide structure of inter-regional relations. Noting that across the Atlantic Ocean, there is a formal alliance between Europe and North America, and APEC and the ASEAN Regional Forum

straddle the Pacific Ocean, there is no formal Asia-Africa link across the Indian Ocean, despite the pioneering efforts of the Bandung Conference.

"Our meeting today is, therefore, an inauguration of that bridge across the Indian Ocean", he said.

According to him, the international environment today is much more conducive for the coming together of Asia and Africa as a result of the end of the Cold War, the growth of communications and trade, the proliferation of bilateral and multilateral ties, and a more sympathetic environment to the problems of the third world.

He pointed out that 106 countries now grace Asia and Africa, comprising more than one-half of the membership of the United Nations, encompassing an area that is almost half of the world. "We speak for 4.6 billion people or 73% of the world's population. Our combined Gross Domestic Product amounts to US\$ 9.3 trillion".

Yet, despite all these, both continents are burdened with problems, including poverty, HIV/AIDS, environmental degradation, armed conflicts and corruption.

"That is why today" he continued, "we have to sound a different battle cry. In 1955, the battle cry was "Freedom", today, the cries should be the battle for human dignity and good governance".

He then expounded on the nature of the NAASP, which would be implemented through interaction at three levels: intergovernmental, sub-regional and people-to-people. It would promote a just, democratic, accountable and harmonious society, based on the promotion and protection of human rights and fundamental freedoms, 'the most basic of which is the right to live'.

Under the Partnership, the two continents should "coordinate moves and speak with one strong and clear voice". This will ensure that "the smallest among us will not be marginalized". In this respect, he expressed satisfaction that through this Summit, "both continents remain unyielding in their support for the Palestinian cause in their epic struggle to gain their independence".

South African President and Co-Chair of the Summit (together with the Indonesian President) Thabo Mbeki, in his opening address, said the Asia-Africa Conference is an effort to walk in the footsteps of the leaders that conceived the Bandung Conference. There is a need to assess what progress has been achieved after 50 years and how to give meaning to the Bandung Spirit through the combined strength of two continents.

The UN Secretary General, Kofi Annan, in his speech, recollected with pride when leaders from his continent, defying the colonial powers, came to Indonesia and joined hands with the Asian leaders to adopt the Bandung declaration. "At that time, it seemed an audacious and creative thing to do. Looking back, it was a major turning point in world history".

He paid tribute to the leaders of the Bandung conference, whose vision eventually led to the founding of the Non-Aligned Movement (NAM) and the G-77 and transformed the UN. He urged the Asian and African countries to support his effort at reforming the UN. "If we are to make our world fairer, freer and safer for all its inhabitants, the institution of the UN should reflect the world of 2005, not 1945, particularly the Security Council".

The Malaysian Prime Minister, Abdullah Ahmad Badawi, also the current chairman of the NAM, expressed abiding gratitude to the leaders who had gathered in

Bandung in 1955 for their contribution in inspiring the founding of the movement in 1961. He reminded delegates that while the shackles of colonialism have been broken, many countries in Asia and Africa have yet to attain the proper economic and social attributes of independence.

He said disease and ignorance continue to exist. Multilateralism is under threat. Technological transformation and globalization have not eliminated extreme poverty. Many in the developing world believe both factors have accentuated the asymmetries that characterize the multilateral system. Furthermore, "the preoccupation of rich countries with counter-terrorism has diverted much valuable resources from the development process".

Badawi supported the NAASP and highlighted areas of cooperation among Asian-African countries. He said that on UN reforms, the countries must work together to remove the power asymmetries institutionalized by the current arrangements in the UN system. The reform of the UN system must aim towards strengthening the multilateral system and principles should prevail over power.

He added that countries must work to ensure that Intellectual Property Rights serve development goals, and in this context, access to affordable medicines for HIV/AIDS and other communicable diseases is a priority. Countries must continue to maintain their position for complete and general disarmament, but also insist that non-nuclear weapon states have unimpeded access to nuclear technology for peaceful purposes.

Badawi said Asia and Africa must take the lead in strengthening ties with civil society which can be a force and factor for national development. They must also work to combat negative perceptions about both continents depicted by the international media, and in the endeavour to have their stories heard, good governance at the national level must prevail in each country in the region.

The President of China, Hu Jintao, in his address said that hegemonism, terrorism, local wars and transnational crimes are still undermining peace and stability in the world, while environmental degradation, natural disasters and communicable diseases continue to threaten the survival and development of mankind. Developing countries are faced with a host of difficulties and problems in their effort to achieve economic and social development, with some even on the brink of being marginalized as a result of uneven economic development, widening gap between the North and the South, and rising trade protectionism, as well as their own inadequate development.

He added, "we share a challenging problem of defending rights and interests of the developing countries and a just and rational new international and political order".

Robert Mugabe, President of Zimbabwe, said, "the greatest tribute to the visionary leaders who met in Bandung in 1955 is to be faithful to this Summit's commitments". He further said that the Summit theme, "Reinvigorating the Bandung Spirit" should challenge member countries to seriously confront the threat of unilateralism, which constitutes as grave a threat to world peace, stability and development, as that posed by transnational crimes and terrorism.

He welcomed the NAASP and said that the partnership should provide practical linkages in trade investment, human resource development and technology. He hoped that "The wisdom of the Bandung Conference and the NAM will continue

to hold the key to the quest for an egalitarian world, where nations, weak and strong, all play their part in making the world a better place".

Elaborating on the dangers of unilateralism, Mugabe referred to the US and Britain's war against Iraq, and said that the Summit should be concerned that the UN process has been rammed into submission by unilateralism.

He accused the US and Britain of employing sophistry and blatant lies to go to war against Iraq, making the yet-to-be-proved claim that Iraq had stockpiles of weapons of mass destruction, when in fact the greater danger comes from America's and Britain's weapons of mass deception.

He also said that unilateralism, which he characterized as "fascist international dictatorship", is also undermining democratic processes in different regions through interference in internal domestic affairs. He alleged that his country has been a victim of such interference in its domestic affairs through several measures including declared and undeclared sanctions purely because, "we dared to challenge white privilege by embarking upon a process of equitable distribution of our land". He charged that the same weapon of mass deception used by Britain and her allies have viciously portrayed Zimbabwe as lawless, disorderly and undemocratic.

He added that unbridled interference in local affairs also continues to manifest itself in Palestine where "we see a spirited fight against a viable Palestinian State seeking to live side by side with Israel". He said the big powers have exhibited clear and unacceptable hypocrisy on the Palestinian question: "kid gloves for Israel, but more rigorous benchmarks are set for the Palestine and its down trodden people".

He said Asian and African countries should confront the threat of unilateralism by realizing that such unilateralism constitutes as grave a threat to world peace, stability and development, as that posed by transnational crimes and terrorism. He stressed that unilateralism or the so-called unipolar world cannot be the yardstick by which international relations are conducted. He declared, "We cherish the equality of nations, the sovereignty of all countries, and inviolability of their right to self determination".

The Prime Minister of Lesotho, Pakalitha B. Mosisili, also took up the issue of unilateralism as opposed to multilateralism, pointing out that the leaders of the Bandung Conference understood that multilateralism, as opposed to unilateralism, was the only legitimate key to address international issues. He went on to say that where multilateralism has been engaged, positive results have always been visible. "The same cannot be said where unilateralism was the preferred option".

The Prime Minister of India, Manmohan Singh said that the declaration on NAASP outlines the guiding principles for joint action to achieve development goals in Asia and Africa in a changed global environment. "It must awaken a global conscience that recognizes the moral imperatives of social justice, poverty alleviation and the core elements of our Millennium Development Goals," he said. He went on to say that the need to create new structures of mutual support, solidarity and cooperation to benefit from best practices and appropriate technologies is as urgent today as fifty years ago.

The Vice-President of Mauritius, Abdool Raouf Bundhun, highlighted that "the debt problem of Asia and Africa is worsening We are still in the debt trap". Any further delay to address this concretely will bring these continents further away from the mainstream of development.

The Minister of Foreign Affairs of Kenya, Chirau Ali Mwakwere, pointed out that the international trading system is influenced by the interests of the developed world. Thus it is necessary for Asia and Africa to work towards the promotion of greater market access for goods and seek removal of costly constraints on exports put by the developed world, which 'ironically, outweighs aid flows.'

The Cuban Deputy Minister of Foreign Affairs, Rafael Dausa Cespedes, who attended the Summit as an observer, said that the principles of Bandung remain as valid as before "when attempts are being made to impose on us a neo-liberal globalization, and our sovereignty, independence and self-determination are threatened". Recalling that Cuba had contributed to the liberation struggle of many African and Asian countries, he pledged his country's continued support for "the heroic people of Palestine until they are able to attain their true and complete independence".

In closing the Summit, Yudhoyono said that the most important legacy of this conference is the establishment of a New Asian-African Strategic Partnership which he described as "a milestone in the history of our movement". He pledged that through this Partnership, "we will create in the years ahead a legacy of socioeconomic and cultural development to future generations of Asians and Africans".

Besides the official Summit, there were also several other parallel events for two weeks starting on 14 April to commemorate the Bandung Conference. These included an Asian-African Business Summit (attended by 30 countries), and NGO conferences, as well as trade fairs and rallies.

At the meeting of Foreign Ministers on 20 April, Indonesian Foreign Minister Dr. Wirajuda said the idea of having a New Asian African Strategic Partnership (NAASP). emerged at the ASEAN Summit in 2003, when the then Chairman of the African Union (AU), President Thabo Mbeki of South Africa, invited ASEAN to engage with the AU in promoting inter-regional cooperation. ASEAN accepted the idea and the issue was pursued further at the first Asian-African Sub-Regional Organizations Conference (AASROC) in Bandung, in July 2003, followed by the second AASROC in Durban, August 2004.■

26 April 2005  
<[http://www.norignis.org/visartikler.php?artikkelen\\_id=181](http://www.norignis.org/visartikler.php?artikkelen_id=181)>

## DOCUMENT NO. 30

### CONDOLEEZA RICE: PRESS TALK DURING M.E. AND EUROPE VISIT [EXTRACT]

**Question:** Madame Secretary, on Iraq, what do you say to the growing chorus of voices on Capitol Hill, including some Republicans who have been strong supporters of the war that say the administration needs to present at least the beginnings of an exit strategy. And you've got some very worried voices. You have people like Lindsey Graham, who said we're going to lose this war if we don't watch it. What do you say to them?

**Secretary Rice:** Well, I would say that what we should look for is a success strategy because the United States is in Iraq because it is central to our security, long-term security. It is essential to a different kind of Middle East. It's essential to having a regime there that can be an anchor for that different kind of Middle East. It is a very different Middle East with Saddam Hussein gone. And now we are in the process of trying to help the Iraqis to put in place a viable and democratic state on the ruins of that old tyranny.

Now, I do think that we owe it to the American people to say again and again that this is not going to be an American enterprise for the long term. This is going to be an Iraqi enterprise. Whether you talk about who's going to provide security or who's going to be involved in the politics, it will be Iraqi.

They are already in charge of their own politics. We will not celebrate the transfer of sovereignty - the one-year anniversary of the transfer of sovereignty until next week. It's been less than a year since we transferred sovereignty. They have elected a government, they will now write a constitution, they are then going to have permanent elections and that creates a fundamentally different political context for the Iraqis themselves. Their security forces are being trained, they're taking over more and more of the effort.

Now, they are facing a tough insurgency that's made up, we believe, more and more of foreign terrorists - I mean, more and more from what you're seeing, foreign terrorists plying their wares with suicide bombings and the like. And so a relatively few people can wreak a lot of mayhem on the Iraqi people.

But the security forces and their ability to fight - it depends on intelligence, it depends on the population being able to support them, and the Iraqis have created the political conditions in which we believe that's going to happen.

So I would say this is not going to be an American enterprise for the long term.

Yes, Anne. ...

**Question:** Madame Secretary, you'll be going to Israel at a time when there's a controversy or concern growing over the supply of military technology to China. Can you give us your views on that and tell us what you're going to be telling the Israelis about that?

**Secretary Rice:** Well, we have had concerns and I would hope that our Israeli friends would understand that the United States, of course, has responsibility, along with others but we have primary responsibility really for defending in the Pacific. And there is a rising concern here about military modernization in China. And while we recognize and believe very strongly that the goal of everyone has to be to integrate China as fully into the international system as possible and to try to create conditions in which China is a positive force. It is also entirely appropriate to be concerned that that happen before there is a major military escalation of China's capability.

And so Israel has a responsibility to be sensitive to that, particularly given the close defense cooperation between Israel and the United States. And given that, we have had some very difficult discussions with the Israelis about this. I think they understand now the seriousness of the matter and we'll continue to have those discussions.

Yes.

**Question:** Madame Secretary, on Uzbekistan. It does seem that there is a tension with

the government right now in terms of the government restricting U.S. access to bases. At the same time, you want to push ahead, calling for an independent investigation into the violence there and respect for human rights. How do you balance the two? How do you resolve this with the Uzbek Government where you can still use the bases but forge ahead on those incidents?

**Secretary Rice:** Well, first of all, unequivocally, we called for an independent international investigation, which is the only investigation of Andijan that we think will be credible.

Secondly, yes, we do have important equities in terms of being able to use the bases there. It's been very important to our support - to support our activities in Afghanistan. And we have arrangements with the Uzbek Government and we continue to hope that we can use those arrangements. I think it's extremely important to understand that we have been, for the last few years, talking to the Karimov Government and urging the Karimov Government to do something about the openness of their political system. The answer to the potential threat of extremism in a country is not to close the system down, but rather to open it up to legitimate and more moderate voices in the political system. And we've continually said that to President Karimov and to his advisors.

And while, of course, as you said, we have these equities, the - I think the President's made very clear that we believe our long-term strategic goals are served by open political systems and by processes of democratization. And so we continue to press that case.

Yeah, you can follow up.

**Question:** What do you say to the government, the Uzbek Government, does seem to be holding hostage your use of these bases, to your calibration of a message on human rights?

**Secretary Rice:** No. I just say it won't work. It won't work.

Yes.

**Question:** Madame Secretary, what's your reaction about the contacts between the EU's officials and Hamas movement?

**Secretary Rice:** Well, I frankly don't know the extent of this. I've read many different stories about it. My understanding is that the EU is fundamentally - that our EU colleagues fundamentally understand that Hamas cannot be in a position of threatening the peace process with arms and then say that it is a part of the political process. I think that is something that we share.

Now, the United States has not changed its view of Hamas and we do not have contacts with Hamas. I think the best answer here is that there is a democratically elected President in the Palestinian territories, Mahmoud Abbas. They're going to hold, in the near future, further elections in the Palestinian territories. And it is probably best to let Mahmoud Abbas deal with some of the contradictions, let me put it that way, in the political system in the Palestinian territories, recognizing what he himself has often said, which is that you cannot have multiple guns in a state. There has to be one authority and one gun. And I think that's been his position and we certainly agree with him.

I promised you I'd come back. Yes.

**Question:** Thank you, Madame Secretary. I'm just going to follow up on Iran, on the statement that was issued from the White House today. And they said thousands of

people, including the reformers and women were barred from taking part in the election. Do you think that will be a fact that will undermine outcome of the result, considering that maybe the frontrunner Rafsanjani will be elected and he already stated that he'd want to open a new page with Washington?

**Secretary Rice:** Yes. Well, the process certainly matters. And when you do have thousands of people and - well, women as a class and then thousands of people arbitrarily, as far as I can tell, told that they cannot run, it calls into question - or I can't see how one considers that a "legitimate election."

My point is that whatever happens there, we've long said to the Iranians that we have very big concerns about their behavior. And I think everybody understands what that means. And again, I would just focus on the trend line here, which is simply in the wrong direction.

**Mr. McCormack:** I think we have time for two more questions.

**Secretary Rice:** Okay. Oh, goodness. Now, you're going to do that to me. Okay, I guess. (Laughter.) I have to pick and choose. That's really not fair.

**Question:** Madame Secretary, I wanted to ask you two questions, if I may, about your upcoming trip to the Middle East. The Administration was sharply critical of Syria in recent days. Is there anything you plan to ask of the Egyptians, the Jordanians, or the Saudis on this front, perhaps for help in changing Syrian behavior in Lebanon or on the Iraq border?

And secondly, with the absence of a chief for public diplomacy, is there any way that you plan to use this trip to perhaps fix the U.S. image in the region?

**Secretary Rice:** Well, to the degree that it needs fixing, I don't think I'll manage in one trip, but I'll do my part to try to make our case for what we're doing and for the fact that the United States is simply putting forward the proposition that the people of the Middle East are no different than the people of the rest of the world, that they have the same aspirations for human dignity and liberty, and to be able to say what they think and to choose those who would govern them that people around the world have. And I think that the admission on the part of the United States and on the part of the President that that hasn't always been what the United States has said about the Middle East is enormously important and I'll say that again.

I'll also say again that the United States respects Islam and respects this great religion, believes that those who are using the name of Islam to kill innocents, to frustrate the aspirations of the people of Iraq or Lebanon or of the Palestinian territories through violence, that by no means do we believe that this is the face of Islam; and that Islam is not just respected by the United States, it's practiced in the United States because we believe fundamentally in religious freedom and religious tolerance.

And we do have a public diplomacy effort still underway. And by the way, I would hope that the Senate would also release Dina Powell, who is to be the new Assistant Secretary for Education and Cultural Affairs because she's being held up for what I consider to be unrelated reasons, and it would be very useful to have her here and doing that work.

But yes, I do think that this trip is, in part, an opportunity to communicate with the Arab world, with reformers. I will meet with reformers on a couple of occasions and I'll do what I can in that regard.

As to Syria and Iraq and the states that I'll meet with, yes, we have consistently talked with Egypt and Saudi Arabia and Jordan about what they can do to impress upon the Syrians that they have an obligation to, first of all, to have good relations with their neighbor, which means not creating conditions in which their territory is being used to attack the aspirations of their neighbor, Iraq; and that they have obligations to be fully out of Lebanon, not just their military forces but also their intelligence presence. And I believe that they've been getting a pretty consistent message from the other states in the region because the states that I've mentioned are all desirous of, and indeed anxious for, an improved set of circumstances in the Middle East, most especially on the Palestinian-Israeli situation.

Let's see. All the way in the back. Yes.

**Question:** Thank you. Madame Secretary, I wonder if South Caucasus will come up in your European talks. Any new initiatives in terms of democracy or conflict resolution you will discuss with your European colleagues?

**Secretary Rice:** Yes, I do hope to have a chance to discuss with my European colleagues - and I probably will see Minister Lavrov as well - to talk about the so-called frozen conflicts, first of all, Nagorno-Karabakh and others, but also to talk about the conditions in the caucuses. A lot has happened, even since I was last there with the Georgian-Russian base agreement. That is a very good thing. And to see how we can all work together for a more peaceful and democratic caucuses region.

One of the issues that I think we have to talk about is if we could get some of these frozen conflicts resolved peacefully then the economic benefits for that region, I think, would be quite dramatic. And so yes, that would be an important issue. Yeah.

**Question:** I wanted to ask how seriously or what degree of opposition the U.S. really has towards the plans that India and Pakistan have evidently to move forward on this pipeline from Iran and what consequences the U.S. is threatening might flow from that if they do go ahead with it?

**Secretary Rice:** We've communicated our concerns to both Pakistan and India about this, but we have very positive relations with Pakistan and India. The really amazing thing is that we have managed to have very positive relations with India that includes an increasing defense cooperation relationship and very positive relationships with Pakistan that includes defense cooperation. And so I think it demonstrates that we are de-linking the India-Pakistan and I think it shows that, in a sense, they are, too, because we're very - find quite remarkable and very encouraging the move of Pakistan and India toward a greater rapprochement between them and we want to be supportive of those trends.

One thing that is of concern to the countries in that region and we're going to have to have continuing discussions about is the energy situation because these are growing economies (inaudible) the Indian community which has to find energy supply and that's why we have an energy dialogue with the Indians, so that we can help to talk about different forms of energy supply because we fully understand that they need to find it. But we've made our concerns known about this specific circumstance.

**Question:** It is fair to say that you're not likely to move towards sanctions then if they were to go down that path?

**Secretary Rice:** Well, I think the - we are sharing our concerns in a constructive way with them and not in a negative way. All right. I guess I have to go. Thank you very much.

*(The briefing was concluded at 3:57 p.m.)■*

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