SAARC Chamber of Commerce and Industry

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SAARC CCI Press Release

Leadership of SAARC CCI urges for granting MFN Status to India

Islamabad (P R) - The leadership of SAARC Chamber of Commerce & Industry (SAARC CCI) from India and Pakistan Chapters have urged upon the newly elected Government in Pakistan to announce MFN status as a priority matter while regarding it as one of the strongest Confidence Building measures between two big economies of South Asia.

Mr. Vikramjit Singh Sahney, the incumbent President of SAARC CCI who is scheduled to visit Pakistan as a member of India-Pakistan Business Council (IPBC) to attend the inaugural meeting of Joint IPBC, scheduled at the end of this June said that MFN was one of the fundamental principles of the multilateral trading system and each member nation of WTO was obliged to grant MFN Status to other member country under the article I of GATT.

“India perceives MFN as an economic obligation and conferred this status to Pakistan in 1996, soon the enactment of the WTO agreement” said President SAARC CCI and added that further delay will diminish spirit of high level dialogues between two countries. He further said that Prime Minister of Pakistan has already expressed his vision to further improve bilateral relations with India and announcement of granting MFN status will help bridge trust gap between two neighbouring nations.

Mr. Iftikhar Ali Malik, Vice President of SAARC CCI (Pakistan Chapter) and Mr. S.M. Muneer, President India-Pakistan Chamber of Commerce & Industry who are also members of IPBC have reiterated that MFN status should also be perceived as economic obligation being an active member of WTO. There were of the opinion that Granting MFN status to India had misleading interpretation in Pakistan. “MFN does not mean that India is the “Most Favourite” nation, it simply conceding similar trade concessions as accorded to other WTO member countries. They also and urged on Indian Government to remove country specific Non-Tariff Barriers, allowing Pakistan exports to make niche in big Indian market

“We have the understanding that some of our Industrial sectors may face challenges if trade is open under MFN, however, options like setting up joint ventures in such areas can be explored” said Mr. Iftikhar Ali Malik and added that Pakistani enterprises need to enhance its competitiveness and productivity as is was the demand of prevailing free trade regime.

The business leaders welcomed the upcoming inaugural JIPBC meeting (June 29, 2013) in Pakistan and termed it as an important step forward to deepen bilateral economic relations.

(MUHAMMAD IQBAL TABISH)
Secretary General

South Asian Association for Regional Co-operation