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SAARC CCI delegation calls-on to H.E. Secretary General, Maldives Association of Tourism Industry

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WHY ECONOMIC CORRIDOR DEVELOPMENT IS THE WAY FORWARD FOR SOUTH ASIA

Disclaimer: The SAARC BIZ is a monthly publication of SAARC Chamber of Commerce & Industry, which mainly provides snapshot of the activities undertaken. The other informative material, articles/reports etc. published therein are solely to keep members abreast with latest development and don’t necessarily reflect the view point of the organization.

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SAARC CCI delegation call-on H.E. Mr. Mohamed Saeed, Minister for Economic Development, Republic of Maldives

The SAARC CCI delegation led by Mr. Suraj Vaidya, President, SAARC CCI called on H.E. Mr. Mohamed Saeed, Minister for Economic Development, Maldives in his office in Male on 2nd June, 2016. Mr. Adam Thaufeeg, Deputy Minister and Mr. Yusuf Riza, Permanent Secretary, Ministry of Economic Development were also present in the meeting.

Mr. Vaidya, President SAARC CCI while extending gratitude to Hon’ble Minister for providing an opportunity for the meeting. He briefed the Minister about SAARC CCI activities under his leadership since March 2016 and shared with him future planning of SAARC CCI based on six focus areas i.e. regional connectivity, energy cooperation, cross border investment and trade promotion, SAARC Industrial Park, smart green villages and Free movement of people and goods in order to promote cross-border trade and Investment.

He further apprised the Minister that the Presidency of SAARC CCI remained with Maldives for the two years 2014-15, unfortunately MNCCI remained inactive and subsequently being the Senior Vice President, he had to run the affairs of organization since November 2014.

Hon’ble Minister while appreciating the vision of President, SAARC CCI, extended warm welcome and urged upon the delegation to visit him as and when required. He expressed concern about inactiveness of MNCCI during presidency of Maldives. He was of the opinion that Maldives, although was a very small country compared to other members in the bloc, but has lot of potential to export tuna fish to SAARC countries and attract tourists. He expressed disappointment over 40% import duty levied by Indian Government on Tuna Fish from Maldives whereas same products has been exporting to European countries at 12% import duty. In presence of such barriers, how Maldives could involve in intra-SAARC trade. He further updated that Maldives has been importing rice from Pakistan and India in addition to marble stones and many more items from Singapore, Thailand and other countries. This trade can be redirected to South Asia, if the member state provides win-win opportunities.

Hon’ble Minister further apprises that Maldives was negotiating FTA with China and if China will not consider our interest, there is no point to sign the agreement. Similarly if there is nothing in SAARC for Maldives, our interest level will be further diminished. He urged upon the President SAARC CCI to initiate innovative ideas and bring in projects to attract Maldives business community. He asked the President SAARC CCI to address the grievances of MNCCI members, bridge their trust deficit and bring them back to SAARC CCI platform.

While responding to H.E concerns, Mr. Vaidya told that objective of his visit to met MNCCI leadership and also to involve Maldives Association of Tourism Industry to widen the scope of representation of Maldives at SAARC CCI forum. The President ensured that SAARC CCI will bridge gap between business community of Maldives and South Asia. Mr. Vaidya also thanked to H.E for drawing his attention towards the issues, restricting exports of Maldivian Products to South Asian countries particularly to India and assured of H.E that SAARC CCI will take up such issues in the SAFTA Committee of Experts and other relevant Forum.

The SAARC CCI delegation comprised Mr. Om Bahadur Rajbhandary, Vice President (Nepal), Mr. Ahmed Mujuthaba, Former Snr. Vice President (Maldives) and Mr. Zulfiqar Ali Butt Deputy Secretary General, SAARC CCI.

“In one does not know to which port one is sailing, no wind is favorable”. Lucius Annaeus Seneca

“In the business world, everyone is paid in two coins: cash and experience. Take the experience first; the cash will come later.” Harold S. Geneen

A pictorial view of the meeting (L-R) Mr. Adam Thaufeeg, Deputy Minister and Mr. Yusuf Riza, Permanent Secretary, Ministry of Economic Development. H.E. Mr. Mohamed Saeed, Minister for Economic Development, Republic of Maldives, Mr. Suraj Vaidya, President, Mr. Om Raj Bhandari, Vice President (Nepal) of SAARC CCI.
SAARC CCI delegation call-on H.E Mr. Ahmed Nazeer, Secretary General, Maldives Association of Tourism Industry

The SAARC CCI Delegation led by Mr. Suraj Vaidya, President, SAARC CCI met Mr. Ahmed Nazeer, Secretary General, Maldives Association of Tourism Industry (MATI) at Male, Maldives on 2nd June, 2016. The meeting was facilitated by SAARC CCI former Sr. Vice President, Mr. Ahmed Mujuthaba and Board Member, MATI.

Mr. Vaidya while thanking the management of MATI briefed them about SAARC CCI action plan and invited MATI to join SAARC CCI as an institutional member sector of South Asia.

The President SAARC CCI applauded the efforts of Government and the Private sector for making Maldives one of the most attractive hub of Tourism and making this sector as the most important pillar of Maldives economy. South Asian countries have a lot tourism potential that can be harnessed through shared vision and learning from the experience of Maldives. He proposed the Maldives to take lead in initiating ferry service between India, Bangladesh, Pakistan, Sri Lanka, which will also help brand SAARC as well. He briefed MATI about sideline activities of SAARC CCI at the occasion 19th SAARC summit and invited leadership of MATI to lead a sizable delegation from Maldives. He also shared his vision about cross border investment.

Secretary General MATI extended warm welcome to the delegation and called the old memories, when Maldives had only Trader Association, which subsequently was transformed into MNCCI particularly in view of term of Maldives to take over Presidency of SAARC CCI. In this regard, he appreciated Mr. Qasim Ibrahim for his services as the first President of SAARC CCI from Maldives. Sharing his experience about South Asia, he was of the opinion that despite having proximity, South Asia was the least integrated region.

He apprised that Tourism Industry in Maldives has been growing fast while citing the arrival of 400,000 tourists only from China this year. In contrast, the inflow of tourists from India was very limited. He was of the opinion that if connectivity within South Asia countries is improved, tourism could take quantum leap and for that he proposed to adopt a comprehensive regional tourism policy. He further told that a lot of Indian business people visit male to explore commercial ties. He welcomed the amendments in SAARC CCI constitution and added that it will help institution to address untapped potential of South Asia through expansion its horizons.

The SAARC CCI delegation included Mr. Om Bahadur Rajbhandary, Vice President (Nepal), Mr. Ahmed Mujuthaba, Former Sr. Vice President, Maldives & Life Member and Mr. Zulfiqar Ali Butt, Deputy Secretary General, SAARC CCI.

Mrs. Shaira Saleem, Vice Chairperson, SCWEC (Maldives Chapter) hosted a reception in honor of SAARC CCI delegates in Male, Maldives

The SAAC Chambers Women Entrepreneurs Council (Maldives chapter) Vice Chairperson, Mrs. Shaira Saleem hosted welcome reception in honor of SAARC CCI delegation led by Mr. Suraj Vaidya, President, SAARC CCI to Maldives. Ms. Neezalmad, Assistant Governor - Financial Stability, Maldives Monetary Authority and Mr. A. Amarnath, First Secretary (Commercial), High Commission of India in Maldives also graced the occasion with their valued presence.

Mrs. Saleem while extending warm welcome to President SAARC CCI and delegates urged to create more opportunities to strengthen business women in South Asia. She requested President to devise a mechanism to involve more young women entrepreneurs in SAARC CCI mechanism. He also requested President to allocate funds for SAARC Chamber Women Entrepreneurs Council, which was the only council working efficiently and effectively at the moment.
The President, SAARC CCI thanked Vice Chair of SCWEC for hosting a reception and informed that he was working to develop mechanism to engage young male and female entrepreneurs in SAARC CCI. He said that SAARC CCI is already working on Training of SCWEC members with Support of German organization GIZ. He added that promotion of entrepreneurship was one of the priority agenda of his presidency. He urged Maldivian women entrepreneurs to increase their participation in SAARC CCI activities and expressed his pleasure on role of women in Maldives economy. He appreciated that women like Ms. Neeza Imaam hold key position as Assistant Governor, Financial Stability, Maldives Monetary Authority.

Mr. A. Amarnath, First Secretary (Commercial), High Commission of India to Maldives briefed the President SAARC CCI about opportunities and facilities they were offering for empowerment of women in Maldives.

The SAARC CCI delegation included Mr. Suraj Vaidya, President, Mr. Om Bahadur Rajbhandary, Vice President (Nepal), Mr. Ahmed Mujuthaba, Former Snr. Vice President, (Maldives), Ms. Neeza Saleem, Vice Chairperson, SCWEC, Maldives Chapter.

The President, SAARC CCI thanked Vice Chair of SCWEC for hosting a reception and informed that he was working to develop mechanism to engage young male and female entrepreneurs in SAARC CCI. He said that SAARC CCI is already working on Training of SCWEC members with Support of German organization GIZ. He added that promotion of entrepreneurship was one of the priority agenda of his presidency. He urged Maldivian women entrepreneurs to increase their participation in SAARC CCI activities and expressed his pleasure on role of women in Maldives economy. He appreciated that women like Ms. Neeza Imaam hold key position as Assistant Governor, Financial Stability, Maldives Monetary Authority.

The SAARC Chamber of Commerce and Industry organized a conference on two vital issues of the region, Energy and Transportation under the title of South Asia: Shaping the New Paradigm for Growth, on June 3rd, 2016 at Kalutara, Sri Lanka. The conference entailed one inaugural session and two technical sessions namely Securing South Asia’s Energy Future and Moving South Asia Forward: SAARC Motor Vehicle and Railway Agreement.

The inaugural session was addressed by Mr. Sarath Kahapalarachchi, President, FCCISL, Deshabandhu Macky Hashim, Former President of SAARC CCI, Mr. Ali Haider Altaf, Director, SAARC Secretariat, as Representative of H.E Secretary General SAARC, Mr. Subodh Kumar, Executive Programs FNF on behalf of Regional Director, Friedrich Naumann Foundation, New Delhi, Mr. Ajith Wattuhewa, Senior Vice President SAARC CCI, and Mr. Suraj Vaidya, President, SAARC CCI.

Mr. Ajith Wattuhewa, Senior Vice President, SAARC CCI welcomed the participants and regarded energy and connectivity as indispensable tools to economic development of the region. He opined that SAARC CCI has been raising voice for open visa regime in South Asia as well as Rail and road connectivity and it was convivial to hear that SAARC Motor Vehicle Agreement was expected to be signed in the upcoming SAARC Summit in Islamabad.

Mr. Subodh Kumar, Executive Programs FNF, Friedrich Naumann Foundation, New Delhi said that commonality is the hallmark of the region, we do not have only common heritage, culture and traditions rather we have similar needs and requirements and today energy and connectivity are the majors need of the people of the region. Energy and connectivity will boost the trade and trade was not a zero sum game rather a win-win situation for all, and it will have its social implications and shape the society in a more congenial environment.

Mr. Ali Haider Altaf, Director, SAARC Secretariat said that each member country in the region had unique promising and extensive opportunities investments and trade in energy. However, moderate policies were required be framed for tapping opportunities for a brighter and prosperous future of South Asian community. He also appreciated the role of the private sector in advocating necessary policy frameworks across the region and was of view that the role of private sector was crucial in building partnerships with the public sector for successful investments, power generation and trade in the energy sector.

Addressing the occasion, Former President of SAARC CCI, Deshabandhu Macky Hashim said that despite all the differences the nature has linked us geographically and the trade connected us. He maintained that, SAARC CCI
SAARC CCI has been the driving force behind the initiatives of the SAARC for the prosperity of the people of the region. He hailed Late S.M. Inam for formation of the SAARC CCI as a voice of the private sector in the region, and now it was on us to use this unique and pulsating platform to unleash the potentials of the region.

The President of SAARC CCI in his keynote address briefed about the activities and initiatives taken by organization after he took over as the President, which included visits to Afghanistan, Bhutan, Bangladesh, India and Pakistan. He was of the opinion that blaming only the governments for lack of policies and failures of initiatives was irrational, we the private sector and other stakeholders were equally responsible for not advocating, supporting in our capacities and partaking in it. The private sector has to react proactively and find every possible opportunity to invest in the areas that could result in social benefit across the region.

The inaugural session concluded with the vote of thanks offered by Mr. Macky Hashim. The first technical session was addressed by Mr. Mohammad Naeem Malik, Director SAARC Energy Centre, Islamabad-Pakistan, Mr. Vijay Kharbanda, Project Director, SARI/EI, Mr. Sher Singh Bhat, Director, Nepal Electricity Authority, Mr. Harish Saran, Executive Director, PTC (India), Mr. Nematullah Haidari, CEO, Assist Corporation (Afghanistan), Engr. Md. Aminur Rahman, Managing Director of CSL Projects Limited (Bangladesh), whereas Mr. Saad Masud, CEO, SED and Energy Expert (Pakistan), Mr. Karma Namgyel, Chief Engineer, Transmission & Power System Division, Department of Hydropower and Power Systems, MoEA (Bhutan), Mr. Ali Haider Altaf, Director, Energy, Transport and Science & Technology Division, SAARC Secretariat (Nepal) were the response panel. The session was chaired by Mr. Mohammad Naeem Malik, Managing Director, CSL Projects Limited (Bangladesh), whereas Mr. Saad Masud, CEO, SED and Energy Expert (Pakistan).

The speakers revealed that due to the acute shortage of electricity, which has been hampering the economic development of the region. Today the region is facing a daunting energy demand in the region. The speakers opined that as an inevitable component of sustainable development of the region, the region is facing acute shortage of electricity, which has been hampering the economic development of the region. The speakers maintained that SAARC CCI must support and push for cross border trade in power which includes the creation of both a regional grid and regional market.

The speakers also suggested cross border trade on power/energy be based on the principle of open access and urged upon the need for amendments in existing laws and policies in the various countries to facilitate energy trade. The panel advocated for establishing a council of regulators comprising members from South Asian countries to coordinate and oversee cross border trade in electricity.

The second session of the conference "Moving South Asia Forward: SAARC Motor Vehicle and Railway Agreement" was addressed by Dr. Nagesh Kumar, Head, UN-ESCAP South and South-West Asia Office, and Mr. Janaka Wijayasiri, Institute of Policy Studies (Sri Lanka), whereas Mr. Gembo Tshering, Desk Officer, Department of SAARC & Regional Organization, Ministry of Foreign Affairs (Bhutan), Mr. R. B. Rauniar M.D Interstate Multimodal Transport Pvt. Ltd. and Mr. Jalaluddin Saeed, President Associates in Development and Kanda Foods. The session was chaired by Mr. Vinod Juneja, Vice President, SAARC CCI (India Chapter).

The speakers were of the view that despite geographical contiguity, South Asia happens to be the least integrated region across the region. Untapped intra-regional trade potential in Southern and Central Asia, is estimated at more than 65% (of US$ 81 billion; 2020 potential US$ 175 billion) which have not been unleashed due to lack of connectivity. Trade costs are significantly higher for intra-regional trade than for overall trade of South Asian countries.

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SAARC CCI Activities

August 2016

SAARC Chamber of Commerce and Industry

The 66th EC & Extra Ordinary GA Meeting of SAARC CCI

The 66th EC meeting & 20th GA meeting of SAARC CCI was held under the Chair of Mr. Suraj Vaidya, President, SAARC CCI in Kalutara, Sri Lanka. The major agenda items of the meeting were, approval of minutes of 65th EC Meeting, Opening of SAARC CCI Sub-offices in Colombo, Dhaka and Mumbai, and approval of SAARC CCI accounts for 1st & 2nd Quarter, Presentation on SAARC CCI Life Member strategy, Presentation on SAARC Industrial Park, Presentation on Smart Green Villages, Presentation on SAARC Trade Fair, Presentation on 19th SAARC Summit and Presentation on SAARC Business Leaders awards. The house unanimously approved opening of Sub offices in Dhaka, Colombo, Mumbai and SAARC Industrial Park in member states. Special initiatives were taken and approved to boost the SAARC CCI life membership from smaller economies of SAARC.

Opening of SAARC CCI First Sub-Office in Sri Lanka

Pursuing to decision of the General Assembly Meeting and one of the important organ of the Mr. Suraj Vaidya, core initiatives, SAARC CCI opened its first Sub-office at Colombo in premises of Federation of Chambers of Commerce & Industry Sri Lanka.

Mr. Suraj Vaidya, President, SAARC CCI inaugurated the sub office in Colombo on 5th June, 2016. Mr. Ajith Wattuhewa, Senior Vice President, Mr. Jalaluddin Saeed, EC Member (Afghanistan), Mr. Rajeev Chadha, GA Member (India), Mr. Zubair Ahmed Malik, EC Member (Pakistan), Mr. Zulfiqar Butt, Deputy Secretary General, Mr. Bader Munir, Deputy Secretary, Mr. Imran Ali, Research Associate - SAARC CCI, Mr. Ajith Perera, SG, FCCISL, Mr. Sarath Kahapalarachchi, President, FCCISL were present at the occasion.

While exchanging his views Mr. Vaidya congratulated President, FCCISL on opening first sub office of SAARC CCI. He said that notion behind opening these sub office was to strengthen SAARC CCI through enhance the capacity and outreach of the secretariat across the region. The sub offices will help SAARC CCI to brand itself as the true representative body of private sector, in the South Asian region.

poorly developed soft connectivity and trade facilitation, the intra-regional trade costs in South Asia was noticeably higher at about 114% as compared to that of South East Asia at 76% and East Asia at 51%. Moreover poor transport connectivity and facilitation restricted the region from exploiting benefits of geographical contiguity, scale economies, potential for regional production networks and prevents from benefiting from leveraging the strategic geographic location.

The speakers believed that connectivity was the prerequisite for a competitive and integrated South Asia that will ensure seamless flow of people and goods and help improve bilateral and multi-lateral relations through increased interaction and exchange of ideas. Improved and open regional connectivity would unleash the diverse potential of health and religious tourism, and will reduce the cost of doing trade. The need for up gradation of transport connectivity was regarded as important step forward to revitalize regional trade and decrease costs.

The speakers advocated building stock taking of physical infrastructure requirements of trunk corridors and their sub-links. They also necessitated strategy for institutional cooperation between governmental agencies and multilateral bodies for implementing region wide transit and transport agreements and to plan for building synergies between ongoing corridor development projects in the South Asia. The speakers also felt need of plans for customs cooperation, harmonization and digitization of documentation, paper-less trade and SAARC Single Window for cross-border transit, transport and trade facilitation.
SAARC CCI: Contribution towards Social Sector Development

The Cooperate Social Responsibility is one of the important organ of modern organizations where they not only exist to maximize their profit but in return also contribute in social uplift of their society through contribution in education, health, on site job training, availability of clean drinking water, help in accessing basic facilities of life and many more which justifies their existence as human being on the planet.

The SAARC CCI being an apex body of South Asian Association for regional Cooperation is although primarily focuses on promotion of intra regional trade through business oriented activities to integrate South Asian economies, its pioneers have always been in the front row to carry out humanitarian activities under as corporate socially responsibility, across the region without any discrimination & distinction. SAARC CCI has been actively engaged during the recent earthquake in Nepal, and donated generously for the relief operations being carried out by the Government of Nepal for the affectees and victim of the earth quake .

The SAARC CCI ultimate objective was to ensure the beneficiaries get proper access to basic necessities to live a life of dignity through improved health facility, education, food security and proper sanitation etc. Moreover, SAARC CCI builds up the momentum during any natural disaster to identify and reach out the affectees.

Lately SAARC CCI's major contribution was observed in Sri Lanka when floods hit the island. The SAARC CCI team led by Mr. Suraj Vaidya, President, SAARC CCI, visited door to door for the distribution of dry rations which included food items like rice, wheat flour, meat, milk powder and other basic items for daily use. Sanitary napkins and mosquito nets were distributed among the vulnerable people of flood hit community.

Furthermore, SAARC CCI team visited the Basilur Company to gather information regarding the damages faced by the business community so that the initiatives could be taken and contingency plans should be made to deal with natural disasters and avoid harms in future.

The SAARC CCI donated school stationary items to Kotuvila Gamini School which included bag, books, pens, glue, pencil, eraser, sharpeners, ruler, instrument box and pastel colors and also sarees as per their request. SAARC CCI has also contributed in restoring the school library, computer lab, and principles office.

The SAARC CCI is trying to bring a positive and a constructive change through its efforts by highlighting the issues on various forums. Its exertions towards increasing awareness and knowledge regarding the catastrophic consequences of climatic change and the importance of developmental adaptation strategies within the SAARC countries will draw attention of government also to take initiatives to cope with and respond to certain risks.

SAARC CCI Signed an MoU with Institute of Policy Studies (IPS) - Sri Lanka

On the eve of 66th EC & Extra Ordinary General Meeting in Kalutara, Sri Lanka, SAARC CCI signed a MoU with Institute of Policy Studies- Sri Lanka. The MoU was signed with an objective to help SAARC CCI to bridge Industry-academia gap and provide a common agenda to voice the concerns of the Private Sector through research based input on important socio-economic policy issues in South Asia.

The MoU is a reflection of commitment of both organizations to work in close collaboration towards deepening regional Integration in South Asia, while identifying issues, and suggest evidence based and rational policy input to the move SAARC mechanism forward.

Mr. Suraj Vaidya, President, SAARC CCI signed MoU on behalf of SAARC CCI whereas Dr. Janaka Wijayasiri, Research fellow, signed MoU on behalf of IPS-Sri Lanka

Mr. Suraj Vaidya, President, SAARC CCI exchanging MoU copy after signing it with Dr. Janaka Wijayasiri, Research fellow, IPS-Sri Lanka

“Whenever you find yourself on the side of the majority, it is time to pause and reflect.” Mark Twain

“If you have a positive attitude and constantly strive to give your best effort, eventually you will overcome your immediate problems and find you are ready for greater challenges” Pat Riley
SAARC CCI Conference on “South Asia: Shaping the New Paradigm for Growth” Kalutara, Sri Lanka

Mr. Macky Hashim, Former President, SAARC CCI while chairing Session on Securing South Asia’s Energy Future during SAARC CCI Conference. (L-R) Mr. Nematullah Haidari, CEO, ASSIST Corporation (Afghanistan), Mr. Sher Singh Bhat, Director, Nepal Electricity Authority, Mr. Vijay Kharbanda, Project Director, SARI/EI, USAID, Mr. Macky Hashim, Mohammad Noor M. Malik, Director SAARC Energy Centre, Mr. Saad Masud, CEO, SED and Energy Expert, Pakistan, Mr. Harish Saran, Executive Director, PTC India and Engr. Md. Aminur Rahman, Managing Director of CSL Projects Limited, Bangladesh.

Mr. Vinod Juneja, Vice President (India-Chapter), SAARC CCI, while chairing technical session on “Moving South Asia Forward: SAARC Motor Vehicle and Railway Agreement” during SAARC CCI Conference. (L-R) Mr. Jalaluddin Saeed, EC Member, Afghanistan, Mr. Gembo Tshering, Desk Officer, MoFA Bhutan, Mr. Vinod Juneja, Mr. R.B. Rana, EC Member, Nepal, Dr. Nagesh Kumar, Head, UN-ESCAP South and South-West Asia Office, and Dr. Janaka Wijayasiri, Institute of Policy Studies, Sri Lanka, during Technical session of the conference.
The 66th EC meeting & Extra Ordinary GA Meeting of SAARC CCI

(L-R) Mr. Macky Hashim Former President, SAARC CCI, Dr. Janaka Wijayasiri, Research Fellow, Institute of Policy Studies, Sri Lanka, Mr. Ali Haider Altaf, Director, SAARC Secretariat, Mr. Suraj Vadiya, President, SAARC CCI, Dr. Nagesh Kumar, Head, UN-ESCAP South and South-West Asia Office, Mr. Ajith Wattuhewa, Senior Vice President, SAARC CCI, Dr. Sameer Motal, CEO, SAARC Development Fund and Mr. Subodh Kumar, Executive Programs FNF.

(L-R) Mr. Jalaluddin Saeed, EC Member (Afghanistan) presenting a souvenir to President, SAARC CCI in presence of Mr. Rajeev Chadha, GA Member (India), Mr. Zubair Ahmed Malik EC Member Pakistan, Mr. Macky Hashim Former President Sri Lanka, Mr. Vinod Juneja, Vice President (India).

(L-R) Mr. Suraj Vadiya, President and Mr. Om Bahadur Rajbhandary, Vice President (Nepal) & Mr. Ram Kumar Sharma Upadhyay, GA Member (Nepal) SAARC CCI mutually presenting a picture of “Lumbini” the birth place of Lord Buddha to Mr. Ajith Wattuhewa, Snr. Vice President, SAARC CCI.

(L-R) Mr. S. M. Naseer, EC Member, SAARC CCI (Pakistan) honored office bearers of SAARC CCI with medal in recognition of their services for South Asian business community. (L-R) Mr. Ziaulhaq Wazirzai, EC Member (Afghanistan), Mr. Zubair Ahmed Malik EC Member Pakistan, Mrs. Solima Ahmad EC Member (Bangladesh), Mr. Kawsar Rajibdeen, Former Vice President, (Sri Lanka), Mr. S.M. Naseer, EC Member (Pakistan), Mr. Shafiq Haider, EC Member (Bangladesh), Mr. Suraj Vadiya, President, Mr. Jalaluddin Saeed, EC Member (Afghanistan), Mr. Macky Hashim, Former President, Mr. Hameed Akhter Chhada, EC Member (Pakistan), Mr. Vinod Juneja Vice President (India) of SAARC CCI.
Relief Work Carried by SAARC CCI for flood Victims of Colombo, Sri Lanka
the wheel history....

IT'S ALL ABOUT SERVING

GENERATION TO GENERATION
AFGHANISTAN TO INCREASE FRUITS, VEGETABLES EXPORTS TO RUSSIA

Afghanistan Chamber of Commerce and Industries (ACCI) said Thursday that the country will export nearly 300,000 tons of fresh fruits and vegetables to Russia as Moscow has applied customs duty exemption on Afghan products.

Afghan businessmen are trying to use the opportunity and raise their exports to Russia. A number of experts meanwhile urged Afghan government to boost its fruits, vegetables and other goods' exports to Russia and other international markets.

“There are some main issues, including transit, process and marketing for Afghan products. If government pays attention to these issues and work through a professional process, export goods to Russia and from Russian markets to other countries, will increase.

According to figures, Afghanistan exported 5,700 tons of fresh fruits and vegetables to India and Pakistan over the past few months.

BUSINESS CLIMATE IMPROVES IN AFGHANISTAN, FINDS ACCI SURVEY

The Afghanistan Chamber of Commerce and Industries (ACCI) said that business climate had improved in the country during the ongoing solar year compared to the previous year.

ACCI CEO Attiqullah Nusrat told a press conference in Kabul that they conducted a three-month survey in Kabul, Balkh, Kandahar, Heart and Nangarhar provinces, interviewing 600 mid-level investors about the situation of their businesses. He said the survey showed the business climate in the country had improved during the first three months of the solar year from minus 23 to minus 6. The survey found that the business situation in a number of provinces like Nangarhar, Kandahar and Heart was progressing and it was opposite in Kabul and Balkh. But in overall, all investors were optimistic about their business future.

Nusrat said investors had expressed their satisfaction with regard to government’s promises with them, but they identified insecurity and market collapse as big problems. He said though practical steps in support of the private sector were yet to be taken, yet investors and businessmen were optimistic about their future.

AFGHANISTAN FIRST TIME OWNS PRODUCT STANDARD MARK

The Afghanistan National Standards Authority (ANSA) for the first time introduced a standard certification mark to ensure quality domestic products. ANSA head, Nasibullah Faiq, told a news conference here Afghanistan for the first time owned a standard mark, a move that could lead to a great change in the country’s economic development.

He said certified quality mark would be used in all domestic products that contained high quality. “I assure our people that no products of low quality could be marked, no pressure or any favoritism would be acceptable for products certification,” he said. Faiq added Afghanistan’s standard certification mark was apparently like a mark of other companies, but the mark would represent trust and quality of products of a country. He said Afghanistan products earlier exported to Europe and Russian markets were returned. He added all high quality products in future would be marked and then exported to foreign countries. A product passing the standard quality would be not returned after their export to international markets, he said.

“MADE IN AFGHANISTAN” TIES AFGHAN TRADERS WITH INDIAN BUYERS

More than 40 Afghan companies are showcasing their products at a “Made in Afghanistan” event in New Delhi, India supported by USAID. The event will raise awareness of Afghan goods and foster business ties between Afghanistan and India. As part of the event, the companies will display leading Afghan exports, including fresh fruit, dried fruit and nuts, marble and onyx, saffron, gemstones, and handicrafts, and meet with a number of Indian buyers to create business linkages. India is the second largest importer of Afghan products (after Pakistan) and Afghanistan’s products, especially the country’s pomegranates, apricots, apples, grapes, raisins, and nuts, are sought after in India for their excellent quality.

“Afghanistan and India have always been exceptional trade partners,” said Afghanistan’s Minister of Agriculture, Irrigation, and Livestock Assadullah Zamir. “This event will help to further increase awareness of Afghanistan’s quality products among Indian buyers and create additional profitable business relationships between the two countries.” “Made in Afghanistan” is result of the collaboration between USAID and its Indian and Afghan partners organized as a part of the “Heart of Asia - Istanbul Process” which encourages cooperation between Afghanistan(link is external) and its neighbors in expanding regional trade.

AFGHANISTAN HAS CAPACITY TO PRODUCE 310,000MW POWER

Afghanistan now has the capacity to produce 310,000 megawatts (MW) of power but it still imports 75 percent of its needed electricity. 25 percent of 1,400MW power is provided from internal resources. “We have a three-year plan to become self-reliant. We will use our own resources once the plan is completed,” said Abdul Basir Azimi, spokesman for Ministry of Energy and Water.

Afghanistan will save millions of dollars annually if it uses its own resources to produce electricity. If Afghanistan's resources are used to generate power, millions of dollars will be saved which used for purchasing the imported power for use. If this happens, more ground will be provided for investment in the country.

This comes after Salma Dam was inaugurated this week which produces 42MW electricity for Herat province.
BANGLADESH, CHINA, INDIA, MYANMAR SET UP BUSINESS GROUP

Business groups from Bangladesh, China, India and Myanmar have signed an agreement to strengthen friendly relationship and cooperation in economic, trade and investment among the countries here.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), China Council for the Promotion of International Trade (CCPIT), Yunnan Sub-Council, Confederation of Indian Industry (CII) Eastern Region and Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry signed the agreement for setting up the Bangladesh China India Myanmar (BCIM) Business Council.

The BCIM Business Council would organize business delegations for business visits and exchanges of business information and participate in each other’s international conferences, trade fairs and exhibitions, according to the agreement signed. It would also set up a website of BCIM Business Council and BCIM Business Council desks in the chambers of respective member countries.

Dignitaries who were present on the occasion include Annisul Huq, Former President, The Federation of Bangladesh Chambers of Commerce and Industry; Tan Yun, Vice Secretary General, China Council for the Promotion of International Trade, Yunnan Sub-Council; Dreeradha Datta, Director, MAKAIS (Maulana Abul Kalam Azad Institute of Asian Studies); Saugat Mukherjee, Regional Director, CII Eastern Region; Tun Aung, Vice President, Republic of the Union of Myanmar Federation of Chambers of Commerce.

BANGLADESH, INDIA MERGE SOUTH ASIA’S BIGGEST LAND PORT, EASE MOVEMENT

Bangladesh and India have merged the busiest land check-post at Benapole-Petrapole, easing the movement of people and goods to take their relations a notch higher. Prime Ministers Sheikh Hasina and Narendra Modi opened the new ‘Petrapole Integrated Check Post’ (ICP) through a video call. Chief Minister of West Bengal Mamata Banerjee joined them from Kolkata. This is the second ICP on the India-Bangladesh border after the one in Agartala, Tripura, and the biggest anywhere on India’s borders. The High Commission of India says it will also be the biggest land port in South Asia. Around 70 to 80 percent of the India-Bangladesh trade passes through Benapole-Petrapole. Trade worth around $5 billion takes place at Petrapole, which is more than all the other Indian land ports and land customs stations put together. Roughly 1.2 million people and 150,000 trucks cross Petrapole-Benapole every year, according to the Indian high commission in Dhaka.

The integrated post is aimed at eliminating infrastructural bottlenecks to achieve “effective and efficient” security, immigration, customs, and quarantine functions. It will also ease cross-border movement of people, goods, and transport. Petrapole-Benapole’s handling capacity is expected to double with the commissioning of the integrated post, and the local business community is likely to benefit from reduced transaction time and costs. The Indian government hopes it would also “foster greater economic integration and connectivity between India and Bangladesh”.

ONLINE MONEY TRANSFER GIANT PAYPAL SLATED FOR AUGUST ENTRY IN BANGLADESH

Popular online money transfer agency PayPal is all set to sign an MoU with state-owned Sonali Bank, clearing the decks for its debut in Bangladesh, authorities have confirmed. Sonali Bank Director-in-charge Md Abdur Rob told that PayPal had responded with positive indications to a proposal made by the bank to sign an MoU. “We hope the service will start in Bangladesh from next month”, he said. State Minister for Information and Communication Technology (ICT) Zunaid Ahmed Palak told. “Under the leadership and overall guidance of ICT adviser to the government, Sajeeb Wazed Joy, we have made much progress on our commitment to bring PayPal services to the people of Bangladesh. “We do hope that very soon we shall be able to present the service to freelancers and others.”

During last year’s US tour, Palak visited the PayPal head office and met its vice-president. At that time, he had said that discussions revolved around meeting infrastructural needs to ensure that Bangladesh could be put on their list. PayPal is an e-commerce organisation through which money can be transferred through the internet using an electronic bank credit or debit card, PayPal cheques or by using virtual cash from Pay Pal accounts.

‘SPEED UP ECONOMIC ZONE ESTABLISHMENT PROCESS’:

Prime Minister Sheikh Hasina asked the Bangladesh Economic Zone Authorities (BEZA) to speed up the process of establishing economic zones. In a meeting of BEZA’s Governing Board she said the prime and foremost goal of establishment of the economic zones is to create employment opportunities to expedite industrial development in the country. BEZA is a high powered forum under Prime Minister’s Office to establish about 100 economic zones in the country to encouraging rapid economic growth through increase and diversification of industry, employment, production and export. Under the plan the government has eyed to establish 100 economic zones in all potential regions of the country including backward and underdeveloped regions by 2030 to create 10 million new jobs and fetch additional annual export to USD 40 billion.

BD TO ATTAIN SELF-SUFFICIENCY IN FISH PRODUCTION BY 2018

Bangladesh has achieved significant progress in increasing production in the fisheries sector particularly aquaculture sector and also has made perceptible change in improving the quality of fish produced in Bangladesh. The sector presently meets 60 per cent of the protein requirements of the country’s 160 million plus strong population and makes important contribution in absorbing labour force and country’s foreign exchange earnings.
PM MEETS COMMERCE MINISTERS OF SAARC COUNTRIES

The SAARC Secretary General, Commerce Ministers and Heads of delegation from the SAARC member countries who are attending the Eighth SAFTA Ministerial Council Meeting made a joint call on to Lyonchhen Tshering Tobgay.

During the call on, Lyonchhen and the heads of delegations discussed about the need for more economic integration, ensuring regional connectivity, increasing competitiveness and diversifying trade opportunities within the SAARC member countries. Lyonchhen said that history, legacy, culture and common threads of geography connect the SAARC nations but "we are as common as no other place on earth and if there is a region that can rise up to fulfilling its potential, it is South Asia. We will be able to achieve our goals by SAARC and through SAARC." He also said, that the member countries need to use the potential of the region to add value to SAARC. Although SAFTA is progressing, Lyonchhen requested the member countries to make extra effort to work together as a region. He said that having reliable neighbours assured trustworthiness among the nations and SAARC would go a long way in conscientiously accomplishing common aspirations of the region.

EFFORTS TO BOOST MUSHROOM FARMING IN BHUTAN

The University of the Ryukyus, Japan and the National Mushroom Centre (NMC) signed a memorandum of understanding yesterday to boost commercial mushroom farming in five dzongkhags.

JICA chief representative Koji Yamada and government officials signed the minutes of meeting between the University of the Ryukyus, Japan and NMC on the Japanese technical cooperation for the improvement of mushroom production in western Bhutan. The three-year project begins next month. Bhutan today imports 90 percent of its mushrooms from India and Thailand. The rest is produced locally. There are 500 mushroom units in the country today and most of them are small-scale units at homes. Only about 20 are full-time farms. Agriculture director general Nim Dorji said the project will go a long way in the effort and pursuit of self-food sufficiency. The project will produce manuals for farmers, extension agents and NMC staff for better mushroom farming and produce improved quality spawns. It will improve the knowledge and technologies of farmers, extension officers and NMC staff.

ADB PROVIDES FRESH ASSISTANCE TO STRENGTHEN BHUTAN’S ECONOMY

ADB has approved loan and grant assistance totaling $36.2 million for the second phase of the Strengthening Economic Management Program. The first phase helped the Government of Bhutan overcome a liquidity crunch and to stabilize the economy in fiscal year 2013. "To move beyond hydropower-dependent growth and transition to a more balanced and inclusive socioeconomic development model, Bhutan needs to improve its macroeconomic management and develop its financial sector to support the private sector and infrastructure investment," said Cigdem Akin from ADB’s South Asia Department. “The assistance for budget support will provide financial coverage to the government until the impact of the policy reforms gains traction and its own resources are generated through the program. This will, over time, help Bhutan achieve its employment and poverty reduction goals by maintaining sustainable growth.”

TRADE BALANCE AND CURRENT ACCOUNT DEFICIT EXPECTED TO IMPROVE IN 2016-17 FISCAL BHUTAN

Bhutan’s trade balance and current account deficit is expected to improve in 2016-17 fiscal while the balance of payment is estimated to end with a surplus of 1.1% of Gross Domestic Product (GDP), according to Finance Minister Namgay Dorji. The current account deficit is also projected to improve to 27.7% of the GDP by the end of 2016-17. Currently the deficit stands at 31.1% of GDP. The National Budget Report 2016-2017 states that with three mega hydropower projects, scheduled to be commissioned in 2018 and 2019, further improvement is expected in the trade balance at 15.6% in 2017-18 and 6.6% in 2018-19. According to the report, the value of total exports in 2015-16 is expected to increase by 1% compared to the previous year, while the total imports are expected to increase by 16%. The projected increase is mainly on account of non-hydro imports. The budget report states that even after the repayment of outstanding loan of Rs 7bn, which was availed through the Government of India line of credit facility, the overall balance of payment is expected to continue as positive in the medium term.

“The overall balance of payment position is projected to remain positive in the medium term adding on the international reserves,” states the report. The trade balance with India, which is estimated at a deficit of 19.6% of GDP in 2015-16, is also projected to improve at 17.9% of GDP in 2016-17 and subsequently at 11.4% and 2.9% of GDP in 2017-18 and 2018-19 respectively.

NATIONAL COUNCIL TO TABLE BHUTAN RED CROSS SOCIETY BILL

The Upper House will be deliberating on the new legislation ‘Bhutan Red Cross Society Bill 2016’ in the ongoing session, which would pave way for the establishment of the Red Cross Society in the country. National Red Cross societies are part of the International Red Cross and Red Crescent Movement, which was founded to protect human life and health, to ensure respect for all human beings, and to prevent and alleviate human suffering. The International Committee of the Red Cross (ICRC) is one of the proponents under this movement. Currently ICRC has 189 National Societies across the globe.

Bhutan is also a signatory to Geneva Convention 1949, which mandates the country to establish National Red Cross Society.
INDIA IMPORTS COTTON FROM PAKISTAN AS DOMESTIC PRICES CLIMB

India, the world's biggest cotton producer, has contracted to import 20,000 bales from Pakistan for shipment this month after Indian prices jumped because of limited supply. The move is a role reversal from earlier this year, when Pakistan was buying cotton from India after its output had been hit by bad weather. Indian cotton prices have raised by 28 per cent since the start of 2015/16 season on Oct. 1 to 40,800 rupees per 356 kg candy (77.4 cents per lb) as two years of drought took its toll on output. Pakistani supplies are available at about 70 cents per lb on a free-on-board basis, said one Mumbai-based dealer with a global trading firm.

Supplies are dwindling in both countries. The sharp rally in Indian prices is making imports viable from Pakistan, but it has limited quantity for exports. India has so far imported about 1.2 million bales in 2015/16 and needs another 400,000 bales before the new crop starts arriving from the end of September.

INDIA NEEDS $1.5 TRILLION FOR INFRASTRUCTURE DEVELOPMENT: ARUN JAITLEY

India needs over USD 1.5 trillion in investment in the next 10 years to bridge infrastructure gap as the government intends to connect seven hundred thousand villages with roads by 2019 as part of a massive modernisation plan, Finance Minister Arun Jaitley said. “We have been able to sustain growth in the phase of global slowdown essentially on the strength of the infrastructure creation in India where the gap is huge,” Jaitley, who is in China to attend the Board of Governors of AIIB, said. “Over the next decade, we require over USD 1.5 trillion in India alone to fill up the infrastructure gap. We also use the additional resource which is available with us as a result of falling prices because that regime helps us.

“In investing large public finance into infrastructure, for instance, we have seven hundred thousand villages in India. We intend to connect each of them by 2019,” he said while addressing a seminar on “Infrastructure and Global Economic Growth” organised by China sponsored Asia Infrastructure Investment Bank (AIIB) along with Finance Ministers of many countries. He also spoke of massive rural sanitation programme as part of India’s current infrastructure programme.

“ln terms of highway construction this year alone our target is 10,000 kms. Our railway system is over 100 years old. We are going in for a massive modernisation,” Jaitley said the government is seeking private sector participation in converting railway stations into commercial hubs.

INDIA MORE THAN CAPABLE OF ACHIEVING 100 SMART CITY GOAL: HANY FAM

India is more than capable of achieving its 100 Smart City goal but needs a “collaborative” and focussed approach to complete the ambitious plan, a top executive of a leading global Financial services company has said.

“With its ambitious plan, it is more crucial than ever for India to stay realistic and focused. (For) Smart city planning and development, India needs a collaborative approach of shared technology, expertise, learning and governance. That is what India needs to keep focused on to meet their 100 Smart City goal,” said Hany Fam, executive vice president, Enterprise Partnerships, Mastercard.

He noted that India was working towards leveraging the smart city experience and technology available across the globe to drive the transformation it needs.

INDIA’S GUJARAT INTRODUCES ROOFTOP SOLAR SUBSIDY

The Indian state of Gujarat has introduced a subsidy for residential grid-connected rooftop solar systems on top of any benefits provided by India’s Central government. The subsidy amounts to INR10,000 per kW of installed PV (US$151) with a maximum of INR20,000 per consumer. This financial support will be dispersed by the Gujarat Energy Development Agency (GEDA) after installation and commissioning of each rooftop system.

Gujarat’s government plans an initial target of 100,000 consumers, after which, based on a review, the scheme will be continued, modified or discontinued. The scheme is planned to encourage and promote setting up rooftop solar across the state. This subsidy will be in addition to any benefit received from the Central government, which announced a return to 30% subsidy for residential rooftop systems last November. As part of India’s overall 100GW target by 2022, Gujarat was given a goal of 9,024MW solar by 2021/22, of which 3,200MW is to come from rooftop solar. In March, a major report from the Solar Rooftop Policy Coalition, launched formally by energy minister Piyush Goyal, claimed that with a business as usual approach, India is set to reach just one third of its 40GW by 2022 rooftop solar target. Last February, PV Tech revealed that the Indian city of Chandigarh is planning on becoming the second municipality in India to make rooftop solar mandatory on all buildings. PV Tech also caught up with Anand Nagarajan, founder of distributed independent power producer for solar rooftops Dextler Energy, recently to discuss the steady emergence of India’s rooftop potential.

TOYOTA INDUSTRIES STARTS NEW ENGINE FACILITY IN BENGALURU.

Toyota Indus tries, a JV between Kirloskar Systems and Toyota Industries Corp, started a new engine production plant for the manufacture of Global Diesel (GD) engines at an investment of Rs 1,100 crore in the suburbs of Bengaluru. The facility, in Jigani industrial area, is spread over 22 acres and has a capacity of 108,000 units per year and manufactures 1 GD (Global Diesel)-FTV 2.8 litres and 2 GD-FTV 2.4 litres engines. It is third GD engine plant for Toyota in the world after Japan and Thailand.

The introduction of the GD series engines not only equips superior technology but also meet the new fuel efficiency policies mandate in the country. Diesel engine technology will remain an integral part of every automaker with strict fuel efficiency norms being implemented in India.
NEW TAX INTRODUCED ON LOCAL TOURISM

Tourists staying in guesthouses in the Maldives will be charged a tax of US$3 for each day of stay effective October 1, 2016. The green tax on guesthouses was passed into law by the ruling Progressive Party of the Maldives dominated-parliament on Wednesday, despite opposition MPs and guesthouse owners warning that it would deter visitors to local islands. The new tax, which comes on top of a 12 percent tourism goods and services tax, marks the government’s latest policy U-turn. When the tax was first introduced in 2014, then-tourism minister said he was exempting guesthouses in order to reduce the impact on small and medium businesses. Tourists staying at resorts started paying US$6 as green tax in November last year, the government had initially proposed levying the same figure on guesthouses, but revised the figure down to US$3 after an outcry from guesthouse owners. Ahmed Karam of the Guesthouse Association of Maldives said that the lower amount will not have immediate effects on the nascent sector, but would cause damage in the long run. “Owners will start to have lower occupancies and they will make lesser profits. It is going to be a slow, painful run,” he said.

MALDIVES AIRPORT EXPANSION TO COST US$800M

President Abdulla Yameen unveiled US$800million plan to expand the Maldives’ main airport. The project, to be financed entirely by loans, was risky, he said, but claimed its returns would be transformational. “If we take loans for projects, there is no doubt that Maldivians and their unborn offspring will have to shoulder a large debt, but if it is done through soft loans, our airport will give us the returns to pay back that loan,” he said at the project’s launching ceremony. “Parents will think, yes there is a debt, but I wish we had more children to fill jobs at the airport. This is what transformational change looks like, and we have dared to take the risk.” The government has only secured half of the cost – a US$373million loan from Chinese EXIM Bank – and is in talks with the Abu Dhabi Fund for Development, Islamic Development Bank and Saudi Arabia for finances. The EXIM loan, of which the interest rate is undisclosed, is to be paid back in 20 years.

COMING THIS DECEMBER: A CRUISE SHIP FROM MUMBAI TO MALDIVES

If sailing on the vast oceans is not enough to make you happy, let us give you a quick update on what this cruise has in store for a traveller. The ship will have a casino, a theatre, a library, a discotheque, a ballroom, numerous dining options, a bar, and a wellness centre that will include treatment rooms, sauna, a steam room, four Jacuzzis, two swimming pools and a gym. The luxury cruise liner will sail from December 16, 2016 to March 18, 2017 and will cover the distance by travelling via Mangaluru and Kochi. And guess what? If you happen to book a return trip, the cruise will take you via Colombo (Sri Lanka) and Goa.

The Maldives has developed a successful high-end tourism sector, a portion of its sizable revenues have been redistributed to the population to address development challenges. The Gross Domestic Product (GDP) per capita increased from $275 in 1980 to $6,666 in 2013. This growth rate, which averaged 7 percent between 2002 and 2013, is mainly driven by tourism and non-tradable tourism related activities (includes construction, transport and communications). However, Maldives’ development model has not been sufficiently inclusive and its immediate fiscal, environmental and social sustainability are at stake.

SOURCES OF GROWTH AND SHARED PROSPERITY TOURISM: A more inclusive tourism industry may hold the key to shared prosperity in the country. Better linkages between resorts and the local enterprises may help leverage tourism growth for development of other tradable sectors. Tourism provides a large and rapidly growing source of jobs, but most of them are not seized by the local population due to a host of factors.

FISHERIES: The Maldives’ fisheries sector benefits from high value stocks, but recent declining trends highlight vulnerability to a variety of factors: including overfishing, higher fuel costs, temperature rises and lack of effective regional eco-system management of the fish stock.

Furthermore, Maldives is facing important governance challenges including limited capacity, a complex institutional framework that also limit the ability of the state to support social and economic progress. With Courtesy from World Bank
BRITISH VIRGIN ISLANDS INDUSTRIES TO INVEST RS 8 BLN IN NEPAL

As many as 14 industries from the British Virgin Islands have received approval from the Nepal government to invest in various sectors in Nepal.

As per the approval, the industries will invest the total of around Rs 8 billion in different areas in the country with about Rs 4 billion in the service sector alone, said the Department of Industry.

With the investment, as many as 2,054 Nepalis are expected to get employment opportunities.

7 BILLION INVESTMENTS IN NEPAL FROM US

Altogether 322 industries of USA have gained license to open industries, which worth 7 billion, 33 crore and 30 lakh, in different sectors of Nepal. According to Department of industry (DoI), most of American investment projects are on Service Sector, targeting on Software industry.

Among 322 American industries, 148 industries, which worth 2 billion 69 crore 70 lakh, target ‘Service sector’ lakh, 70 industries that worth 2 billion 10 crore 30 lakh aims on ‘Manufacturing sector’ and 80 industries that worth 1 billion 2 crore 10 lakh target ‘Tourism sector’. Likewise, 3 industries that worth 1 billion 28 crore 70 lakh in Power sector, 20 industries which worth 29 crore 20 lakh in ‘Agriculture and forestry sector’ and 1 industry that worth 1 Crore in ‘Construction sector’, have already taken permit from Department of industry till Jestha, 2073. All together 16 thousand 293 job opportunities are expected to be created from those industries establishment.

As of now from 2046, total of 3,578 foreign industries from 87 nations have already obtained permission to invest in Nepal. Among those industries, Indian industry has got highest number of permission, then China and the USA on third to get licenses to establish industries in Nepal.

Additionally, director general of Department of industry, Maheshwor Neupane, said that the department is adopting with online mechanism to ease the application process for foreign investors.

VIBER’S FUTURE PLAN IN NEPAL

Viber, a messaging and tele-communication social app, has announced its plan to invest in Nepal. The regional head of Viber for South Asia, Anubhav Nayyar said, “Nepal is becoming one of the priority markets for Viber, so Viber intends to invest and bring more offerings in future for Nepal” at the program organized on Thursday, June 23.

After the successful launch of public chat feature, Viber is looking forward to invest more on lunching local language stickers’ pack for the Nepalese users. Having collaboration with Tuborg, Viber has been introducing stickers in local language since the beginning of this year.

NEW REGULATION TO PROMOTE ADVENTURE TOURISM SECTOR

The government has enforced the Recreational Aviation Regulation 2016 amending the Aviation Sports Regulation 2012 in a bid to promote adventure tourism—touted as one of the fastest growing sectors. The new regulation came into effect from July 16. Leisure aviation activities like paragliding, hang gliding or micro-light and ultra-light flights have become one of the most popular adventure sports among visitors to Nepal. As of now, only Pokhara has been the hotspot for leisure aviation and the government plans to diversify such activities in other areas too.

Buddhi Sagar Lamichhane, joint-secretary at the Tourism Ministry, said the new regulation aims at making the activities more popular and enabling firms involved in the business to operate more efficiently and transparently. He said the regulation has simplified procedures for foreign amateur flyers in Nepal. Likewise, special permission can be issued to conduct any of these activities in any special occasion under the new rule. A code of conduct has been imposed for pilots and operators. also, the companies should make public the fare of all such activities. “Amid growing concern that the companies have been charging fares in a haphazard manner, we have enforced the provision of making fare public,” said Lamichhane. The Civil Aviation Authority of Nepal charges Rs150,000 for an air operator certificate and Rs50,000 as flight permission fee per flier, which is valid for 15 days. In a bid to encourage such activities outside Pokhara, the companies will be offered a 50 percent discount on licence renewal fees, pilot registration fees and charge levied on equipments.

FNCCI URGES NRB TO SCRAP CONSORTIUM FINANCING POLICY

The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) on asked Nepal Rastra Bank (NRB) to scrap the policy requiring banks to go for consortium financing for loans amounting to more than Rs1 billion. The FNCCI has argued that such a provision will lead to delays in releasing credit to large projects. The central bank said it had formulated the policy in a bid to prevent overexposure to a single borrower. NRB had raised the limit to Rs1 billion through the new monetary policy from Rs500 million in response to private sector demand.

“Although the monetary policy has raised the ceiling, the mandatory provision to go for consortium financing will affect funding for big projects,” said Shankar Pandey, chairman of the FNCCI’s Bank, Finance and Insurance Committee. The private sector has also urged the central bank to review the current provision of allowing importers to pay for all their imports in foreign currency other than Indian currency.

Presently, importers can make payment in US dollars for only industrial raw materials. They have to pay in Indian rupees to import other items from India. Pandey said they had been forced to buy Indian currency by exhausting their dollar reserves to pay for their imports from India. “It has increased the cost of transactions besides causing procedural hassles,” he said.
Pakistan could end energy rationing within two years, the Asia Development Bank (ADB) country director for Pakistan said, adding weight to government claims that they will end frequent outages in time for the 2018 elections.

If Prime Minister Nawaz Sharif’s government manages to eradicate “load-shedding”, the electricity rationing system which leads to several hours of scheduled outages every day, it would significantly boost his chances of securing another term in office.

Pakistan’s economy has been hobbled by energy shortages over the past decade, with businesses saying they deter foreign investment and hurt productivity. Electricity shortages were among the main election issues in the 2013 poll won by Sharif.

ADB is lending Pakistan more than $1 billion over five years as part of efforts to end Pakistan’s chronic energy crisis and implement reforms such as privatizing parts of the sector and improving transparency. Werner Liepach, ADB’s country director for Pakistan, said the bank was “broadly satisfied about progress being made” in Pakistan with energy sector reforms. Sharif’s government has made reducing energy sector reforms.

Pakistan’s oil and gas discoveries in the current month have made a record as exploration companies found fresh hydrocarbon deposits in six wells that will add 50.1 million cubic feet per day (mmcfd) of gas and 2,359 barrels per day (bpd) of oil to the existing production levels.

Petroleum and Natural Resources Minister Shahid Khaqan Abbasi, while speaking during a meeting of the National Assembly Standing Committee on Petroleum and Natural Resources chaired by Bilal Ahmed Virk, said four discoveries were made in Sindh that already has the largest share in total gas output in the country and the remaining two in Khyber-Pakhtunkhwa.

Of these, Oil and Gas Development Company made two finds, MOL Pakistan two and Petroleum Exploration Limited and United Energy Pakistan one each. The discoveries have shown presence of 31.6 mmcfd of gas and 339 bpd of crude oil in Sindh and 18.5 mmcfd of gas and 2,020 bpd of oil in KP.85 per cent of domestic consumers were paying less than 50% of the cost of gas and the industrial and commercial consumers were cross-subsiding the domestic consumers, he said.

However, now industrial and commercial consumers were being provided imported liquefied natural gas (LNG), so the burden of cross-subsidy had been shifted to SNGPL that was feeling the strain on its finances.

Cotton yarn production in the country during eleven months of last financial year registered an increase of 1.42 per cent as compared to the production of same period of last year. During the period from July-May, 2015-16, about 3,121,374 tones of cotton yarn produced as compared to the production of 3,077,609 tones of same period of last year, according to the data of Pakistan Bureau of Statistics. Meanwhile, cotton cloth production also grew up by 0.30 per cent and about 953,183 square meters cotton cloth produced, which were recorded at 950.350 square meters. On the other hand domestic production of vegetable ghee and cooking oil witnessed 5.05 per cent and 5.78 per cent increase during eleven months of last financial year as compared to the production of corresponding period of last year.

During the period from July-May, 2015-16 about 1,134,290 tones of vegetable ghee were produced as compared to the production of 1,079,812 tones of same period of last financial year. Cooking oil production also increased by 5.78 per cent as about 353,561 tones of cooking oil were produced during the period under review as compared to the production of 334,240 tones of same period of last year. During the period under review, local production of tea blended grew by 17.26 per cent as it was recorded at 127,477 tones as against the production of 108,711 metric tons of eleven months of the year 2014-15.
SRI LANKA TAX BREAKS FOR COMPANIES LEASING STATE LAND

Sri Lanka’s government has decided to give tax relief that benefit mainly small and medium enterprises which lease commercial land owned by the state under the Mahaweli River irrigation scheme, a government spokesman said.

In renting state lands for commercial enterprises, the tax rate remains high, causing difficulties to small and medium scale entrepreneurs, Mass Media Minister Gayantha Karunathilake told a news conference.

Tax is charged according to market value calculated by the Chief Assessor and the tax rate increased 50% every five years for lands leased for 30 years on long-term lease schemes, under the State Lands Ordinance.

The Cabinet of Ministers this week approved a proposal by President Maithripala Sirisena, in his capacity as Minister of Mahaweli Development and Environment, to prepare a concessionary taxation method for leasing state lands.

CHINA WANTS JV PROJECTS IN SRI LANKA WITH INDIAN COMPANIES

China wants its projects in Sri Lanka to be joint ventures either with local companies or international companies, including Indian companies.

According to a New Indian Express report, the ambassador said the perception that Chinese projects are primarily meant to bolster China’s strategic interests in the region will be dispelled if there are Joint Ventures with local entities and foreign companies run as commercial enterprises.

China has no hidden agenda, he emphasized, speaking at the Regional Center for Strategic Studies. The 21st century Maritime Silk Road is meant to promote development so that every country on the route benefits from it.

The mutual antagonism in South Asia will be mitigated if China, India and Pakistan form an economic alliance and co-opt Lanka and other South Asian nations. Lanka and India should sign the Economic and Technical Cooperation Agreement (ETCA). The Chinese Ambassador in the island, Yi Xianliang, said that the Marketing Manager of the Chinese company executing the 1.4 billion dollar Colombo Port City project had gone to India recently and found that Indian companies were willing to invest in the mega project about which India had reservations earlier.

INDIA APPROVES USD 318 MILLION LOAN FOR SRI LANKA RAILWAYS

India has approved a USD 318 million loan for Sri Lanka Railways to upgrade its communications system and rolling stock in the Tamil-dominated north. Sri Lankan government spokesman and Minister Gayantha Karunathilake said that the money will be used to improve the signal system from Maho to Anuradhapura in the north central province and from Anuradhapura to Omanthai in the north.

It will also be used to buy six power sets with air-conditioned carriages, 10 engines and 160 carriages, 30 wagons with oil tanks and 20 container carrying wagons. The Cabinet had approved a proposal by Prime Minister Ranil Wickremesinghe to enter into an agreement with Exim Bank of India for the loan.

India has already given loans of about USD 996 million to develop Sri Lanka’s railway service which were used to improve northern and southern railway lines and buy engines and power sets.

WORLD BANK GRANTS SRI LANKA $ 55 M TO DEVELOP STRATEGIC CITIES

The World Bank signed a US$ 55 million loan agreement with Sri Lanka for the Strategic Cities Development Project to improve urban services, preserve cultural and environment assets, and improve livability in Jaffna, adding the city to an existing project to develop Galle and Kandy. Secretary to the Treasury, Ministry of Finance Dr. R.H.S. Samarathunga and World Bank Country Director for Sri Lanka and the Maldives Françoise Clottes signed the credit agreement for the project at the Ministry. The credit will add development of rapidly urbanising Jaffna to the existing Strategic Cities Development Project (SCDP), which is supported by the World Bank and was originally approved in 2014. “Well planned cities can be centers of innovation and job creation as experienced in many parts of the world and this is an opportunity for Sri Lanka to connect people to prosperity,” said Clottes. “There is substantial potential for economic growth in Jaffna, now that peace has returned. An improved urban environment is a favorable habitat for the developing enterprises that one day will become the engines of growth.”

PRIVATE SECTOR INTERVENTION IMPORTANT FOR INTER-REGIONAL CONFIDENCE - MINISTER

Inter-regional confidence plays a very important role in carrying the Economic and Trade Agreements forward and it requires the private sector intervention on a large scale, according to the Minister Public Enterprise Development Kabir Hashim. He said Sri Lanka failed to achieve its goal through several bilateral agreements during the previous time as they were not implemented properly by the then administration. Addressing a Ministerial Session at the 12th World Islamic Economic Forum in Jakarta he said, Sri Lanka has paved the way for foreign investors in Sri Lanka to export their productions made in Sri Lanka on a duty-free basis.

Minister also assured to further strengthen the remaining trade relations between Sri Lanka and other states under the leadership of President Maithripala Sirisena.
WHY ECONOMIC CORRIDOR DEVELOPMENT IS THE WAY FORWARD FOR SOUTH ASIA:

South Asian countries face a quandary: robust regional growth that clocked in at 6 percent a year over 20 years still sits side-by-side with a number of intractable development challenges. Among them is finding well-paying jobs for a workforce of over 400 million, and which is expected to grow. The region is expected to account for 40 percent of the growth in the world’s working-age population until 2050. Currently, around 50 percent of workers in India and 48 percent in Bangladesh are engaged in the agriculture sector, which is characterized by very low productivity.

At the same time, there is very little cross-border trade which also undermines economic growth and job creation. South Asia is one of the least integrated sub regions in the world; intra-regional trade stands at only 5.3 percent of total trade, compared to 7 percent in Central Asia, 26.6 percent in Southeast Asia, and 35.5 percent in East Asia.

Need new ways clearly:
we need new ways to bring forth industrial development and create high-value jobs. One of these is by way of economic corridor development (ECD). For instance, India is currently developing five economic corridors, including the ADB-supported East Coast Economic Corridor that runs from Kolkata to Tuticorin along the eastern coastline. Other proposed corridors are the Colombo-Trincomalee Economic Corridor in Sri Lanka, and the Southwest Economic Corridor in Bangladesh. So, what is ECD? How is it different from the traditional connectivity projects? What are the expected benefits for countries adopting it as a primary development strategy? ADB first coined the term ‘economic corridors’ in 1998 as a concept for planned development across a geographical space, which emerged in the early 1990s with ADB’s Greater Mekong Subregion project and Europe’s Maastricht Treaty. Given its wide-ranging features that cut across various sectors of the economy, the definition is constantly evolving. Scaling new heights: Vizag-Chennai Industrial Corridor, India’s first coastal corridor, an ADB flagship book published in May, notes an economic corridor typically involves the creation of an efficient multimodal transport network within a defined geography supported by quality infrastructure, logistics, a policy framework that facilitates doing business, and setting up distribution networks that link production centers, urban clusters, and international gateways.

While the traditional connectivity concept focuses on the end-points of the corridor with limited consideration of what goes on between them, the economic corridor concept deliberately stimulates the interior of the corridor with essential economic agents.

Complementary components:
As such, an economic corridor may be seen as having three complementary components. First is the trade and transport corridor itself, where roads and ports are an integral component, especially in the context of logistics performance, second are the industrial production clusters that produce goods and services, and finally are the urban centers that function as major markets and as a source of labor, technology, knowledge, and innovation. To maximize business enthusiasm and strengthen infrastructure ADB also provides support for institutional reforms to boost economic corridor management and regulatory reforms to improve the ease of doing business and attract foreign investors, logistics, and other related services. What can South Asia expect from economic corridors? If implemented well, the ECD strategy promises a faster rate of industry growth and improved productivity, creation of higher-paying jobs and skills development, an influx of foreign investors, and increased exports, among others. These are achieved altogether through judicious public and private investment in the necessary infrastructure for connectivity, production, logistics, and urban living. Analysis for our $720 million Visakhapatnam-Chennai Industrial Corridor Development Program—part of the East Coast Economic Corridor—shows that over the 20 years from fiscal year 2015–2016, total output in the area if there is no corridor would increase from Rs1,110 billion (about $16.4 billion) to around Rs3,000 billion.

However, with a fully maximized ECD, output would rise to over Rs7.823 billion over the same period. In terms of employment generation, the number of jobs in seven key sectors would increase from 2.9 million to between 5.8 million without ECD or 11.8 million with ECD. And in stretching across countries, often to national borders as India’s East Coast Economic Corridor does or to key ports, businesses have far more opportunity for cross border trade, ultimately serving to more closely integrate the sub-region’s economies.

(With Courtesy: Asian Development Bank)
South Asia's clothing and textiles industry can create millions of jobs for the region's working-age women, boosting economic growth and helping improve children's health and education, a World Bank report said.

The industry is already the most female-intensive in much of the region, women making up 71 percent of its workforce in Sri Lanka, 35 percent in India and 34 percent in Bangladesh. In Pakistan, its share of women workers is second to agriculture.

"South Asia needs to create jobs in labour-intensive industries where it enjoys a comparative advantage - such as apparel - to employ its burgeoning youth and attract more women into the workforce," the report released on Thursday said.

"South Asian households with women working, especially in the textile and apparel sector in India and Pakistan, tend to have fewer young children on average," it said.

Higher wages in China, the world's largest clothing exporter, are driving global brands to seek cheaper alternatives in countries including Bangladesh, India, Pakistan and Sri Lanka. South Asia is best placed to lure these businesses with its lower wages and expanding young population, even though recent industrial disasters have raised questions about safety and the conditions of workers in these countries.

The industry employs about 4.7 million workers in the formal sector, and several million more informally, making up about 40 percent of the region's manufacturing employment.

Its ability to lure unskilled and semi-skilled women is particularly important, as South Asia has one of the lowest female labour force participation rates in the world of about 32 percent, compared with East Asia's 62 percent, the report said.

MORE WOMEN WORKERS, FEWER CHILDREN

Countries with greater female labour force participation generally see later marriages, fewer children, better nutrition and school enrolment, and higher gross domestic product, according to the World Bank.

"The apparel sector offers a promising and realistic entry point for women into the formal labour force, thanks to a high wage premium compared to agriculture," the report said.

"As apparel exports increase, the rising demand for female labour pulls women from agriculture and other informal sectors."

Average wages in the industry range from about $0.51 per hour in Bangladesh to about $1.06 in India, compared with $2.60 in China, according to 2012 data compiled by the World Bank. As output increases to meet higher demand, a 1 percent increase in the expected wage raises the likelihood of women joining the labour force by between 16 percent in Pakistan and 89 percent in Sri Lanka, the World Bank estimates.

Despite the large number of women the industry employs, however, female workers lack a voice and representation in Bangladesh, the region's largest exporter by value.

Regulatory capacity is also weak in Bangladesh, even though scrutiny has increased in the wake of the Rana Plaza disaster.

Three years after the disaster that killed more than 1,100 factory workers, the rights and safety of workers in the region are in greater focus, but progress in fixing problems in the supply chain is slow, experts and activists say. In India, compliance is limited in the informal sector, where most workers are employed. Overtime is a serious problem, and child labour is common, with reports also of exploitation and sexual harassment of women.

In addition, the region faces growing competition from Southeast Asian countries including Cambodia, Indonesia and Vietnam. But with stricter controls, better wages and higher-value products, South Asia's apparel and textile industry can retain its competitive edge, the report said.

"Given that much of apparel production continues to be labour intensive, the potential to create more and better jobs is immense," it added.
Modern Tribal

Embrace summer's eccentric mood with playful and offbeat tribal influences.
Established in December 1992, South Asian Chamber of Commerce & Industry (SAARC CCI) serves as apex organization of South Asian Association for Regional Cooperation, mandated to promote economic cooperation in the region.

The year 2014 will be a landmark in the history of SAARC CCI, bringing in its fold the commencement of SAARC CCI Headquarters Building Project to further strengthen and up grad its permanent Headquarters at Islamabad—the capital city of Pakistan. The project is supported by all National Chambers of South Asia region and boasts of excellent contribution made by corporate houses from across South Asia particularly from Pakistan, Bangladesh and India and from other countries.

After accomplishment of pre-construction phase, this architectural masterpiece of the 21st century is ready for construction at its location Plot No. 26, Mauve Area, G-10/4, Islamabad. The project is well equipped of Energy efficient systems, spaces, security and safety features and have been well planned to execute the start of construction.

Mandated by SAARC CCI Building Trust, the leadership of FPCCI, Mr. Tariq Sayeed, founder and former President SAARC CCI and Mr. Iftikhar Ali Malik , Vice President of SAARC CCI, is making earnest endeavours to accomplish this task.

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 basements+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.
- World class parking facilities will be available.

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

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

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