Dear Readers,

SAARC Biz is an official newsletter published monthly by SAARC CCI Secretariat to keep our members abreast with the latest activities of the SAARC CCI. It mainly covers events held in the region during the month of July. Your comments and feedback to further improve the contents of the bulletin will be highly appreciated.

July 2012

Seminar on Trade Facilitation in South Asia: Addressing barriers to foster Trade Chain

SAARC Chamber of Commerce & Industry in Collaboration with the Federation of Chambers of Commerce and Industry of Sri Lanka and in partnership with Friedrich Naumann Foundation (FNF): Fur Die Freiheit, organized Seminar on Trade Facilitation under the theme “Addressing Barriers to Foster Trade Chain” on 13th July, 2012 in Colombo, Sri Lanka. The seminar was aimed at creating awareness amongst the Private Sector and to invite deliberations from Academia and the Government officials on the issues pertaining to trade facilitation.

H.E Professor G.L. Peiris, Minister for External Affairs, Government of Sri Lanka as the Chief Guest of the Seminar and Inaugurated the conference. The seminar was also addressed by Professor Madhukar Rana, former Finance Minister of Nepal, South Asian Business Leaders including Mr. Vikramjit Singh Sahney, President, SAARC CCI, H.E Professor G.L. Peiris, Minister for External Affairs, Government of Sri Lanka, Mr. Kumar Mallimaratchi, President FCCISL, Mr. Subodh Kumar, Executives Programes, FNF, Mr. Tariq Sayeed, & Mr. Annisul Huq Former Presidents of SAARC CCI.

While addressing the inaugural session of the seminar H.E Professor G.L. Peiris stated that “Non-Tariff Barriers (NTBs) were deterring intra-SAARC Trade and were required to be addressed through adoption of modern technology, positive approach and shared vision. He termed NTBs as root-cause of insignificant intra-regional Trade, which was poorly 5% as compared with 58% in EU, 52% in NAFTA and 26% in ASEAN. He urged for strengthening bilateral and sub-regional
initiatives within the regional trade framework to foster regional cooperation. He urged upon taking appropriate and immediate measures to simplify procedures and in this respect proposed for single clearance certificate, harmonization of procedures use of technology for Exchange of Digital Information, automation, to diminish procedural barriers.

Mr. Vikramjit Singh Sahney in his keynote address urged for reduction of sensitive list, minimizing procedural barriers to ensure the free flow of goods and services and promote trade, investment and Tourism to further deepen Regional Economic Cooperation. He demanded of the Government of SAARC to review their policies in context of the development taking place around globe and other region to lower barriers.

Mr. Kumar Mallimaratchi, President FCCISL during his welcome address said that Infrastructure and logistics have become very important segments of any trade facilitation mechanism, which unfortunately were underdeveloped areas in South Asia, which have made South Asia as the least connected region in the world despite all communications channels were available.

Mr. Annisul Huq reiterated the demand of flexible Visa Policy, implementation of motor vehicle agreement, shipping protocol, and EDI facilities at Border Customs and requested the chief guest to take up Visa Sticker issue in the forthcoming meeting of the external meeting.

Mr. Iftikhar Ali Malik asserted the need for adoption of modern approaches and change in mindset of the political leaders and Government officials, requesting the change in their role from regulators to facilitators.

While moderating the inaugural session, Mr. Iqbal Tabish, Secretary General of SAARC CCI urged upon the policy-makers to play their due role for streamlining of procedures, elimination of unnecessary bureaucratic and administrative burdens to foster the trade chain in SAARC Region.

Mr. Subodh Kumar, Executives Programmes, FNF-Regional Office India while expressing his views termed the harmonization of trade activities and simplification of documentary requirements as key needs to properly implement a better trade facilitation process. He pointed out that challenges should be identified and better analysis should be carried out to manage the process.

Mr. Kosala Wikramnayake while offering vote of thanks said that the trade was the central task in upgrading socioeconomic setups and the strong steps to strengthen intraregional trade should be looked into, as a vital aspect.

The Inaugural session of the seminar was followed by the two technical sessions i.e. Procedural Barriers and Solutions and Addressing Infrastructure & Logistic issues, which were addressed by academicians and experts like Dr. Prabir De, Fellow-RIS, India, Ms. Ashani, research officer IPS (Sri Lanka), Government officials of Sri Lanka, Begum Salma Ahmed, Vice Chairperson SCWEC (Pakistan) & VP-FPCCI, Ms. Rita O’Sullivan Country Director, ADB, experts and professional from South Asian region.

The experts identified procedural barriers as serious bottlenecks hindering the smooth flow of trade in the South Asian region. Various flaws in commercial, transport, regulatory and financial systems, were pointed out, which have led to the involvement of more procedures compared to other regional trade blocs in the globe, and in turn had an adverse impact on trade facilitation mechanisms in the region.

The seminar was successful in term of facilitating dialogue between relevant stakeholders from both the public and private sectors. It sought solutions as to how procedural flaws could be contained and documentation requirements could be reduced through simplification of procedures to foster trade processes in the region.
SAARC CCI Delegation Calls on to Hon’ble Basil Rajapaksa, Minister of Economic Development, Govt of Sri Lanka.

SAARC CCI delegation comprising of Mr. Vikramjit Singh Sahney, President, Mr. Mahendra Parmir, VP (India), Mr. Iftikhar Ali Malik, VP (Pakistan), Mr. Kosala Wikramanayake, VP (Sri Lanka), Mr. Muhammad Iqbal Tabish, SG of SAARC CCI, Mr. Kumar Mallimaratchi, President, FCCISL, Mr. Satinder S. Banga, EC Member (India) of SAARC CCI, Mr. Kulwant Singh, Mr. H.S Chadha, Ms. Ambika Sharma, Deputy Secretary General-FICCI, Mr. Goutam Gosh, Additional Director, FICCI and others respected members of SAARC CCI calls on Hon’ble Basil Rajapaksa Minister of Economic Development, Govt of Sri Lanka. During the meeting Hon’able Minister said that Economic Integration was the best way to achieve and sustain economic prosperity among the South Asian nations. Enlarging the opportunities for trade and investment among the SAARC countries could be an effective instrument to stimulate economic growth in the region.

The Minister said also added that the level of intra regional trade and investment continue to be very low in the SAARC region, and SAARC countries were far behind the other regional economic blocks in trade and investment. He said that enormous scope for expansion of intra - regional trade and investment exist in the region and there were a number of factors acting in constraint for expansion of trade such as high level of trade barriers, competition of export of similar products and lack of Information.

The Minister emphasized the need to find a common ground to work toward a common economic goal overcoming these smaller problems and if it was done, he said that the results would be great and all the member countries would benefit from such efforts. He said that the SAARC region had emerged as one of the fastest growing regions on earth. If our countries could emerge to forge a workable economically integrated area, our region could evolve into one of the largest economic block with huge market base.

The delegation discussed with the minister about the possibility of investing in Sri Lanka in areas such as port and shipping, low cost housing, Oil and gas, automobile, agriculture, poultry etc. They also stressed on the requirement to have joint - tourism development programmes sd joint programmes by the member countries for the tourist from other countries are rare.

The 56th Executive Committee Meeting of SAARC CCI

The 56th Executive Committee Meeting of SAARC Chamber of Commerce & Industry was held on 13th July 2012 in Colombo, Sri Lanka under the chair of Mr. Vikramjit Singh Sahney, President, SAARC CCI.

At this occasion, SAARC CCI Immediate Past President Mr. Annisul Huq and former President Mr. Tariq Sayeed were also present. Other respected members including SAARC CCI Vice Presidents Mr. Mahendra Pramar, (India), Mr. Iftikhar Ali Malik (Pakistan), Mr. Kosala Wikramanayake (Sri Lanka) and Secretary General, Mr. Iqbal Tabish, were also present in the meeting.

The house unanimously approved the minutes of last Executive Committee Meeting held in Paro, Bhutan. The major agenda items discussed during 56th EC meeting includes strategy to activate SAARC CCI councils and amendment in the SAARC CCI constitution clause regarding Associate Membership. During the meeting Mr. S J B Madhukar Rana, Former Finance Minister of Nepal also made a presentation on role of SAARC CCCI in Changes Global Scenario.
Seminar on Trade Facilitation in South Asia

Mr. Vikramjit S. Sahney, President & Mr. Tariq Sayeed, Founder & Former President of SAARC CCI at Lightening the Lamp ceremony.

H.E Professor G.L. Peiris, Minister for External Affairs, Government of Sri Lanka & Chief Guest of Seminar while addressing the inaugural session.

Mr. Vikramjit S. Sahney, President SAARC CCI while delivering his keynote address at the seminar.

Mr. Kumar Mallimaratchi, President FCCISL while delivering welcome address.

Mr. Vikramjit S. Sahney, President, SAARC CCI while presenting SAARC CCI official crest to H.E Professor G.L. Peiris, Minister for External Affairs, Government of Sri Lanka & Chief Guest of Seminar in presence of H.E SJB Madhukar Rana, Former Finance Minister of Nepal (left) and Mr. Jayarathan Herath, Deputy Minister of Trade and Industry, Sri Lanka (Right).
(L-R) Begum Salma Ahmed, VP-FPCCI and Vice Chairperson, SCWEC (Pakistan), Mr. Fazal Elahi (Pakistan), Adnan Jalil (Pakistan), Mr. Shafquat Haider (Bangladesh) Executive Committee Members of SAARC CCI.

(L-R) Mr. Shafquat Haider, Chairman, SAARC CCI council on ICT and Life Member, SAARC CCI (Bangladesh) and Mrs. Tshering Lham (Bhutan)

(L-R) Mr. Vikramjit S. Sahney, President, SAARC CCI official crest to Hon’ble Basil Rajapaksa, Minister of Economic Development, Govt of Sri Lanka. Mr. Iqbal Tabish Secretary General, SAARC CCI and Mr. Kosala Wikramnayake, Vice President, SAARC CCI (Sri Lanka) also seen in the picture.

(L-R) Mr. Iqbal Tabish, Secretary General, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI.

(L-R) Mr. I. K. Jaiswal, EC Member & Mr Ramesh Handa GA Member of SAARC CCI from India during Executive Committee Meeting of SAARC CCI.

(L-R) Mr. Vikramjit S. Sahney, President, Mr. Iqbal Tabish, Secretary General & Founder & Former President of SAARC CCI during Executive Committee Meeting of SAARC CCI.

(L-R) Begum Salma Ahmed, VP-FPCCI and Vice Chairperson, SCWEC (Pakistan), Mr. Fazal Elahi (Pakistan), Adnan Jalil (Pakistan), Mr. Shafquat Haider (Bangladesh) Executive Committee Members of SAARC CCI.
The government of the Maldives has been leading the charge to draw global attention to the issue of de-territorialization, the complete loss of the nation's inhabitable territory due to climate change impacts. Continuing global warming threatens low lying islands and coastal areas with gradual submergence from on-going sea-level rise and rapid inundation from intensified tropical storms. Many small island states risk territorial loss, but the Maldives are unique in that 80 percent of the Republic sits just one meter or less above sea-level.

To date, the Maldivian government has pursued measures at both the local and international levels to maintain the islands’ habitability as long as possible. Nevertheless, the government has yet to create an official resettlement plan for its people.

A coherent resettlement strategy is necessary not only to protect the Maldivian population, but also to help develop a broader global plan of adaption to deal with the most challenging international repercussions of climate change. A pre-planned relocation, for example, could take place voluntarily, and in advance of an island nation becoming uninhabitable. The absence of a resettlement plan, on the other hand, could condemn hundreds of thousands of Maldivians to a forced migration in the face of possibly rapid land loss. This latter scenario would place Maldivians at greatest risk, as forced environmental migrants have no long-term legal protection under the 1951 U.N. Convention on the Status of Refugees. Even if the Maldives develop a resettlement plan to contend with sudden storm surges or gradual sea-level rise, further questions arise regarding the nature, timeline, and location of resettlement. At what point in the de-territorialization process would the Maldivian people relocate? Would they move all at once, or in waves? Would all the nation’s citizens migrate to a single location, or instead scatter to various resettlement destinations?

A key factor in formulating a practicable resettlement strategy will be the availability of land. Already, some high-ranking Maldivian government officials have floated the idea of purchasing land from India, Sri Lanka, or Australia, taking into consideration those countries’ proximity, climate, and culture. However, as the global population grows and natural resource bases are further strained, what country would give up land to a newly homeless nation? Furthermore, even if land were available, it would need to be economically and environmentally viable for both the Maldivians and the host country before it could be considered a feasible resettlement location.

The currently accepted criteria of statehood further complicates resettlement planning. According to the Montevideo Convention, statehood is determined by the existence of a permanent population, a defined territory, a government, and the capacity to enter into negotiations with other states. If the Maldivians eventually fall victim to rising seas, would they be able to maintain their statehood without tangible territory?

The international community’s decision on the issue will be a key determinant of Maldivians’ resettlement options. If the traditional definition of statehood stands, then the Maldivians will need to acquire new land to maintain sovereignty and citizenship. But if the Maldivian government cannot secure new land for its people, the population would become migrants or immigrants, an outcome that could cost them their collective national identity.

Conversely, the international community could decide that the Maldivians may maintain their sovereignty without a defined territory, following the precedent set by the Knights of Malta and governments in exile. Although resettlement would still be necessary, under these circumstances the Maldivian government would be able to advocate for the rights and well-being of its people, as well as continue to act as a full stakeholder in international policymaking deliberations.

A third option, which would also allow for the preservation of Maldivian sovereignty without the acquisition of new land, would be the maintenance of the Maldivian exclusive economic zone (EEZ). Presently, under the U.N. Law of the Sea Convention, EEZs are determined by ownership of inhabitable land. However, if the international community allowed for a freezing of the Maldivian EEZ in its current state, this ocean territory could serve as the “defined territory” needed for statehood.

Although the scenarios surrounding territorial loss and resettlement are multifaceted, it is better for the Maldivians and the international community to tackle them early and directly, rather than leave them unaddressed. A collective discussion about population displacement and relocation can lead to more holistic and sustainable solutions. The alternative - continuing to view de-territorialization as a hypothetical challenge - may be easier in the short term. But in the long term, ignoring these risks may not only threaten the Maldivian nation, but also deprive the international community of an opportunity to pursue proactive climate adaptation.
**India-Bangladesh Relations**

**ISSUES, PROBLEMS AND RECENT DEVELOPMENTS**

Bangladesh, shares 4094 kilometers of land border with India on three sides, the fourth side being open to the Bay of Bengal. Various issues need to be resolved if the relationship between the two are to be improved, from sharing the water of 54 international rivers that flow from India to Bangladesh to controlling terrorism and promoting economic development.

The trade relationship has had a detrimental effect on bilateral relationship. The geographical proximity of India to Bangladesh has made it one of its biggest trading partners. There are pressing concerns in Bangladesh regarding the large bilateral trade deficit with India and the large volumes of informal imports from India across the land border which avoid Bangladesh import duties. Bangladesh's bilateral trade deficit with India has been increasing rapidly on average at about 9.5% annually. However, the deficit narrowed for the first time in fiscal year 2005/06 when Bangladesh's exports rose to $242 million while India's exports fell to $1.8 billion from $2 billion in officially recorded exports. For Bangladesh, India has now become the largest single source of its imports.

Political discontentment in Bangladesh tends to stem from the huge trade gap, supported by the fact that India has a lot of non-trade barriers for Bangladeshi exports. Even though exports from Bangladesh are growing at a healthy pace, there is no sign of reducing this trade gap. The non trade barriers, as pointed out by Bangladesh Commerce Ministry, and cited by the Daily Star include:

- Laboratory tests in Bangladesh, especially for food products, cosmetics, and leather and textiles products.
- Packaging requirements
- Inadequate infrastructure facilities such as warehousing, transshipment yard, parking yard and
- Connecting roads at land customs stations also hinder exports from Bangladesh; the land border trade is subject to very serious administrative constraints in Bangladesh. The most important of the Customs posts with comprehensive Customs clearance powers is at Benapole, which borders Petrapole on the Indian side and which is on main roads linking Kolkata with Jessore and Dhaka.

As per the report by Bangladesh Commerce Ministry, trade barriers include:

- Imposition of state tax
- Anti-dumping (AD) is one of the WTO legitimate measures introduced by India during the 1990s,
- Countervailing duties

90% of industrial tariffs are now at 12.5%, far lower and far more uniform then they have ever been in the past 50 years.4 From the perspective of SAARC countries, including Bangladesh, these changes mean that Indian domestic markets, for most manufactured goods, are highly competitive, with prices that are close to world prices, and are likely to be difficult to penetrate even with complete exemption from Indian tariffs under bilateral or multilateral free trade arrangements such as those planned under SAFTA.

Illegal and Informal Trade

Informal trade carried out through porous land border between India and

Bangladesh adds to the trade deficit, dating back to the initial years of Bangladesh’s birth. The substantial, informal and unrecorded trade, carried across the India-Bangladesh border, is more quasi legal in nature, and is often described as ‘informal’ rather than illegal, since there is wide participation of local people in the border areas who operate in liaison with the anti-smuggling enforcement agencies. Informal trade of this kind often involves large numbers of local people individually transporting small quantities as head loads or through bicycle rickshaws, also known as ‘bootleg’ smuggling. Another kind of informal trade, termed ‘technical’ smuggling, involves explicit illegal practices such as under invoicing, misclassification and bribery of Customs officers. Informal trade of this kind often twined with other issues like transshipment and border areas who operate in liaison with the anti-smuggling enforcement agencies. Another kind of informal trade, termed ‘technical’ smuggling, involves explicit illegal practices such as under invoicing, misclassification and bribery of Customs officers. Informal trade of this kind often twined with other issues like transshipment and export of natural gas, one of the natural resource possessed by the independent nation of Bangladesh.

In a recent visit to India, Mr. H.E. Tariq A. Karim, Bangladesh High Commissioner to India at the Institute of Peace and Conflict Studies, New Delhi noted that..."if India were to facilitate Bangladesh’s exports to India by completely removing all tariff and non-tariff barriers, then the loss in revenues to India from duties and levies would be insignificant while in return, huge goodwill will be created..."
essential for a progressive relationship between two democracies.

TRANSIT II

Transit was used by India with Pakistan till the 1965 war, after which it declined, but with the consequent emergence of Bangladesh, it failed to change. Immediately after Bangladeshi independence, it allowed transit in air and sea routes to India while the major issue of transit While air transit is still widely used than water transit, it has been considered uncompetitive over the years. The goods carried from the Northeast of India reaches the mainland after traversing Assam and North Bengal, taking a route much longer than what could have been the shortest through Bangladesh. In spite of India’s frequent attempts to pursue the Bangladesh government to open transit for its economic activities, even at the cost of a hefty sum, it has been continuously refused on grounds that it is a possible threat to national security.

Transshipment versus Transit

Transshipment refers to the shipment of goods or containers to an intermediate destination, and then to yet another destination. This has been achieved by India in its relationship with Bangladesh.

Transit refers to the passage of Indian good across Bangladeshi borders to and from the North Eastern states of Indian owned surface transport, while transshipment may also refer to the same movement using Bangladesh-owned transport. This remains an issue of contention. Bangladesh, on the 31 May, 2010 signed an agreement to finalize a transshipment deal with India to allow Indian goods to be transported to the northeastern city of Tripura in the state of Assam through Bangladeshi territory. Anything produced in the northeast region of India faces the difficulty of marketing to the rest of the country, the main reason being the distance to the port of Kolkata. With globalization and the policy of liberalization no foreign or private company is going to be inclined to invest in the north-east corner of India owing to several hassles, including the rise in transportation cost. Thus hampering the development of the north-eastern market. To deal with such logistical problems of linking the Northeast with the rest of India, New Delhi is left with the only option of urging the reopening of the northeastern routes through Bangladesh to its West, and with Myanmar and south-East Asia to the East. The region that is also rich in energy resources like natural gas and hydro-electricity can progress, thus addressing problems that give rise to long-standing grievances, which in turn encourage insurgency surrounding the region.

The benefits of transit facility between India and Bangladesh are not limited to the Indian growth list. Bangladesh, whose average GDP is 6% per year, can also become a regional hub.

Bangladesh-India relations over the years reflect the prominence of coercive elements in India’s hegemonic role in South Asia. This perception will affect the development of long term institutional relation-ships with smaller neighbors of South Asia. This was clearly reflected in India’s aversion towards multilateral cooperation frameworks like SAARC and the lack of reciprocation in trade and economic cooperation with countries, as seen with Bangladesh. The United States’ hegemony over the years achieved a boost with its involvement with smaller and weaker neighboring allies in several economic and security cooperation ventures like the NATO and NAFTA. But India’s influence in a regional context results in discontentment on the part of weaker states. Thus, India should rely on an institutional doctrine with greater involvement with smaller and weaker neighboring states with an aim to aid their efforts to develop themselves in various fields.

The history of the formation of the European Union as a powerful regional bloc shows a greater compromise on the part of bigger states like France and Germany to achieve regional cohesion and peaceful relations. India, too, should prepare itself to compromise on certain fronts if regional cohesion and peace is to be achieved. India’s relationship with all South Asian countries should not be dictated by its relationship with Pakistan and China, with whom it has undergone prolonged conflict and competition. If India wishes to continue its relationship with Bangladesh, it needs to take a good look at the stand it takes towards other South Asian countries also. A hegemonic stance by India would have significant impact on the Indo-Bangladesh relations.
Bhutan's economy (which is one of the world's least developed economies) is grounded in livestock agriculture, forestry, and export commodities. Agriculture and forestry make up the livelihood of around 60% of the population. Yet there is close to no wide trade or export in the agricultural goods produced by these 60%. Bhutanese agriculture mainly incorporates subsistence farming and the breeding and raising of livestock animals. This means that almost 100% of all Bhutanese agricultural production is consumed by the farmers themselves or only locally traded. Consequently, only a small percentage of the country's agricultural production contributes to the nation's GDP. This focus on subsistence family farming results in the fact that almost 60% of the Bhutanese people do not contribute to Bhutan's national economy. These non-export agricultural products include rice, corn, root vegetables, citrus fruit, food grains, dairy products, and eggs.

When closely examining Bhutan's revenue, it is apparent that this revenue is mainly derived from export commodities. Export makes up around 88% of Bhutan's annual average revenue of 576.5 million USD. In precise terms, international commodity trade contributed almost 510 million USD to Bhutan's revenue in 2009. Bhutan's main export commodities include electricity (to nearby countries), cement, copper wire, the free element manganese, and vegetable oil. Import goods range from rice to oil, but, especially for its infrastructural development programs, Bhutan mainly depends on imports of vehicles and mechanical parts.

Another of the country's vital import commodities is electricity. With its newly developed hydropower plants, Bhutan exports clean energy mainly to India. Still, Bhutan's industry sector remains remarkably underdeveloped. Most export-goods are produced in a cottage-industry fashion, in which single families or small factories own production tools. Bhutan lacks large-scale production plants that employ more labor, facilitate a greater number of tools, and makes production more efficient.

Only around 40% of Bhutan's population (almost 300,000 people) are part of the labor force. Bhutan currently experiences great shortages in skilled labor; as the majority of people remain farmers. Relatively recently has the government shifted its concentration on modernizing its education system. Having now established a nation-wide public school system, Bhutan expands its skilled workforce. Still, due to the current deficiency, Bhutan depends on Indian migrant workers for its development projects.

Beside export-import and trade agreements, Bhutan has strong monetary links with India. The kingdom depends on India's financial assistance, especially for the modernization of its infrastructure. Bhutan's rugged and mountainous terrain (in addition to shortages in skilled labor and low national revenues) makes infrastructural development, such as road construction, difficult and expensive. India finances three-fifths of Bhutan's budget expenditures. Therefore, Bhutan depends on India's assistance for achieving one of its primary goals: industrial modernization.

Despite this advancement, Bhutan seeks to preserve its ancient religious and cultural identity. It wants to preserve awareness of the relation between nature and religion in their social ethos. For instance, the kingdom expands its tourism sector, but encourages mainly the visit of environmentally-conscientious tourists. Furthermore, tourists cannot rely on a tourist-visa alone, they must be part of a particular travel-group with expert guides.

Although Bhutan depends on foreign economic support, its debt is relatively low.
The kingdom’s GDP was 3.875 billion USD in 2010. 17.4% of the GDP came from agriculture, 37.6% from services, and around 45% from industry. The Bhutanese national currency, the Ngultrum, trades at 46.6 BTN for 1 USD. The kingdom’s GDP per capita is 5,500 USD (a 2010 estimate), which is an increase of 200 USD from 2009.

In the conflict between tradition and modernization, Bhutan’s complex industrial controls and unclear policies in areas like trade, labor, and finance still discourage foreign investors.

Bhutan's poverty is chiefly present in its rural farming areas. These farmers, making up nearly 60% of the population, consume their own productions or trade it locally. Hence, their income depends on the their harvest's quality. With underdeveloped industries even in cities and fixed incomes for only the minority of the population, especially rural areas are, consequently, struck by poverty.

While only 4% are unemployed, 23.2% of Bhutan's population have an income below the poverty line, earning below a monthly 22 USD. In comparison to other industrialized countries, these 23.2% live in severe poverty. For instance, Germany's poverty line is a monthly income of below 1,240 USD. This line is over 56 times higher than that of Bhutan (with below 22 USD a month).

Even with these deficits, Bhutan remains the happiest country in Asia and the eighth happiest country in the world, according to Business Week’s global survey. His Majesty Jigme Khesar Namgyel Wangchuck even claims that “Gross National Happiness is more important than Gross National Product.”

Author: Carl Jost, Cushing Academy
The SAARC Chamber of Commerce and Industry (SAARCCCI) was established in 1993, as the first recognized regional apex Business organization of SAARC, with its constituent units in all member states and its permanent headquarters in Islamabad, Pakistan. Since its very inception, SAARCCCI is based in Islamabad thus; a pressing need was felt for a permanent institutional building for the organization to enhance its role in the promotion of trade and economic cooperation through disseminating information about the content, scope and potential of SAFTA among the business community in the region.

After taking over the Presidency of SAARCCCI in 2008, the Business Leadership in Pakistan has proactively undertaken the assignment for completion of this state-of-art Project at a piece of land already acquired by SAARCCCI.

The Executive Committee of SAARCCCI has already established SAARCCCI Headquarters Building Trust under the chair of Mr. Tariq Sayeed, immediate Past President and comprises members from all member nations of SAARC. The current Vice President, SAARCCCI (Pakistan), Mr. Iftikhar Ali Malik has been assigned the responsibility to accomplish this task as the Chairman of Building Committee.

The SAARCCCI Permanent Headquarters Building will be constructed on its designated Plot No. 26 at Muave Area, G-10/4 in Islamabad. The technical requirement has been fulfilled and the Capital Development Authority in Islamabad has allowed for construction, the process of which will soon be accomplished.

**Salient Features of the Building**

- The building will provide state of the art facilities, having central air-conditioning and heating system.
- The structure will be basement + Ground + Mezzanine + 1st Floor to 9th Floor for office use.
- 9th Floor will have an auditorium with seating capacity of 256 participants and conference rooms.
- It is located at a central and ideal place of Islamabad surrounded by many important government and on the way to future Islamabad airport.
- The building will be RCC frame building.
- The size of the building is approximately 160ftx70ft, having covered area of about 1,60,000 sq. ft.
- The maximum grid/column spacing is 25ftx24ft. The loading on columns will be in the range of 2000-2400 Kips.
- The maximum height of the building is about 128 feet above natural ground level.
- The bottom of basement will be placed at 18 feet below N.G.L.
- World class parking facilities will be available.

This project offers tremendous opportunities for offices on rental for multinational, Banks, Insurance companies, corporate houses and members of SAARCCCI who wish to establish their offices in this magnificent building.

SAARCCCI welcomes any offer regarding the completion of the project from any interested organization in Pakistan and from the region based mutual consent. The interested parties may contact Mr. Iftikhar Ali Malik, Vice President SAARCCCI or Mr. Iqbal Tabish, Secretary General, SAARCCCI at our official address and contact Numbers.

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