Two roundsof ForeignOffice consultations were held in May 1998 when Secretary(East) Shri NareshwarDayal visited Tashkent and in December 1998 when Mr I Ergashev, Deputy Minister of Foreign Affairs visited Delhi. In the economic and commercial sphere, a delegation of manufacturers of auto components and another of consultancy firms visited Uzbekistan in May and June 1998 respectively. The fourth session of Indo-Uzbek Joint Commission is likely to be held in the first quarter of 1999.

Mr I Ergashev, Deputy Foreign Minister of Uzbekistan visited India from 9-12 December, 1998 for Foreign Office Consultations. The 4th Session of the Indo-Uzbek Joint Commission was held in New Delhi from 17-20 February, 1999. The Uzbek Deputy Prime Minister, Mr M Z Usmanov visited New Delhi for the purpose.

INDIA USA AZERBAIJAN KAZAKHSTAN KYRGYZSTAN OMAN TAJIKISTAN AFGHANISTAN MALI TURKEY TURKMENISTAN UZBEKISTAN RUSSIA

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The Gulf, West Asia & North Africa

Gulf / Haj Division

Dating back to historical times, India's ties with all countries of the Gulf are cordial, substantial and mutually beneficial. Given India's geographical proximity, cultural affinity and economic complementarities with the Gulf countries, India's multifaceted relations with the countries of this region have continued to flourish. While about 3.5 million Indians -workers and professionals - are engaged in the economic development of the Gulf countries, the region is also the primary source of India's energy needs and one of India's most important economic partners in the areas of trade, investments and joint ventures. With a view to continually strengthening and diversifying relations between India and the Gulf, interactions take place regularly, particularly through high-level visits. Important developments and events which took place in 1998-99 in India's relations with the Gulf countries are summarised in the following paragraphs.

Bahrain The warm, cordial and friendly relations between India and Bahrain received an impetus with the meeting of the joint Committee on Technical and Economic Cooperation in New Delhi, on 12-13 November, 1998, after a gap of nearly seven years. Noting that a vast potential existed for the expansion of the two-way trade, both sides agreed to find ways and means for stepping up bilateral trade not only in the existing fields, which included oil and other downstream products but also in the services sector such as off-shore banking and tourism. Both sides expressed keenness to enhance industrial and technical cooperation for setting up joint ventures in the small and medium-scale sectors, as well as cooperation in fields of health, education, agriculture, youth & sports and information and culture. They also agreed to expedite finalisation of the pending bilateral Agreements.

Secretary (East) and Joint Secretary (Gulf) visited Bahrain in June 1998 to explain India's position on the nuclear tests. Bahrain Ispat Limited Company, a joint venture with a large Indian steel company, made considerable progress in setting up a us \$ 290 million sponge-iron project in Bahrain. Prime Minister sent an invitation to the Bahraini Prime Minister to visit India.

Iraq India's relations with Iraq, which have traditionally been close, received a boost with the revival of the India-Iraq joint Commission for Economic and Technical Cooperation. A 7 member Iraqi delegation, led by H.E. Mr Amir Mohammed Rashid, Minister of Oil, visited New Delhi for joint Commission Meeting from 31 August to 2 September, 1998. A Memorandum of Understanding on cooperation in the field of oil and a Cultural Exchange Programme for the period 1998-2001 were signed between the two countries during the visit. Several areas of cooperation in the hydro-carbon and oil related sectors were identified. Indian companies offered bids for the exploration and development of Iraqi oil fields. As part of the Cultural Exchange Programme, both sides agreed to exchange visits of researchers, professors and academicians, sports and cultural troupes, journalists, etc.

India continued to reiterate its position calling for compliance by Iraq with the UN Security Council Resolutions on Iraq while reiterating that use of force against Iraq would serve no useful purpose but would only aggravate the sufferings of the Iraqi people. The appointment of the Indian diplomat Shri Prakash Shah, as Special Envoy of the UN Secretary-General, was welcomed by Iraq. The Indian Ambassador in Iraq Presented life-saving drugs to the Iraqi Ministry of Health and 700 scientific textbooks to the Iraqi Ministry of Higher Education and Scientific Research, as also five container loads of educational material, including geometry boxes, school bags, calculators, and exercise books for use of the children of Iraq.

Dr Sadoun Hamadi, special envoy of the President of Iraq, visited India from 25- 29 May, 1998. He called on the President, Vice President, Prime Minister and Speaker (Lok Sabha). An 11 member Parliamentary delegation, led by the Hon'ble Speaker, Shri G M C Balyogi, visited Iraq from 20-26 August, 1998. The Speaker called on President Saddam Husein. Shri Som Pal, Minister of State for Agriculture visited Iraq from 8-10 October, 1998; he called on the Iraqi Minister of Agriculture and Minister of Industries. A 2 member delegation from the ONGC (Videsh) Ltd. visited Baghdad to hold technical discussions with the Ministry of Oil regarding their offer for exploring Iraqi oil fields in the western desert of Iraq. Twenty four Indian organisations participated in the Baghdad International Fair held in Baghdad from 1 to 10 November 1998. The Indian pavilion was awarded the extra-ordinary gold medal. A 20 member Iraqi Football Team also visited India to participate in the Rajiv Gandhi Football Cup Tournament.

Kuwait Friendly relations with Kuwait were strengthened by high-level visits which included a Parliamentary delegation, led by H E Mr Talal Mubarak Al-Ayyar, the Deputy Speaker of the Kuwaiti National Assembly, to New Delhi from 27 September to 1 October, 1998, on the first leg of its visit to some Asian countries. The delegation called on the President. Secretary (East) and joint Secretary (Gulf) visited Kuwait on 10-11 June, 1998, and had detailed discussions with the Kuwaiti Foreign Secretary H E Mr Sulaiman Majid Al-Shaheen; they also met Deputy Prime Minister and Foreign Minister of Kuwait, Mr Sheikh Sabah Al-Ahmed Al- Sabah, and explained India's position on the nuclear tests to the Kuwaiti leader. Two Indian naval ships paid a goodwill visit to Kuwait on 1-4 June, 1998. Following Government of India's approval to the setting up of the Orissa Oil Refinery, an Indo-Kuwait joint venture, Indian Oil Corporation opened a Representative office in Kuwait in June. Smt Sonia Gandhi, Congress Party President, visited Kuwait on 29 August, 1998 and had separate meetings with the Amir and the Crown Prince and Prime Minister of Kuwait. Prime Minister issued an invitation to the Crown Prince and Prime Minister to visit India. Oman Since the visit of the former President Dr. Shanker Dayal Sharma to Oman in October 1996 and that of H. M. Sultan Qaboos bin Said to India in April 1997, relations between India and Oman have scaled new heights. The Prime Minister, Shri A B Vajpayee, accompanied by a high-level delegation which included Shri K Ramamurthy, Minister of Petroleum and Natural Gas and Shri S S Barnala, Minister of Chemicals and Fertilisers, visited Salalah on 29-30 August, 1998. The Prime Minister and Sultan Qaboos had substantial discussions on bilateral, regional and international issues, and committed the two countries to promote ties in political and economic fields. The Omani Minister of Commerce and Industry, Mr Maqbool Bin Ali bin Sultan, visited India from 30 April to 2 May, 1998 in connection with "Oman week", which was inaugurated by the Vice President on 1 May, 1998.

Mr Maqbool Sultan also met the Petroleum, Industry and Fertiliser Ministers and Minister of State for External Affairs. He addressed Indian business leaders under the auspices of the Confederation of Indian Industry (CII). Secretary (East) and joint Secretary (Gulf) visited Oman on 31 May to 2 June, 1998. They called on the Minister responsible for Foreign Affairs as well as Minister of National Economy to brief them on India's nuclear tests. In June 1998. Bharat Heavy Electricals Limited (BHEL) commissioned a 30-MW Gas turbine- based power plant turnkey project at a cost of Rs. 560 million.

A flotilla of three naval ships paid a goodwill visit to Oman from 30 May to 4 June, 1998 and undertook joint exercises with the Royal Oman Navy. The formalities for setting up two multi-million dollar joint venture projects, namely the India-Oman Fertiliser Project and the Bharat-Oman Fertiliser Project and the Bharat-Oman Refinery Project, proceeded satisfactorily. An Indian ocean (IOR) Exhibition was organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) at Muscat from 10-14 October, 1998, in which 56 Indian organisations participated. Meetings of the India-Oman Joint Economic Committee and the Annual Political Consultations will take place in New Delhi and Muscat respectively in early 1999.

Qatar India's traditionally warm and friendly relations with Qatar continued to grow during the year Mr Abdullah Bin Hamad, Al-Attiyah, Minister of Energy and Industry, visited Indian in July 1998 and called on the Prime Minister and handed over a letter from the Amir of Qatar to the PM. The Visiting dignitary also called on his counterpart, the Minister of Petroleum and Natural Gas, Shri K Ramamurthy, on 8 July 1998. The Qatari Minister was accompanied by a 6 member delegation from the Qatar General Petroleum Corporation. A 22 member delegation from Qatar, led by assistant Under Secretary in the Ministry of Energy and Industry, visited India on 6-8 May, 1998, and participated in two Seminars on "Indo-Qatar Trade Relations" organised by the Confederation of Indian Industry (CII) in New Delhi and Mumbai.

Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Qatar on 3 June, 1998. They called on the Qatari Minister of State for External Affairs and held discussions on bilateral relations. They also explained India's position on the nuclear tests conducted in May 1998. Qatar has been selected for holding negotiations for supply of 7.5 million tonnes of LNG per year to India on a long-term basis. The Minister of State for External Affairs, Smt Vasundhara Raje, accompanied by Secretary (East) and Joint Secretary (Gulf), visited Qatar from 26-29 October, 1998. She handed over a letter from the Prime Minister to H.H. Sheikh Hamad Bin Khalifa Al-Thani, Amir of Qatar. She had a meeting with H.E. Sheikh Hamad Bin Jassem Bin Jabor Al-Thani, Foreign Minister of Qatar. The MOS also laid the foundation stone of the Indian chancery building in Doha, capital of Qatar. Shri E A Nayanar, Chief Minister of Kerala, visited Qatar from 26-28 September, 1998. He called on Mr Abdullah Bin Hamad Al-Attiyah, Minister of Energy and Industry. A Bilateral Investment Promotion and Protection Agreement (BIPPA) was initialled between India and Qatar in Doha on 30 November, 1998. The meeting of the India- Qatar Joint Commission will take place in New Delhi on 8-9 March, 1999.

At the invitation of our Minister of Petroleum and Natural Gas, H. E. Mr Yousef Hussain Kamal, Minister of Finance, Economy and Commerce of the State of Qatar, visited India from 13-15 December, 1998. The visit was in connection with the purchase of 7.5 million tonnes of natural gas per year by India from Qatar on long-term basis. The visiting dignitary called on Shri Yashwant Sinha, Minister of Finance, and Smt Vasundhara Raje, Minister of State for External Affairs.

Saudi Arabia India's traditional relations with the Kingdom of Saudi Arabia are marked by cordiality and friendship. The bilateral trade between India and Saudi Arabia amounts to about US \$ 3.5 billion. The Kingdom is host to around 1.3 million Indians. Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Saudi Arabia between 17-20 July, 1998 to explain the rationale of the nuclear tests conducted by India in May 1998. An Indian team visited Saudi Arabia on 24-25 November, 1998 to hold negotiations for finalising the text of the Bilateral Investment Promotion and Protection Agreement between the two countries.

With a view to stepping up defence cooperation, an invitation was extended for a goodwill visit of a Saudi defence delegation to India. The battle ships-INS Rajput and INS Varuna-called at the Jubail Port on 6 June, 1998 on a goodwill visit, the first time in ten years that Indian Naval ships have made a friendly port call in the Kingdom. The Saudi Minister of Justice, H.E. Dr Abdulla Ibn Muhammed Ibn Ibrahim Al Sheikh, visited India to participate in the 37th session of Asian-African Legal Consultative Committee which was held in New Delhi from 13-18 April, 1998.

A total of 95,119 Indian pilgrims performed Haj in March 1998, of whom 63,583 pilgrims had gone through the Haj Committee, Mumbai, and the rest through Private Tour Operators (PTOs) or privately on international passports. To look after the welfare of the pilgrims 398 deputationists (223 doctors and para- medical staff and 175 administrative staff) were deputed to Saudi Arabia; 88 Haj volunteers were also sent by 13 State Haj Committees. A 28 member Haj Goodwill delegation visited Saudi Arabia during the Haj. While, on the whole, the Haj was very well-organised, there was one untoward incident a stampede at Mina in which 32 Indian pilgrims lost their lives.

To safeguard the interest of the pilgrims who perform Haj through PTOs and to regulate the working of the latter, the Ministry invited applications from companies organising Haj/Umrah pilgrimages. After detailed scrutiny, a number of PTOs have been recommended for registration with the Saudi Missions in New Delhi and Mumbai.

Haj 99 will take place in the last week of March 1999, and arrangements releting to accommodation in Makkah and Madinah and the Haj charter flights have been finalised satisfactorily. A team of three Members of Parliament from the Parliamentary Standing Committee on External Affairs visited Saudi Arabia in February 1999 to review the arrangements made for Indian pilgrims.

UAE The age-old multidimensional relations between India and the United Arab Emirates (UAE) were further strengthened and diversified during the year. With a view to promoting investment, the Bilateral Investment Protection and Promotion Agreement between the two countries was initialled in June 1998. In order to promote investment in Maharashtra, a delegation, led by Shri R V Patil, Minister of Culture and Water Conservation, Government of Maharashtra, visited the UAE on 15 September 1998. A delegation led by the CII President, Shri R V Shah, visited the UAE on 1 August, 1998 and held discussions with Indian businessmen, the Dubai Chamber of Commerce and Industry and the Abu Dhabi Chamber of Commerce and Industry to promote greater economic cooperation and joint ventures. The UAE- based Non-Resident Indian (NRIs) contributed US \$ 1.26 billion to the Resurgent Indian Bonds (RIBs) which was around 30% of the total global collection of the RIBs.

Secretary (East) and Joint Secretary (Gulf/Haj) in the Ministry of External Affairs visited Abu Dhabi on 2 June, 1998 and met the UAE Minister of Information and Culture, Mr Sheikh Abdullah Bin Zahid, and Acting Secretary of the UAE Foreign Office, Mr Saif Saeed Bin Saad and discussed ways to strengthening bilateral relations. They also explained the rational for the nuclear tests conducted by Indian in May 1998. The Vice President of India, Shri Krishan Kant, made a stopover in Dubai en route to India and was received by the UAE Minister for Cabinet Affairs, Mr Saeed Al Ghaith. The UAE Minister for Petroleum and Mineral Resources, Mr Obeid bin Saif Al-Nasiri, visited India on February 22-24, 1999 to discuss cooperation in the energy sector.

A delegation of the Abu Dhabi Chamber of Commerce and Industry, including some private businessmen, visited India during April 1998 and met various industrial bodies, organisations and businessmen. The Sharjah Chamber of Commerce and Industry sent a delegation, led by its Chairman, Mr Ahmed Al Medfa, for a six- day presentation in India from 20 April 1998 which aimed at exploring business and investment opportunities both in India and Sharjah. Yemen Indo-Yemen relations are characterised by mutual goodwill, cordiality an friendship. The foreign policies of the two countries have much in common as both are committed to Non-alignment and support for Arab issues. Again, both India and Yemen are members of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) and engage in continuous interaction cooperating in the various projects identified for benefit of the people of the member-countries of the IOR-ARC. The annual Foreign Office Consultations were institutionalized with Yemen in 1993; the next session of the Foreign Office Consultations is scheduled to be held in New Delhi during February 1999.

The third session of the Indo- Yemen Joint Committee for Economic, Scientific and Technical Cooperation is expected to be held in Sana'a during March 1999. With a view to further strengthening relations between the parliamentarians of the two countries an invitation was extended to the Speaker of Yemeni National Assembly to visit India. Steps have been taken for making institutional arrangements with Yemen for close cooperation in curbing the menace of drug trafficking, combat terrorism and organised crimes; negotiations are under way for concluding these agreements, including extradition treaty. An Indian film festival and a photographic exhibition were inaugurated on 3 August 1998 in Sana'a by the Yemen Minister for Culture, Mr Abdul Al Mansoor.

Special Kuwait Cell The Special Kuwait Cell has been working since 1991. Its main task is obtaining and distributing compensation for the Indian nationals and organizations who were adversely affected by the Gulf War of 1990-91. After a considerable time, funds are now being transferred by the United Nations Compensation Commission (UNCC), Geneva. Transfer of funds is taking place roughly once every six months for partial settlement of category A & C claims \$ 2500 per claim. Disbursement of the compensation money to successful claimants is being done by four designated nationalised Banks. The four Banks, with the active cooperation and guidance of the Special Kuwait Cell, are carrying out the task of locating the successful claimants (many of whom have shifted residences or gone abroad), and paying their claim amounts.

In September 1998, UNCC transferred \$ 93,542,500 for partial settlement of 37,417 claims approved in the 4th instalment of category A. UNCC has also transferred \$ 14,255,510.61 for partial settlement of 5,869 claims in the 4th instalment of category C.

UNCC has also finalized the list of approved claims for the 6th instalment of category C. This covers 8,621 Indian claims, of a total value of over \$ 101 million. UNCC is in the process of finalising the list for the 7th (and the last) instalment of category C. They have also started sending lists of approved claims in category D, i.e., claims exceeding \$100,000. In the 29th UNCC Governing Council Meeting (Geneva, 28-30 September, 1998), 23 Indian claims in category D have been approved for a total value of \$ 522574.

In April 1998, a UNCC team of loss-adjustors and legal experts visited India for an on-site appraisal of documents pertaining to the Government of India claim in category F. Special Kuwait Cell made effective arrangements for a successful appraisal operation. As a result, the India's Govt. claim was processed expeditiously, although it was initially classified as "unusually large and complex". It has been approved for \$ 92,621,397 in the 29th UNCC Governing Council Meeting. The actual transfer of the amount may, however, take some time. It would depend on the availability of funds from Iraq and payment prioritization between different claim categories, decided upon by the UNCC. India was among the few countries who made official statement at the 29th Governing Council Meeting. The thrust of India's statement was that some degree of priority should be given to the small claims under categories A & C, after the first-part payments are completed.

It is the exclusive responsibility of the UNCC to evaluate and scrutinize the claims, evolve a payment procedure and deliver the awarded compensation to eligible claimants for payment through national Governments. Up to 31 December, 1998 the Special Kuwait Cell had been instrumental in the disbursement of the following amounts, in cooperation with the four designated Banks:

CategoryAmount disbursedNo. of claimants (US \$)covered A85022500.0030201 B617000.00163 C12141782.494890 Total97781282.4935254 Towards end-March 1999, we expect to receive from UNCC, further funds for installments V of categories A & C (depending on the financial situation on UNCC).

As important meeting of the UNCC Governing Council is also expected to take place in March. Among other things, this Meeting is expected to take a view on the payment priorities, after the first phase of payments for categories A & C gets completed. In the Governing Council Meeting of September 98, India made an official statement which, inter alia, stated that in the second phase of payments, a degree of priority should be given to completion of payments for categories A & C."

WANA Region India maintained its support for the Arab and Palestinian causes as well as the Middle East Peace Process. Developments in the region and lack of progress in the Middle East Peace Process gave rise to growing concern. India had welcomed the Wye River Memorandum signed between Israel and Palestine Liberation Organisation on 23 October, 1998 and had maintained that the signed agreements and accords should be honoured and implemented without any pre-conditions. India's multi-faceted relations with countries in West Asia and North Africa were further strengthened through exchange of visits and conclusion of functional Cooperation Agreements. Our trade with the region witnessed a steady growth. Work continued apace on the Indian joint venture in Morocco and this project is likely to come on stream by the middle of 1999. India's gesture of humanitarian assistance to Sudan and the human resource development under the ITEC Programme were a manifestation of our commitment to South South Cooperation.

Algeria Relations with Algeria continued to be marked by warmth and closeness. On the margins of the G-15 Summit held in Cairo in May 1998, Vice-President Shri Krishan Kant met President Mr Liamine Zeroual of Algeria. Again on the sidelines of the NAM Summit at Durban and the UNGA at New York, Algerian Foreign Minister Mr Ahmed Attaf called on Prime Minister Shri Atal Behari Vajpayee and exchanged views on important global, regional and bilateral issues. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Algiers in August 1998 for pre-NAM consultations. President of the Algerian Constitutional Council Justice Said Bouchair, alongwith members of the Constitutional Council, visited India from 6-12 September ,1998 at the invitation of Chief Justice of India. During their visit, "New Delhi Declaration" was issued. This Declaration provides for exchange of information, documents and setting up of a forum of the judges, lawyers and professors of law. A delegation from the national oil company of Algeria - SONATRACH - visited India between 21-24 June, 1998 and held discussions with officials of ONGC-VL and IOC on the possibilities for cooperation in the areas of drilling, oil field equipment, joint ventures in third countries, joint research and development, human resource development, etc.

Egypt Bilateral ties of friendship, mutual understanding and co-operation with Egypt were strengthened. Vice-President Shri Krishan Kant led the Indian delegation to the G-15 Summit in Cairo from 11-13 May, 1998. The other members of the Indian delegation to the G-15 Summit included Commerce Minister Shri Ramakrishna Hegde and Minister of State for External Affairs Smt Vasundhara Raje. On the sidelines of the Summit, the Vice-President met President Mr Hosni Mubarak and exchanged views on important issues. The meetings between the Prime Minister and Foreign Minister Mr Amre Moussa during the NAM Summit in Durban, UNGA in New York and Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa during the G-15 Summit in Cairo and NAM Ministerial Meeting in Cartagena sustained the high level dialogue between the two countries. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai visited Cairo to attend the 4th Annual Board Meeting of 'Partners in Population & Development' from 7-11 November, 1998. A delegation led by Minister of Environment Shri Suresh P Prabhu visited Cairo from 16-24 November, 1998 to attend the meeting of the Parties to the Montreal Protocol.

Minister of Textiles Shri Kashi Ram Rana visited Egypt from 19-22 August, 1998 to preside over the Valedictory Reception for the 5th exclusive Indian Jewellery Exhibition organised by the HHEC from 13-19 August, 1998 in Cairo. The Minister met Egyptian Minister for Trade and Supply Dr. Ahmed al-Goweili and a group of Egyptian businessmen. Chief of Army Staff Gen V P Malik transited through Cairo on 14 December, 1998 on a private visit. During his stay in Cairo, Gen. Malik called on Chief of Egyptian Armed Forces Lt Gen Mogdy Hatata. Chief Election Commissioner of India Dr M S Gill paid an official visit to Egypt from 26 April - 2 May, 1998. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Egypt in August 1998 for pre-NAM consultations. Indian delegation was received by Foreign Minister Mr Amre Moussa. A Memorandum of Understanding between India and Egypt for Co-operation in the Development of Small Scale Enterprises Sector in Egypt was signed in Cairo on 9.5.98 by Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa. President of the Court of Cassation in Egypt Justice Mehdat El-Maraghi visited India from 11-18 April, 1998 at the invitation of Chief Justice of India. The first exclusive "Made in India" Exhibition held in Cairo from 15-19 April, 1998, was inaugurated by Prime Minister of Egypt Dr Kamal el Ganzouri. Other dignitaries present at the inauguration were Egyptian Foreign Minister Mr Amre Moussa and Minister for Industry and Mineral Wealth Dr Soliman Reda Ali Soliman. Minister of Industry and Social Welfare of Kerala Smt Susheela Gopalan led the Indian delegation to the Exhibition. A Round Table Conference on Indo-Egyptian Relations was held in New Delhi on 16 December, 1998. Deputy Editor of Egyptian Arabic language newspaper 'Al-Ahram' Mr Mahmoud Mourad participated in this Conference. A high- powered media delegation led by the Chairman and Chief Editor of Arabic language daily 'Al-Ahram' Ibrahim Nafie to India from 24-29 June, 1998.

The delegation called on the Prime Minister Shri Atal Behari Vajpayee, Minister of Defence Shri George Fernandes, Minister of Finance Shri Yashwant Sinha, Deputy Chairperson of Rajya Sabha Dr (Mrs) Najma Heptullah, External Affairs Minister (then Deputy Chairman of Planning Commission) Shri Jaswant Singh and Minister of State for External Affairs Smt Vasundhara Raje. The first round of Annual Indo-Egyptian Foreign Office Consultations are scheduled to be held in New Delhi on 22-23 February, 1999.

Israel Cooperation with Israel in the areas of trade and agriculture continued to develop satisfactorily. The Deputy Director General in Israel's Foreign Office Mr Yitzhak Shelev visited India for the Fourth round of Foreign Office Consultations held in New Delhi on 21 January, 1999. The Indian delegation was led by Secretary (East) Shri Nareshwar Dayal. The Second Meeting of Indo-Israeli Joint Trade & Economic Committee was held in New Delhi on 27 October, 1998 and was co-chaired by the Commerce Secretary and Director General in Israel's Ministry of Industry, Dov Mishor. The Joint Trade & Economic Committee Meeting was co-chaired by Commerce Secretary Shri P P Prabhu and Director General, Israel's Ministry of Industry Mr Dov Mishor. The Attorney General for India Shri Soli J Sorabjee visited Israel from 20-24 December, 1998 at the invitation of his counterpart in Israel. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai went to Israel on a private visit from 11-13 November, 1998.

Minister of State for Rural Areas & Employment, Shri Babagouda Patil visited Israel from 30.10.98 to 5.11.98 at the invitation of Israel's Minister for Agriculture and Deputy Prime Minister Mr Rafael Eitan. Minister of Urban Affairs and Employment Shri Ram Jethamalani visited Israel from 7-11 September, 1998 at the invitation of Israel's Minister of Infrastructure Mr Ariel Sharon. Agreement on Co-operation in the field of Telecommunications and Posts between India and Israel, signed on 29 November, 1994, was ratified by India on 24 September, 1998.

Jordan Bilateral relations with Jordan retained their positive trends of increasing understanding and cooperation. Vice President Shri Krishan Kant represented India at the funeral of King Hussein in Amman on 8 February, 1999. Both Houses of Parliament adopted an Obituary Reference to King Hussein on the opening day of the Budget Session of Parliament. Additional Secretary (UN) and Joint Secretary(WANA) in the Ministry visited Amman in August 1998 for pre-NAM consultations. The delegation was received by Crown Prince Hassan. Speaker of Lok Sabha, Minister of State for Agriculture and Chief Election Commissioner transited through Jordan.

Lebanon India's relations with Lebanon continued to be warm and friendly. India maintained its support for the immediate and unconditional implementation of the UN Security Council Resolution No. 425 which calls for withdrawal of Israeli forces from Lebanon's occupied territories forthwith. At the request of the United Nations, India sent an Indian Army contingent as part of the UN Interim Force in Lebanon (UNIFIL). Secretary (East) in the Ministry Shri Nareshwar Dayal visited Lebanon from 15-17 July, 1998 for Foreign Office consultations. He was received by Prime Minister Mr Rafik Al-Hariri and Foreign Minister Mr Fares Bouez.

Libya India's relations with Libya continued to be marked by understanding and co- operation. India has consistently believed and worked for a just and equitable solution to the Lockerbie issue. Under Secretary for Asian Affairs in Libyan Foreign Office Mr Saad Mustafa Mujber visited India from 23-25 April, 1998 for Foreign Office consultations. During his stay in New Delhi, Under Secretary Mujber called on Minister of State for External Affairs Smt Vasundhara Raje and delivered a letter addressed to Prime Minister Shri Atal Behari Vajpayee from Libya's Foreign Minister. He also called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy, Minister of State for Information & Broadcasting, Shri Mukhtar Naqvi and Secretary (Industry) Shri T R Prasad.

Morocco Relations with Morocco witnessed qualitative enhancement. Prime Minister Shri Atal Behari Vajpayee visited Morocco on 13-14 February, 1999. He had a tete- etete with Prime Minister Abderrahmane El Youssoufi, followed by delegation- level talks. Prime Minister also called King Hassan II. The King honoured the Prime Minister by conferring on him "Grand Cordon of the Alawy Wissam". During Prime Minister's visit, Bilateral Investment Protection Agreement, Tourism Co- operation Agreement and Agreement between Press Trust of India (PTI) and Maghreb Arab Presse (MAP) for mutual professional co-operation were signed. Foreign Minister of Morocco Abdellatif Filali called on Prime Minister Shri Atal Behari Vajpayee on the margins of the NAM Summit in Durban in August 1998 and Minister of External Affairs (then Deputy Chairman of Planning Commission) Shri Jaswant Singh met Morocco's Prime Minister Abderrahmane El Youssoufi in New York on the sidelines of the Special Session of the UN on Narcotics and Drugs held in New York from 8-10 June, 1998.

Minister of State for External Affairs Smt Vasundhara Raje, accompanied by Secretary (East) Shri Nareshwar Dayal, visited Morocco from 25-27 June, 1998. Besides holding discussions with her counterpart State Secretary in the Ministry of Foreign Affairs for International Cooperation Mme Aicha Belarbi, MOS also called on Prime Minister Mr Abderrahmane El Youssoufi, Foreign Minister Abdellatif Filali and Finance Minister Mr Fthallah Oualalou. She signed a Memorandum of Understanding between India and Morocco on Foreign Office Consultations. Speaker of Lok Sabha Hon'ble Shri G M C Balayogi led a Parliamentary delegation to Morocco from 7-12 October, 1998. The Hon'ble Speaker was invited to the inauguration of the Moroccan Parliament by the President of the Majlis An-Nuwab (House of Representatives) Mr Abdelwahed Radi. The Hon'ble Speaker was received by King Hassan II of Morocco and honoured with the title of "Officer Wissam Alaoui". The Hon'ble Speaker also called on Morocco's Prime Minister Mr Abderrahmane El-Youssoufi. During the visit of Indian Parliamentary delegation, it was decided to establish an Indo-Moroccan Parliamentary Friendship Group. Minister of State for Finance (RB & I) Shri K M R Janardhanan visited Morocco from 28-30 October, 1998 to sign the Convention on Avoidance of Double Taxation between India and Morocco.

Amongst others, he called on the Prime Minister of Morocco. General Manager of the Moroccan National Railways Office (ONCF) Mr Mohammed El Als visited India on 7-12 December, 1998. During his visit, he held discussions with RITES and IRCON. Ambassador of the King of Morocco Mr Hassan Abouyoub visited India from 6-7 November, 1998. He called on Hon'ble Speaker of Lok Sabha, Minister of Commerce, Principal Secretary to the Prime Minister and Secretary (East) in the Ministry of External Affairs. Palestine India continued to extend political, material and technical support to Palestine. India repeatedly expressed its concern at the stalling of the Middle East Peace Process. India welcomed the Wye River Memorandum signed between Israel and PLO on 23 October, 1998. India believes that this Memorandum will improve the quality of life of the Palestinian people and pave the way to commence Final Status Negotiations so that a just, comprehensive and lasting peace could be achieved in the region on the basis of the Principle of "Land for Peace" and the relevant UN Resolutions.

India calls upon the parties concerned to faithfully implement this Memorandum and eschew unilateral measures which are not in conformity with this Memorandum and other understandings and agreements. India's traditional friendly relations with Palestine were enhanced by several exchanges. Additional Secretary (UN) and Joint Secretary (WANA) visited Palestine Authority territory in August 1998 for pre-NAM consultations. The Indian delegation was received by President Arafat. Additional Secretary (FA) and Joint Secretary (WANA) in the Ministry visited Gaza in June, 1998 to sign two MOUs and Agreed Minutes for the implementation of two Indian-aided projects, namely, construction of a Library at Al Azhar University and construction of a Library-cum-Activity Centre at Palestinian Technical College at Deir El Balah.

Joint Secretary (WANA) was received by President Mr Yasser Arafat, Minister for International Cooperation Dr Nabil Sha'ath and PLO Executive Secretary Dr Mahmoud Abbas (Abu Mazen). Grand Mufti of Jerusalem and Islamic Holy Sites in Palestine Sheikh Ikrima Sabri visited India from 10-16 December, 1998 on a goodwill mission. He was received by the Vice-President, Prime Minister and the Minister of Industry. He also visited Hyderabad and Bangalore. Member of the Executive Committee of Al-Fateh, Incharge of Foreign Relations and Member of Palestine National Council Mr Hani Al-Hasan visited India as a representative of PLO to attend the 17th Congress of CPI from 18-20 September, 1998 held in m Chennai. During his visit, he called on Minister of State for External Affairs. The Palestine Authority's Minister of Housing & Energy Mr Abdel Rehman T Hamad visited India to attend the Seminar organised by the Council of Arab Ambassadors. During his stay in New Delhi, the Palestinian Minister called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy and Minister of State for External Affairs Smt Vasundhara Raje.

India offered more than 50 training slots to the Palestinian personnel for specialised training courses during the current financial year 1998-99. At the International Donors Conference was held in Washington DC on 30 November, 1998 to help the Palestinian people, India pledged an amount of US\$ 1 million. The utilisation of this amount will be decided on consultation with the Palestinian authorities. India supported the UN efforts on Western Sahara. India has contributed 10 Police personnel to the civilian contingent under the MINURSO. In Somalia, India supports UN efforts to restore peace and normalcy. The President of Djibouti Hassan Gouled Aptidou transited through Chennai on 1-2 August, 1998.

Sudan Relations with Sudan were strengthened through expansion and diversification of bilateral economic co-operation. India reiterated its support for Sudan's territorial integrity and sovereignty. Minister of Transport of the Government of the Republic of the Sudan Dr Lam Akol and the Secretary General of the Ministry of Transport Mr Mudawi Eltiraifi visited India to attend the Seminar on "National Transport Policy - Environmental and Energy Issues" held in New Delhi from 9-11 December, 1998, at the invitation of the Chairman of the Railway Board. While in New Delhi, the Sudanese Minister called on the Minister of Railways. A 3-member Sudanese Parliamentary delegation led by the Deputy Chairman, Federal Relations Committee, Sudanese National Assembly Dr Salah Eldin Mirghani M A Gaili visited India in the first week of October 1998 to get acquainted with the functioning of the federal system in India.

During their visit, the Sudanese delegation called on the Minister of Parliamentary Affairs & Tourism Shri Madan Lal Khurana and Lt Governor of Delhi. Sudan's Minister of Animal Wealth Mr Joseph Malawal came to India on a private visit in June, 1998 and amongst others, called on the Minister of State for Agriculture Shri Som Pal. The Government of India sent relief supplies consisting of baby milk powder and medicines to Sudan to help the flood victims. Syria Bonds of understanding and co-operation with Syria were strengthened. Chief of Army Staff Gen V P Malik visited Syria from 10-14 December, 1998 at the invitation of Syria's Chief of Army & Armed Forces Lt Gen Ali Asslan. Gen Malik was also received by Syria's Defence Minister First Lt Gen Mustafa Tlass and Foreign Minister Mr Farouq al-Shara. Secretary (East) in the Ministry Shri Nareshwar Dayal visited Syria on 13-15 July, 1998 for Foreign Office Consultations. Secretary (East) was received by Foreign Minister Mr Farouk Al- Shara. The Director General of the Atomic Energy Commission of Syria Dr I Othman visited India for the IAEA Meeting from 12-16 October, 1998 held at BARC, Mumbai.

Tunisia Bilateral relations with Tunisia continued to develop satisfactorily. Tunisia's Minister for Environment and Land Use Planning Mohamed Mr Mehdi Mlika visited India from 1-3 April, 1998 to attend the meeting of Global Environment Facility at New Delhi. During his stay in India, the Tunisian Minister called on Minister of Environment and Forests Shri Suresh Prabhu and Minister of State for External Affairs Smt Vasundhara Raje. India maintained cordial relations and co-operation with the regional organisations, namely, League of Arab States (LAS) and Union of Arab Maghreb.1999Africa (South of Sahara)

Introduction As in the past, the period under review saw a continuation of the high-level of interaction with the countries of the African continent. The special priority attached to the region, with whom our ties have been both longstanding and time- tested, was underlined by the visit of Prime Minister Shri Atal Behari Vajpayee to Namibia, South Africa and Mauritius in August-September, 1998. It is significant that this visit to Africa was the first foreign visit by the Prime Minister outside the sub-continent.

In addition to a series of high-level exchanges with most countries of the region, the year also saw the visit to India of both Prime Minister Dr Navinchandra Ramgoolam and Vice-President Mr A V Chettiar of Mauritius. India's ties with Mauritius are one of kinship, and these high-level visits further cemented the already close ties between the two countries. A significant element of India's relationship with sub-Saharan Africa was the growing level of economic interaction. The overall volume of trade with the region exceeded Rs.10,000 crores. Endeavours in the area of economic cooperation were particularly significant for the growing appreciation across the African region of India's prowess - and its special relevance to Africa - in the fields of small and medium-scale industrial enterprises, and agriculture. The already well-established respect for India's expertise in the human development sector was reinforced. A wide-ranging political dialogue with several key countries in the region displayed a considerable degree of understanding of India's security interests.

Bilateral India's relations with the countries of East Africa are marked by friendship and cordiality. The relations between India and Mauritius continued to grow during the period. Prime Minister Shri A B Vajpayee paid an official visit to Mauritius on 3-4 September, 1998. During the visit a Protocol on Cooperation in the field of Meteorology and a Bilateral Investment Promotion and Protection Agreement was signed. Prime Minister Dr Navinchandra Ramgoolam paid a state visit to India on 13-19 October , 1998. The Vice President of Mauritius Mr A V Chettiar visited India on 26 December, 1998 to 8 January, 1999. Ms Marie Claude Arouff-Parfait, the Mauritian Minister for Youth and Sports visited India in January-February, 1999. During the visit a Protocol each on Cooperation in the field of Sports and Youth Affairs were signed. Cooperation in the sectors of education, science and technology, information technology, trade and industry was further intensified. Shri Suresh P Prabhu, Minister for Environment

and Forests visited Kenya to attend the Special Session of the Governing Council of the United Nations and Environment Programme at Nairobi in May 1998.

General DRC Tonje, Chief of General Staff, Kenyan Armed Forces visited India on 20-28 March, 1998. General V P Malik, Chief of Army Staff of India visited Kenya in July 1998. The High Commission of India organised a seminar on "India-Kenya Relations : Vision - 2000" in Nairobi on July 14, 1998. Two prominent Kenyan Ministers i.e. Dr Bonaya Godana, Minister for Foreign Affairs and Hon. S Nyachae, Minister for Finance delivered key-note addresses at the Seminar. Shri A N Ram, former Secretary, MEA, Shri Amit Mitra, Secretary General, FICCI and Shri Pavan K Varma, JS, MEA attended the Seminar. The scope for Kenya to learn from India's development experience was under-scored, as was the potential for enhancing the level of interaction in Indo-Kenyan cooperation in all fields. India organised "India-Tech 98" on 1-4 September, 1998 at Nairobi. More than 60 companies from India displayed their goods and technology at the show. The show received considerable attention from the Government and the business community of Kenya. The exposition show-cased India's capabilities, the comparative and cost effective quality of its technologies and their appropriateness to local needs. The exposition was inaugurated by Shri Som Pal, Minister for State for Agriculture. He also discussed matters of mutual concern with a number of Kenyan Ministers. Hon. J J Kamotho, Kenyan Minister for Trade accompanied by a trade delegation visited India on November 11-13, 1998. Apart from his meetings with Shri R K Hegde, Minister of Commerce, he also led the Kenyan side at the Joint Trade Committee Meeting held during the visit. Shri S T Devare, Secretary(ER) visited Nairobi on 20-25 November, 1998 and held discussions with his Kenyan counterpart on various matters of mutual concern.

India's growing relations with Uganda were further strengthened during the period under review. Ugandan President Mr Y Museveni made a transit halt at Mumbai in April 1998. The first Deputy Prime Minister and Foreign Minister Mr Eriya Kategaya paid a private visit to India from 28 April to June 1, 1998. An exhibition by Building Materials Technology Promotion Council of India on low- cost housing was held in Kampala from 3-10 April, 1998. This was the biggest ever exhibition/fair in Uganda organised by India. It generated considerable interest in Uganda. During the year, Indian Council of Agricultural Research and National Agricultural Research Organisation of Uganda signed an Agreement on Cooperation in the field of Agricultural Research. Ugandan Minister for Higher Education, Dr. Abil Rwendeire led a delegation to India on 1-7 November, 1998. The Indo-Ugandan Joint Committee met in Kampala on 23-24 November, 1998. Shri S T Devare, Secretary (ER), led the Indian delegation. The Joint Committee deliberations identified several areas of mutually beneficial cooperation between the two countries including the establishment of a small-scale industrial estate at Jinja, cooperation in commercial farming, human resource development, the identification of new areas such as information technology etc. Dr P Byarauhanga, Ugandan Minister of State for Health visited India in December 1998.

The Minister of Education of Rwanda visited India from May 18-21, 1998. During the visit, an Agreement between the Ministry of Education of Rwanda and Educational Consultants India Limited was signed. Under this Agreement ED.CIL is to facilitate admission of over 430 Rwandese students in various Indian universities/institutions. On a specific request by Rwandan Government a specialised training course for one month for 5 Rwandan dairy farmers was arranged at National Dairy Research Institute, Karnal. During the year, several delegations from Ethiopia visited India seeking to gain from India's development strategy and experience. These included a 20-member Ethiopian dairy farmers delegation, an 8-member veterinary delegation, a 10- member delegation of the Ministry of Finance, Industry and Trade and a 3member pharmaceuticals delegation. A delegation from Ethiopia also came to study income-generating employment strategies for women in India. Ethiopia continued to recruit Indian professors and experts for its universities and technical training institutions. In May 1998, a Bilateral Cultural Exchange Programme (1998-2000) was signed with Ethiopia. India and Seychelles signed a Bilateral Trade Agreement at Mahe on 18 September, 1998. The agreement provides for most favourable nation facilities to imports from each other. The agreement also envisages the setting-up of a Joint Trade Council to review trade and commercial relations.

The ties of friendship and cooperation between India and Madagascar continued to expand further during the year. The President Mr Didier Ratsiraka met Prime Minister Shri A B Vajpayee, at Durban on the margins of the NAM Summit. The National Mineral Development Corporation signed an MOU on 11 September, 1998 with the Malagasy organisation for exploration of gold, and, Telecommunications Consultants India Limited bagged a contract worth US \$ 9 million in Madagascar. After a gap of nearly 20 years, India participated at the Dar-es-Salaam International Trade Fair in Tanzania and won the first prize in the foreign participation category.

India's relations with the countries in southern Africa made significant progress during the year. The traditionally close and friendly relations between India and South Africa were sustained through exchanges of visits and bilateral consultations at all levels. Shri Brijesh Mishra, Principal Secretary to the Prime Minister, visited South Africa as a Special Envoy of the Prime Minister in July 1998 for bilateral consultations. General V P Malik, Chief of Army Staff of India visited South Africa in July 1998. The Deputy Minister in the South African Deputy President's Office, Dr Essop Pahad, visited India on 2-10 October, 1998. Mr Mac Maharaj, the South Africa Minister of Transport visited India on 2-12 October, 1998. The 3rd meeting of the Indo-South Africa Joint Commission took place in Pretoria on 4-5 December, 1998. The meeting was chaired by Smt Vasundhra Raje, Minister of State for External Affairs and Mr Aziz Pahad, the South African Deputy Foreign Minister.

The Joint Commission reviewed the progress of cooperation in the entire gamut of bilateral relations and identified areas where progress could be accelerated. An Agreement on Air Services was also signed during the meeting. These high level bilateral contracts served to reinforce and expand the existing areas of bilateral cooperation while at the same time opening new areas of cooperation. Other high level exchanges included the visits to South Africa of the Minister of Petroleum and Natural Gas, the Minister of Mines, and the Minister of State for Rural Development and the visits to India by Mr Jay Naidoo, the Minister of Posts, Telecommunications and Broadcasting and Dr A M "Dullah" Omar, the Minister of Justice, Mr Ismail Mohamed, the Chief Justice of Supreme Court and Mr Narend Singh, the Minister for Agriculture of Kwazulu Natal served to provide further focus to bilateral cooperation in these areas.

The relations between India and Namibia were marked by the traditional sense of closeness and understanding. Prime Minister Shri Atal Behari Vajpayee paid an official visit to Namibia on August 30-31, 1998 at the invitation of President Sam Nujoma. During the visit, extensive talks were held on issues of bilateral interests, and subjects of multilateral concern. A prominent street in Windhoek was named after Mahatma Gandhi in the presence of India's PM. Four important bilateral agreements in the areas of Technical Cooperation, Agricultural Research, Technology Demonstration and Foreign Office Consultations were signed. An Agreement facilitating exchange of information between Press Trust of India and Namibia Press Agency was also exchanged. President Laurent Kabila of the Democratic Republic of Congo met Prime Minister Shri A B Vajpayee in Windhoek in August 1998.

The Hon'ble Speaker of the Lok Sabha, Shri G M C Balayogi accompanied by 5 members of Parliament attended the 99th IPU meeting held in Windhoek in April 1998. Mr H Palichta, the Namibian Minister of Works, Transport and Communications visited India in August 1998. During the visit he held extensive

talks on possibilities of cooperation between the two countries in the field of railways. The relations between India and Zimbabwe continued to be warm and friendly. Shri Dilip Lahiri, Additional Secretary (UN), Ministry of External Affairs held consultations with his counterparts in the Zimbabwean Ministry of Foreign Affairs in May 1998. The first Indo-Zimbabwean Joint Trade Committee meeting was held in Harare from 17-19 August, 1998. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. TCIL of India won a major contract worth US \$35 million in Zimbabwe during the year.

The relations between India and Zambia continued to grow during the period of the report. The India-Zambia Joint Trade Committee meeting was held in Lusaka on 6-7 January, 1999. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. The Conference of India's Commercial Representatives in the Region was also held at Lusaka on 8 January, 1999. The Deputy Commander of the Botswana Defence Force, Major General T H C Masire visited India from 24-30 January, 1999. The relations between India and the countries in West Africa continued to expand in all fields. Nigeria is an important trading partner of India in Africa with the volume of bilateral trade reaching Rs 3000 crores in 1998-99. General Olusegun Obasanjo, former Head of State of Nigeria paid a private visit to India in September 1998. In October 1998, the Chief of the Naval Staff Rear Admiral Jubrilia Ayinia paid an official visit to India. Nigeria is in lead up to national elections scheduled for February 1999. As a gesture of support for this transformative process, India has gifted indelible ink worth Rs 74.65 lakh for use during the elections.

Shri S S Barnala, Minister of Chemicals & Fertilizers and Consumer Affairs visited Dakar, Senegal on 7-10 November 1998 to attend the foundation laying ceremony as Chief Guest of the project of Industries Chimique Du Senegal in which IFFCO is an equity partner. H.E. Mr Salifou Diallo, Minister of State, Minister for Environment and Water of Burkina Faso visited India over 12 &13 October, 1998 to exchange views on the ongoing aspects of bilateral cooperation.

India's relations with Cote d'Ivoire have been improving steadily. A delegation organised by the EXIM Bank of India and the CII visited Cote d'Ivoire and also had discussions with the Abidjan based African Development Bank in May 1998. Shri Kashiram Rana, the Minister of Textiles led a delegation of the Indian jute industry to Nigeria, Ghana and Cote d'Ivoire in August 1998 for promoting export of hydrocarbon free jute bags to the West African region. India's Assistance to African Countries The Prime Minister of Senegal Mr Habib Thiam received 100 Indian tractors in May 1998 as part of the Agricultural Development Project being set up with India's assistance. India assisted Togo in rural development by gifting water pumps, sewing machines, corn grinding mills, and TATA mobile ambulances worth Rs 3.26 crores during the year. In Mali, a drilling rig gifted by India was installed and commissioned during the period of the report. Two TATA ambulances were handed over to President Sam Nujoma of Namibia on 17 November 1998 for use at a maternity clinic. Another gift of 10,000 litres of cooking oil and 5 tonnes of baby milk powder were formally handed over to President Sam Nujoma on 27 January 1999. A cheque for Rs. 10,00,000 was presented to President Mugabe by the Indian High Commissioner in support of the Jawaharlal Nehru-Robert Mugabe Trust Fund. As a gesture of solidarity and support; in the aftermath of the US bombing at Nairobi and Dar-es-Salaam on 8 August 1998, India provided medical assistance worth Rs 10 lakh and Rs 5 lakh respectively to Kenya and Tanzania. A consignment of books on economics, management, computers and public administration was presented to the Institute of Public Administration and Management in Sierra Leone in July 1998.

Evacuation/Repatriation Assistance provided to affected Indian community in Africa On the humanitarian front, India was prompt in providing assistance to the affected Indian community residing in African countries. Following the outbreak of hostilities between Ethiopia and Eritrea in June 1998, 153

Indian nationals were evacuated from Asmara capital of Eritrea by chartering an aircraft in Djibouti and brought safely to India. During the political upheavals in Lesotho in September 1998, the Indian community crossed over the border into South Africa. They were provided all possible consular assistance by our mission in South Africa. Following demarches made by India, ten Indian soldiers serving in Angola with the MONUA (UN Observer Mission in Angola), held hostage by UNITA, were released on 6 December, 1998. Following the outbreak of armed revolt in Guinea Bissau in June 1998, 49 Indians nationals were evacuated and repatriated to India. Assistance was also rendered to the Indian nationals affected by the rebels' attacks which took place in Sierra Leone in December 1998.

Multilateral Prime Minister, Shri A B Vajpayee, led the Indian delegation to the NAM Summit in Durban in September 1998. Shri A B Vaipayee, Prime Minister addressed a Message to the OAU Summit (June 8-10, 1998) held at Ouagadougou, capital of Burkina Faso. It was handed over by Shri S T Devare, Secretary (ER) and was put on record as a document of the proceedings of the Summit. India also gifted seven heavy duty photocopiers to Burkina Faso for use during the Summit. As part of the consultation preceding the NAM Summit at Durban, South Africa in September 1998, high level envoys visited several African capitals: Shri S T Devare, Secretary (ER) visited Dar-es-Salam, Harare, Lusaka and Shri A N Ram, Special Envoy visited Libreville, Lagos, Dakar, Freetown, Banjul and Accra. Conclusion Africa is in a phase of transition, leaving behind the legacies of the past, and moving towards a many-splendoured future embracing democracy, economic reform and a constructive emergence of regional identities. India, with its unique developmental experience, and as the world's largest democracy undergoing significant economic reform, has a vital role to play in underpinning and moulding such an African future. The people of Indian origin who have made Africa their home in almost every corner of the continent are a natural bridge in re-enforcing our future ties with Africa. However, India's diplomatic vision extends beyond such natural ethnic affinities to embrace the interests of Africa as a whole, particularly in the priority area of economic progress and development. Such an economic congruence is facilitated by a broad agreement between India and the countries of Africa on their vision of a new world order characterised by peace, justice and equity, and fully responsive to the needs and interests of the developing world. uu

MAURITIUS NAMIBIA SOUTH AFRICA USA INDIA KENYA MALI UGANDA RWANDA ETHIOPIA SEYCHELLES CENTRAL AFRICAN REPUBLIC MADAGASCAR TANZANIA CONGO ZIMBABWE ZAMBIA BOTSWANA NIGER NIGERIA SENEGAL BURKINA FASO COTE D'IVOIRE

undertakeeffective investment promotion

located

itssix fresh requests were processed in addition to the ongoing cases.

During the year, 2,36,120 documents were accorded consular attestation in CPV Division of which 1,47,069 were commercial documents. The same dayservice rendered is efficient and courteous and without any charge. Renovation of Patiala House CPV Division is located in the Patiala House which is visited by a large number of applicants who come for attestation of documents as well as by diplomats and staff of foreign Missions in New Delhi. Over the years the building had become dilapidated and shabby in appearance. A project for comprehensive renovation of the exterior as well as interior of the building has been undertaken during the year. The work is expected to be completed by the end of March 1999.

Central Passport Organisation The personnel of the Central Passport Organisation (CPO) man the 28 passport offices and 12 existing Passport Collection Centres. The current strength of CPO Cadre is 1595 with 145 officers and 1450 non-gazetted staff. During the year the All India Passport Employees Association was recognised by the Government. One of the major demands of the employees is for a comprehensive Cadre Review as there is stagnation at various levels. A proposal for Cadre Review has been formulated during the year and is being processed.

As the volume of work as well as the network of Passport Offices and Passport Collection Centres has been growing over the years, the Ministry is considering a proposal to create a Central Passport Authority with a view to grant greater autonomy to the Passport Offices to achieve greater efficiency and higher productivity.

Vision Our goal is to set up a clean, transparent and efficient passport issuing service which the MEA can be justifiably proud of and which the general public can be genuinely satisfied about. The system should also be sensitive and responsive to the special needs of the public. uu

INDIA USA CANADA UNITED KINGDOM JAPAN PERU CENTRAL AFRICAN REPUBLIC MALI RUSSIA BULGARIA TUNISIA FRANCE UNITED ARAB EMIRATES

Date : 1999 NIL Ministry of External Affairs Annual Report

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Administration and Organisation

Following the general elections in February/March 1998, Shri Atal Behari Vajpayee assumed charge of the office of Prime Minister on March 18, 1998, with the additional charge of the Ministry of External Affairs. Ms Vasundhara Raje assumed charge as the Minister of State for External Affairs on March 19, 1998. Shri Jaswant Singh took over as the External Affairs Minister on December 5, 1998.

At present the Government of India has 157 Resident Diplomatic Missions/Posts and other offices. Resident Missions would be opened in Armenia(Yerevan) and Azerbaijan (Baku) very shortly. Our Resident Mission at Fiji (Suva) is being re- opened shortly. The total strength of the IFS (A), IFS (B), Interpreter and L&T Cadres of the Ministry is 3717 (Appendix I). This figure remains unchanged from that of 1997-98.

A table indicating the appointments to various posts in the Ministry made in 1998-99, including vacancies filled against reservations is at Appendix II. The extent of language proficiency in the Ministry can be judged from the list of officers proficient in various foreign languages at Appendix III. Administrative procedures have been streamlined during the period under review. Following the Pay Commission recommendations refixing the pay and allowances of officials and pensioners, the Pension Section has been revamped and most pension-related dues have been dealt with. Procedures have been streamlined by empowering the Pension Section to deal with all pension related payments as well, i.e. delinking pension payments from the Cash Section. The main activities undertaken by this Division during the year 1998-99 are detailed in succeeding paras.

The Ministry has drawn up a long-term property acquisition plan beginning from 1995-96. Accordingly, financial provision to the tune of Rs. 75 crores for the year 1998-99 was provided under the Capital Outlay Budget heads 4059 and 4216. The Establishment Division during the year under review made all-out efforts to purchase built-up properties, complete construction projects for chanceries and residences and pursued vigorously proposals for repairs and maintenance of GOI properties abroad.

Presently, proposals for purchase of built-up properties, in Tehran, Budapest and Paramaribo are under active consideration and are expected to materialise in the current financial year. MEA has undertaken construction projects after acquiring plots of land either on reciprocal basis or on purchase basis in a number of countries. Currently, the project for construction of Chancery and Embassy Residence in Abu Dhabi is in full swing. The construction of Indira Gandhi Centre for Indian Culture in Mauritius is likely to be completed by the first half of 1999. The Berlin project for construction of Chancery-cum-residential complex is at an advanced stage and construction is expected to start in March 1999.

All preparatory ground work including approval of design have been completed. Selection of the contractor is in hand. Other projects on the anvil are Doha, Muscat, Dhaka, Islamabad and Brasilia. As a result of concerted efforts to this end Govt. of India now owns 73 Chanceries, 77 Embassy Residences and over 600 other residences for officials.

In order to ensure the proper up-keep of GOI owned properties, the major repairs/renovations are also undertaken by the Establishment Division in consultation with the Missions concerned. Currently, the proposals for renovations and redevelopment of GOI properties in Singapore, Kyiv, Moscow and London are in hand.

Establishment Division is also actively undertaking construction projects in India, including the construction of Videsh Bhawan, Foreign Service Institute, Residential complex for officers in Chanakyapuri and ICCR in Calcutta. Additionally, in line with the Ministry's policy to house RPOs in our own buildings, efforts are being made to acquire land and start construction of Passport Offices and residences for the Passport office personnel. Briefly, land has already been acquired in Ahmedabad, Bangalore, Bhubaneshwar, Calcutta, Chandigarh, Cochin, Goa, Kozhikode, Lucknow. Construction work is in progress in Ahmedabad, Cochin, and Kozhikode. In Chennai and Hyderabad semi-built properties have been purchased.

Ministry has made considerable progress towards modernisation of office facilities to provide an efficient working environment for its officers and staff, which is also looked after by the Establishment Division. The use of E.Mail, Internet and PCs has become a common feature. With a view to rationalise the fixation of Foreign Allowance for its officials posted in Missions abroad, Ministry introduced indexation scheme from 1.1.98. The indexation scheme has made the whole process of fixation of FA more realistic and objective.

Foreign allowance of almost all Missions/Posts were revised w.e.f. 1 April, 1998 after the first review of indexation.

1999 Foreign Service Institute

The Foreign Service Institute further expanded its activities during 1998-99.

While all the regular programmes were continued, there was a significant increase in the scope and content of each course. The following courses were held in the year under report :

(i)Professional Course in Diplomacy and International Relations for Indian Foreign Service Probationers (1997 batch);

(ii)Basic Professional Course for IFS(B) personnel posted abroad;

(iii)Professional Course for Foreign Diplomats;

(iv)Familiarization Programme for Resident Foreign Diplomats;

(v)Language Courses; and

(vi)Orientation Course for Non-MEA officers. The most important part of FSI's work is the basic Course on Diplomacy and International Relations conducted for the Probationers of the Indian Foreign Service. The training programme for the 1997 batch of IFS Probationers which started in January 1998 continued upto 1 January, 1999. The basic objective of this course was to provide comprehensive training to the young IFS Officers, not only in traditional areas of diplomacy, international relations, political reporting and protocol but also in several related fields that are growing in importance such as national and international security, the international economic environment, management challenges in the changing global scenario and investment promotion.

The training programme for the 1997 batch of IFS Probationers comprised of 26 modules which dealt with important areas of work related to foreign policy and diplomacy. The most comprehensive module related to India's foreign policy, covering almost every aspect of our external relations.

In keeping with the special emphasis in recent years on economic diplomacy, the module on 'International Economic Relations and Commercial Diplomacy' was strengthened, with the focus on India's economic reforms, the international economic environment, the functions of commercial representatives in Indian missions abroad, role of Commercial Counsellors in investment promotion, commercial negotiations, management challenges in the changing global scenario and the international finance and capital markets etc.

The module entitled "New Areas of International Relations" highlighted some non- traditional areas of diplomacy, such as Environment, Energy, Refugees, Narcotics, Terrorism and Human Rights.

The module on "Defence & Security" apart from focusing on vital security issues like nuclear nonproliferation, disarmament and arms control, also covered India's defence policy, the state of our armed forces, developments in defence technology and the security of our border areas.

An additional module on "Special Diplomatic Skills" emphasised negotiating skills, communication skills, use of Information Technology, development of leadership skills and "espirit de corps".

Apart from these modules, there was a good deal of emphasis on field visits to acquaint the probationers with the ground situation in important areas of the country such as the North-East, Jammu & Kashmir and the Indo-Tibetan border. The Probationers were also attached with the armed forces for

training. The IFS Probationers were given extensive briefing on the current state of Science & Technology in India including its foreign policy ramification at the National Institution of Advanced Studies, Bangalore. They also visited the National Hydrographic Institute and the Survey of India establishments in Dehradun for briefing on border demarcation on land and sea.

Continuing with the "SAARC Darshan" programme introduced last year, Nepal and Sri Lanka were visited by the IFS Probationers for a period of around one week each.

Six Basic Professional courses (BPCs) were held, which was two more than the previous year. The course is conducted for officials in the Ministry of External Affairs upto the rank of Section Officers under orders of posting abroad or about to be posted abroad. Emphasis is given during this course for training/exposure to Mission's administration, establishment and finance; accounts, passports, visas and consular work. Looking at the needs of the participants, the BPC has been bifurcated into two groups.

Separate training programmes are conducted for SOs/Assistants from those of UDCs/LDCs. The focus of the two courses is different. Apart from the above mentioned modules, SOs and Assistants are exposed to commercial work in Missions and also to Indian Foreign Policy and Information work. UDCs/LDCs are trained on the basics of Accountancy, Administration, Establishment and Consular Matters. Emphasis is also on O&M. Thus, the course content has been further strengthened during the year under report so that all officials posted in Missions abroad have a larger perspective and make more effective contribution towards the total team effort of the mission.

The Professional Course for Foreign Diplomats (PCFD) has been organised by the FSI from 1992 onwards. During 1998-99, a total of four PCFDs have been held. The PCFD is designed to cover areas felt most relevant to the training needs of the foreign diplomats who attend. Some of the basic areas covered relate to diplomacy, international relations, regional focus on specific regions, international law and international organizations, international economic relations and commercial diplomacy, defence and security, diplomatic practice and protocol, representational skills and cultural diplomacy. As part of the course, the foreign diplomats are also taken on study tours to various centres of economic, industrial and cultural importance in the country so as to expose them to India's capabilities and achievements in diverse fields.

Interest in the PCFDs has been growing. From April 1998 to December 1998, a total of 57 foreign diplomats from 38 countries, covering virtually every part of the developing world, have attended the course. Since 1992, a total of 442 diplomats from 92 countries have participated.

The Institute organised Orientation Programmes for Non-MEA officers proceeding on posting to our missions abroad. The programmes were designed to acquaint the officers with the general functioning of our missions, the financial, establishment and administrative rules applicable as well as protocol matters. A fully functional Computer Lab has been opened in the Foreign Service Institute to train all MEA personnel in various aspects of use of modern day information technology. This will help allow all MEA personnel access to this latest and important branch of technology.

The Foreign Service Institute has also been functioning as a think tank of important issues relating to India's external relations. The institute maintains continuous interaction with experts in the fields of international relations, diplomacy, economics, defence and security. The FSI continues to maintain contacts with its counterpart institutes. The Executive Director of the Institute of Foreign Affairs of

Nepal visited the FSI in November 1998. Experiences between the two Institutes were exchanged and it was agreed to strengthen institutional linkages.

In connection with the celebration of the 50th Anniversary of India's Independence, the FSI brought out a book on "Indian Foreign Policy : Agenda for the 21st Century", in two volumes which is a compilation of articles by leading scholars and specialists. The book was presented to the Hon'ble President of India on July 15, 1998. The two volumes are intended to provide a perspective on India's foreign policy during the past 50 years as well as a projection of the challenges that lie ahead for India in the 21st century.

The 21st Professional Course for Foreign Diplomats was held from 11 January, 1999 to 12 February, 1999 and the number of diplomats from developing countries who participated in the course was 22. 15 Indian Foreign Service Probationers of the 1998 batch joined FSI on 4 January, 1998 for a one-year training programme with the Institute. uu

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Implementation of Official Language Policy and Propagation of Hindi Abroad

The Ministry is making every endeavour to increase the progressive use of Hindi and its propagation in India and abroad. Documents like bilateral treaties, Agreements, Memorandum of Understanding, Credentials, Speeches of President, PAC paras, Annual Report of the Ministry, Parliament Questions and other documents submitted to both the Houses are issued bilingually.

During the Golden Jubilee Year of India's Independence, Ministry made special efforts for the propagation of Hindi abroad. Ministry sent Hindi books and CD ROMs like 'Learn Hindi', 'Sangya', 'Sarvanaams', 'Visheshan' and 'Panchtantra Ki Kahaniya', to be gifted in countries with a large Hindi Speaking resident population. The books were primarily on India's freedom struggle, our achievements in the last 50 years and other related subjects. These books were gifted to organisations engaged in the propagation of Hindi abroad.

In order to promote bilingualism and the use of Hindi and other Indian languages and to provide basic infra-structural facilities for Hindi typing, Leap Office Software developed by C-DAC, Pune has been purchased and sent to 60 Missions. Efforts are on to equip each Mission with at least one Leap Hindi Software. In pursuance of the decisions taken at the World Hindi Conference in 1998, efforts are being made to establish a 'Permanent Secretariat of Hindi' in Mauritius. It would liaise with Universities and Institutions promoting Hindi all over the world at government and non- governmental levels and also act as a catalyst in the furthering of Hindi as a language of culture, civilisation and communication at the international level.

It has been decided to organise the 6th World Hindi Conference in 1999 since this is the Golden Jubilee Year of proclamation of Hindi as the Official Language of the Union of India. Preparatory activities are underway with regard to the organisation of the Conference. The dates and venue of the Conference are being finalised in consultation with the organisers. Government of India has established a Co-ordination Committee under the chairmanship of the Minister of State for External Affairs and budget provisions have also been made for this purpose.

The Conference would strive to highlight the modern role of Hindi as a language of education, communication and administration and to disseminate information on developments in the fields of publication and advancement made in computer technology for Hindi and other Indian Languages. During the Conference, Government of India will bring out a souvenir. This souvenir will be educative as well as informative. During the Conference, a book exhibition will be organised wherein various books on Hindi literature, science and technology etc. will be displayed. An exhibition on computer software written in Hindi will also be organised. Cultural and dance troupes will also be sent. During this Conference, eminent Hindi Scholars from all over the world will be honoured. 50 slots were allocated to foreign nationals for learning Hindi at Kendriya Hindi Sansthan, Agra this year. Hindi teachers were appointed in Indian Missions abroad under a special Ministry scheme to teach Hindi to the children of India- based Embassy officials.

In accordance with the recommendation of the Hindi Advisory Committee of the Ministry, two officials were detailed to New York during the UNGA Session to assist those members of the Indian delegation who wished to communicate in Hindi.

This year, a Town Official Language Implementation Committee under the Chairmanship of HCl, London has been formed in London to monitor over the progress made in the implementation of Official Language Policy of GOI in the various offices of Govt. of Indiain London. This Committee which is the first of its kind would also help in creating an atmosphere and promoting the progressive use of Hindi in the offices. Effortswill be made to set up such committees in other Missions also.

Thisyear "Hindi Fortnight" was organised in the Ministry, its passport offices located in India and in Missions/Posts abroad. Various cultural and competition programs were organised in which a large number of officers and employees participated. The message of the Hon'ble Home Minister was readout during "Hindi Fortnight".

Under the Hindi Teaching Scheme of the Ministry of Home Affairs, Department of Official Language, 6 persons from Headquarters were nominated for Praveen and Pragya level Hindi training and 12 persons from Indian Missions abroad were nominated for Hindi typing training through correspondence. The Parliamentary Committee on Official Language inspected RPO, Bhubaneshwar in November 1998.

Hindi forms an integral part of the FSI training program. Intensive training about the Government's Official Language Policyand its implementation is given to the trainees. All IFS probationers are required to pass an examination in Hindi, which is conducted by the Hindi Section of MEA. This is a mandatory requirement for confirmation in service.

The Ministry provides liberal financial grants and assistance to the organisations engaged in the promotion and propagation of Hindi abroad. Standard Hindi literature, comprising books in Hindi on Indian art, history, literature, language, religion and philosophy will be sent to Indian Missions/Posts abroad for use in libraries and as gifts to educational and voluntary organisations engaged in teaching of

Hindi. Missions/Posts have also been promoting Hindi literature through special Hindi classes, Hindi film shows, seminars and competitions in various schools, colleges, institutions and organisations. Hindi text books, audio cassettes and Hindi dictionaries have been sent to selected Missions/Posts. uu

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Cultural Relations

The Indian Council for Cultural Relations (hereinafter referred to as the Council or ICCR) was formally set up in 1950, with the primary objective of establishing, reviving and strengthening cultural relations and mutual understanding between India and other countries. The major activities of the Council include:

(i) administration of scholarship schemes on behalf of the Government of India for International students;

exchange of scholars, academics, opinion makers, artists and writers; (ii) exchange of exhibitions;

- (iii) organisation of and participation in seminars and symposia;
- (iv) exchange of performing arts groups;
- (v) establishing and maintaining Chairs and Professorships for India Studies abroad;
- (vi) presentation of books and musical instruments;

(vii) annual organisation of the Maulana Azad Memorial Lectures and Maulana Azad Essay Competition;

- (viii) providing the secretariat for the Jawaharlal Nehru Award for International Understanding;
- (ix) publications;

(x) maintaining Indian Cultural Centres abroad and supporting special bilateral programmes.

Scholarships and Welfare of International Students One of the important activities of ICCR was the continued implementation of its scholarship programmes. The Council administers over 1900 scholarships at any moment of time under its various scholarship schemes for studies in graduate, postgraduate and doctoral programmes as well as for pursuing professional courses such as medicine, engineering, pharmacy and accountancy. The thrust of the scholarship programme is towards developing nations, with special focus on neighbours in South Asia. A total of 615 new scholarships were

offered this year to students from 60 different countries bringing the total number of ICCR scholars at the moment to 1955.

The ICCR continued to look after the general welfare of international students by organising various activities throughout the year to familiarise international students with the political, economic, social and cultural milieu of India, besides helping them to make friends through shared experiences. These activities included holding of the 6th Students Festival, holding of summer and winter camps, organisation of orientation programmes and the continued publication of the student newsletter "At Home In India". The ISD Division organised five study tours for the benefit of foreign students studying in India as per the following details:

- (i) Mumbai & Goa Group I
- (ii) Mumbai & Goa Group II
- (iii) Mumbai & Goa Group III
- (iv) Calcutta Puri-Bhubaneshwar
- (v) Hyderabad Aurangabad

Indian Cultural Centres Abroad In order to promote greater awareness and appreciation of India's composite cultural heritage abroad, the Council has set up cultural Centres in Cairo (ARE), Berlin (Germany), Post Louis (Mauritius), Paramaribo (Surinam), Georgetown (Guyana), Jakarta (Indonesia), Moscow (Russia), London (UK), Almaty (Kazakhstan), Tahskent (Uzbekistan), Durban (South Africa), Port of Spain (Trinidad & Tobago), Johannesburg (South Africa) and Colombo (Sri Lanka). All these Cultural Centres are functioning under the administrative control of the respective Indian Missions abroad.

The activities of the Cultural Centres reflect the needs of the local population. The Centres organise talks, lectures, exhibitions of visual arts, essay competitions, performances of dance and music, staging of plays, screening of Indian films, publication of news bulletins, seminars on Indian topics etc. Some of the Cultural Centres also have regular teaching classes of Indian music, dance, tabla and yoga. Hindi is also taught in Moscow and Paramaribo. The Centres are also maintaining Libraries, Reading Rooms and Audio-Video Libraries for the visitors. Apart from organising their own activities, these Cultural Centres also provide a supportive role to the respective Indian Missions for coordinating various cultural activities. The Centres develop and maintain contacts with the local citizens, particularly students, teachers, academicians, opinion makers and cultural personalities to project a holistic picture of India's rich and diverse cultural heritage.

Visiting Professors and Chairs of Indian Studies Abroad The Council deputes Visiting Professors abroad to teach Indian languages and other related subjects. The deputation of Professors abroad is done under the Bilateral Cultural Exchange Programmes, and Scheme of Propagation of Hindi abroad. ICCR presently has on deputation 17 Professors teaching Hindi, Sanskrit, Tamil, Hindi-cum-Malayalam, Modern Indian History, Indian Civilization, in Helsinki (Finland), Paramaribo (Surinam), Budapest (Hungary), Moscow (Russia), Seoul (South Korea), Warsaw (Poland), Brussels (Belgium), Port of Spain (Trinidad & Tobago), Sofia (Bulgaria), Ankara (Turkey), Bucharest (Romania), Beijing (China), Bangkok (Thailand), Paris (France), and Osh (Kyrghystan).

Publications The Council has a major publications programme which has grown over the years. The Council brings out seven quarterly journals in different languages -"Indian Horizons" and "Africa Quarterly" (English), "Gagananchal" (Hindi), "Papeles de la India" (Spanish), "Rencontre avec l'Inde" (French), "Thaqafat-ul Hind" (Arabic) and "Indien in der Gegenwart" (German).

On the occasion of the 50th Anniversary of India's Independence, the Council brought out special issues of "Africa Quarterly", "Gagananchal", "Recontre avec l'Inde", and "Indien in der Gegenwart".

A book entitled "Independent India: The First Fifty Years" edited by Shri Hiranmay Karlekar was brought out by the Council to coincide with the celebrations for the 50th Anniversary of India's Independence. This publication endeavours to highlight the national experience in various areas and political, economic, cultural and social developments in India since Independence. The Council is currently in the process of bringing out a special publication on "Dr Zakir Husain" and the Arabic version of the book "Contemporary Relevance of Sufism".

Library The ICCR Library is well stocked with a rich collection of about 60,000 volumes of books, bound periodicals, maps, manuscripts, rare books etc. The manuscripts and personal collection of rare books of its Founder President, Maulana Abul Kalam Azad and the microfilms are housed in a special section called "Gosha-e-Azad". An annotated catalogue of these rare books in the Library which is available in book form has been put in circulation for the use of the scholars in other Libraries.

Accounts ICCR's grant for general activities for the year 1998-99 was Rs.28 crores. Expected receipts of the Council are Rs.0.50 crores. Besides the grant-in-aid for general activities MEA has released Rs.16.76 crores (Rs.6.96 crores in 1997-99 and Rs.9.80 crores in 1998-99) for celebration of 50th year of India's independence from 15 August, 1997 to 15th August, 1998.

Awards/ Seminars/ Symposia An international Seminar on "Islam in India - The Impact of Civilizations" was organised by ICCR on behalf of Ministry of External Affairs in New Delhi during 3 & 4 September, 1988 and was attended by eminent scholars from abroad as well as India.

The Council assisted by way of providing International air-fare in favour of participants who came to India to attend the International Seminar - IIC Asia Project - Culture, Society and Politics in Central Asia from 20 - 23 November, 1998; and for the foreign participants of the seminar on Maulana Azad, organised by the University of Delhi -Urdu Teachers' Association.

The 53rd anniversary of United Nations Day was celebrated at a function organised by ICCR on 30 October, 1988 and was presided over by Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje.

To honour the memory of ICCR's founder President Maulana Abul Kalam Azad, every year ICCR organises an Essay Competition in Hindi, Urdu and English for Indian citizens as well as for the citizens of SAARC countries. The Award Presentation Ceremony for the 1996-97 Maulana Azad Essay Competition was held on 28 November, 1988 at Vice- President's Residence, New Delhi. The Awards were distributed by the Hon'ble Vice-President of India.

A function was organised at the Tagore Hall of ICCR to mark the International Day of Solidarity with the Palestinian People on 7 December, 1998 at Tagore Hall, Azad Bhavan, New Delhi. Smt Vasundhara Raje, Minister of State for External Affairs was the Chief Guest at the function. The function was attended by a

number of VIPs, diplomats, eminent persons and representatives of UN Agencies. His Excellency, Dr Khalid El Sheikh, Ambassador of the State of Palestine was also present on the occasion.

The Maulana Abul Kalam Azad Memorial Lecture for 1998 was delivered by Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia on 14 December, 1998. The topic of the lecture was "The Ethos of the Indian Independence Struggle Today". The lecture was organised at Vigyan Bhavan, New Delhi and was presided over by the Hon'ble Vice President of India/ President, ICCR. The lecture was attended by a distinguished audience including Minister to the Govt. of India, Member of Parliament, academics and members of the Diplomatic Corps.

Performing Arts During the period April-December, 1998, the Indian Council for Cultural Relations organised visits of artistes/troupes to India from several countries including Bangladesh, Bhutan, Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, France, Greece, Hungary, Ireland, Maldives, Mauritius, Morocco, Myanmar, Nepal, Nigeria, Oman, Pakistan, Republic of Korea, Russia, Singapore, Slovakia, South Africa, Spain, Sri Lanka, Syria, Thailand, Turkey and the USA. These groups were hosted under ambit of existing Cultural Exchange Programmes as well as part of commemorations of the 50th Anniversary of India's Independence.

Major presentations included the South Asian Dance and Music Festival (with participation fromBangladesh, Bhutan, India, Maldives, Myanmar, Nepal and Sri Lanka), the "Asian Pageant" (part of the Closing Ceremony for the 50th Anniversary Celebrations) with participation from Singapore, Sri Lanka, Indonesia and the Republic of Korea and the International Theatre Festival (with theatre groups from Poland, Hungary, the UK, Italy, France and Germany). Presentations/ workshop/interactions by the 35 groups visiting the country during this period were organised in several cities in the country.

The ICCR continued performances under its "Retrospectives" Series (special presentations by artistes sponsored by ICCR for performances abroad) and its "Horizon" Series (performances by young artistes empanelled with the ICCR). Eminent artistes who participated in the Retrospectives Series included Pt Vishwa Mohan Bhatt, Prof Debu Chaudhury and Ms Leela Samson.

During the period April-December, 1998, the Council sponsored visits abroad of 78 artistes/performing troupes to 72 countries, covering all continents/regions of the world. Significant presentations organised during the above period were in the Festival of India in Brazil, World Expo '98 in Lisbon (Portugal), the April Spring Friendship Art Festival in Pyongyang (Democratic People's Republic of Korea), the Babylon Festival in Baghdad (Iraq), the Izmir Festival in Syria, the Kyongzu Festival in Seoul (Republic of Korea), the Cervantino Festival in Mexico, the Singapore Arts Festival, the Boise River Festival in the State of Idaho, USA the "Sur L'air d L'Inde Paris" (France), the Heritage Festival in Durban (South Africa), the VIth Palestine International Festival, the New York International Friburg Festival (USA) and the International Chorus Festival (Philippines).

Eminent artistes who gave presentations abroad under the ICCR banner included Pt Hari Prasad Chaurasia (Flute), Smt Gangu Bai Hangal (Hindustani Vocal), Guru Vempati Chinna Satyam (Kuchipudi), Pt Vishwa Mohan Bhatt (Mohan Veena), Ms Leela Samson (Bharatanatyam), Ms Uma Sharma (Kathak), Shri Astad Deboo (Contemporary Dance), Pt Narender Sharma's "Bhoomika" (Dance Theatre) and Ustad Zakir Hussain (Tabla). Distinguished Visitors Programme The Council continued to facilitate, as one of its major activities, exchanges of scholars, intellectuals, academicians and experts under its Distinguished Visitors Programme.

Incoming Visitors Visitors to India included a 15-member Group of Faculty Members of the School of Arts & Crafts, Bhutan; Justice Mohd. Habibur Rahman, Former Chief Justice of Bangladesh and Fellow of Bangladesh Academy & Asiatic Society of Bangladesh; Prof. Joseph Yu-Shek Cheng, Director of the Contemporary China Research Centre, University of Hong Kong; Mr. Prasanna Vithanage, Film Director from Sri Lanka; 5-member Delegation from Nepal and 4-member Delegation from Bangladesh to attend the 26th IBBY Congress; Mr. Mac Maharaj, Minister of Transport of South Africa; Mr. Gabor Szabo, Sculptor from Hungary; Prof. Goga Khidoyatov, Chairman, Deptt. of History, Tashkent State University, Tashkent; H.E. Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia to deliver the Maulana Abul Kalam Azad Lecture.

Outgoing Visitors During the period, in reciprocity, distinguished Indians from diverse fields of culture were sponsored to visit other countries to meet/interact with their counterparts, to participate in seminars, conferences and workshops and to deliver lectures on different subjects. These distinguished visitors included -- Dr. R.C. Agrawal, Director, Archaeological Survey of India to Uzbekistan to explore possibilities of a joint archaeological excavation project; Dr Salem Jayalakshmi & Prof S Shanmuga Sundaram, Carnatic Musicians to South Africa to attend the International Carnatic Music Conference at Durban;

Smt & Shri Satish Gujral, Painter to Australia to exhibit his paintings in Sydney; Shri Sunil Gangopadhyay, Author to UK to speak at the Nehru Centre, London; Shri A N Ram, Retired Diplomat and Shri Amit Mitra, Secretary General, FICCI to Keny to participate in seminar - "India-Kenya Relations -- Vision 2000"; Prof R Balasubramaniam, Chairman, Afro-Asian Philosophical Association, Prof Bhuvan Chandel, Centre for Studies in Civilizations, Dr Ramakant Sharma Angiras, Deptt. of Sanskrit, Punjab University to USA to participate in the Twentieth World Congress devoted to the theme "Philosophy Educating Humanity" at Boston; Smt Nirmala Deshpande, Member of Parliament to Switzerland to participate in the "World Philosophers Meet 98 - Second Parliament of Science, Religion and Philosophy"; Prof Ramanath Tripathi, Former Professor of Hindi, University of Delhi, Prof Vachaspati Upadhyay, Vice-Chancellor, Rashtriya Sanskrit Vidyapeeth to Mauritius to participate in the Ramayana Conference; Shri C V Ranganathan, Retired Diplomat to China to participate in Seminar on Tan Yun-Shan Centenary organised by China Association for International Friendly Contact; Qari Mohd Naseeruddin to attend 40th International Al-Quran Reciters Assembly held at Kuala Lumpur.

Presentations During the period April-November 1998, the Council, as part of its activities to commemorate the 50th Anniversary of India's Independence and to promote cultural relations with other countries, sent audio-visual material, books and art objects to about 60 countries through Indian Missions abroad for presentation to VVIPs and local dignitaries/institutions.

Exhibitions During the period April- December, 1998 the ICCR organised five exhibitions in India viz. (i) paintings and sculptures by Shri C S N Patnaik, Hyderabad;

(ii) a photographic exhibition by India International Photographic Council, New Delhi;

(iii) an exhibition of paintings by Ms R Lebenas of Argentina,

(iv) a joint Indo-Austrian exhibition of Contemporary art "The Search Within" at NGMA, New Delhi and Mumbai; and

(v) and exhibition - "Treasures of Indian Art" from Germany at the National Museum, New Delhi, Indian Museum, Calcutta and NGMA, Mumbai.

The Council has also sent nine bronze busts/statues for installation abroad. These included two bronze busts of Mahatma Gandhi to Egypt, one each to Germany, New Zealand and Ankara, a double life size bronze statue to Spain, one life size bronze statue of Mahatma Gandhi to Italy. Apart from this, bronze busts of Sant Tulsidas and Gurudev Rabindranath Tagore were sent to Surinam and Romania, respectively.

Two major exhibitions were organised abroad by the ICCR : a Joint Indo- Austrian Exhibition entitled "The Search Within" was sent to Austria along with a delegation of 9-Indian artistes and a contemporary Art exhibition was sent to Brazil (to coincide with the President's State Visit) and to Argentina.

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EasternEurope Section 1 India's traditionally warm, friendly and cooperative relations with the Russian Federation and the countries of East and Central Europe continued to develop steadily during the year. There is a consensus on maintaining good relations with most of these countries in India, where there is considerable goodwill for these countries, and vice versa. With the consolidation of democracy and democratic institutions in East and Central Europe, our friendship with the countries in this region has acquired an added dimension, based on shared values and aspirations. India's multi-faceted cooperation with them in all spheres including trade and commerce, science and technology, culture, etc. has been progressing satisfactorily.

The tradition of high level bilateral exchanges with these countries continued during the year and contributed to strengthening our bilateral cooperation. Sustained efforts were made to further strengthen our political understanding with them. Exchanges of visits by Parliamentary delegations helped to revitalise contacts with the legislatures of these countries. We also sought to build upon our existing business and institutional linkages with them, so as to benefit from the parallel processes of economic change and development in India and East/Central Europe. Efforts were made to consolidate and expand our cultural ties. In turn, these countries acknowledged the importance of their traditional ties with India.

Section 2

Close and friendly ties between India and Russia, based on continuity, trust and mutual understanding, constitute an important foreign policy priority for both countries. Our multi-faceted relations have been developing apace in different areas of cooperation. The tradition of high level bilateral exchanges with Russia, which has contributed to strenghthening our bilateral cooperation in a wide range of areas, was maintained during the year, culminating in the visit of Prime Minister Mr Y M Primakov to India in

December, 1998. There is a consensus in both countries on maintenance of good bilateral relations. Recognition of the strategic dimension to Indo-Russian relations has grown. India and Russia share similar perceptions on many international issues.

Prime Minister inaugurated the 7 RCR-Kremlin Hot-line with a telephonic conversation with President Yeltsin on 13 April 1998, the 51st anniversary of the establishment of diplomatic relations between India and Russia. Defence Secretary visited Russia from 15-19 June 1998 and held discussions with First Deputy Defence Minister Mr N V Mikhailov, and met Defence Minister Mr Igor Sergeev, Economy Minister Mr Yakov Urinson and other Russian dignitaries. During the visit, an Inter-Governmental Agreement on the Long-Term Programme of Military and Technical Cooperation for the period upto the year 2010 was initialed.

Russian Minister for Atomic Energy Mr Yevgeny Adamov visited India from 19-22 June, 1998. He signed with Dr R Chidambaram, Secretary, Department of Atomic Energy, a Supplement to the 1988 Indo-Soviet Inter-Governmental Agreement on the construction of a 2x1000 MW Nuclear Power Station in Kudankulam, Tamil Nadu. Governor of the Voronezh region of the Russian Federation, Mr I M Shabanov visited India from 9-11 July, 1998. During his stay in India, he met the Chief Minister of Delhi Shri Sahib Singh and Secretary (West), MEA, and visited Calcutta.

Chief Minister of Delhi Shri Sahib Singh visited Russia from 13-15 July, 1998 to attend the International Youth Games. During his stay in Russia, he met the Mayor of Moscow Mr Yuri Luzhkov, and visited the Voronezh region of the Russian Federation. A contract on the preparation of the Detailed Project Report for the construction of a 2x1000 MW Nuclear Power Station in Kudankulam was signed in Moscow on 20 July, 1998.

Chief of Naval Staff Admiral Vishnu Bhagwat visited Russia from 24-31 July, 1998. During the visit, he called on the Russian Defence Minister Mr Igor Sergeev and had talks with the Commander-in-Chief of the Russian Navy Admiral Vladimir Kuroyedov. He also visited St. Petersburg and Severomorsk. Deputy Chairman of the Planning Commission Shri Jaswant Singh met the Russian Foreign Minister Mr Yevgeny Primakov in Manila on 28 July, 1998, during the 5th meeting of the ASEAN Regional Forum. Mr Yevgeny Primakov, Russian Foreign Minister, met Prime Minister Shri Atal Bihari Vajpayee during the 53rd Session of the UN General Assembly UNGA in September 1998 in New York.

Lok Sabha Speaker, Shri G M C Balayogi, led a multi-party Indian Parliamentary delegation to the IPU Conference in Moscow from 6-13 September, 1998. An Agreement on Indo-Russia Inter-Parliamentary Commission was also signed during that visit. The Chairman of the Russian State Duma Committee for International Relations, Mr V P Lukin, accompanied by a multi-party Russian Parliamentary delegation visited India from 13-16 September, 1998, during which he held detailed discussions with the Parliamentary Standing Committee on External Affairs. He also called on PM, Vice President and other Indian dignitaries. Foreign Secretary visited Moscow on 11 September, 1998 for Foreign Office Consultations.

Vice Mayor and First Deputy Prime Minister of the Moscow Government, Mr Valeri P Shantsev, visited India from 23-26 September, 1998 and on 23 September, 1998, inaugurated the "Days of Moscow in Delhi" jointly with Home Minister. Petroleum Minister, Shri V K Ramamurthy, visited Russia from 21-23 October, 1998, during which a meeting of the Indo-Russian Joint Working Group on Oil was also convened. Russian Deputy Foreign Minister Mr G B Karasin visited India from 1-3 November, 1998. He held discussions with Foreign Secretary and called on Home Minister and Principal Secretary to PM. Defence Secretary visited Russia from 10-12 November, 1998 for the Joint Working Group meeting on military-technical cooperation. Lok Sabha Speaker led a multi-party Indian parliamentary delegation to Russia from 12-17 November, 1998. In addition to having discussions with his Russian counterpart, he addressed the Russian State Duma and called on Prime Minister Mr Y Primakov. President Mr M S Shaimiev of the Republic of Tatarstan (Russian Federation) visited India from 22-26 November, 1998 at the invitation of Commerce Minister. During the visit, he also called on Vice President.

Finance Minister led an Indian delegation to Moscow from 26-28 November 1, 1998 for the 5th session of Indo-Russian Inter-Governmental Commission as its co- chairman. Besides meeting his counterpart and Russia's First Deputy Prime Minister Mr Yuri Maslyukov, Finance Minister called on Russian Prime Minister Mr Y Primakov, Finance Minister Mr M Zadornov and Deputy PM Mrs V I Matvienko. Russian Prime Minister Mr Yevgeny Primakov paid an official visit to India from 20-22 December, 1998. During the visit, he called on President, Vice President and PM, and met Lok Sabha Speaker and EAM besides other high Indian dignitaries. Discussions took place in the warm and friendly atmosphere traditional to Indo-Russian interaction. There was a coincidence of views on practically all issues discussed, and both sides expressed satisfaction that bilateral cooperation was proceeding well. Both sides reiterated their commitment to close and stable relations in a long-term perspective. During the visit seven bilateral documents were signed in the presence of the two Prime Ministers. Mr Primakov also attended a business seminar organised by CII.

Chairman of the Federation Council of the Federal Assembly of the Russian Federation, Mr Y S Stroev, accompanied a high-level parliamentary delegation including eight regional governors visited India from 8-10 February, 1999. During the visit Mr Stroev and the delegation called on the President, Vice-President, Lok Sabha Speaker and Home Minister. Russian Defence Minister Mr Sergeev is expected to visit India from 11-15 March, 1999.

India's relations with other countries of the CIS - Armenia, Belarus, Georgia, Moldova, Ukraine continued to develop satisfactorily. Smt Vasundhara Raje, Minister of State for External Affairs met Mr Ivan Antonovich, the Foreign Minister of Belarus in New York on September 29, 1998 during the 53rd Session of UNGA. Belarusian Foreign Minister, Mr Ivan Antonovich, paid an official visit to India from 13-17 October, 1998, during which he held talks with MOS for External Affairs. He also called on Prime Minister, the Vice President, and Industry Minister. An Indo-Belarus ITEC Agreement was signed during the visit.

Industry Minister, Shri Sikander Bakht, led the Indian delegation to Minsk from 25-28 October, 1998 at the 1st session of the Indo-Belarus Inter-Governmental Commission. He co-chaired the session with the Belarusian Industry Minister. During the visit, he called on the Belarusian President, Prime Minister and Minister of Foreign Economic Relations. Minister of State for Coal, Shri Dilip Ray, accompanied by officials from Coal India Ltd. visited Minsk from 10-12 January, 1999. During the visit CoalMinister called on the Prime Minister Mr Sergei Ling and also held discussions with the Belarus Minister for Industry, Mr A D Kharlap.

India's relations with the countries of Central/East Europe and the three baltic Republics, i.e., Lithunia, Latvia and Estonia- continued to be close and productive. High level visits were exchanged with several of these countries during the course of the year, which confirmed the importance and priority that these countries attach to their relations with India. Bosnia and Herzegovina opened its resident Mission in New Delhi in 1998. Bulgarian Deputy Minister of Trade and Tourism, Mr Hristo Mihailovski visited India

from 27-30 April, 1998, accompanied by a group of officials and businessmen. He called on the Commerce Minister, MOS for Agriculture and Commerce Secretary. The 12th Session of Indo-Bulgarian Joint Commission was held in Sofia from 22-25 September, 1998. MOS for Agriculture, Shri Sompal, led the Indian side and met Bulgarian PM Kostov, Speaker Sokolov, and the Ministers of Trade, Transport and Agriculture.

President Petar Stoyanov paid a state visit to India from 25-28 October, 1998 accompanied by his wife and a high-level official delegation. He had separate meetings with the President, the Vice-President and the Prime Minister. The Indo-Bulgarian BIPA, an Agreement on Mutual Cooperation between ITPO and the International Fair Inc. Plovdiv, an MOU between the National Centre for Trade Information (NCTI) and the Bulgarian Export Promotion Centre, and an MOU between the CII and the Bulgarian Industrial Association were signed. President Stoyanov visited Agra, Udaipur and Mumbai. The 10th meeting of the Indo-Bulgarian Joint Business Council was convened in New Delhi on 27 October, 1998 coinciding with the visit to India of the Bulgarian President.

Bulgurian Deputy Minister of Transport, Mr Ilko Miloushev, visited India from 8- 10 December, 1998 to take part in a seminar organised by the Ministry of Railways. He met Railway Minister Shri Nitish Kumar, Minister for Surface Transport Shri Thambi Durai, MOS for Agriculture Shri Som Pal and senior officials of the Ministry of Civil Aviation, RITES, Cimmco Birla and Konkan Railways.

Mr George Ganchev, MP and Chairman of the Bulgarian Parliamentary Group for "Friendship with India" visited India from 21-26 February, 1999. He called on Shri Krishna Kant, Vice President of India and Shri G M C Balayogi, Lok Sabha Speaker. He also met Shri P R Kumaramangalam, Parliamentary Affairs Minister, Shri R K Hegde, Commerce Minister, Smt Vasundhara Raje, MOS (External Affairs), and Shri Som Pal, MOS for Agriculture, and attended a lunch hosted by FICCI in his honour.

Croatian Minister for Economy Mr Nenad Porges led the Croatian delegation to the Fourth session of the Indo-Croatian Joint Committee on Trade and Economic Cooperation which took place on 16-18 November, 1998 in New Delhi. He met Minister of Commerce Shri R K Hegde, Minister of Surface Transport, Shri M Thambidurai, Minister of Petroleum and Natural Gas Shri K Ramamurthy. Croatian Minister for Culture Mr Bozo Bispkupic is expected to visit India on 4- 6 March, 1999.

The President of Croatian Parliament Dr Vlatko Pavletic will be leading a Parliamentary delegation to India from 28 March to 4 April, 1999. Minister of State for Coal, Shri Dilip Ray, visited Prague in May 1998, and held detailed discussions with the Czech Trade and Industry Minister, Mr Kuhnl. The Indo-Czech Agreement on Avoidance of Double Taxation was signed in Prague on 1 October, 1998 by the Indian Ambassador and Czech Finance Minister, Mr Ivo Svoboda.

The Third session of the Joint Committee took place in Prague on 5 & 6 October, 1998. The Indian delegation was led by Shri P Prabhu, Commerce Secretary, and the Czech delegation was led by First Deputy Minister of Industry and Trade, Mr Vaclav Petricek. Commerce Secretary also met the Minister of Industry and Trade, Mr Miroslav Gregr, and Deputy Finance Minister, Miloslav Fiedler. The 2nd meeting of the Indo-Czech Joint Business Council was held simultaneously with the meeting of the Joint Committee in Prague on 5 & 6 October, 1998, which was attended by Indian businessmen.

A Czech Parliamentary delegation led by the President of the Chamber of the Deputies of the Czech Parliament, Mr Vaclav Klaus, is expected to visit India from 8-14 March, 1999. Mr Klaus will be accompanied by his wife, six Members of Parliament and government officials.

The President of the Republic of Estonia, Mr Lennart Mery, paid a State visit to India 3-10 February, 1999. During the visit, President Mery had separate meetings in New Delhi with the President, the Vice President and the Prime Minister of India as well as other Indian dignitaries. An Indo-Estonian Agreement on Co-operation in the field of Science and Technology and an MOU on co-operation between FICCI and the Estonian Chamber of Commerce was signed during this visit. Besides New Delhi, President Lennart Meri also visited Agra, Jaipur and Mumbai.

Foreign Minister of FRY, Mr Jovadin Jovanovic, met Smt Vasundhara Raje, Minister of State for External Affairs in New York on 29 September, 1998 during the 53rd session of the UNGA. Discussions were held on the need to intensify and renew bilateral cooperation in all fields. The FRY Minister for Agriculture Mr Nedelijko Sipovac, visited India on 2-7 November, 1998. He met Shri Som Pal, Minister of State for Agriculture, Shri R K Hegde, Minister of Commerce, Shri P A Sangma, Member of Parliament, and called on the Vice President of India. He also visited Maharashtra and met the Chief Minister, Shri Manohar Joshi, and the Minister of Agriculture of Maharashtra, Shri Harsh Vardan Patil.

Dr Murli Manohar Joshi, Minister for Human Resource Development, visited Hungary on 26-28 November, 1998 in connection with the Golden Jubilee of the establishment of diplomatic relations between India and Hungary. He inaugurated a symposium on "Hungary, India and the European Union" on 26th November, 1998. Dr Joshi called on Hungarian President Dr Arpad Goncz and held discussions with Prof Janos Hamori, Minister for National Cultural Heritage, Dr Janos Martonyi, Minister for Foreign Affairs and Dr Zoltan Pokornyi, Minister of Education. The Cultural Exchange Programme for 1999-2000 was also signed during the visit. To commemorate the 50th Anniversary of the establishment of diplomatic relations between India and Hungary, an International Round Table Conference on "India and Hungary: Perspectives on the Changing World Order"was held at the School of International Studies, Jawaharlal Nehru University, New Delhi from 17 - 18 November, 1998, with the participation of distinguished academics and experts from India and Hungary.

A Hungarian Parliamentary delegation led by Dr Janos Ader, Speaker of the Hungarian Parliament is expected to visit India on 7-13 March, 1999. Latvian Under Secretary of State Mr Janis Karklins, visited India from 7-12 December, 1998. He held discussions at MEA, besides visiting the 5 Latvian pilots detained in Calcutta in connection with the Purulia Arms Dropping Case. During the visit, he and Joint Secretary (East Europe) initialed the text of the Agreement on the establishment of an Indo-Latvian Joint Commission. The Chief of General Staff of the Polish Armed Forces Lt Gen H Szumski visited India on 30 March - 3 April, 1998, and called on Raksha Mantri, COAS, CAS, Defence Secretary and Secretary (West).

Indo-Polish Working Consultations on Trade and Economic Related Issues were held in Warsaw on 22 & 23 June, 1998. The Indo-Polish Working Group on Coal under the Indo-Polish Joint Commission for Economic, Trade, Scientific and Technical Cooperation met in Warsaw on 14 October, 1998. The Indian delegation was led by Mr S S Boparai, Secretary (Coal) who held discussions with the Deputy Minister of Economy, Mr Jan Szlazak and called on Mr Janusz Steinhoff, the Minister of Economy.

Mr Czeslaw Bielecki, Chairman of the Foreign Relations Committee of the Polish Parliament (Sejm) visited India on 14-16 February, 1999 to participate in the "Global Conference on Democracy" jointly organised by CPR and CII in New Delhi. He met Smt Vasundhara Raje, MOS (External Affairs) and Shri I K Gujral, Chairman, Standing Committee on External Affairs of the Indian Parliament. The Deputy Defence Minister of Poland Mr Romuald Szeremietiew, is expected to visit India from March 22, 1999.

The 13th session of the Indo-Romanian Joint Commission was held on 15-16 December, 1998. Commerce Minister, Shri R K Hegde, visited Bucharest. He met PM Radu Vasile, Foreign Minister Andrei Plescu and the Romanian Ministers of Health, Finance, Industry and Commerce. Commerce Minister also led the Indian delegation as Co-Chairman of the Indo-Romanian Joint Commission. The Romanian side was led by Industry Minister, Mr Radu Berceanu. A Protocol was signed between the two governments on Economic, Scientific and Technical cooperation. Shri Suresh Prabhu, Minister of Environment and Forests, visited the Slovak Republic from 3-6 May, 1998 to attend the Ministerial Round Table of the 4th Meeting of the Conference of Parties to the Convention of Biological Diversity. The third session of Indo-Slovak Joint Committee took place on 7-8 October, 1998 at Bratislava. The Indian delegation was led by the Additional Secretary in the Ministry of Commerce, who is also the co-chairman on the Indian side. The Slovak delegation was led by Mr Dusan Gutan, Vice-Minister, Ministry of Economy. The delegation was received by the Minister of Economy, Mr Milan Cagala, State Secretary in the Ministry of Finance, Mr Peter Stanec, and by the Director General in the Ministry of Foreign Affairs, Mr Anton Pitner. A meeting of the Indo-Slovak Joint Business Council took place at Bratislava on 7 & 8 October, 1998, concurrently with the Joint Committee meeting.

Smt Vasundhara Raje, Minister of State for External Affairs met Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia on September 1, 1998 during the meeting of the Nonaligned Movement held in Durban. Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia, visited New Delhi on 2-6 February, 1999 for the fourth round of Indo-Slovene Foreign Office Consultations. During the visit, he held discussions with Secretary (West). He met Shri Nripendra Mishra, Additional Secretary, Ministry of Commerce, and called on Smt Vasundhara Raje, Minister of State (External Affairs), and Smt Maneka Gandhi, Minister of State, Ministry of Welfare.

Western Europe West Europe is a region of considerable political and economic significance to India. The European Union (EU), of which 15 countries of the region are members, is India's largest trading partner and the second largest source of approved foreign investment. The adoption of the Euro by 11 of its member states and the evolution of a Common Foreign and Security Policy are significant pointers to the emergence of an "European identity", which would have an increasingly important role in international affairs.

Normal dialogue and interaction has continued in1998-99 with the countries of West Europe, as also with the EU. A number of high level visits have been exchanged with West Europe. The President visited Germany, Portugal and Luxembourg, in September 1998. The Prime Minister visited France in Sept-Oct 1998. We have also received the visits of the President of Switzerland, and the Crown Prince of Belgium and the Prime Minister of Luxembourg. The 11th Round of the India-EU Troika Ministerial Meeting was held in New Delhi on November 13, 1998. There has also been an exchange of several other Ministerial visits with various other countries. High level official consultations have been conducted with France, the UK and Germany.

During this period, India's trade with the countries of the region has grown and there has been a further strengthening of the investment and technology cooperation ties between India and Europe. The diversification and deepening of the economic linkages and continuing political dialogue between the two sides reflects a shared desire to pursue a closer relationship for mutual benefit. While most of the countries in West Europe and the EU expressed concern at the nuclear tests conducted by India in May 1998, the specific reactions by different countries were far from uniform. A few countries like the Netherlands, Switzerland, Norway, Sweden and Denmark imposed unilateral economic measures

(primarily curtailing development assistance and banning arms sales) with the others being opposed to such action.

Austria held the Presidency of the EU during the second half of 1998. In this capacity the Austrian Minister of State for Foreign Affairs, Dr (Mrs) Benita Ferrero Waldner led the EU Troika delegation at the 11th India-EU Troika Ministerial Meeting held in New Delhi on November 13, 1998. Our bilateral relationship with Belgium has progressed well. Belgium is the 7th largest trading partner for India. Bilateral trade, dominated by trade in diamonds, was over US \$ 4 billion in 1997. The total approved Belgian investment in India from 1991 to Aug 1998 has been around US \$ 1 billion, making Belgium the 9th largest investor in India in terms of approval figures. There are around 140 Indo-Belgium joint ventures in operation.

H.R.H. Crown Prince Philippe of Belgium, accompanied by the Deputy Prime Minister and Minister for Economy and Telecommunications, in-charge of Foreign Trade, Mr Elio Di Rupo, led a large high level business delegation to India from 22-29 November, 1998 at the invitation of the Vice President. The delegation included nearly 80 senior representatives of professional organisations, top Belgian companies and financial institutions. The 9th Session of Indo-Belgium- Luxembourg Economic Joint Commission was held in Brussels on 29 June 1998. Commerce Secretary led the Indian delegation and the Secretary-General, Ministry of Foreign Affairs, External Trade and Development Cooperation of Belgium led the Belgium-Luxembourg side.

The 3rd Session of the Indo-Cyprus Joint Economic Committee was held in Nicosia in September, 1998. A Protocol was signed at the end of the meeting by the heads of the two delegations. An MoU between the National Centre for Trade Information (NCTI) of India and the Cyprus Chamber of Commerce and Industry for exchange of information on electronic media, country and product profile, trade statistics, import tariffs, import/export policy was also finalised on this occasion. Indo-French relations have continued to progress in a satisfactory manner. There has been an intense high level substantive political dialogue between the two sides. Bilateral economic relations with France have also progressed satisfactorily. The Prime Minister visited France on 29 & 30 September, 1998.

He held discussions with President Chirac, Prime Minister Jospin and Defence Minister Richard. His visit helped consolidate the progress in bilateral relations subsequent to President Chirac's visit to India in January 1998. Raksha Mantri visited France from 11-13 January, 1999 and held detailed discussions with his French counterpart. The Minister of Railways visited France from 19-20 January, 1999. Principal Secretary to PM visited France from 1-2 June, 1998 as Special Envoy of the Prime Minister and from 18-19 January, 1998. The Indo-French Forum (IFF), a high level non-governmental group of eminent personalities from both sides, set up in January 1998 to advise on ways of diversifying and enriching the bilateral relations, held its first meeting in Paris on 2 & 3 July, 1998. Dr Karan Singh and Mr Jean Francois-Poncet are the two Co-Chairman of the Forum. The second meeting of the Forum was held in New Delhi from 16-17 February, 1999.

The French Minister of State for Trade and Commerce, Mr Jacques Dondoux led the French delegation for the ninth meeting, of the Indo- French joint Committee for Economic and Technical Cooperation held in New Delhi in November 1998. On 24 November, 1998, officials of the Ministries of Industries of India and France, signed a 'Protocol of Intent' for cooperation. Mr Laurent Fabius, former Prime Minister of France and the present President of the French National Assembly led a Parliamentary Delegation to India from 15- 17 September, 1998. Mrs. Segolene Royal, the French Minister of State for Education visited India from 28 Nov - 1 Dec, 1998. She inaugurated the French Education Fair in New Delhi during the visit.

Indo-German relations have grown closer in recent years. Germany is India's largest trading partner in Europe and the second largest overall. The two-way trade is of the order of DM 9 billion (over US \$ 6 billion). Approved German investment in India in 1997 was worth Rs 21.5 billion million and the figure for the period 1991-August 1998 is over Rs. 64 billion. Germany is also an important source of technology and has cooperated in various development projects in India. The President visited Germany from 6-10 September 1998. This was the first Head of State/Government visit from either side in four years. The President held discussions with the German President, Chancellor and Foreign Minister. A Memorandum of Understanding on bilateral Cooperation in the field of Environment was signed by two sides during the visit.

Mr Guenther Verheugen, one of the two new Ministers of State for Foreign Affairs in Germany, visited India on 13 November 1998 for the 11th India-EU Troika Ministerial Meeting. A high level business delegation, led by Dr Walter Doering, Minister for Economic Affairs in the state of Baden Wuerttemberg, visited India from 22-28 March, 1998. Dr Franz-Josef Feiter, State Secretary and Deputy Federal Minister for Food, Agriculture and Forestry led an economic delegation to India during the same period. Mr Rudolf Kraus, State Secretary in the Federal Ministry of Labour, visited India from 13-19 April, 1998.

The 13th session of the Indo-German Joint Commission on Industrial and Economic cooperation was held in New Delhi from 8-10 January, 1998. The then Finance Minister of India and the then Minister of Economics of Germany, Mr Guenter Rexrodt jointly chaired the meeting. The seventh annual meeting of the high- powered Indo German Consultative Group was held in Dresden on 29 & 30 August, 1998. Bilateral Foreign Office Consultations, at the level of Foreign Secretary, were held in Bonn on 13 July, 1998. The Instruments of Ratification of the Agreement for Bilateral Investment Promotion and Protection were exchanged by the two sides during the visit.

Indo-Greek relations made significant progress. The Greek National Minister for Defence, Mr Apostolos-Athanasios Tsohatzopoulos visited India from 5-8 December, 1998. His visit coincided with Aero India '98, to which he was invited by Raksha Mantri. An MoU on Defence Cooperation between India and Greece was signed during the visit. The Greek Defence Minister called on the Prime Minister and had detailed meetings with Raksha Mantri and the three Service Chiefs. Foreign Office Consultations were held with Greece on November 30 & December 1, 1998. The 13th Session of the Indo-Italian joint Commission on Economic Cooperation was held in Rome from 17-18 December, 1998. The Indian delegation was led by our Commerce Minister while the Italian side was led by the Italian Minister for Foreign Trade, Piero Fassino. Both sides reviewed bilateral industrial cooperation projects and renewed their commitment to maintaining and strengthening the multilateral trade system. The fourth session of the Indo- Italian joint Committee on S&T Cooperation was held in New Delhi/Calcutta on 9 & 10 November, 1998. The Indian delegation was led by Secretary, Dept. of S&T, Ministry of S&T while the Italian delegation was led by H. E. Mr Gaetano Zucconi, Ambassador of Italy in India. Both sides agreed to promote joint activities in S&T areas of mutual interest. Foreign Office consultations will be held in Rome shortly, the first since October 1996.

There has also been an intensification of our linkages with Luxembourg. The President visited the Grand Duchy of Luxembourg from 14- 16 September, 1998 at the invitation of the Grand Duke jean. This was the first major high level political visit from either side in the last 25 years. The President held discussions with the Grand Duke, Prime Minister Jean-Claude Juncker, Deputy Prime Minister and

Minister of Foreign Affairs Jacques Poos and the President of the Chamber of Deputies Jean Spautz. The Prime Minister of Luxembourg visited India from 11-13 January, 1999. This was the first visit by a Prime Minister of Luxembourg to India. The Instruments of Ratification of the bilateral agreement on cooperation in the fields of art and culture, education, mass media and sports were exchanged during the visit.

India's relations with the Netherlands have a strong economic content, with a growing bilateral trade of the order of US \$ 1.5 billion and total approved Dutch investment of over Rs. 37 billion (1991-July 1998). The Netherlands is our sixth largest trading partner in Europe. The Netherlands ranks 8th in terms of overall approved investment in India since 1991. The Netherlands was among the few countries to have imposed economic measures - restrictions on the sale of arms and on certain categories of government-to-government credit and project assistance against India in the wake of the nuclear tests. Commerce Minister visited the Netherlands in October 1998.

The Nordic countries were critical of India's nuclear tests. While Sweden, Norway and Denmark stopped their development assistance programmes to India, Finland and Ireland did not impose any economic measures. The Danish Minister for Development Cooperation, Mr Poul Nielson visited India from April 1-4, 1998 at the head of their delegation to the Assembly of the Global Environment Facility.

The Ethics Committee of Rajya Sabha, led by Shri S B Chavan, visited Finland in May, 1998. A Finnish Parliamentary delegation led by the Deputy Speaker of Finnish Parliament, Mr Mikko Pesala returned the visit and was in India from 13- 19 November, 1998. Earlier, in June, 1998, the Minister of State for Communications visited Finland to attend the Inter-Governmental Conference on Emergency Telecommunications.

The Secretary-General to the Icelandic President, Ambassador Kornelius Sigmundsson visited India from 29 August - 2 September, 1998. The Deputy Foreign Minister of Norway, Mr Leiv Lunde visited India from 31 March - 4 April, 1998 at the head of the Norwegian delegation to the Assembly of the Global Environment Facility. Two consular agreements; an "Agreement on the Transfer of Convicted Offenders" and a Treaty for "Mutual Legal Assistance in Criminal Matters" were initialled by both the sides in May 1998. Our relations with Portugal received an impetus with a series of high level visits. The President visited Portugal from 10-14 September, 1998. He held discussions with Mr Jorge Sampaio, the Portuguese President and Mr Antonio Guterres, the Portuguese Prime Minister. He also visited the EXPO '98 Exhibition in Lisbon. A Double Taxation Avoidance Agreement between Portugal and India was signed during this visit. A nine member parliamentary delegation from Portugal visited India from 15-22 December, 1998. The delegation was led by Dr Antonio De Almeida Santos, President of the National Assembly. This was the first visit to India by a parliamentary delegation from Portugal to India. The Third Session of the Indo-Portuguese joint Business Council was held in New Delhi on 5 & 6 January, 1999. The Portuguese Secretary of State for Economy, Prof. Fernando Pacheco visited India from 6-9 January, 1999 for the CII Partnership Summit in Jaipur.

Normal interaction continued with Spain. Bilateral Foreign Office Consultations were held in Madrid on 3 & 4 December, 1998. The Indo-Spanish Joint Commission and joint Business Council was held in Delhi from 15-16 February, 1999. The President of Switzerland, Mr Flavio Cotti, was in India on a State Visit from 20-25 November, 1998. This was the first ever visit to India by a Swiss President. He was accompanied by a ten member 'business delegation. He called on President, Vice President and held discussions with PM. He also visited the cities of Mumbai and Bangalore and interacted with the business communities. Our relations with UK are important with a tangible and modern economic

content, apart from the historical dimension. India's annual trade with the UK is of the order of Pounds Stg 3.3 billion. The UK is also the largest cumulative investor in India with a figure of Pounds Stg 3 billion. The presence of a large community of Indian origin, which has done well economically, strengthens the traditional links between the two countries.

The UK in its individual capacity and as the then EU Presidency had been initially critical of the nuclear tests conducted by India. Since then bilateral consultations at a high level have helped to place relations on a firmer footing. The Principal Secretary to PM visited UK on 4 & 5 June, 1998, as the Special Envoy of the Prime Minister and on 20 & 21 January, 1991. The visit of Mr Derek Fatchett, Minister of State for Foreign Affairs and Commonwealth to India in November 1998 was also beneficial. The External Affairs Minister visited UK from 2-7 February, 1999. During this visit, discussions were held on a wide range of issues, including, inter alia, bilateral cooperation, regional developments, nuclear disarmament and non-proliferation. These have proved to be useful in promoting greater mutual understanding.

Chief Emeka Anyaoku, the Commonwealth Secretary General (CSG), visited India from 13-18 February, 1999. The visit was part of the traditional round of consultations that the CSG undertakes with member countries before a Cornmonwealth Heads of Governments Meeting, the next one being held in South Africa in November 1999. During the visit, the CSG called on the President, the Prime Minister and the Minister of External Affairs. The CSG's visit to India coincided with the Asia Trade and Investment Forum organised by the Commonwealth Business Council and the Confederation of Indian Industry, from 14-16 February, 1999.

Developments with far reaching impact are presently taking place at the EU level. The finalisation of the Economic and Monetary Union with the adoption of a single currency Euro by 11 member states of the EU from January 1999 has significance for the international financial system as also implications for the attempts to forge a "European identity" in international affairs. The EU is working on plans for an eastward expansion and there is a serious discussion on the need for its internal financial reforms. There have been moves towards initiating a discussion on NATO's nuclear doctrine and the scope and mandate of its activities, even as it prepares to accept three new members from 1999, its 50th anniversary year. The forthcoming NATO Summit to be held in Washington in April 1999 is expected to consider a New Strategic Concept for the organization which may go beyond the defence of the territories of member countries. These developments impact on the evolving security architecture in Europe and have implications for the security around that region.

The EU, with its fifteen member countries is the largest economic entity in the world today. It is India's largest trade partner with an annual bilateral trade of over US \$ 21 billion in 1997. It is also India's second largest source of approved foreign investment (over Rs 300 billion during 1991-August 1998) and an important partner in technology cooperation.

The 11th Round of annual India-EU Ministerial level talks was held in New Delhi on 13 November, 1998. MOS (EA) led the Indian delegation at the talks. The delegations from the EU side consisted of the then Presidency (Austria), European Commission, Germany (next incumbent) and the UK (past incumbent). These were led by Dr (Mrs) Benita Ferrero-Waldner, Minister of State for Foreign Affairs of Austria, Mr Manuel Marin, Vice President of the EC, Mr Guenther Verheugen, Minister of State for Foreign Affairs of Germany and Mr Derek Fatchett, Minister of State, FCO, UK respectively. The discussion covered India-EU relations, new initiatives in this regard, regional developments, disarmament and non-proliferation, reform of the UN, international terrorism and other subjects of mutual interest. The first India-EU Senior Officials Meeting had earlier been held in London on 21 April, 1998. The first meeting of officials of the two sides dealing with Policy Planning was held in April 1998 in New Delhi. uu

RUSSIA INDIA USA PHILIPPINES UNITED KINGDOM ARMENIA GEORGIA UKRAINE COMMONWEALTH OF INDEPENDENT STATES(CIS) BELORUSSIA ESTONIA LATVIA BULGARIA CROATIA CZECH REPUBLIC HUNGARY POLAND OMAN ROMANIA SLOVAKIA SLOVENIA GERMANY PORTUGAL FRANCE SWITZERLAND BELGIUM THE NETHERLANDS DENMARK NORWAY SWEDEN AUSTRIA CYPRUS GREECE ITALY FINLAND IRELAND ICELAND SPAIN

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Relations with the United States during the year can be seen broadly in two phases. In the early part of the year, there was continuation of a broad based dialogue which both countries had agreed upon. In that context, US Permanent Representative to UN, Bill Richardson headed a delegation to India from April 14-15, 1998. The Indian and the US side had useful exchanges of views on a number of important international, bilateral and regional issues.

Following India's nuclear tests, the US reaction was extremely critical and negative. The reaction was made up of several elements including what the United States saw as a challenge to the non-proliferation regime which the United States and other nuclear-weapon states have south to put in place to preserve their monopoly of nuclear weapons. It also contained elements of frustration at US inability to detect the tests in advance. India look every opportunity to respond to such statements wherever necessary.

The US also took theinitiative meetings of the P-5 and G-8 to orchestrate condemnation of the nuclear tests. Many of these countries, however, did not go along with attempts to multilateralise the imposition of restrictive economic measures against India.

Since then, the reaction has toned down and, to some extent, moderated, This has been reflected in more balanced coverage in the US media. There have been a number of articles and statements from eminent US political personalities and strategic analysts which reflect a better understanding of India's security concerns. There has also been considerable debate in the United States regarding the effectiveness of the coercive economic measures called "sanctions".

Despite development of the strains in the bilateral relationship, the visits of prominent US political representative continued. US Senators Sam Brownback and Charles Robb, visited India from June 26-30. On their return to the US, these Senators introduced an Amendment to provide authority to the President to waive for up to one year some of the economic measures under Glenn Amendment. In July 1998, US Congress passed an amendment which was called "Agriculture Export Relief Act of 1998" which

exempted finance and credit guarantees for agricultural commodities, medicine and fertilisers from the purview of 1994.

After the nuclear tests and the apprehensions expressed in several countries, it was decided to have a more intensive dialogue with the United States. Shri Jaswant Singh, then Deputy Chairman, Planning Commission and Mr Strobe Talbott, Deputy Secretary of State have been designated as Representatives to conduct this dialogue.

The talks are being conducted on the basis of the comprehensive proposals that India has put forward on disarmament and non-proliferation matters, our unilateral moratorium on explosive nuclear tests, willingness to discuss converting this moratorium into a de jure obligation, our offer to enter into constructive negotiations on the FMCT and reaffirming our policies on stringent control on export of sensitive technologies.

The talks have focussed on issues related to disarmament and non-proliferation. Both sides have agreed that these issues should be kept distinct from regional issues. After six rounds of discussions the talks have narrowed down four issues. These are the CTBT, the FMCT, Export Controls and Defence Posture. On Export Control Issues an expert level meeting was also held in New Delhi on 9-10 November, 1998. The meeting was deemed helpful by both India and the US to the prospects of continuing cooperation in this area. Both sides have agreed to meet in 2nd half of January 1999 in New Delhi to carry forward this dialogue.

The US has recently announced a partial lifting of the restrictive measures imposed against India. These relate to EXIM, OPIC, TDA Financing and Military Training. The US has stated that these measures are being lifted in recognition of the progress made in the bilateral dialogue. It is however noted that non-basic human needs financing from multilateral financial institutions is still subject to US restrictions. India regards these coercive and restrictive measures as unjustified and counter-productive which should be lifted.

The US has also issued a list of Indian Government Organisations, Research Institutions, PSUs and Private Companies, which will be subject to export restrictions. This step is with clearly punitive intent. India has made it clear to the US that such measures will be regarded as adverse developments in our relations and will not be conducive to the ongoing dialogue. These aspects were reiterated strongly at the last round of discussions held on 19-20 November, 1998. So far there has been no change in the US position. India will continue to take up this matter in bilateral discussions and is also examining the feasibility of multilateral options, such as consistency with WTO provisions. US Deputy Secretary of State, Strobe Talbott visited India from January 29 to February 1, 1999 with an 8-member delegation including the Vice-Chairman of the US Joint Chiefs of Staff General Joseph Ralston for the 8th round of Indo-US talks. Discussions between the Indian and US delegations were held on January 29, 30 and 31. The Indian side was led by Shri Jaswant Singh, External Affairs Minister.

During the talks, the security perspectives of the two sides were further elaborated and clarified and proposals for harmonising these perspectives were explored. Both delegations were satisfied with the outcome of these talks and believed that progress was made in some of the subjects under discussions. Both sides are determined to create a positive atmosphere for advancing the bilateral relations. Indian and US expert level teams will meet in March for follow-up talks on export controls. The two sides have agreed to remain in close contact.

The next round of the dialogue is envisioned towards the middle of the year, the dates and the venue of the same would be determined in consultations between the two sides.

Canada The Governor General of Canada, Romeo LeBlanc and Mrs LeBlanc, accompanied by Canadian Revenue Minister, Herb Dhaliwal, paid a State visit to India from March 26 to April 1, 1998. It was the first ever visit by a Governor General of Canada to India specifically undertaken in the context of the 50th Anniversary celebrations of India's independence.

Canada reacted very adversely to India's nuclear tests in May 1998, and unilaterally restricted government contact. The Canadian position contained a number of elements which were totally unacceptable to India. Canada also placed restrictions on assistance under CIDA. Subsequently, Canada informed that all ongoing projects would continue to receive funding and that new projects of a basic needs nature could be taken up.

The Canadian Leader of the Opposition, Mr Preston Manning visited India in July- August, 1998. He observed that although Canada did not agree with India's nuclear tests, that was no reason for lack of dialogue, and that India and Canada should be able to talk over differences as friends. There is little change in the official Canadian position so far. Government of India will conduct its relations with Canada in a reciprocal basis. Finance Minister visited Canada in September 1998, for the Commonwealth Finance Minister's meeting.

Trade between India and Canada continued to flourish. Last year, Indian exports to Canada registered an increase of nearly 23%. This year, during the period January-July, the Indian exports have reached C\$ 536.569 from 424.532 during the same period last year marking a growth of 26.38%. On the other hand, Indian imports from Canada during this period have declined to C\$ 182.614 from 287.695 showing a decrease of 36.52%.

Mr Jonathan T Fried, Assistant Deputy Minister for Trade and Economic Policy of Canada visited India from January 25-27, 1999. He had meetings ill the Ministries of Commerce, External Affairs and Finance. The discussions related to international trade, WTO, foreign investment in India. India's trade and economic relations with SAARC, ASEAN etc. The Speaker of Lok Sabha, Shri G M C Balayogi visited Canada from January 5-9 to participate in the meeting of the Standing Committee of Commonwealth Speakers held in Ottawa.

Latin America and the Caribbean India's relations with the countries of the Caribbean, Central America and South America have been traditionally warm and friendly. Presently India maintains 13 Resident Missions and 1 post in the region. India's interaction and collaboration with these countries is close both in the bilateral context and in multilateral fora. 11 countries from the region maintain Resident Diplomatic Missions in New Delhi, Uruguay being the latest to open their Mission in November 1998. Guyana is also considering opening of a Resident Mission in New Delhi.

Interaction with the countries of the region is conducted through bilateral consultative mechanisms. Presently we have such agreements with 9 countries. High level visits complemented by bilateral and official visits have further cemented our relations with the region. In the economic field, realising the potential of the region a concerted effort has been made to diversify and enhance bilateral cooperation. Similar economic reforms in most of the countries in the region have facilitated mutually beneficial cooperation. There have been an increased number of visits of official and private business delegations to and from the region. India has trade and economic agreements with 7 countries of the region and set up Joint Business Councils with some other countries. In continuation of the FOCUS LAC Programme, exclusive Indian exhibitions have helped the dissemination of information on the opportunities available for mutual beneficial economic interaction. Due to concerted efforts trade between India and the LAC region in 1997-98 has grown to over US \$ 1.3 billion.

In the field of culture India enjoys considerable goodwill in the LAC region. Some of the countries like Guyana, Suriname and Trinidad & Tobago have a substantial percentage of people of Indian origin. The region also has also more than 500 institutions, schools, libraries and streets named after Indian leaders. At the institutional level there are cultural agreements and Cultural Exchange Programmes with governments that provide the framework for meaningful interactions between artistes, academicians and scholars. In addition, India gives technical assistance under the ITEC programme to several countries of the region.

India also has been able to establish institutional relations with the regional organisations like the Organisation of American States (OAS), Association of Caribbean States (ACS) and the Andean Community where we have Observer Status. India participated in the meetings of the regional organisations in our capacity as Observers. A mechanism for dialogue with the Rio Group and MERCOSUR has also been established.

After the nuclear tests on 11 & 13 May, 1998, Brazil cancelled the Agreement with India on Cooperation in Peaceful Uses of Nuclear Energy. The OAS General Assembly held in Caracas, 1-3 June, 1998 through a resolution condemned Indian and Pakistani nuclear tests and urged them to refrain from further testing, missile deployment and weaponisation.

The President of India Shri K R Narayanan paid a State visit to Peru from 29 April - 3 May, 1998 and held discussions with President Fujimori. Two bilateral documents - (i) MoU on Cooperation in Space Technology between ISRO of India and its counterpart Peruvian agency CONIDA and (ii) A Work Plan for Cooperation in the field of Agriculture - were signed during the visit. The President had wide ranging discussions with President Fujimori on issues of mutual interest. Peru is the first country in Latin America with which India has signed a MOU for cooperation in space.

President Shri K R Narayanan also paid a State visit to Brazil from 3-8 May, 1998. During the visit, President had fruitful discussions with President Cardoso of Brazil in the presence of the two delegations. The Brazilian delegation included the Ministers of Foreign Affairs, Health, Science & Technology and Agriculture. The President of India was assisted by the Minister of Civil Aviation. An Implementing Arrangement for cooperation in the field of Health and Medicine under the Agreement on Cooperation in Science & Technology was signed for cooperation in areas like biotechnology, epidemology, Public Health Systems, Traditional Medicine, Pharmacology and Pharmaceuticals, Infectious Diseases, Maternal and Child Health care and Tropical Medicine. A MoU on Cooperation between Foreign Service Institute of India and the Rio Branco Institute of Brazil was also signed during the visit. A Festival of India was held in Brazil on the occasion of the President's visit. The Festival was inaugurated in Brasilia by the two Presidents.

Subsequent cultural events were held in Sao Paulo, Rio de Janeiro and other major cities in Brazil. The Minister of State for External Affairs Smt Vasundhara Raje led the Indian delegation to the Ministerial Meeting of the NAM Coordinating Bureau in Cartagena, Colombia 18-20 May, 1998. During the visit, the Minister interacted with her counterparts and briefed them on our foreign policy priorities and the

context in which India undertook the nuclear tests. The Minister also called on the President of Colombia.

Utilising the opportunity provided at the 53rd Session of the UNGA, Prime Minister had a meeting with the President of Honduras and Minister of State for External Affairs met the Foreign Minister of Uruguay. During the XII NAM Summit at Durban, the Minister of State for External Affairs had bilateral meetings with the Foreign Ministers of Cuba, Grenada, Guyana, Jamaica and Suriname and discussed matters of bilateral and multilateral interest.

At the invitation of the Cuban Minister of Agriculture, Mr Alfredo Jordan Morales, the Minister of State for Agriculture Shri Som Pal visited Cuba 27-30 September, 1998. During the visit, areas of cooperation in agriculture and animal husbandry were identified.

The Minister of Power Shri R Kumarmanglam paid an official visit to Venezuela 17-20 September, 1998. He was accompanied by a group of select businessmen interested in the power sector. During his stay in Venezuela, the Minister called on President Caldera and held discussions with the Venezuelan Ministers for Energy and External Relations on matters of mutual interests. The visit was essentially to study and assess the commercial viability of the fuel ORIMULSION, a Venezuelan product which has been included by Government of India in the list of approved fuels for power generation.

Invited by the Rural Society of Argentina, the Minister of State for Agriculture, Shri Som Pal visited Buenos Aires 8-10 August, 1998 to attend the inauguration of Argentina's most important trade fair -112th Agriculture Trade Fair.

Shri Nareshwar Dayal, Secretary in the Ministry of External Affairs visited Jamaica, Suriname and Venezuela for consultations in the context of the NAM Summit. Shri Kamlesh Sharma, India's Permanent Representative to the United Nations, visited Havana from 13-16 August, 1998 for discussions with his counterparts in Cuba.

Shri K M Chandershekher, Joint Secretary, Ministry of Commerce visited Cuba from 9-14 August, 1998 and held discussions with Cuban authorities on the question of revival of trade between India and Cuba. Shri Ramiah Rajagopalan presented his credentials on 9 September, 1998 as the Ambassador of India to Cuba to the Vice-President of the Council of State of Cuba Mr Juan Almeida Bosque, in the presence of the Cuban Foreign Minister. The first ever exclusive India Products Fair was held in Mexico City from 3-9 March, 1998. Simultaneously with the Fair, an Indian Food Festival and Cultural Festival were also held which received tremendous response from the Mexican business community as well as general public.

India received a tremendous response and cooperation from the countries of the LAC region for the celebrations of the 50th Anniversary of India's independence. A 2-member Venezuelan Parliamentary delegation consisting of Deputy Julio Castillo, Vice Chairman of the Chamber of Deputies and Deputy Gustavo Tarre Briceno, Chairman of the Permanent Commission on Finance of the Chamber of Deputies visited India from 5 to 12 July, 1998, at the invitation of the Lok Sabha. They had useful interactions with Members of Parliament in India. General elections were held in Belize on 27 August, 1998. The Opposition Peoples United Party (PUP) won a landslide victory capturing 26 out of total 29 seats. PUP leader Said Musa will be the next Prime Minister of Belize. Mr Raul Cubas Grau was sworn in as President of Paraguay on 15 August, 1998. Mr Jamil Mahuad witt was elected as the new President of Ecuador on 12 July, 1998 and was sworn in on 10 August, 1998.

Mr Andres Pastrana Arango, of the Conservative Party was declared President- elect of Colombia in the final round of elections on 21 June, 1998. He took over office on 8 August ,1998. A new Government with H.E. Mrs Sussy Camelia Romer of National Party (PNP) as Prime Minister assumed office in Netherlands Antilles. Though the general elections took place in December 1997 till now there was only an interim Government in power due to lack of agreement between the various parties. Sir James Fitz-Allen Mitchell was re-elected as the Prime Minister of St. Vincent & the Grenadines after his New Democratic Party won 8 of the 15 seats in Parliament in the general elections held on 15 June, 1998. This is his fourth consecutive term as PM of St. Vincent & the Grenadines. H.E. Mr Miguel Angel Rodriguez E assumed charge as President of the Republic of Costa Rica on 8 May, 1998.

On 26 October, 1998 Peru and Ecuador signed a Peace Agreement at Brasilia ending a border dispute which started in 1942 and led to a number of border clashes, the last one in 1995. This was the last explosive border dispute in Latin America. The impact of Asian currency crisis and the Russian crisis affected most of the Latin American economies, forcing the respective governments to adopt stringent austerity measures. Brazil was the worst affected. In view of the turbulent economic situation in the region, it is anticipated that trade between India and Latin America would receive a setback in the coming months. In Guyana, where there is a significant presence of people of Indian origin, tension prevailed following violence between the Indo-Guyanese and Afro- Guyanese, especially after the disputed Presidential elections held in December 1997. All efforts, including that of a CARICOM Audit Committee, to find a solution have not succeeded.

Hurricane Georges hit Antigua & Barbuda, Dominican Republic, Haiti and St. Kitts & Nevis causing widespread damage to property and loss of life. The Government of India has sent token relief assistance in the form of medicines to these Caribbean countries affected by the hurricane. Central America in general and Honduras and Nicaragua in particular were badly hit by Hurricane Mitch causing devastation and enormous loss of human life and property. Infrastructure and crops were destroyed due to the resultant floods and landslides. Token assistance of medicines is being sent to Honduras, Nicaragua, El Salvador and Costa Rica.

The new Ambassador of Argentina, H.E. Mr Gerardo Manuel Biritos presented his credentials to the President of India on 20 March, 1998. H.E. Mr Vicente Enrique Anchordoqui Cannizzaro, Ambassador of Uruguay, presented his credentials to the President of India, on 12 November, 1998. Mr Hugo Chavez, a retired army Colonel, was elected as the next President of Venezuela. The new Government under Mr Chavez will officially be sworn in on 2 February, 1999.

Prime Minister of India Shri Atal Behari Vajpayee paid an official visit to Trinidad & Tobago on 8-9 February, 1999 and held discussions with Prime Basdeo Panday on a wide range of topics of mutual interests. An Agreement on Avoidanceof Double Taxation and a MemorandumofUnderstandingon Low Cost Housing were signed during the visit. Prime Minister laid the foundation stone for the Mahatma Gandhi Institute of Cultural Cooperation in Portof Spain and also inaugurated a Low Cost Housing Support Centre in Trinidad city. Prime Minister led an Indian delegation to G-15 Summit held in Montego Bay, Jamaica 9-12 February 1999.

H.E. Mr Owen Arthur was re-elected as Prime Minister of Barbados in the election held on 20 January, 1999. H.E. Mr Fernando Henrique Cardoso assumed office of the President of the Federative Republic of Brazil on 1 January, 1999 for a second term. H.E. Mr Keith Mitchell who was re-elected in the general elections held in January 1999 was sworn in as the Prime Minister of Grenada. H.E. Mr Hugo Chavez was officially sworn in as the President of Venezuela on 2 February, 1999. uu

USA INDIA CENTRAL AFRICAN REPUBLIC CANADA ITALY URUGUAY GUYANA SURINAME BRAZIL VENEZUELA PAKISTAN PERU COLOMBIA HONDURAS CUBA GRENADA JAMAICA JORDAN ARGENTINA MEXICO BELIZE PARAGUAY ECUADOR COSTA!!RUSSIA ANTIGUA & BARBUDA DOMINICA HAITI NICARAGUA EL SALVADOR SPAIN

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abinet Secretariat to solicit the Cabinet approval. A formal foundation stone laying ceremony took place on 13 April at 5 p.m. by the Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje. The Division participated in the Preparatory Committee (PREPCOM) negotiations held at New York on the Establishment of International Criminal Court (ICC). The Division also participated in the UN Plenipotentiary Diplomatic Conference on the Establishment of ICC held at Rome from 15 June to 17 July, 1998. At the Diplomatic Conference India made a proposal for the inclusion of terrorism within the jurisdiction of the ICC. India also proposed the inclusion of the use of nuclear weapons and the weapons of mass destruction in the category of war crimes.

The Legal & Treaties Division participated in negotiations, held at Paris, France from 1-3 April, 1998, and at Sofia, Bulgaria from 12-14 October, 1998 for concluding extradition treaties, respectively with France and Bulgaria. The Division also participated in negotiations with Norway, held at Delhi from 28-29 May, 1998, for the conclusion of agreements on mutual legal assistance in criminal matters and in civil matters. Draft texts of agreements were adopted in principle and initialled, are pending formal signing.

This Division examined various extradition requests and requests for mutual judicial assistance, received both from domestic as well as foreign jurisdictions and rendered legal advice therein. Various requests prepared by CBI, aimed to seek assistance from foreign countries in ongoing criminal investigations including those with which there exists no formal agreement in this area, were also examined by this Division. Legal advice was rendered in all extradition court cases pending in Indian and foreign courts. Draft extradition treaties and mutual judicial assistance agreements were prepared for proposing them to foreign countries for their consideration for concluding treaties/agreements on thee subject matters. Also examined draft treaties/agreements on these subjects proposed by foreign countries for the consideration of Indian authorities.

This Division also participated in an interministrial meeting convened by the Ministry of Defence at New Delhi on 17 June, 1998 for discussion on a proposal regarding the constitution of Maritime Tribunals. At the Initiative of the Austrian Government, 'European Convention on the transfer of sentenced persons' was examined in this Division, with a view for India's becoming a party to the Convention. On examination, the matter found several merits. Nevertheless, further process of the proposal would have to await the enactment of suitable domestic enabling legislation.

The Division participated in the Meeting of Senior Officials of Law Ministries held at London from 26-29 May, 1998. Various subjects were discussed in the meeting like computer and computer related crime; 50 years of Universal Declaration of Human Rights; Promoting and Implementing Human Rights; Advancing the Right to Information; criminal justice in the elimination of violence against women and mutual judicial assistance. A joint Meeting of Commonwealth Finance and Law Officials on Money Laundering was held at London from 1-2 June, 1998, for discussions on special problems of parallel economies and coordination of efforts in combating money laundering at the national level, where in the Ministry was represented by this Division. Also the Division participated in the Expert Group Meeting to negotiate the text of the SAARC Convention on Preventing and Combating Trafficking in Women and Children for Prostitution, held at New Delhi from 18-19 June, 1998.

The Division participated in the meeting of experts convened to review the general problems concerning the Fourth Geneva Convention relative to the Protection of civilian Persons in time of War from 27-29 October, 1998 at Geneva. The Meeting discussed the ways of implementing the IV Geneva Convention during armed conflict with a special focus on occupied territories specially in the context of the changing character of international and non-international armed conflict situations.

India has signed/ratified many bilateral agreements in various fields during the year. A list of treaties/agreements entered into by India with foreign countries during the year is given at Appendix-IX. A list of instruments of full powers issued during 1998 for signing treaties/agreements on behalf of India is at Appendix-X and a list of instruments of ratification is at Appendix-XI Uu 1999

Foreign Economic Relations

Economic Division In the year under review, India faced a challenging international economic scenario. Whereas the global economy had recorded a modest growth of 3% per annum during the period 1994-97, it became widely apparent in 1998 that world economy may be hurtling towards economic contraction and a phase of intense instability. The recent but persistent financial crisis, which first hit East and South East Asia in 1997 and later showed its contagion effect in Russia, Latin America and even US and Europe, had shaken the world out of complacency. Recessionary trends in Japan further compounded the depressing economic and business scenario prevailing in the world today. As the recession spread, the investors shied away from the emerging economies. Even relatively insulated economies such as India and China felt its adverse impact. These events only proved how the economies all over the globe had become inter-linked in an era of globalisation.

The direct impact of these developments on India had been somewhat limited last year. However, since the beginning of 1998, it became apparent that the crisis in these regions had been more deep-rooted than expected. Following four years of impressive performance, India's industrial and export growth started turning sluggish since 1997-98. Notwithstanding the increasing strains and dampening effect on India's external trade sector, macro-economic fundamentals of Indian economy remained strong. Against this setting, ensuring India's economic security and maintaining the momentum gained in Indian export expansion, FDI and FII inflows, technology transfers and that the confidence in the Indian economy was not eroded, was the major challenge confronting the economic diplomacy of India.

A key role that the Economic Division has been entrusted with and which it has been playing vigorously is the promotion of India's economic and commercial interests. The Economic Division interacted intensively with various Ministries, apex chambers of commerce and industry, business organisations, trade promotion councils & agencies and the business community to evolve strategies and contribute to

promotion of trade and investment. The Division was associated with a number of economic policy making bodies, both inter-ministerial and public sector undertaking and industry associations. In particular, Economic Division represented MEA on the boards of EXIM Bank, Indian Trade Promotion Organisation, Empowered Committee of Oil and Natural Gas Commission-Videsh Limited, Special Committee of the Reserve Bank of India on Indian Investments Abroad, RITES, WAPCOS, Overseas Construction Council of India, National Centre for Trade Information, etc. This enabled the Ministry to provide not only the political inputs and MEA's thinking on various subjects but also the regional and global perspectives on various policy issues which have a bearing on the economic interests of India. Having been closely associated with the policy making aspects of trade reforms and liberalisations, streamlining of procedures for promotion of Indian exports and Indian investments overseas, analytical inputs were provided to the nodal ministeries.

Another key role that the Economic Division undertook was to provide a standard backstopping arrangements and a nodal point for addressing the concerns of Indian exporters and industry by providing and seeking timely inputs to and from our Missions. Keeping in view the crucial importance of information dissemination and providing value added information, the Economic Division continued to provide a backup support and information wherewithal to our Missions abroad to enable them to carry out their economic and commercial functions effectively. The Economic Division continued to update its information base on the Indian economy, evolution of trade, economic and investment policies, database of Indian exporters, opportunities for Indian exporters abroad and technology-related aspects by liaising with concerned Government departments and trade information networks in India. Thus the Division could respond effectively and in a timely manner to various economic and commercial queries from the exporters and our Missions abroad. The Indian Missions were also advised from time to time to upgrade their databases and establish connectivity to online databases, develop promotional strategies and undertake large scale information dissemination campaigns regularly so that India's economic policies and concomitant opportunities reached out to the largest cross-section of the local investors and business community. Missions were continuously urged to improve upon their lead response time in addressing the concerns and interests of Indian business and exporting community. While impressing on the Missions to accord highest priority to economic and commercial work, greater emphasis was placed on effectively projecting India's image and building up a global India Brand Equity as a competitive economy as well as in a number of niche products, both traditional and non-traditional including financial services and Information Technology sectors so that a major export thrust could be achieved.

Being the export-promotion cell of the Ministry, the Economic Division interacted and rendered inputs and assistance in trade promotion efforts of Government agencies and industry associations in order to evolve a pragmatic approach towards our export promotion efforts and further improvements in our trade promotion strategies. The Division assisted in the efforts of various organisations in promoting the participation of foreign business organisations in Indian trade fairs and Indian business in foreign trade fairs, sector- specific seminars, road shows, buyer-seller meets etc. The Division also provided assistance in facilitating contacts between Indian businessmen and their counterparts in major target countries and where required in match making and joint ventures, penetrating new markets, marketing and trade promotion activities etc. Economic Division was actively associated with the "Made in India" show in South Africa and FICCI/CII exhibition in Oman, which were specifically aimed at showcasing India's achievements, strengths and potential and promoting Indian brand image abroad. The Division facilitated through contact with foreign Missions in India and Indian Missions abroad and in collaboration with apex chambers the visits of business delegations to and from India. The Indian industry and business community was increasingly associated in various events of G-15, IOR-ARC, BIMST-EC so that eventually there are trade and investment spin offs for India. The Division circulated wide range of useful information from time to time to apex business chambers and our missions abroad. The Division also received a number of trade complaints both from Indian and foreign companies which were promptly attended to in consultation with our Missions and concerned agencies including DGFT.

The Economic Division was involved in processing more than 150 proposals for setting up joint ventures and wholly owned subsidiaries relating to Indian investments overseas involving over US\$ 250 million. Similarly the information on foreign investment regulation from various countries were procured and analysed in order to advise other concerned ministries on the viability of incorporating relevant and competitive aspects in our own policies. Another important work of the Economic Division was its increasing and active involvement in work relating WTO. The Division provided inputs on a large number of trade related subjects to influence and purse the issues of interest to India. The Economic Division was actively associated in providing inputs and international perspective as well as political economic assessments in deliberations of various joint business councils and joint commission/committees.

The Economic Division has been actively contributing to crisis management as well as damage containment and damage prevention on a number of market access and trade related problems and issues affecting India's exports and imports. Emerging patterns with regard to regional groupings, free trade areas, trade blocs, market access related issues and use of restrictive and protectionist policies by various countries which have an impact on the Indian exports were monitored closely and strategies devised to best cope with non-tariff and technical barriers of various kinds. For instance EU has emerged as the largest user of trade protection instruments during the last 2-3 years on imports from India. In particular Indian textiles, steel products, engineering goods and pharmaceuticals have been subjected to around 25 anti-dumping and anti-subsidy investigations. Some of the items like unbleached cotton fabric, bed-linen, synthetic fiber ropes had been repeatedly targeted. The defence of such actions called for elaborate steps and extensive lobbying efforts.

The Economic Division actively participated in coordinating efforts of the concerned Ministries, Export Promotion Councils, Trade Associations, Indian Missions abroad to take up the issues at appropriate fora to safeguard the interests of Indian industry. As a result of this coordinated action, EU's anti-dumping case on imports of unbleached cotton fabric from India ended satisfactorily without imposition of any definitive duties. Economic Division was also actively involved in monitoring and analysing the impact of economic sanctions imposed by certain countries after the nuclear tests by India. With regard to child labour issue which is increasingly being used for protectionist purposes, the Economic Division continued in its efforts to project the problem in its right perspective and to dispel the misconceptions and skewed impressions propagated by various vested interests in our major export markets. In another case involving grant of patent by US Patent and Trade Mark Office to an American company on basmati rice, the Economic Division actively participated in an inter-organisational exercise to prevent misappropriation of indigenous biogenetic resources of India by other countries.

Apart from the economic and trade-related activities, the Economic Division also processed the Government of India's nominations for various courses and training programmes offered by Singapore under the Colombo Plan and Thailand and Indonesia under the Technical and Cooperation among Developing Countries. Multilateral Economic Relations Introduction The world found itself in a difficult and uncertain economic environment during the year. What had started off as a liquidity crisis in Thailand in mid-1997 snowballed in 1998 into a loss of investor confidence in emerging markets as a whole, and more specifically in the ASEAN countries, South Korea and in Russia. One country after another experienced a sharp downturn in its stock market and a depreciation of its currency owing to a decline of confidence in the viability of its banks and financial institutions. The vast foreign capital that had made possible the Asian miracle of the 80's and early 90's, began to drain out rapidly.

Although largely protected from similar capital outflows, the Indian economy suffered on account of declining demand for its goods and services in South-East and East Asia, Russia and in recession-struck Japan. But despite the uncertain market conditions, Indian exports sustained their growth in the US and other select developed markets, and that in the face of increasingly competition. India's resilience gives us the confidence that Indian industry will be well- positioned to take advantage of the global recovery when it begins. Today, governments are being called upon to have a more active economic agenda. The World Development Report of 1997 says that development requires an effective State, one that plays a catalytic, facilitating role, encouraging and complementing the activities of private. Businesses and individuals. The reform agenda is hence not just one of liberalisation and a greater reliance on market forces. It is as importantly a redefinition of the government's economic role and responsibilities. Driven by globalisation, rapid diffusion of new technologies, and multilateral harmonisation of international economic activity, there are changes continuously taking place in global trade and investment, with both government and business having to respond.

The Ministry has accordingly made use of its vantage position by its outreach with economic agencies both within and outside the country, and thus has been a conduit for the flow of information. Our work with economic ministries and state governments as well with trade and industry associations helped our embassies abroad to project the range of opportunities for foreign investors in India. We have tried to play the role of an informed and committed intermediary helping to interpret the expectations that India and the outside world have of each other. Our effort has been to interpret change, identify opportunities and anticipate challenges for our industries and companies. Our objective has been to balance the country's self interest with obligations deriving from our participation in the larger international economic community. Our work, therefore, has been an integral part of India's collective endeavour for commercial and economic development and for a greater Indian presence in the world markets.

Multilateral Economic Relations Division In the light of these parameters, Multilateral Economic Relations (MER) Division has pursued promotion of India's relations with international multilateral economic organisations and regional, sub-regional and supra-regional economic and trade groupings. Given the emerging importance of the World Trade Organisation (WTO), the Ministry was actively involved in trade policy-making in GOI and in negotiations on various trade issues. WTO issues are an integral and intrinsic part of international relations and impact on our overall economic and political relations with other WTO member countries. Accordingly, important multilateral developments which have a bearing on global trade and commerce, are regularly analysed and monitored. Inputs on various trade policy issues like Investment, Competition Policy, Government Procurement, Intellectual Property Rights, etc. are duly conveyed to concerned GOI Ministries from time to time. Besides theoretical analysis, MEA was also represented at important events like the Second WTO Ministerial Conference at Geneva to ensure that it keeps abreastof the nuances involved in the WTO multilateral negotiations.

India's Dialogue Partnership with ASEAN saw many positive developments this year. The Second Meeting of the ASEAN-India Joint Cooperation Committee (AIJCC) was held at Singapore on April 28-29, 1998. India reaffirmed its solidarity with ASEAN in the wake of the financial crisis plaguing the region. Measures outlined by India in this context included Government-to-Government Credit, Exim Bank credit for trade finance, facilities for counter trade, EXIM Bank credit finance for outward and inward investment to and from South-East Asia, feasibility study and consultancy financing by EXIM Bank for infrastructure projects, guarantees and counter guarantees for trade finance, and enhancement of Indian Technical and Economic Cooperation Programmes for ASEAN countries.

As part of the on-going India-ASEAN Cooperation in academic and People-to-People Contacts, the India-ASEAN Lecture Series was initiated in December 1996. As many as five lectures by eminent persons from ASEAN countries were organised between May and August 1998. These included Dr Thaksin Shinawatra, former Deputy Prime Minister of Thailand, Mr Kavi Chongkittavorn, Executive Editor of "The Nation" (Bangkok), Dr J Soedradjad Djiwandono, former Governor of Central Bank of Indonesia, and Prof Tommy Koh, Ambassador-at-Large, Ministry of Foreign Affairs of Singapore. From the Indian side, eminent Space scientist Prof U R Rao delivered lectures in Malaysia and Dr R A Mashelkar, Director General of CSIR in Thailand.

A large contingent of scientists was deputed to participate in the Fifth ASEAN Science and Technology Week (FASTW) and Exhibition held at Hanoi, Vietnam from October 12-15, 1998. Besides taking part in the deliberations, the scientists made focussed presentations on the scientific and technological strides made by India. India also put up a stall at the Exhibition where its strengths in Information Technology, Remote Sensing, Advanced Materials, Biotechnology and India's vision 2020 were highlighted.

An India-ASEAN Small and Medium Enterprises (SMEs) Partenariat was organised by FICCI from November 10-11, 1998. The Partenariat was designed to facilitate business linkages amongst Indian and ASEAN SMEs by providing them an opportunity to interact closely and to apprise themselves of mutual strengths and complementarities. In all, 27 SME companies from ASEAN and nearly 200 representatives from Indian companies, participated in this event.

The nascent regional grouping called Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation (BIMST-EC), launched in June, 1997, registered commendable progress. India participated in the BIMST-EC Working Group meetings, to give shape to emerging initiatives for cooperation. The BIMST-EC Economic Ministers' Retreat held on 7 August 1998 at Bangkok. decided that lead countries would coordinate cooperation in the six priority sectors, viz., Trade and Investment (Bangladesh), Technology (India), Transport and Communications (Thailand), Energy (Myanmar), Tourism (Sri Lanka), and Fisheries (Sri Lanka).

With the Ministry's support and in collaboration with the Ministry of Tourism, the Confederation of Indian Industry organised a BIMST-EC Tourism Summit at Calcutta from October 30-31, 1998 which was attended by the Tourism Ministers, senior Tourism Officials and travel trade representatives from BIMST-EC countries. It adopted an Action Plan identifying short, medium and long term measures and policies covering areas such as infrastructure corridors, facilitation and promotion measures, declaration of the Year 2001 as 'Visit BIMST-EC Year', Buddhist Circuit and technical training.

India also participated in the Second BIMST-EC Ministerial Meeting held at Dhaka from December 17-19, 1998. The meeting emphasised the need to take practical initiatives to implement projects in agreed sectors of cooperation. It recommended establishment of multimodal transport linkages, regional cooperation in the energy sector, promotion of tourism and active participation by the private sector for intensifying existing linkages between members. The meeting approved admission of Nepal as an Observer besides evolving general guidelines for admission of new observers and guests. It also outlined future priorities including South-South cooperation, trade facilitation and development of a free trade arrangement enhancing regional complementarities and taking initiatives for making the international economic and trading system more favourable for developing countries.

As in the past, India adopted an active profile in the context of 'Group of 15'(G-15) activities during the year. It participated in the Eighth G-15 Summit held at Cairo from May 11-13, 1998. The high-level Indian delegation to the Summit was led by the Hon'ble Vice-President. The Summit focussed on two major themes, viz., developments in international financial markets; and developments in the Multilateral Trading System and enhancement of intra-G-15 Cooperation in trade and investment. The Summit examined different perspectives and called for comprehensive and urgent action on preventing the spread of the financial turmoil in East and South East Asia. On the issue of the multilateral trading system, the Summit focussed on evolving common (developing) country positions on various matters to be taken up at the Second WTO Ministerial Conference at Geneva in May 1998, as well as on facilitating a positive agenda for developing countries.

Apart from providing an Indian perspective to the two main themes of the Summit, the Indian delegation also played a major role in focussing Summit discussions on issues like terrorism and biodiversity. On WTO issues, India emphasized that the pursuit of liberalisation which has become WTO's raison d'etre, was not an end in itself and should meet the core objectives of rapid development, welfare gains and best returns for the extant and potential resources of developing countries. Towards this end, India submitted proposals outlining developing countries' concerns and possible ways of ensuring special and differential treatment to developing countries in all aspects of the WTO agenda and its implementation.

An MOU on Small Scale Industries Cooperation was concluded between India and Egypt under the framework of the SSI Cooperation Project. The business cooperation pursued in parallel with the Summit included the setting up of a G- 15 Federation of Chambers of Commerce and Industry. A composite Indian business delegation from the apex Chambers participated in the business workshop. India also exhibited a cross-section of its products under the theme "Modern India" at the G-15 Business Exhibition.

In pursuance of its commitment at the Cairo Summit, India hosted a G-15 Symposium on 'Special and Differential Provisions for Developing and Least Developed Countries in the Uruguay Round Agreements' in New Delhi from November 10-11, 1998. The Symposium reiterated that the commitments made in the Uruguay Round Agreements must be fulfilled. The deliberations revealed that there was a common approach with regard to strengthening of certain concessions inherent in the WTO Agreement in the areas of longer transition periods, larger threshold limits, reorientation of 'best endeavour' clauses, linking of S&D treatment to development parameters, improvement of market access for developing countries through S&D provisions, transfer of technology, technical assistance and cooperation.

India also participated in the Ninth G-15 Summit held at Montego Bay, Jamaica from 10-12 February 1999. Hon'ble Prime Minister led the Indian delegation to the Summit. The G-15 Summit Meetings deliberated extensively on issues of concern to developing countries. These included discussions on the current international economic situation including the need for an international consultative process in respect of capital flows, reaffirmation of the importance of a transparent, fair and equitable rules-based multilateral trading system under the World Trade Organisation, reform of the international financial architecture, South-South and intra G-15 cooperation and prospects of undertaking a G-15 - G-8 dialogue in these matters.

All such priorities were duly reflected in the Joint Communique issued at the end of the Ninth Summit. In order to be able to cope with challenges posed by globalisation and economic liberalisation and the

ongoing financial crisis, members agreed to promote convergence of viewpoints on these issues. They also called for enhanced regional and international cooperation to combat the menace of terrorism. India's offer to host a G-15 meeting at an appropriate level in preparation for the Third WTO International Conference was welcomed by the participants at the Ninth G-15 Summit. They also endorsed India's proposal which suggested adoption of a strategic sectors approach towards South-South cooperation focussing on core areas like bio-technology, information technology and infrastructure development.

India also took active interest in the programmes of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). It participated in a major Indian Ocean Rim Trade Exhibition organised in Oman (Muscat) from October 10-14, 1998. India also participated in the First Meeting of Experts on Standards & Accreditation from November 9-11, 1998 in Colombo. A high-level delegation was deputed to participate in the First IOR-ARC Senior Trade Policy Officials Meeting held at Perth (Australia) from December 7-8, 1998. The Second Ministerial Meeting of IOR-ARC is scheduled to take place in Maputo (Mozambique) in March 1999. A high-level Indian delegation is expected to participate in the meeting. A Seminar on Trade and Investment in IOR-ARC countries, which will be coordinated by the IOR-ARC Chair in the University of Mauritius, is planned to be held alongside the meeting.

India is an active member of the 'Group of 77' and participated in the Annual Ministerial Meeting held at New York on 25 September, 1998 which was held against the backdrop of a global financial crisis and prospects of an economic recession. India has taken initiatives on (a) sensitisation and consciousness raising on the gravity of problems and on the systemic crises that need to be highlighted besides highlighting opportunities presented by the situation for developing countries (b) getting developing countries to focus on key issues that they need to stress and negotiate with the developed countries in the financial, monetary and trading system, (c) drawing attention of the North to the key concept of international public good rather than just market forces being an important determinant of international economic policy and order, (d) bringing back the focus on concessional financial flows, more favourable and relatively unhindered transfer of technology and special and differential treatment in trade to developing countries as part of development cooperation agenda, and (e) establishing synergy and connectivity between this agenda and the new liberalisation and globalisation agenda.

As a symbol of its solidarity with Africa, India participated in the Second Tokyo International Conference on African Development (TICAD-II) which was held in Tokyo from October 19-21, 1998. About 80 countries and 40 international organisations and the UN Secretary General, participated in the event at which the developmental concerns and priorities of African countries received attention. The need to step up the level of developmental assistance and cooperation with African countries was duly recognised by developed countries.

India's intervention highlighted its special relationship with Africa and commitment to deeper economic cooperation as well as ongoing technical assistance projects in Africa. It recommended adoption of triangular cooperation involving developed countries or international organisations along with the technical expertise of a developing country for projects in Africa. In keeping with its commitment at the South-South Conference on Trade, Finance and Investment held in San Jose (Costa Rica) in January 1997, India hosted a "G- 77 Trade Fair and Trade Conference" in New Delhi in November 1998. The objective was to enhance South-South Cooperation by providing an opportunity for developing business contacts and networking amongst the G-77 countries, and also to create greater awareness for enhancing business opportunities by utilising the vast trade, economic and business potential existing in the South.

A New Delhi Declaration setting the agenda for Trade and Investment cooperation for G- 77 was adopted.

With the developed world's think-tank and policy consultation body, Organisation for Economic Cooperation and Development (OECD), India continued to develop a policy dialogue relationship. It participated in OECD's outreach programmes for Dynamic Non-Member Economies (DNMEs) by deputing experts to attend the OECD Seminars/Workshops on Steel Trade Issues, Benefits of Trade and Investment Liberalisation, Practical Application of Tax Treaties, Agricultural Policies, etc.

Technical Cooperation The Technical Cooperation Division administers bilateral assistance on a Government to Government basis to 130 developing countries in Africa, Asia, Latin America and Eastern Europe. While most countries in the world either give or receive technical assistance, India is unique in both receiving and giving technical assistance in a major way, the latter through two programmes conducted by TC Division, the Indian Technical and Economic Cooperation (ITEC) and the Special Commonwealth African Assistance Plan (SCAAP) programme. In this Report, reference to ITEC will also include SCAAP as the two programmes are different only in the budget heads under which accounts are maintained.

The ITEC Programme has four major components:

(1)Training (both Civil and Military)

(2)Projects, including feasibility studies and consultancy services

(3) Deputation of Experts and

(4)Study Tours for foreign decision-makers to India. In regard to Civilian Training, 1485 slots were provided under ITEC during this year in 39 prestigious Training Institutions and Establishments (Appendix - XIII) of which 1326 slots were utilised (lists at Appendices - XIV-XV). These slots were for training in various types of courses such as Audit and Accounts, Banking, Diplomacy, Manpower Planning, Parliamentary Studies, Poultry, Rural Development, Small Scale Industries, Computers and Software, Maintenance of Biomedical Equipment, Food Processing Technology etc. During the year, a new subject "English Language for Professional Purposes" was introduced into the Programme and courses in various S&T fields were conducted for Vietnam and Cuba under special Agreements.

A special training course was conducted for 25 Zimbabwean Police Officers in computer software. The wife of the Prime Minister of Senegal Mrs Silvie Aicha Loum was trained at the Fragrance and Flavour Development Centre, Kannauj and KVIC, New Delhi on production of Agarbatti and Dhoop Batti to enable her to organize Dhoop production centres for unemployed women in Senegal, using locally grown raw materials. Training slot offers to Iraqi nationals under sanction-affected Iraq were increased from 35 to 50 in the current financial year. These offers cover many fields such as agriculture, water management, desert cropping, genetic engineering, tyre industry, telecommunications and several others.

The assistance offered under ITEC is a fully self-contained package inclusive of international air passages, boarding, lodging and training costs etc. Currently, India bears an average cost of Rs.1.25 lakhs on each foreign participant under the ITEC Programme which has benefited over 10,000 nominees of foreign Governments since its inception in 1964. Demands for our training programmes are growing as during

1998-99, 1326 nominees were trained which is the highest number as compared to 1995-96 (970 nominees), 1996-97 (1001 nominees) and 1997- 98 (1031 nominees).

Every year ITEC Day is celebrated by the Indian Missions abroad on 15th September. This year the event was also celebrated at Headquarters after a gap of 5 years. The event was attended by about 350 guests consisting of Heads of Diplomatic Missions/other Diplomats of more than 60 countries who are recipients of ITEC assistance, high-level Government officials, representatives of various Training Institutes, media personnel and about 100 trainees both civilian and military trainees who were at that time undergoing training at various Institutes located at New Delhi. The gathering was addressed by the Foreign Secretary who spoke about various activities being undertaken under ITEC Programme and its future orientation. This was followed by a cultural programme presented by candidates from Zimbabwe, Uzbekistan, Mauritius, Uganda.

On December 14-15, 1998, a Conference of the Training Institutes empanelled under ITEC was convened at New Delhi under the Chairmanship of Secretary (ER) Shri S T Devare and addressed by AS (FA) Shri B N Jha. The Conference was the first of its kind organized by the Ministry of External Affairs and was considered timely in view of the growing potential which training and capacity building activities for promoting India's bilateral relations with the developing countries. The Conference was also useful to discuss problems of coordination between our Diplomatic Missions, the Training Institutes and TC Division and many suggestions for procedural improvements emerged from it. There was a consensus that India can be more effectively projected through the ITEC programme as an important training destination for developing countries by streamlining the effectiveness of performance at these three levels. Training Institutes, appreciating the leverage which, having an international profile, can give them to generate important commercial spin-off benefits for themselves, and by extension for the country, were urged to improve their performance under ITEC accordingly.

Military Training is another important task undertaken under ITEC Programme. TC Division is a nodal point for organizing Military Training for nominees of friendly foreign Governments in some of the more prestigious Defence institutions of India such as Indian Military Academy, National Defence College, Defence Service Staff College etc. During this year approximately 198 slots for long and short term training courses were offered under ITEC and approximately 237 slots under Self-Financing Schemes. Some slots were also offered on a reciprocal basis. Appendices - XVI-XIX contain the lists of countries whose candidates were trained under ITEC Programme.

Another important aspect of the ITEC Programme is project cooperation with partner countries. Such cooperation, extended over many years since ITEC was established in 1964, has enhanced India's image as acountry which is generous insharing her experience and expertise acquired in the past fifty years of her independent existence, with other developing countries. In 1998-99 plans to establish a Plastic Technology Demonstration and Common Facility Centre in a backward region of Namibia by NSIC at a cost Rs. 3.40 crores were finalised, soon after a visit to that country by the Indian Prime Minister Shri Atal Behari Vajpayee. A major project to set up an Entrepreneur and Technical Development Centre (ETDC) at a cost of Rs.13 crores in Dakar (Senegal) launched last year in fulfillment of a G-15 commitment, was executed in considerable measure by HMT (I) despite initial setbacks. The Mini Dairy Plant supplied last year to Kyrghyzstan at a cost of Rs.1.75 crores has gone into production of milk and butter. Plans to send six farmers from Punjab to Burkina Faso for three years to demonstrate Indian agricultural techniques especially for growing rice, were carried further.

In addition to project assistance, the TC Division supplied equipment for upgradation of the Upadhyay Training Centre in Mauritius, irrigation pumps to Uganda, Ambulances and Incubators to the Indira Gandhi Maternity Clinic in Namibia, diesel pumps and sewing machines to Ivory Coast and textile machinery to Vietnam in 1998-99. A list of projects and project-related assistance extended this year to different countries may be seen at Appendix - XX. As of now, there are 23 experts on long term deputation (from 2 to 3 years) to various countries as advisors in fields ranging from agriculture to medicine, marine engineering, water management, accountancy, fish toxicity, teaching, legislative drafting and in military fields (list is at Appendix - XXI). Seven short-term experts have also been sent to a few countries this year. Over the years, Indian experts have been acknowledged by many developing countries to have done commendable work in building institutional frameworks for self-reliant growth with limited means.

On the recommendations of Indian Heads of Missions, Study Visits by senior level officers and decisionmakers are organized every year by the TC Division from various partner countries. Visits, generally in the areas of small scale industries, agriculture, health and education, trade and commerce etc. are an extremely popular method of introducing foreign visitors to different developmental sectors in the Indian economy and polity as they offer a first- hand exposure to Indian economic conditions. Nine study visits took place in the year under review. These include a visit by Prof Alberto Simao, Chairman, National Institute for Development of Local Industry, Mozambique to see the various industries and R&D centres engaged in improving the quality of products of the small-scale units under the supervision of the DCSSI. A four-member delegation from Nairobi University led by Prof D N Kariuku, Chairman, Department of Chemistry visited various Institutions and chemical industries to learn from Indian experience of the interface between academic training and commercial activity in the field of chemistry.

Also invited was a three-member delegation from Vietnam headed by Director, Cuu Long Rice Research Institute, Dr Nguyen Van Luat to visit some Agricultural Universities and see some items of agricultural machinery which are manufactured in India. Two more agricultural delegations were invited in response to interest expressed by them in knowing about our Green Revolution - (i) a four-member delegation from Mongolia headed by Mr Y A Balgansuren, Director, Department of Policy Coordination, Ministry of Industry & Agriculture, and (ii) a three-member delegation from Kyrghyzstan headed by Mr Tolobek E Omuraliev, Advisor to the President of the Kyrgyz Republic and Head of the Department of Local Self Government and Agricultural Policy under the Presidential Administration.

The visitors were taken to our Agricultural Research & Development Centres in Pusa, Karnal, Shimla, Ludhiana and for discussions with our authorities there. Mr A W Searle, Warden of the Zimbabwe Zoo was invited to interact with the Wildlife Institute in Dehra Dun. Two senior officials from the Namibian Broadcasting Corporation visited India and were shown Doordarshan and AIR facilities with a view to long-term cooperation between India and Namibia in this important sector of information and communication technology. Mr Patrick Mandago, Namibian Chief of Protocol visited to study the functioning of the Protocol Division of the Ministry. Sometimes, a study visit is arranged to acquire expertise from the visitors as was the case when Mr J R Muller, General Manager of a South African Government- owned Company called Abakor came to India to advise the Municipal Corporation of Delhi on improvements in its abattoirs in Delhi and Aligarh, also during this year.

Under the Aid to Disaster Relief Programme (ADR), TC Division provides humanitarian aid for disaster relief to various countries, in the form of medicines, clothing, food etc. In the current financial year, medicines and foodgrain were sent to Bangladesh for victims of some of the worst floods that the country has known. Afghanistan's earthquake victims were assisted with medicine, blankets, tents and

biscuits. Many other countries such as Comoros, Cambodia, Central African Republic, Sudan, Papua New Guinea, Kenya, Mozambique, Peru, Tajikistan and Kyrghyzstan received quantities of medicines and other forms of assistance depending upon their expressed requirements. Countries in Latin America and the Caribbean affected Hurricanes George and Mitch respectively were also assisted with small quantities of medicines and surgical instruments under the ADR programme. A complete list of the relief supplied by India under this programme in 1998-99 may be seen at Appendix - XXII. Uu

INDIA RUSSIA USA JAPAN CHINA CENTRAL AFRICAN REPUBLIC OMAN SOUTH AFRICA REPUBLIC OF SINGAPORE SRI LANKA THAILAND INDONESIA KOREA SWITZERLAND MALAYSIA VIETNAM BANGLADESH NEPAL EGYPT URUGUAY JAMAICA AUSTRALIA MOZAMBIQUE MAURITIUS COSTA!!COSTA RICA CUBA ZIMBABWE SENEGAL IRAQ UZBEKISTAN UGANDA NAMIBIA BURKINA FASO LATVIA KENYA UNITED KINGDOM MONGOLIA AFGHANISTAN COMOROS CAMBODIA GUINEA PAPUA NEW GUINEA SUDAN TAJIKISTAN PERU

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Trade and Investment Promotion

The Central Government and the State Governments took several initiatives and measures during the year aimed at encouraging foreign investment inflows, particularly the flow of Foreign Direct Investment (FDI) into India. Major thrust areas included infrastructure development, particularly energy, power, telecom and information technology. It was the task of the Investment Promotion and Publicity Division to actively undertake effective investment promotion and publicity efforts, particularly through the Indian Missions and Posts abroad for attracting foreign investment into the country. Quite often, Commercial Wings in the Missions are the first point of contact for the foreign investor.

It is, therefore, essential that the Missions are given full back-up support in their efforts in the form of providing up-to-date information about the economy, the liberalised policies and the procedures, the project and opportunities available in different sectors, the incentives offered by the Central Government and various State Governments etc. Missions are also approached by investors seeking their intervention in case of delays in respect of clearances for their proposals or in respect of other hurdles faced in the implementation of projects. For all these and related matters the Investment Promotion and Publicity (IPP) Division in the Ministry has acted as a nodal point of contact and coordination to serve as an effective channel of communication between the Missions and the relevant Ministries/State Governments or other agencies, as the case may be.

Policy The Ministry provides inputs for policy formulations, whenever required, based on investment trends world-wide and based on the need to maintain harmony between foreign policy objectives and our economic policies. Regular feedback was received from the Missions on foreign investor perceptions about India's investment policies or about successful model/policies followed elsewhere for serving as inputs to the evolution of any new policies or to the review of an existing one, if the same was considered necessary in the national interest. The Ministry also actively participated in the meetings of the Foreign Investment Promotion Board (FIPB), where it was represented by Secretary (Economic

Relations). Investments from NRIs were given particular attention. FIPB was also empowered to give a firm 'Yes' or 'No' answer to every proposal involving FDI within a deadline of 60 days.

Promotional Efforts and Initiatives The Ministry undertook several initiatives towards suitably projecting the various investment policies and announcements of the Government by co-ordinating with the Missions on the one hand and various economic Ministries of the Central Government and State Governments on the other. Economic news about India was regularly disseminated to all the Missions highlighting major policy decisions and new opportunities, thus keeping them abreast of developments. Missions were also encouraged to hold investment promotion seminars and workshops besides extending investment support services, for which suitable publicity material, speaking points etc. were regularly despatched. Such seminars were held by several of our Missions in identified target countries. Ministry also undertook special efforts to highlight the policies, procedures and opportunities available in the Information Technology sector.

The Missions also provided support to visiting Indian delegations including those sponsored by the State Governments by arranging suitable meetings with potential investors, local Government officials and the local Chamber of Commerce or Products Associations. The Ministry also assisted, based on information provided by the Missions, visiting foreign investor delegations/groups in having appropriate meetings with concerned Government Departments, the Apex Chambers of Commerce, the State Governments etc. The Ministry also participated in many bilateral or other meetings/conferences involving overseas investor groups. Among the many delegations was also a 30-member International Public Affairs's Centre (IPAC) delegation which visited India from 17-20 January, 1999. The IPAC is an association of Presidents of multinational corporations and currently has 150 leading business houses among its members.

The Ministry also actively assisted various organisations in the country such as the apex chambers, Exim Bank, Indian Investment Centre, in organising investment/trade promotion events in India including the Global Indian Entrepreneurs Conference (12-13 November, 1998), India Economic Summit (29 November-1 December, 1998), various joint business councils and other events. The Ministry actively participated in the efforts to mobilise good response for the Resurgent India Bond Scheme launched by the State Bank of India to which our Missions lent full support. Eventually, the scheme proved a success mobilising over US\$ 4.16 billion.

Publicity The following publications were brought out this year by the IPP Division for the use of our Missions and Posts: a)The IPP Division brought out an illustrative brochure "India - Investment Related Websites" in August 1998. The brochure gives information regarding website location and home page of several of the economic ministries of Government of India, the State Governments and a number of other investment related agencies.

b)IPP Division in association with World Link, which is the magazine of the World Economic Forum and Investor Access, a CD-ROM publisher in UK, brought out a CD-ROM on "India - Priorities for the 21st Century" in August 1998. This is a unique multimedia guide to India for Investors conveying a comprehensive picture about the evolving scene in India as the country moves towards the 21st Century. Industrial and investment policies of all the State and Union Territories have been featured along with analysis of 20 different sectors, each highlighting the potential for growth and the vast opportunities opening up. The CD also has a complete guide for foreign investors on policies and procedures for foreign investment. The hyperlinks given for important websites, the CD virtually acts as a gateway to the larger data base contained in most of the investment related websites of India. As per the arrangement worked out with World Link, the CD was distributed by them to all the participants of the last Davos Summit of World Economic Forum. Copies of CD were also sent to all our missions abroad who sent copies to key local chambers of commerce or large corporate groups and are also using it as a presentational aide while addressing investment promotion seminars or other such speaking opportunities.

c)"Investment Avenues for Non-Resident Indians" - a new publication which gave information on investment opportunities including in portfolio investment, investments in debt securities and deposits and investment in real estate while also outlining options for returning NRIs and provided answers to some of the most frequently asked questions on NRI investment and related subjects. The brochure was also circulated to participants at the Global Indian Entrepreneurs Conference held in New Delhi from 12-13 November, 1998.

d)A revised edition of "India Means Business - Perspectives" in a user friendly format and design, giving the updated position about government's policies and initiatives in infrastructure and other sectors to attract foreign direct investment, was brought out in December 1998. e)IPP Division took the lead in sponsoring a special supplement on the IT industry in India which appeared in the 'Financial Times', London on 2 December, 1998. This helped to project the outcome of the work of the National Task Force on Information Technology and Software Development and also the IT policies announced by the various State governments.

Agreements The Ministry participated in the negotiations for drawing up of bilateral investment promotion and protection agreements that were held in respect of a number of countries. Such agreements were signed during the year with Turkey, Mauritius Bulgaria, Indonesia, Morocco and Zimbabwe. The Ministry also participated in the negotiations relating to bilateral Civil Aviation matters with other countries. The Ministry provided legal inputs, as required, and also tendered advice based on the need for increased civil aviation links particularly with our neighbouring regions to evolve in consonance with the initiatives being taken on the foreign policy front. Uu

INDIA USA UNITED KINGDOM TURKEY BULGARIA INDONESIA MAURITIUS MOROCCO ZIMBABWE

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Policy Planning and Research

The Policy Planning and Research Division of the Ministry continued to perform its role of preparing briefs and background papers on important topics and issues on the evolving international situation. These covered issues of longer term relevance to broad foreign policy objectives. The Division prepared analytical position papers for Ministry's interaction with other agencies. The Division continued to serve as a nodal point for interaction with Joint Intelligence Committee (JIC), the University Grants Commission (UGC) and its affiliates and the Area Study Centres (ASC) located in various universities and specialising in research on various regions of the world.

The Division extended financial assistance to various academic institutions/think tanks located in different parts of the country for holding conferences, seminars, preparation of research papers, exchange of scholars and support for Track-II programmes on issues related to India's external relations and security.

The subject of these seminars, conferences and research projects covered Nationalism in Russia and Central Asian Republics, Indo-China Workshop on Nation Building, Air Transport and Tourism, Indo-Japan Relations, Japan-South Asia Cooperation in the post Cold War Years, Vietnam Today and Indo-Vietnam Relations, 50 Years of Republic of Korea: Indo-Korea Relations. Support was also provided for Indian scholars and experts attending seminars, conferences in Turkey, China, Guyana and the CICA (Conference on Interaction and Confidence Building Measures in Asia) Colloquium in Almaty, Kazakhstan. The Centre for Advanced Study of India at the University of Pennsylvania, USA is also given an annual; recurring grant by the Division. As part of its interactive functions, the Division took the initiative in promoting exchanges with official and non-official visiting experts and projected India's views and perceptions on important issues.

The Division continued to edit and publish the Annual Report of the Ministry. The Report served as a compendium of India's interaction with the rest of the world in the political, economic and cultural fields, including the views of the government on various facets of international relations. The Division rendered all possible assistance to the territorial divisions as well as Indian Missions abroad whenever any specific information or document on international relations was required. The Research Wing examined the depiction of India's international boundaries in foreign publications. Cases of incorrect depiction were taken up with the concerned government or the publisher through Indian Missions abroad for necessary corrective measures. The Division also scrutinised foreign publications containing maps depicting India's external boundaries before these were imported into the county and offered its views to the Ministries dealing with such matters. It coordinated the supply of map- sheets to various Government and semi-Government agencies for use in their official work with the Survey of India and the Ministry of Defence. The Research Wing dealt with requests from research scholars for access to the records of the Ministry.

In support of research, the Ministry's Library has modern information technology equipment and rich resource materials, with over one hundred thousand books and a large collection of maps, microfilms and official documents. The Library receives and maintains 600 periodical titles. It has in-house computer systems with fifteen terminals, two of which support data entry and retrieval in Hindi. It also has CD-ROM work station and has CD-ROM databases on foreign affairs and current affairs. The Library is also equipped with a Colour Scanner (with OCR capability as well as facility for storage and retrieval of images), a microfilm/fiche reader printer, a plain paper photocopier, as well as a VTR and colour monitor and a laser printer with Desk Top Publishing (DTP) software. This has enabled better presentation of publications and documents of the Division. The Library has internet and E-mail facilities. These are being gradually made availabletovisiting users who include formerForeign Service officers.

Documentation/bibliographic services as well as other library operations and services have been computerised, using an integrated librarysoftware package. Information on all books, maps, documents and selected periodical articles received in the Library since 1986, and pre-1986 publications in active use, are available on-line through each terminal in the Library as well as in the Ministry's headquarters in South Block and in Akbar Bhavan through network in operation in these buildings. Library information can also be accessed on-line through remote 'login' via dial-up mode by eligible users. All new

documents received in the Library - books, maps, microfilms, selected articles from periodicals - are being fed into the in-house computer system to create a database on foreign affairs.

Using this database and CD-ROM Databases, the Library provides Current Awareness Service and Bibliographical and Reference Services. In addition, the Library regularly issues 'Foreign Affairs Documentation Bulletin' - monthly list of selected periodicals, articles many with abstracts, 'Recent Additions' - an annotated monthly list of publications added to the Library, and fortnightly 'Chronicle of Events'. Library users including research scholars are welcome to access the on-line computer-based information in the Library in different databases, including CD-ROM Databases, and the Foreign Affairs Information Retrieval System (FAIRS). Photocopying and computer Print-out facilities are also available to all Library users including research scholars. This year Library has also begun conversion of important publications in the Library on CD-ROMs - beginning with full texts of Ministry's Annual Report upto 1997-98 and Foreign Affairs Record from 1995 to 1996.

During 1998-99 the Division brought out the compilation of a Compendium of India's Bilateral Treaties and Agreements for the period 1981-90 in 4 volumes. This completed the first phase of the project of compiling a comprehensive compendium of India's Bilateral Treaties and Agreements since independence. Subsequent phase of the project envisages publication of annual volumes, the first volume of which covering 1991 has been issued during this year. There are about seven lakh files, both classified and unclassified, lying in the Record Management Section of the Ministry. We have been sending old files for reviewing regularly to the concerned officers for taking a decision regarding retention or otherwise of these files. About 4000 files which were no longer required have been destroyed by burning. About 499 files have been transferred to the National Archives of India. uu

USA INDIA CHINA RUSSIA JAPAN VIETNAM KOREA GUYANA TURKEY KAZAKHSTAN

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External Publicity

Projection of India abroad, including its foreign policy, is the essential function of the External Publicity (XP) Division. It involves the dissemination of news about developments pertaining to India and India's views and concerns on national and international issues. Opinion makers are kept informed about developments in India in the political, economic, social and cultural spheres with particular reference to issues having a bearing on India's external relations and foreign policy. Following the nuclear tests by India in May 1998, this function became dominant and was effectively handled.

The External Publicity Division and Missions/Posts abroad worked in unison to enlarge areas of positive perception about the country while attempting to build greater awareness and understanding of its policies and values. Some focus areas included: India's millennial history and its civilisation; its diverse and profound religious and philosophical traditions; its democratic and secular political culture and institutions, its pluralistic, tolerant and accommodative social ethos; its wide experience in nation building; its impressive economic, scientific and technological achievements, its colossal market

potential and, its strategic perceptions including its evolving nuclear policy. Audio visual and print material was used to achieve these objectives.

In its key function as the office of the Official Spokesman of the Government of India on all matters pertaining to India's external affairs, the External Publicity Division strove to orient the domestic and international media on a day to day basis on India's foreign policy perspectives and on topical issues, particularly the nuclear policy through regular briefings and public relations efforts. Over 200 Press Releases and Statements were issued by the Division the year, upto November 1998, and distributed amongst Indian and foreign media, Indian missions abroad, foreign missions in India and also made available on the MEA internet website. The 'Foreign Affairs Record', a compilation of all press releases, visits, agreements and significant diplomatic developments, was brought out on a monthly basis. The Division's news dissemination function also included news bulletins sent out to India's Missions/Posts abroad on a twice - daily basis; a newspaper clipping service on external affairs coverage from the national media for Indian Missions and for senior officials of the Ministry; and, news on the Ministry's internet website.

Eight documentaries were aquired from Surabhi on Education, Art, Music, Dance, Handicrafts, Development and Culture for non-commercial publicity through our Missions/ Posts abroad. Copies of these films were sent to our Missions/ Posts abroad as part of our publicity exercise. Further, documentaries on Progressive Indian Women; India in Space; The North-East; The Changing Face of Indian Countryside; Flute; Confluences in North Indian Music; New Frontiers of Information Era; The Indian Experience; A Nation Celebrates; The Empire Writes Back; The Rooted Imagination; Dreaming Young Dreaming Global; Transition Times; Indian Achievements in Agricultural Sciences and Technology; Buddhist Heritage of Ladakh; The Nuclear Issue; Saarc- 10th Summit in Colombo; Fragrance of Love; Traditional Heritage of India; and, The Victoria Memorial were commissioned and are at various stages of completion. Many documentaries were telecast on local TV networks abroad including The Making of a Nation, A Nation Celebrates, India- Trysts with Destiny, Theatre of India, Magic in the Making, Nauka Caritramu, and 100 Years of Cinema through 40 Missions on the occasion of Independence Day and were well received. This was in addition to other documentaries aired from time to time by the local TV networks abroad. The Star TV and Asianet networks also aired our documentaries.

CD-ROMs on Desi Khana, Multimedia Journey, India Beckons, Hindi Guru, Mahabharta, India Mystica, India Festiva, Krishna were sent to each Mission/Post abroad. Copies of MEA's CD-ROM "India Timeless Civilisation-Vibrant Democracy" were also sent to all Missions/Posts abroad. 2400 gift sets of two video cassettes of film "Making of a Nation" a ten part series and VHS cassettes in gift packs were sent to all Missions/Posts abroad for presentation purposes. XP Division extended its support and cooperation for festivals organised abroad. These included, inter-alia, Film Festivals in Houston, Tokyo, St.Denis, Copenhagen, Tripoli, Malta, Damascus, and the Eager University Film Festival in Budapest. Indian Film Festivals in 23 other Missions were organised during the golden jubilee celebrations of India's Independence. Further, XP division contributed to 35 other film festivals organised by various missions/posts abroad. Apart from this, the division assisted the Directorate of Film Festivals in organising Film Festivals abroad under its aegis.

54 prints of eight feature films based on the Freedom Struggle namely: Gandhi, Sardar, Nehru, Garam Hawa, Tamas, 22nd June 1897, Making of the Mahatma and Train to Pakistan were acquired, sub-titled in English, French, Spanish and Arabic and sent to missions abroad for film festivals. 175 prints of various feature films in 16/35mm format were sub-titled in English, French, Spanish and Arabic languages through NFDC, Mumbai.

Activity on the Photo Publicity side also increased substantially. Collections of large size photographs were sent to Missions abroad for special photo exhibitions in connection with the 50th anniversary of Indians Independence. On the occasion of the Independence Day, 1500 prints were sent to various missions and posts abroad for special supplements in local newspapers. Cataloging, computerisation and inventor formation of the entire stock of feature films, documentary films, U-Matic/Betacam cassettes, video programmes, photographs and transparencies was completed during the year. Active assistance was provided to our Missions/Posts abroad in promoting their publicity effort by providing them with tourist literature, photographs and pamphlets.

The foreign media continued to show a keen interest in India through visits by media delegations and TV teams. The entry of India into the 'Nuclear Club' in May 1998, further stimulated incoming media visits. The XP Division provided assistance to them, including briefing them, as well as seeking appointments with senior Ministers, senior officials, academicians, representatives of business houses and chambers of commerce. This Division also invited foreign media persons to facilitate foreign journalists in gaining a first hand experience of India. In 1998, 120 journalists, individually or as part of media and TV delegations, visited India from the Phillipines, Thailand, Azerbaijan, Egypt, Nepal, Malaysia, Turkey, Pakistan , China, Kenya, Mexico, UAE, USA, Sri Lanka, Senegal, Cyprus, South Africa, Czechlovakia, Jordan, Algeria, Morocco, Kyrgyztan, Uzbekistan, Croatia, Mauritius, Saudi Arabia and Venezuela. These visits generated extensive coverage on India in the foreign media and in creating a better understanding of our country.

Another important job handled by this Division was making media arrangements for delegations accompanying the Heads of State or Government on visits to India. This assistance entailed facilitating media coverage, arranging press briefings and providing other logistical arrangements. During the year, VVIP visits were received from France, Canada, Maldives, Bangladesh, Mauritius, Bhutan, Bulgaria, Belarus, Belgium, Chile and Switzerland. Visits from South Africa, Russia, Thailand and Sri Lanka are expected by the end of the year. The XP Division also handled all logistical arrangements for Indian media persons accompanying the President, Vice President and the Prime Minister on their state visits abroad to Peru, Brazil, USA, Nepal, Germany, Luxembourg Portugal, Turkey, Cairo (G-15 Summit), Colombo (SAARC Summit), Durban (NAM Summit), Namibia, Oman, Mauritius, Jamaica (G-15), Trinidad and Tobago and Morocco. The division effectively contributed during these visits by setting up and operating media centres and looking after all logistical arrangements for the Indian media - locally based and travelling with the VVIPs.

One of the important jobs entrusted to this Division is the clearance of documentary proposals received from documentary makers all over the world. Out of over 360 proposals received, 85 per cent were cleared, while others were awaiting approvals from central and state governments.

There are more than 300 foreign journalists of various foreign news agencies and organisations based in India. An important aspect of this Division's work has been to provide accreditation facilities and give clearances for renewal of visas to these journalists. With more and more news agencies setting up bureau offices in India, work related to this aspect increased this year, especially following the nuclear tests. A number of new Bureau were opened during the year.

The supply of books, magazines, journals and other periodicals on a wide range of issues for use in the Missions' libraries and for distribution to local dignitaries abroad, opinion makers and academic institutions continued during the year. Based on the feedback received from various targetted groups,

the Division supplied material suitable to their requirements. More than fifty different books were purchased for distribution to our Missions/Posts, including the Booker Prize Winner, "God of Small Things", a highly valued photographic book by Lindsay Hebberd on the Cultural and Socio-economic spectrum of India- "Cultural Portraits", "Indian Experience" on the diverse aspects of India, a foreign publication on India, "India Unveiled", "India 2020: A Vision for new Millennium" by eminent scientist APJ Abdul Kalam, a collection of writings on India by a team of accomplished journalists of international news agencies titled 'Assignment India', and others including some specifically meant for children.

The two important publications of External Publicity Division in Coffee table book format, viz. "India Continuity in Change" and "India: A Dynamic Democracy", were distributed to our missions abroad. The reprinting of the revised publication "India A Dynamic Democracy" in English was completed and 6000 copies were distributed to our Missions/Posts abroad for publicity purposes. In view of the rising demand, their publication was commissioned in other languages like French, German, Russian, Arabic and Spanish. The Division continued to assist ICCR and UN/ITEC Divisions in the production of their publications.

Over Fifty five thousand copies of India Perspectives, a prestigious monthly magazine published by the XP Division in ten different languages, were distributed through Indian Missions and Posts abroad. The magazine was also made available on the MEA website to cover a wider audience. Besides highlighting India's historical and cultural heritage, the journal has been focussing on the impressive progress made by India in all facets of life, achievements in the area of Science and Technology and the steps taken to globalise the country's economy. A special issue of this magazine on Nuclear India was brought out in the month of September 1998 to supplement the efforts of projecting India's viewpoint on the nuclear issue.

The international media was monitored using inputs from Missions abroad. Negative and adverse reports in the international media on India's nuclear tests were rebutted by the Indian missions through interviews/letters in influential papers and appearances on TV channels as well as other engagements. Compilations of reportage in the international media, on the nuclear and other relevant issues were circulated in the Ministry; to the Indian media; and to Indian Missions abroad. The comments by foreign journalists, political leaders and intellectuals of international repute highlighting India's point of view were circulated widely and also put up on the MEA's internet website.

Special supplements were brought out in 'The New York Times' and 'The Washington Post' containing commissioned articles on India's nuclear policy by eminent personalities. Missions abroad also brought out supplements in the local papers throughout the world on Independence Day and Republic Day. India's nuclear policy, foreign policy issues, India's economy, culture, science and technology achievements were some of the focus areas. A section on India's nuclear policy was opened on MEA's website after the nuclear tests and this was appreciated by many international agencies and commended by 'The Los Angeles Times', BBC and many others. The fact that information on the Ministry's website at www.indiagov.org and www.meadev.gov.in was well received could be gauged from the 2.2 million hits received by the site per month. Action has been initiated to enhance the role of the website through its technical enhancement as well as substantive enrichment and updating. 1999

Protocol

State Visits by Heads of State / Government/ Vice Presidents/ Crown Prince to India

1.H. E. Mr Romano Prodi, Italian Prime Minister January 5-8, 1998

2.H. E. Mr Aleksander Kwasniewski, Polish President January 8-12, 1998

3.H. E. Mr Constantinos Stephanopoulos, Greek PresidentJanuary 12-18, 1998

4. H. E. Mr Jacques Chirac, French PresidentJanuary 24-26, 1998

5. H. E. Mr Romeo Le Blanc, Governor General of Canada March 26-April 3, 1998

6.H. E. Mr Kinza Cloduman, President of NauruMarch 31-April 5, 1998

7. H. E. Mrs Sheikh Hasina, Prime Minister of BangladeshJune 16-17, 19 98

8. H. E. Mr Maumoon Abdul Gayoom, President of Maldives June 30-July 1, 1998

9. H. E. Mr Ramgoolam, Prime Minister of Mauritius October 12-19, 1998

10.H. E. Mr Peter Stoyanov, Bulgarian PresidentOctober 25-28, 1998

11.H. E. Mr Flavio Cotti, Swiss PresidentNovember 20-24, 1998

12. H.R.H. Prince Phillipe, Crown Prince of Belgium November 22-28, 1998

13.H. E. Mr Y Primakov, Prime Minister of Russian FederationDecember 20- 22, 1998

14.H.R.H. Maha Vajiralongkorn, Crown Prince of Thailand December 23-29, 1998

15.H. E. Chandrika B. Kumaratunga, President of Sri LankaDecember 27- 30, 1998

16.H. E. Mr Jean Claude Juncker, Prime Minister of LuxembourgJanuary 10-13, 1999

17.H. M. King Birendra Bir Bikram Shah Dev, King of NepalJanuary 24-29, 1999

18.H. E. Mr Lennart Meri, President of EstoniaFebruary 3-20, 1999 Official Visits by Heads of State / Government, Vice Presidents/Crown Princes

1.H. M. Jigme S Wangchuk, King of BhutanOctober 5-7, 1998

2.H. E. Mr. Angadi Chettiar, Vice President of MauritiusJanuary 5-8, 1999

3.H. E. Sheikh Hasina, Prime Minister of Bangladesh (Calcutta) January 27-29, 1999

4.H. E. Mr Kim Jong Pil, Prime Minister of Rep. of KoreaFebruary 10- 12, 1999 Private Visits by Heads of State/Governments/ Vice Presidents / First Ladies

1. H. E. Mr Angadi Chettiar, Mauritian Vice President January 19-February 5, 1998

2. H. E. Mr Kamal Thapa, Nepalese Foreign Minister February 6-7, 1998

3.Mrs. A. Oyunbileg, Wife of President of Mongolia January 5-10, 1999

Transit visits by Heads of State / Governments and Vice Presidents / Crown Princes

1. President of Uganda (Mumbai) April 13-14, 1998

2. Crown Princess of Luxembourg (Delhi)April 18-20, 1998

3. FM of Bhutan (Delhi)May 21-23, 1998

4. Sri Lankan FM (Delhi)June 10, 1998

5. President of Djibouti (Chennai)August 1-3, 1998

6.President of Angola (Mumbai)October 10, 1998

7. Ethopian PM (Calcutta) October 28, 1998

8. Russian PM (Delhi) November 17, 1998

9.H. E. Mr E Rakhmanov, President of Tajikistan January 22-10, 1999

Official visits by Foreign Ministers or Equivalent Level

1.H. E. Mr Keti Walesbita, FM of ZambiaFebruary 7-8, 1998

2. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka March 21-23, 1998

3. H. E. Mr Abdus Samad Azad, FM of BangladeshApril 21-24, 1998

4. H. E. Mr Kamal Kharrazi, FM of IranJune 2-3, 1998

5. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka June 7-9, 1998

6. Mr Ivan Antonovich, FM of BelarusOctober 13-17, 1998

7.H. E. Mr Strobe Talbott, Seputy Secretary of State of USAJanuary 29- February 1, 1999

8.H. E. Mr Emeka Anyaoku, Secretary General, CommonwealthFebruary 13-18, 1999

9.H. E. Mr Kamal Kharrazi, Foreign Minister of the Islamic Republic of Iran February 23-26, 1999

Other Visits by Foreign Ministers or Equivalent and other Dignitaries

1.Sir Virsamy Ringadoo, Former President of Mauritius February 6-11, 1998

2. Mr Strobe Talbott, Deputy Secretary of State, USA July 19-21, 1998

3. H. E. Mr A Broujerdi, Special Envoy of Iranian PresidentSeptember 18- 20, 1998

Foreign Tours of the President, Vice President and Prime Minister

1. PM (Shri I K Gujral) to DhakaJanuary 14-15, 1998

2. Vice President (Shri Krishan Kant) to Mauritius March 10-13, 1998

3. President (Shri K RNarayanan) to New York, Brazil, PeruApril 26-May 10, 1998

4. Vice President (Shri Krishan Kant) to Egypt for G-15 SummitMay 10-14, 1998

5.President (Shri K R Narayanan) to NepalMay 28-30, 1998 6. PM (Shri Atal Behari Vajpayee) to Colombo for SAARC SummitJuly 28-31, 1998

7. PM (Shri Atal Behari Vajpayee) to Salalah (Oman), Namibia, Durban August 29-September 5, 1998 for NAM and Mauritius

8. President (Shri K R Narayanan) to Germany, Portugal, Luxembourg and Turkey September 6-21, 1998

9. PM (Shri Atal Behari Vajpayee) to New York for UNGA and Paris September 22-October 1, 1998 10. Vice President (Shri Krish

an Kant) to TurkeyOctober 28-November 1, 1998

11.Vice President (Shri Krishan Kant) to Maldives November 10-12, 1998 12.Shri A B Vajpayee, Prime Minister to Trinidad & Tobago, February 7-14, 1999

Montego Bay (for G-15 Summit) and Morocco 13.Shri Krishan Kant, Vice President to Jordan (for the funeral of King Hussein II)February 8-9, 1999

Diplomatic Corps

The Heads of Missions of the following countries presented their credentials to the President of India during the period 1.4.98 to 10.12.98.

- 1. Thailand
- 2. Iran
- 3. Japan
- 4. Belarus

5.China

- 6. Laos
- 7. Spain
- 8. Ukraine
- 9.Bulgaria
- 10. Denmark
- 11. Bosnia Herzegovina
- 12. Bhutan
- 13. Egypt
- 14. Tunisia
- 15. Slovak Republic
- 16. Uruguay
- 17. Kazakhstan
- 18. Croatia
- 19. The Netherlands
- 20. Mongolia
- 21. Seychelles

The Heads of Missions of the following countries left India during the period

- 1.4.98 to 10.12.98.
- 1. Venezuela
- 2. Slovak Republic
- 3. Croatia
- 4. Denmark
- 5. Ukraine
- 6. Kuwait

7. Bulgaria

- 8. Tunisia
- 9. Brazil
- 10. Singapore
- 11. Bhutan
- 12. Kazakhstan
- 13. Iraq
- 14. Egypt
- 15. Trinidad & Tobago
- 16. Mongolia
- 17. The Netherlands

18. Oman uu1999Passport and Consular Services and Indians Overseas

The Passports and Consular services represent the principal domain of activity in which the Ministry of External Affairs has a direct interface with the general public. Apart from constituting a public service, the issue of a passport also has a bearing on a vital component of India's foreign policy viz., the export of Indian manpower, expertise and technology abroad. The large Indian community resident abroad constitutes a dynamic link between India and the rest of the world. In an era in which the international scene has witnessed momentous changes, the people of Indian origin abroad have played a significant role in promoting India's interests and in contributing towards the strengthening of India's political and economic relations with their respective countries of adoption.

Passport Services Efforts to fulfil the Government's commitments under the Citizens' Charter were taken forward in 1998 through various measures aimed at providing efficient, prompt and transparent service at the 28 Passport Offices. A new Passport Office at Pune and three new Passport Collection Centres at Surat, Gangtok and Aurangabad were opened during the year. The Passport Rules were amended to allow for sixty page (Jumbo) passport booklets which is very convenient to frequent travellers in this increasingly globalising world. For less frequent travellers a passport with validity upto 20 years has been introduced.

Separate passports for minors were also introduced to bring the practice in India in line with that prevalent internationally. This has been done to eliminate the chances of inconvenience to the passport holder when they approach some foreign Missions for visas. Some of the countries which insist on a separate passport for children before giving them visa are USA, UK, Canada, Japan and almost all European countries.

Special efforts were made to reduce the pendency of applications in various Passport Offices for which standard monitoring procedures were devised and regular inspections of the Passport Offices institutionalised. The Annual Passport Officers Conference was held on 8 October, 1998 at which emphasis was placed on the need to effectively redress public grievances. A review of the Passports Act and Rules was initiated and Passport Officers asked to consider introducing the practice of periodical 'Passport Adalats'.

Extensive measures have been initiated to simplify and streamline various procedures for issuing passports and rendering other miscellaneous services promptly and efficiently in keeping with our commitment under the Citizens' Charter. Comprehensive instructions liberalizing grant of duplicate passports were issued to various Passport Issuing Authorities.

From the mid 80s when the Ministry had first launched a project to computerise a few passport offices in a phased manner, already 15 passport offices including those in the metropolitan cities have been comprehensively computerised. Other passport offices are also in the process of being computerised. A proposal for a comprehensive satellite based computer programming and connectivity as well as the creation of a central Processing Cell is being fromulated. MEA also went through a process of open tendering and bids for completely overhauling the existing system and to take advantage of the latest available technology.

However, due to certain technicalities the bids had to be returned in September 1998. It was decided thereafter to appoint Department of Electronics as a consultant for preparing a fresh tender document especially with regard to the technical specifications for the project. The report has been received and the tender documents are expected to be finalised and issued shortly. It has been the endeavour of the Government of India to house the Passport Offices in Government owned properties. MEA has acquired plots of land/built-up properties in various cities in India to this effect. We have 28 Passport Offices in India of which five Passport Offices at Delhi, Mumbai, Chennai, Cochin and Kozhikode are already operating from Government buildings.

Construction work is in progress at 6 places viz. Ahmedabad for office and residential complex; Cochin (residential complex), Hyderabad (Office complex), Patna (Office complex), Panaji and Kozhikode (residential complex). The process for construction of buildings for Passport Offices has been initiated at another nine places i.e. Banagalore, Chennai, Lucknow, Jaipur, Trivandram, Chandigarh, Trichy, Jammu and Calcutta.

The number of applications received during the year for grant of passports and other miscellaneous services like renewal, change of name, additional booklets, fresh passports for minors etc. continued to rise in keeping with the overall climate of liberalisation and increased travel of Indians overseas. A total number of 22,22,786 fresh passports were issued and 3,08,214 miscellaneous services rendered. Detailed figures of receipts of passports issued/various services rendered including the revenue and expenditure of Passport Offices are at Appendix IV.

PIO Card The six million Indian citizens and over twenty million People of Indian Origin (PIO) resident abroad have collectively evolved into a major instrument for the furtherance of India's foreign policy. Recognising their significant role in the shaping of the country's destiny, Government announced the introduction of a PIO Card for Persons of Indian Origin settled in countries to be specified by Government which would, besides introducing a visa free regime, also confer some special economic, educational, financial and cultural benefits. A user-friendly software has also been developed which will enable the Indian Missions abroad to compile and maintain a uniform database on the NRIs/PIOs.

Consular Services As part of the drive towards modernisation of consular services, new secure visa stickers were introduced at all the Indian diplomatic Missions and Posts abroad from 1 August, 1998. In keeping with ICAO recommendations, efforts are continuing to introduce more secure and machine readable passports and visas. There was renewed emphasis on the need to cater to the consular needs of Overseas Indians and to render them efficient and timely assistance through the Indian diplomatic Missions abroad. Problems encountered by Non-Resident Indians/workers especially in the Gulf countries, including disputes with their employers/sponsors were sought to be promptly redressed. Government maintained regular contact with the Governments of the Gulf countries, including through the Indian diplomatic mechanism of the Joint Commission, with the objective of resolving consular problems and ameliorating the condition of Indian workers in those countries.

In cases of deaths of Indians abroad immediate assistance was arranged by our Missions and Posts for completing the formalities for early despatch of the mortal remains while maintaining liaison with the local and Indian authorities as well as the relatives of the deceased. In several countries various amnesty schemes were announced for regularising the stay of illegal immigrants in those countries. Special drives were launched to cater to the specific requirements of affected Indian nationals by way of expeditious issue of Emergency Certificates/travel documents and other requisite assistance. During the year, 9383 Indians were arrested abroad and 4783 deaths of Indian abroad were reported to the Ministry. A summary of the consular data for the year 1998 is at Annexure 'B'.

Visas India's more than 150 Missions and Posts abroad provided visa services to over 1.64 million foreigners during 1998. The procedure for grant of visa by our Missions and Posts is user friendly, quick and efficient. Many Missions and Posts give visas either across the counter or the same day and most others grant visas within 48 hours. To keep pace with increasing automation, the Consular Wing in HCI London has been computerised which has reduced the time spent by applicants in the queues as well as at the counter. Computerisation has also speeded up the processing of application for visas. The Ministry is actively considering computerisation of some other Consular Wings in North America where the volume of services rendered is high.

Bilateral Agreements As part of the global endeavour to counter terrorism, and acknowledging the growing international dimensions of crime, consular agreements and institutional mechanisms were negotiated with several countries. These negotiations included over two dozen Extradition Treaties, Mutual Legal Assistance Treaties in Criminal and Civil Matters as well as Consular Conventions. During the visit of Russian Prime Minister to India in December, 1998 an Extradition Treaty, Mutual Legal Assistance Treaty in Criminal Matters and Consular Convention were signed. Official and technical level consultations were held with Bulgaria and Tunisia for finalising bilateral Extradition Treaties. While certain issues still remained to be sorted out with Bulgaria, an Extradition Treaty draft has been finalised and initialled with Tunisia on February 9, 1999.

With France and UAE the Extradition Treaties were initialled. However, as subsequently some changes have been suggested by both sides the two treaties are being further negotiated. The Ministry is currently addressing several requests for extradition and other legal assistance from foreign Governments both for criminal and civil and commercial charges. The request for extradition emanates from our obligations under the Extradition Treaties or extradition arrangements entered into with various countries. During the year six fresh requests were processed in addition to the ongoing cases.

During the year, 2,36,120 documents were accorded consular attestation in CPV Division of which 1,47,069 were commercial documents. The same day service rendered is efficient and courteous and without any charge. Renovation of Patiala House CPV Division is located in the Patiala House which is visited by a large number of applicants who come for attestation of documents as well as by diplomats and staff of foreign Missions in New Delhi. Over the years the building had become dilapidated and shabby in appearance. A project for comprehensive renovation of the exterior as well as interior of the building has been undertaken during the year. The work is expected to be completed by the end of March 1999.

Central Passport Organisation The personnel of the Central Passport Organisation (CPO) man the 28 passport offices and 12 existing Passport Collection Centres. The current strength of CPO Cadre is 1595 with 145 officers and 1450 non-gazetted staff. During the year the All India Passport Employees Association was recognised by the Government. One of the major demands of the employees is for a comprehensive Cadre Review as there is stagnation at various levels. A proposal for Cadre Review has been formulated during the year and is being processed.

As the volume of work as well as the network of Passport Offices and Passport Collection Centres has been growing over the years, the Ministry is considering a proposal to create a Central Passport Authority with a view to grant greater autonomy to the Passport Offices to achieve greater efficiency and higher productivity.

Vision Our goal is to set up a clean, transparent and efficient passport issuing service which the MEA can be justifiably proud of and which the general public can be genuinely satisfied about. The system should also be sensitive and responsive to the special needs of the public. uu

INDIA USA CANADA UNITED KINGDOM JAPAN PERU CENTRAL AFRICAN REPUBLIC MALI RUSSIA BULGARIA TUNISIA FRANCE UNITED ARAB EMIRATES

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Administration and Organisation

Following the general elections in February/March 1998, Shri Atal Behari Vajpayee assumed charge of the office of Prime Minister on March 18, 1998, with the additional charge of the Ministry of External Affairs. Ms Vasundhara Raje assumed charge as the Minister of State for External Affairs on March 19, 1998. Shri Jaswant Singh took over as the External Affairs Minister on December 5, 1998.

At present the Government of India has 157 Resident Diplomatic Missions/Posts and other offices. Resident Missions would be opened in Armenia(Yerevan) and Azerbaijan (Baku) very shortly. Our Resident Mission at Fiji (Suva) is being re- opened shortly. The total strength of the IFS (A), IFS (B), Interpreter and L&T Cadres of the Ministry is 3717 (Appendix I). This figure remains unchanged from that of 1997-98. A table indicating the appointments to various posts in the Ministry made in 1998-99, including vacancies filled against reservations is at Appendix II. The extent of language proficiency in the Ministry can be judged from the list of officers proficient in various foreign languages at Appendix III. Administrative procedures have been streamlined during the period under review. Following the Pay Commission recommendations refixing the pay and allowances of officials and pensioners, the Pension Section has been revamped and most pension-related dues have been dealt with. Procedures have been streamlined by empowering the Pension Section to deal with all pension related payments as well, i.e. delinking pension payments from the Cash Section. The main activities undertaken by this Division during the year 1998-99 are detailed in succeeding paras.

The Ministry has drawn up a long-term property acquisition plan beginning from 1995-96. Accordingly, financial provision to the tune of Rs. 75 crores for the year 1998-99 was provided under the Capital Outlay Budget heads 4059 and 4216. The Establishment Division during the year under review made all-out efforts to purchase built-up properties, complete construction projects for chanceries and residences and pursued vigorously proposals for repairs and maintenance of GOI properties abroad.

Presently, proposals for purchase of built-up properties, in Tehran, Budapest and Paramaribo are under active consideration and are expected to materialise in the current financial year. MEA has undertaken construction projects after acquiring plots of land either on reciprocal basis or on purchase basis in a number of countries. Currently, the project for construction of Chancery and Embassy Residence in Abu Dhabi is in full swing. The construction of Indira Gandhi Centre for Indian Culture in Mauritius is likely to be completed by the first half of 1999. The Berlin project for construction of Chancery-cum-residential complex is at an advanced stage and construction is expected to start in March 1999.

All preparatory ground work including approval of design have been completed. Selection of the contractor is in hand. Other projects on the anvil are Doha, Muscat, Dhaka, Islamabad and Brasilia. As a result of concerted efforts to this end Govt. of India now owns 73 Chanceries, 77 Embassy Residences and over 600 other residences for officials.

In order to ensure the proper up-keep of GOI owned properties, the major repairs/renovations are also undertaken by the Establishment Division in consultation with the Missions concerned. Currently, the proposals for renovations and redevelopment of GOI properties in Singapore, Kyiv, Moscow and London are in hand.

Establishment Division is also actively undertaking construction projects in India, including the construction of Videsh Bhawan, Foreign Service Institute, Residential complex for officers in Chanakyapuri and ICCR in Calcutta. Additionally, in line with the Ministry's policy to house RPOs in our own buildings, efforts are being made to acquire land and start construction of Passport Offices and residences for the Passport office personnel. Briefly, land has already been acquired in Ahmedabad, Bangalore, Bhubaneshwar, Calcutta, Chandigarh, Cochin, Goa, Kozhikode, Lucknow. Construction work is in progress in Ahmedabad, Cochin, and Kozhikode. In Chennai and Hyderabad semi-built properties have been purchased.

Ministry has made considerable progress towards modernisation of office facilities to provide an efficient working environment for its officers and staff, which is also looked after by the Establishment Division. The use of E.Mail, Internet and PCs has become a common feature. With a view to rationalise the fixation of Foreign Allowance for its officials posted in Missions abroad, Ministry introduced

indexation scheme from 1.1.98. The indexation scheme has made the whole process of fixation of FA more realistic and objective.

Foreign allowance of almost all Missions/Posts wererevised w.e.f. 1 April, 1998 after the first reviewof indexation. 1999 Foreign Service Institute

The Foreign Service Institute further expanded its activities during 1998-99.

While all the regular programmes were continued, there was a significant increase in the scope and content of each course. The following courses were held in the year under report :

(i)Professional Course in Diplomacy and International Relations for Indian Foreign Service Probationers (1997 batch);

(ii)Basic Professional Course for IFS(B) personnel posted abroad;

(iii)Professional Course for Foreign Diplomats;

(iv)Familiarization Programme for Resident Foreign Diplomats;

(v)Language Courses; and

(vi)Orientation Course for Non-MEA officers. The most important part of FSI's work is the basic Course on Diplomacy and International Relations conducted for the Probationers of the Indian Foreign Service. The training programme for the 1997 batch of IFS Probationers which started in January 1998 continued upto 1 January, 1999. The basic objective of this course was to provide comprehensive training to the young IFS Officers, not only in traditional areas of diplomacy, international relations, political reporting and protocol but also in several related fields that are growing in importance such as national and international security, the international economic environment, management challenges in the changing global scenario and investment promotion.

The training programme for the 1997 batch of IFS Probationers comprised of 26 modules which dealt with important areas of work related to foreign policy and diplomacy. The most comprehensive module related to India's foreign policy, covering almost every aspect of our external relations.

In keeping with the special emphasis in recent years on economic diplomacy, the module on 'International Economic Relations and Commercial Diplomacy' was strengthened, with the focus on India's economic reforms, the international economic environment, the functions of commercial representatives in Indian missions abroad, role of Commercial Counsellors in investment promotion, commercial negotiations, management challenges in the changing global scenario and the international finance and capital markets etc.

The module entitled "New Areas of International Relations" highlighted some non- traditional areas of diplomacy, such as Environment, Energy, Refugees, Narcotics, Terrorism and Human Rights.

The module on "Defence & Security" apart from focusing on vital security issues like nuclear nonproliferation, disarmament and arms control, also covered India's defence policy, the state of our armed forces, developments in defence technology and the security of our border areas.

An additional module on "Special Diplomatic Skills" emphasised negotiating skills, communication skills, use of Information Technology, development of leadership skills and "espirit de corps".

Apart from these modules, there was a good deal of emphasis on field visits to acquaint the probationers with the ground situation in important areas of the country such as the North-East, Jammu & Kashmir and the Indo-Tibetan border. The Probationers were also attached with the armed forces for training. The IFS Probationers were given extensive briefing on the current state of Science & Technology in India including its foreign policy ramification at the National Institution of Advanced Studies, Bangalore. They also visited the National Hydrographic Institute and the Survey of India establishments in Dehradun for briefing on border demarcation on land and sea.

Continuing with the "SAARC Darshan" programme introduced last year, Nepal and Sri Lanka were visited by the IFS Probationers for a period of around one week each.

Six Basic Professional courses (BPCs) were held, which was two more than the previous year. The course is conducted for officials in the Ministry of External Affairs upto the rank of Section Officers under orders of posting abroad or about to be posted abroad. Emphasis is given during this course for training/exposure to Mission's administration, establishment and finance; accounts, passports, visas and consular work. Looking at the needs of the participants, the BPC has been bifurcated into two groups.

Separate training programmes are conducted for SOs/Assistants from those of UDCs/LDCs. The focus of the two courses is different. Apart from the above mentioned modules, SOs and Assistants are exposed to commercial work in Missions and also to Indian Foreign Policy and Information work. UDCs/LDCs are trained on the basics of Accountancy, Administration, Establishment and Consular Matters. Emphasis is also on O&M. Thus, the course content has been further strengthened during the year under report so that all officials posted in Missions abroad have a larger perspective and make more effective contribution towards the total team effort of the mission.

The Professional Course for Foreign Diplomats (PCFD) has been organised by the FSI from 1992 onwards. During 1998-99, a total of four PCFDs have been held. The PCFD is designed to cover areas felt most relevant to the training needs of the foreign diplomats who attend. Some of the basic areas covered relate to diplomacy, international relations, regional focus on specific regions, international law and international organizations, international economic relations and commercial diplomacy, defence and security, diplomatic practice and protocol, representational skills and cultural diplomacy. As part of the course, the foreign diplomats are also taken on study tours to various centres of economic, industrial and cultural importance in the country so as to expose them to India's capabilities and achievements in diverse fields.

Interest in the PCFDs has been growing. From April 1998 to December 1998, a total of 57 foreign diplomats from 38 countries, covering virtually every part of the developing world, have attended the course. Since 1992, a total of 442 diplomats from 92 countries have participated.

The Institute organised Orientation Programmes for Non-MEA officers proceeding on posting to our missions abroad. The programmes were designed to acquaint the officers with the general functioning

of our missions, the financial, establishment and administrative rules applicable as well as protocol matters. A fully functional Computer Lab has been opened in the Foreign Service Institute to train all MEA personnel in various aspects of use of modern day information technology. This will help allow all MEA personnel access to this latest and important branch of technology.

The Foreign Service Institute has also been functioning as a think tank of important issues relating to India's external relations. The institute maintains continuous interaction with experts in the fields of international relations, diplomacy, economics, defence and security. The FSI continues to maintain contacts with its counterpart institutes. The Executive Director of the Institute of Foreign Affairs of Nepal visited the FSI in November 1998. Experiences between the two Institutes were exchanged and it was agreed to strengthen institutional linkages.

In connection with the celebration of the 50th Anniversary of India's Independence, the FSI brought out a book on "Indian Foreign Policy : Agenda for the 21st Century", in two volumes which is a compilation of articles by leading scholars and specialists. The book was presented to the Hon'ble President of India on July 15, 1998. The two volumes are intended to provide a perspective on India's foreign policy during the past 50 years as well as a projection of the challenges that lie ahead for India in the 21st century.

The 21st Professional Course for Foreign Diplomats was held from 11 January, 1999 to 12 February, 1999 and the number of diplomats from developing countries who participated in the course was 22. 15 Indian Foreign Service Probationers of the 1998 batch joined FSI on 4 January, 1998 for a one-year training programme with the Institute. uu

INDIA USA NEPAL SRI LANKA

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Implementation of Official Language Policy and Propagation of Hindi Abroad

The Ministry is making every endeavour to increase the progressive use of Hindi and its propagation in India and abroad. Documents like bilateral treaties, Agreements, Memorandum of Understanding, Credentials, Speeches of President, PAC paras, Annual Report of the Ministry, Parliament Questions and other documents submitted to both the Houses are issued bilingually.

During the Golden Jubilee Year of India's Independence, Ministry made special efforts for the propagation of Hindi abroad. Ministry sent Hindi books and CD ROMs like 'Learn Hindi', 'Sangya', 'Sarvanaams', 'Visheshan' and 'Panchtantra Ki Kahaniya', to be gifted in countries with a large Hindi Speaking resident population. The books were primarily on India's freedom struggle, our achievements in the last 50 years and other related subjects. These books were gifted to organisations engaged in the propagation of Hindi abroad.

In order to promote bilingualism and the use of Hindi and other Indian languages and to provide basic infra-structural facilities for Hindi typing, Leap Office Software developed by C-DAC, Pune has been purchased and sent to 60 Missions. Efforts are on to equip each Mission with at least one Leap Hindi Software. In pursuance of the decisions taken at the World Hindi Conference in 1998, efforts are being made to establish a 'Permanent Secretariat of Hindi' in Mauritius. It would liaise with Universities and Institutions promoting Hindi all over the world at government and non- governmental levels and also act as a catalyst in the furthering of Hindi as a language of culture, civilisation and communication at the international level.

It has been decided to organise the 6th World Hindi Conference in 1999 since this is the Golden Jubilee Year of proclamation of Hindi as the Official Language of the Union of India. Preparatory activities are underway with regard to the organisation of the Conference. The dates and venue of the Conference are being finalised in consultation with the organisers. Government of India has established a Co-ordination Committee under the chairmanship of the Minister of State for External Affairs and budget provisions have also been made for this purpose.

The Conference would strive to highlight the modern role of Hindi as a language of education, communication and administration and to disseminate information on developments in the fields of publication and advancement made in computer technology for Hindi and other Indian Languages. During the Conference, Government of India will bring out a souvenir. This souvenir will be educative as well as informative. During the Conference, a book exhibition will be organised wherein various books on Hindi literature, science and technology etc. will be displayed. An exhibition on computer software written in Hindi will also be organised. Cultural and dance troupes will also be sent. During this Conference, eminent Hindi Scholars from all over the world will be honoured. 50 slots were allocated to foreign nationals for learning Hindi at Kendriya Hindi Sansthan, Agra this year. Hindi teachers were appointed in Indian Missions abroad under a special Ministry scheme to teach Hindi to the children of India- based Embassy officials.

In accordance with the recommendation of the Hindi Advisory Committee of the Ministry, two officials were detailed to New York during the UNGA Session to assist those members of the Indian delegation who wished to communicate in Hindi.

This year, a Town Official Language Implementation Committee under the Chairmanship of HCI, London has been formed in London to monitor over the progress made in the implementation of Official Language Policy of GOI in the various offices of Govt. of India located in London. This Committee which is the first of its kind would also help in creating an atmosphere and promoting the progressive use of Hindi in the offices. Efforts will be made to set up such committees in other Missions also.

This year "Hindi Fortnight" was organised in the Ministry, its passport offices located in India and in Missions/Posts abroad. Various cultural and competition programs were organised in which a large number of officers and employees participated. The message of the Hon'ble Home Minister was read out during "Hindi Fortnight".

Under the Hindi Teaching Scheme of the Ministry of Home Affairs, Department of Official Language, 6 persons from Headquarters were nominated for Praveen and Pragya level Hindi training and 12 persons from Indian Missions abroad were nominated for Hindi typing training through correspondence. The Parliamentary Committee on Official Language inspected RPO, Bhubaneshwar in November 1998.

Hindi forms an integral part of the FSI training program. Intensive training about the Government's Official Language Policy and its implementation is given to the trainees. All IFS probationers are required to pass an examination in Hindi, which is conducted by the Hindi Section of MEA. This is a mandatory requirement for confirmation in service.

The Ministry provides liberal financial grants and assistance to the organisations engaged in the promotion and propagation of Hindi abroad. Standard Hindi literature, comprising books in Hindi on Indian art, history, literature, language, religion and philosophy will be sent to Indian Missions/Posts abroad for use in libraries and as gifts to educational and voluntary organisations engaged in teaching of Hindi. Missions/Posts have also been promoting Hindi literature through special Hindi classes, Hindi film shows, seminars and competitions in various schools, colleges, institutions and organisations. Hindi text books, audio cassettes and Hindi dictionaries have been sent to selected Missions/Posts. uu

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Cultural Relations

The Indian Council for Cultural Relations (hereinafter referred to as the Council or ICCR) was formally set up in 1950, with the primary objective of establishing, reviving and strengthening cultural relations and mutual understanding between India and other countries. The major activities of the Council include:

(i) administration of scholarship schemes on behalf of the Government of India for International students;

exchange of scholars, academics, opinion makers, artists and writers; (ii) exchange of exhibitions;

(iii) organisation of and participation in seminars and symposia;

(iv) exchange of performing arts groups;

- (v) establishing and maintaining Chairs and Professorships for India Studies abroad;
- (vi) presentation of books and musical instruments;
- (vii) annual organisation of the Maulana Azad Memorial Lectures and Maulana Azad Essay Competition;
- (viii) providing the secretariat for the Jawaharlal Nehru Award for International Understanding;

(ix) publications;

(x) maintaining Indian Cultural Centres abroad and supporting special bilateral programmes.

Scholarships and Welfare of International Students One of the important activities of ICCR was the continued implementation of its scholarship programmes. The Council administers over 1900 scholarships at any moment of time under its various scholarship schemes for studies in graduate, postgraduate and doctoral programmes as well as for pursuing professional courses such as medicine, engineering, pharmacy and accountancy. The thrust of the scholarship programme is towards developing nations, with special focus on neighbours in South Asia. A total of 615 new scholarships were offered this year to students from 60 different countries bringing the total number of ICCR scholars at the moment to 1955.

The ICCR continued to look after the general welfare of international students by organising various activities throughout the year to familiarise international students with the political, economic, social and cultural milieu of India, besides helping them to make friends through shared experiences. These activities included holding of the 6th Students Festival, holding of summer and winter camps, organisation of orientation programmes and the continued publication of the student newsletter "At Home In India". The ISD Division organised five study tours for the benefit of foreign students studying in India as per the following details:

- (i) Mumbai & Goa Group I
- (ii) Mumbai & Goa Group II
- (iii) Mumbai & Goa Group III
- (iv) Calcutta Puri-Bhubaneshwar
- (v) Hyderabad Aurangabad

Indian Cultural Centres Abroad In order to promote greater awareness and appreciation of India's composite cultural heritage abroad, the Council has set up cultural Centres in Cairo (ARE), Berlin (Germany), Post Louis (Mauritius), Paramaribo (Surinam), Georgetown (Guyana), Jakarta (Indonesia), Moscow (Russia), London (UK), Almaty (Kazakhstan), Tahskent (Uzbekistan), Durban (South Africa), Port of Spain (Trinidad & Tobago), Johannesburg (South Africa) and Colombo (Sri Lanka). All these Cultural Centres are functioning under the administrative control of the respective Indian Missions abroad.

The activities of the Cultural Centres reflect the needs of the local population. The Centres organise talks, lectures, exhibitions of visual arts, essay competitions, performances of dance and music, staging of plays, screening of Indian films, publication of news bulletins, seminars on Indian topics etc. Some of the Cultural Centres also have regular teaching classes of Indian music, dance, tabla and yoga. Hindi is also taught in Moscow and Paramaribo. The Centres are also maintaining Libraries, Reading Rooms and Audio-Video Libraries for the visitors. Apart from organising their own activities, these Cultural Centres also provide a supportive role to the respective Indian Missions for coordinating various cultural activities. The Centres develop and maintain contacts with the local citizens, particularly students, teachers, academicians, opinion makers and cultural personalities to project a holistic picture of India's rich and diverse cultural heritage.

Visiting Professors and Chairs of Indian Studies Abroad The Council deputes Visiting Professors abroad to teach Indian languages and other related subjects. The deputation of Professors abroad is done under the Bilateral Cultural Exchange Programmes, and Scheme of Propagation of Hindi abroad. ICCR presently has on deputation 17 Professors teaching Hindi, Sanskrit, Tamil, Hindi-cum-Malayalam, ModernIndian History, Indian Civilization, in Helsinki (Finland), Paramaribo (Surinam), Budapest (Hungary), Moscow (Russia), Seoul (South Korea), Warsaw (Poland), Brussels (Belgium), Port of Spain (Trinidad & Tobago), Sofia (Bulgaria), Ankara (Turkey), Bucharest (Romania), Beijing (China), Bangkok (Thailand), Paris (France), and Osh (Kyrghystan).

Publications The Council has a major publications programme which has grown over the years. The Council brings out seven quarterly journals in different languages -"Indian Horizons" and "Africa Quarterly" (English), "Gagananchal" (Hindi), "Papeles de la India" (Spanish), "Rencontre avec l'Inde" (French), "Thaqafat-ul Hind" (Arabic) and "Indien in der Gegenwart" (German).

On the occasion of the 50th Anniversary of India's Independence, the Council brought out special issues of "Africa Quarterly", "Gagananchal", "Recontre avec l'Inde", and "Indien in der Gegenwart".

A book entitled "Independent India: The First Fifty Years" edited by Shri Hiranmay Karlekar was brought out by the Council to coincide with the celebrations for the 50th Anniversary of India's Independence. This publication endeavours to highlight the national experience in various areas and political, economic, cultural and social developments in India since Independence. The Council is currently in the process of bringing out a special publication on "Dr Zakir Husain" and the Arabic version of the book "Contemporary Relevance of Sufism".

Library The ICCR Library is well stocked with a rich collection of about 60,000 volumes of books, bound periodicals, maps, manuscripts, rare books etc. The manuscripts and personal collection of rare books of its Founder President, Maulana Abul Kalam Azad and the microfilms are housed in a special section called "Gosha-e-Azad". An annotated catalogue of these rare books in the Library which is available in book form has been put in circulation for the use of the scholars in other Libraries.

Accounts ICCR's grant for general activities for the year 1998-99 was Rs.28 crores. Expected receipts of the Council are Rs.0.50 crores. Besides the grant-in-aid for general activities MEA has released Rs.16.76 crores (Rs.6.96 crores in 1997-99 and Rs.9.80 crores in 1998-99) for celebration of 50th year of India's independence from 15 August, 1997 to 15th August, 1998.

Awards/ Seminars/ Symposia An international Seminar on "Islam in India - The Impact of Civilizations" was organised by ICCR on behalf of Ministry of External Affairs in New Delhi during 3 & 4 September, 1988 and was attended by eminent scholars from abroad as well as India.

The Council assisted by way of providing International air-fare in favour of participants who came to India to attend the International Seminar - IIC Asia Project - Culture, Society and Politics in Central Asia from 20 - 23 November, 1998; and for the foreign participants of the seminar on Maulana Azad, organised by the University of Delhi -Urdu Teachers' Association.

The 53rd anniversary of United Nations Day was celebrated at a function organised by ICCR on 30 October, 1988 and was presided over by Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje.

To honour the memory of ICCR's founder President Maulana Abul Kalam Azad, every year ICCR organises an Essay Competition in Hindi, Urdu and English for Indian citizens as well as for the citizens of SAARC countries. The Award Presentation Ceremony for the 1996-97 Maulana Azad Essay Competition was held on 28 November, 1988 at Vice- President's Residence, New Delhi. The Awards were distributed by the Hon'ble Vice-President of India.

A function was organised at the Tagore Hall of ICCR to mark the International Day of Solidarity with the Palestinian People on 7 December, 1998 at Tagore Hall, Azad Bhavan, New Delhi. Smt Vasundhara Raje, Minister of State for External Affairs was the Chief Guest at the function. The function was attended by a number of VIPs, diplomats, eminent persons and representatives of UN Agencies. His Excellency, Dr Khalid El Sheikh, Ambassador of the State of Palestine was also present on the occasion.

The Maulana Abul Kalam Azad Memorial Lecture for 1998 was delivered by Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia on 14 December, 1998. The topic of the lecture was "The Ethos of the Indian Independence Struggle Today". The lecture was organised at Vigyan Bhavan, New Delhi and was presided over by the Hon'ble Vice President of India/ President, ICCR. The lecture was attended by a distinguished audience including Minister to the Govt. of India, Member of Parliament, academics and members of the Diplomatic Corps.

Performing Arts During the period April-December, 1998, the Indian Council for Cultural Relations organised visits of artistes/troupes to India from several countries including Bangladesh, Bhutan, Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, France, Greece, Hungary, Ireland, Maldives, Mauritius, Morocco, Myanmar, Nepal, Nigeria, Oman, Pakistan, Republic of Korea, Russia, Singapore, Slovakia, South Africa, Spain, Sri Lanka, Syria, Thailand, Turkey and the USA. These groups were hosted under ambit of existing Cultural Exchange Programmes as well as part of commemorations of the 50th Anniversary of India's Independence.

Major presentations included the South Asian Dance and Music Festival (with participation from Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal and Sri Lanka), the "Asian Pageant" (part of the Closing Ceremony for the 50th Anniversary Celebrations) with participation from Singapore, Sri Lanka, Indonesia and the Republic of Korea and the International Theatre Festival (with theatre groups from Poland, Hungary, the UK, Italy, France and Germany). Presentations/ workshop/interactions by the 35 groups visiting the country during this period were organised in several cities in the country.

The ICCR continued performances under its "Retrospectives" Series (special presentations by artistes sponsored by ICCR for performances abroad) and its "Horizon" Series (performances by young artistes empanelled with the ICCR). Eminent artistes who participated in the Retrospectives Series included Pt Vishwa Mohan Bhatt, Prof Debu Chaudhury and Ms Leela Samson.

During the period April-December, 1998, the Council sponsored visits abroad of 78 artistes/performing troupes to 72 countries, covering all continents/regions of the world. Significant presentations organised during the above period were in the Festival of India in Brazil, World Expo '98 in Lisbon (Portugal), the April Spring Friendship Art Festival in Pyongyang (Democratic People's Republic of Korea), the Babylon Festival in Baghdad (Iraq), the Izmir Festival in Syria, the Kyongzu Festival in Seoul (Republic of Korea), the Cervantino Festival in Mexico, the Singapore Arts Festival, the Boise River Festival in the State of Idaho, USA the "Sur L'air d L'Inde Paris" (France), the Heritage Festival in Durban (South Africa), the VIth Palestine International Festival, the New York International Friburg Festival (USA) and the International Chorus Festival (Philippines).

Eminent artistes who gave presentations abroad under the ICCR banner included Pt Hari Prasad Chaurasia (Flute), Smt Gangu Bai Hangal (Hindustani Vocal), Guru Vempati Chinna Satyam (Kuchipudi), Pt Vishwa Mohan Bhatt (Mohan Veena), Ms Leela Samson (Bharatanatyam), Ms Uma Sharma (Kathak), Shri Astad Deboo (Contemporary Dance), Pt Narender Sharma's "Bhoomika" (Dance Theatre) and Ustad Zakir Hussain (Tabla).

Distinguished Visitors Programme The Council continued to facilitate, as one of its major activities, exchanges of scholars, intellectuals, academicians and experts under its Distinguished Visitors Programme.

Incoming Visitors Visitors to India included a 15-member Group of Faculty Members of the School of Arts & Crafts, Bhutan; Justice Mohd. Habibur Rahman, Former Chief Justice of Bangladesh and Fellow of Bangladesh Academy & Asiatic Society of Bangladesh; Prof. Joseph Yu-Shek Cheng, Director of the Contemporary China Research Centre, University of Hong Kong; Mr. Prasanna Vithanage, Film Director from Sri Lanka; 5-member Delegation from Nepal and 4-member Delegation from Bangladesh to attend the 26th IBBY Congress; Mr. Mac Maharaj, Minister of Transport of South Africa; Mr. Gabor Szabo, Sculptor from Hungary; Prof. Goga Khidoyatov, Chairman, Deptt. of History, Tashkent State University, Tashkent; H.E. Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia to deliver the Maulana Abul Kalam Azad Lecture.

Outgoing Visitors During the period, in reciprocity, distinguished Indians from diverse fields of culture were sponsored to visit other countries to meet/interact with their counterparts, to participate in seminars, conferences and workshops and to deliver lectures on different subjects. These distinguished visitors included -- Dr. R.C. Agrawal, Director, Archaeological Survey of India to Uzbekistan to explore possibilities of a joint archaeological excavation project; Dr Salem Jayalakshmi & Prof S Shanmuga Sundaram, Carnatic Musicians to South Africa to attend the International Carnatic Music Conference at Durban;

Smt & Shri Satish Gujral, Painter to Australia to exhibit his paintings in Sydney; Shri Sunil Gangopadhyay, Author to UK to speak at the Nehru Centre, London; Shri A N Ram, Retired Diplomat and Shri Amit Mitra, Secretary General, FICCI to Keny to participate in seminar - "India-Kenya Relations -- Vision 2000"; Prof R Balasubramaniam, Chairman, Afro-Asian Philosophical Association, Prof Bhuvan Chandel, Centre for Studies in Civilizations, Dr Ramakant Sharma Angiras, Deptt. of Sanskrit, Punjab University to USA to participate in the Twentieth World Congress devoted to the theme "Philosophy Educating Humanity" at Boston; Smt Nirmala Deshpande, Member of Parliament to Switzerland to participate in the "World Philosophers Meet 98 - Second Parliament of Science, Religion and Philosophy"; Prof Ramanath Tripathi, Former Professor of Hindi, University of Delhi, Prof Vachaspati Upadhyay, Vice-Chancellor, Rashtriya Sanskrit Vidyapeeth to Mauritius to participate in the Ramayana Conference; Shri C V Ranganathan, Retired Diplomat to China to participate in Seminar on Tan Yun-Shan Centenary organised by China Association for International Friendly Contact; Qari Mohd Naseeruddin to attend 40th International Al-Quran Reciters Assembly held at Kuala Lumpur.

Presentations During the period April-November 1998, the Council, as part of its activities to commemorate the 50th Anniversary of India's Independence and to promote cultural relations with other countries, sent audio-visual material, books and art objects to about 60 countries through Indian Missions abroad for presentation to VVIPs and local dignitaries/institutions.

Exhibitions During the period April- December, 1998 the ICCR organised five exhibitions in India viz. (i) paintings and sculptures by Shri C S N Patnaik, Hyderabad;

(ii) a photographic exhibition by India International Photographic Council, New Delhi;

(iii) an exhibition of paintings by Ms R Lebenas of Argentina,

(iv) a joint Indo-Austrian exhibition of Contemporary art "The Search Within" at NGMA, New Delhi and Mumbai; and

(v) and exhibition - "Treasures of Indian Art" from Germany at the National Museum, New Delhi, Indian Museum, Calcutta and NGMA, Mumbai.

The Council has also sent nine bronze busts/statues for installation abroad. These included two bronze busts of Mahatma Gandhi to Egypt, one each to Germany, New Zealand and Ankara, a double life size bronze statue to Spain, one life size bronze statue of Mahatma Gandhi to Italy. Apart from this, bronze busts of Sant Tulsidas and Gurudev Rabindranath Tagore were sent to Surinam and Romania, respectively.

Two major exhibitions were organised abroad by the ICCR : a Joint Indo- Austrian Exhibition entitled "The Search Within" was sent to Austria along with a delegation of 9-Indian artistes and a contemporary Art exhibition was sent to Brazil (to coincide with the President's State Visit) and to Argentina. Chambers of Commerce and Industry in the two countries to explore the possibilities of increased trade, investment and setting up of joint ventures Iranian Foreign Minister, Dr Kharrazi visited India on February 23-25, 1999 to co-chair the Tenth meeting of the Indo-Iran Joint Commission along with External Affairs Minister. Besides discussions on bilateral, regional and international issues of mutual interest during Dr Kharrazi's meetings with President, Prime Minister, External Affairs Minister, Commerce Minister and Minister of Petroleum & Natural Gas, the two side reviewed the progress of bilateral co-operation in agriculture & rural development, energy, industry, trade, transportation & communication, cultural, consular, information and science & technology areas. It was decided to further expand and intesify bilateral ties in these fields and institute a mechanism for regular consultations between the Foreign Offices of the two countries. Pakistan Overview Prime Minister Shri Atal Behari Vajpayee took a historic initiative to visit Lahore on February 20-21, 1999 on the inaugural run of the Delhi-Lahore-Delhi bus service.

His visit was part of India's consistent efforts to build peaceful, friendly and cooperative ties with Pakistan and establish a relationship based on mutual respect and a regard for each other's concerns. Earlier, the resumption of the official dialogue between the two countries in October 1998 marked a success in India's endeavours to engage Pakistan in a composite and comprehensive dialogue process that would build trust and confidence, explore avenues of mutually beneficial cooperation and address outstanding issues. A crucial element in Pakistan's attitude and approach towards India, however, was its engaging in terrorism, firing across the international border and Line of Control in Jammu and Kashmir and hostile propaganda.

Prime Minister's Visit India's basic policy approach towards Pakistan was underlined by Prime Minister Shri Atal Behari Vajpayee's declaration that a stable, prosperous and secure Pakistan was in India's interest. This sentiment was reaffirmed by him from the Minar-e-Pakistan in Lahore on February 21, 1999. Prime Minister's visit was the most significant engagement between India and Pakistan in over a quarter of a century. It was also the first visit undertaken by the Prime Minister of India to Pakistan in a decade. During his visit, the Prime Minister conveyed to the Government and people of Pakistan India's deep desire for peace and friendship with them and for developing a comprehensive structure of cooperation for the benefit of the two peoples.

The Prime Minister and the Pakistan Prime Minister signed the Lahore Declaration which is a landmark for peace and security of the two countries. A Memorandum of Understanding was also signed by the Foreign Secretaries under which India and Pakistan will work to enter into agreements to put into place far-reaching Confidence Building Measures. In a Joint Statement issued on the occasion, the two countries also identified new and significant areas of cooperation such as Information Technology and decided to address humanitarian issues at a ministerial level on an urgent basis. India expects that the Prime Minister's historic initiative for the welfare of the peoples of the two countries will mark a new chapter in our bilateral ties. Resumption of Official Dialogue Prime Minister had met Pakistan Prime Minister Mr Nawaz Sharif on the sidelines of the Tenth SAARC Summit at Colombo (29 July, 1998) and in New York (23 September, 1998).

During these meetings, Prime Minister urged Pakistan to work with India to develop trust and confidence, avail of the many opportunities for mutually beneficial cooperation and address outstanding issues. Prime Minister also emphasised that Pakistan's instigation of and support to terrorism against India were incompatible with the development of peaceful and friendly relations and that these activities must cease immediately. During Prime Minister's meeting with Prime Minister Mr Nawaz Sharif in New York on 23 September, 1998, the Foreign Secretaries of India and Pakistan reported to the two Prime Ministers that they had reached an agreement on the modalities of the dialogue process.

(The subjects for the dialogue were agreed upon in June 1997 and are: Peace & Security including CBMs, Jammu & Kashmir, Siachen, Tulbul Navigation Project, Sir Creek, Economic and Commercial Cooperation, Terrorism and Drug Trafficking and Promotion of Friendly Exchanges in various fields). The Prime Ministers welcomed this development and issued directions for the resumption of the dialogue. The first round of the composite dialogue process was held in October and November 1998. The subjects of Peace & Security including CBMs and Jammu & Kashmir were discussed by the Foreign Secretaries in Islamabad in October 1998. The subjects of Tulbul Navigation Project, Siachen, Sir Creek, Economic and Commercial Cooperation, Terrorism and Drug Trafficking and Promotion of Friendly Exchanges in various fields were discussed, respectively, by the Secretary, Water Resources of India and Secretary, Water and Power of Pakistan; the Defence Secretaries; the Surveyor General of India and Additional Secretary, Ministry of Defence, of Pakistan; the Commerce Secretaries; the Home Secretary of India and the Interior Secretary of Pakistan; and the Culture Secretaries, in New Delhi in November 1998.

During talks on Peace & Security including CBMs, India drew Pakistan's attention to India's security needs which were a function of its size and assets. India emphasised that its security concerns were not one-country specific and that its defence profile was non-aggressive. In this context, India proposed the upgradation of existing CBMs and the need to put in place new CBMs, ranging from information exchange and improved communication links to exchanging views on security concepts and nuclear doctrines. India also emphasised the need to build mutual confidence in the nuclear and conventional fields. During discussions on Jammu & Kashmir, India made it clear that the legal status of Jammu & Kashmir, i.e. that the entire State is an integral part of India, is clear and does not admit of any change. India also demanded that Pakistan cease forthwith its futile instigation and sponsorship of terrorism in Jammu & Kashmir, which constituted a flagrant violation of the provisions of the Simla Agreement. During talks on the Tulbul Navigation Project, India drew Pakistan's attention to understandings that had been reached during earlier discussions on this subject and that can be the basis for a resolution of the issue. During discussions on Siachen, India stressed the need for a cease fire in the area as a first step. On the subject of Sir Creek, India proposed that, pending agreement on the land boundary, the maritime boundary could be demarcated by starting at sea and proceeding landwards. At the discussions on Terrorism and Drug Trafficking, India gave Pakistan detailed evidence regarding its role in sponsoring terrorism against India and demanded that Pakistan close down training camps for terrorists and hand over terrorists and fugitives from the law who have been given sanctuary in Pakistan.

During discussions on Economic and Commercial Cooperation, India emphasised that there were many avenues for mutually beneficial cooperation including in areas such as electric power and transportation. Detailed discussions on the technical, legal and financial aspects at the expert-level have taken place in Islamabad and New Delhi on the subject of purchase of power by India from Pakistan. These discussions are continuing. On the subject of Promotion of Friendly Exchanges, India proposed a cultural exchange programme which would build on the commonalities between the two countries. India also emphasised the need of regular contacts to address humanitarian issue relating to fishermen and civilian prisoners and people-to- people contacts.

India released a total of 149 Pakistani fishermen in its custody. It also proposed to Pakistan that the fishermen of the two countries who stray innocently into the territorial waters of the other country should not be kept in custody but should be released on completion of formalities. Acting on this principle, India conveyed to Pakistan on 2 November 1998 its decision to release 40 Pakistani fishermen who were captured on 24 October, 1998. Pakistan also released 190 Indian fishermen who were held in its custody. India took the initiative to start a Delhi-Lahore-Delhi bus service. An agreement and a protocol for the regulation of this service were signed in Islamabad on 17 February, 1999. Trial runs of an Indian bus to Pakistan and a Pakistani bus to India had been held in January 1999.

Pakistan's Support to Terrorism Pakistan's support to and involvement in terrorist activities in Jammu & Kashmir and other parts of India continues unabated. This was strongly taken up by Prime Minister during his visit to Pakistan, and also by Foreign Secretary and Home Secretary during the dialogue process. It was pointed out that the atmosphere generated by the open exhortation of terrorist actions in India by fundamentalist organisations in Pakistan, many of which enjoyed official patronage, was not conducive to a normalisation of bilateral relations. India urged that Pakistan take urgent steps to demonstrate its commitment to tackling the issue of terrorism.

Pakistan's Nuclear and Missile Programmes India has carefully been following Pakistan's pursuit of clandestine weapons oriented nuclear and missile programmes, which have been developed with assistance from abroad. On 6 April, 1998, Pakistan announced the successful test of a ballistic missile, the Hatf V (Ghauri). Pakistan also announced that it had conducted tests of six nuclear devices on 28-30 May, 1998. It said that the tests were in reaction to India's nuclear tests carried out earlier in May 1998. In response to these tests, Government of India's official spokesman said that this event vindicated India's assessment regarding the nature of Pakistani programme and policy as well as the measures India had taken. He also said that Government of India had taken all steps necessary for safeguarding the nation's security.

Conclusion India seeks a relationship of trust, friendship and cooperation with Pakistan. Our approaches to Pakistan are rooted in our national consensus, which favours moving relations ahead with Pakistan over a broad front through the composite dialogue process. These approaches derive their strength

from our confidence as a mature nation dedicated to peace, democracy and freedom. It is our earnest hope to build-on the opportunities that are now available on account of the Prime Minister's initiative and his commitment to put behind past connections and think of the welfare of coming generations. The Lahore Declaration and the Memorandum of Understanding on Confidence Building Measures and the Joint Statement are significant developments in our bilateral relations. We trust Pakistan will fully reciprocate our initiatives and abandon the path of confrontation and promotion of terrorism in India.

Section 2

India's relations with its eastern and southern neighbours- Bangladesh, Myanmar, Maldives and Sri Lanka - reflected a continuity of policy and approach in the development of close understanding and active collaboration in mutually beneficial development efforts. There was focus on sectors of specific interest to each of the countries concerned covering a wide range of areas. Equally important was the sustained dialogue covering ongoing matters of operational importance such as border management. The economic and social dimensions however provided the thrust for progress in increased engagement. Bangladesh There was mutual keenness on the part of both India and Bangladesh to promote understanding and to strengthen bilateral relations during the year.

everal high level visits contributed to this process. The foreign Minister of Bangladesh, Mr Abdus Samad Azad, visited India in April 1998 as the Special Envoy of the Bangladesh Prime Minister, to greet the new Government. The Bangladesh Prime Minister, Mrs Sheikh Hasina visited India on June 16, 1998; at the talks held during the visit, both sides agreed on the need to intensify the existing warm and cordial relations between the two countries and to increase interaction at various levels through economic and cultural exchanges, parliamentary delegations, students, and cultural groups.

The two Prime Ministers met again on the sidelines of the 10th SAARC Summit at Colombo in July 1998. The foreign Secretary visited Bangladesh in June 1998 for Foreign Office consultations and held wide ranging discussions on bilateral, regional and international issues. Trade review talks took place in Dhaka in December 1998; the Indian delegation was led by the Commerce Secretary. The talks were positive in nature and covered a number of areas related to the growth of bilateral economic interaction and infrastructure development.

The system of institutional dialogue to discuss matters relating to security and border management continued during the year. Two sessions of talks between the Directors General of the Border Security Force and the Bangladesh Rifles were held in May and October 1998. The 5th meeting of the Joint Working Group took place in New Delhi in August 1998. The Home Secretary visited Dhaka in November 1998. Issues covered during these talks related to security, insurgency, illegal immigration, border management and the visa regime. The talks too place in a constructive spirit while taking into account mutual concerns. Bangladesh was gripped by devastating floods for the longest duration recorded.

There was widespread loss of life and property with a particularly negative impact on agriculture, and Bangladesh made an appeal for international aid. The Government of India rushed over 7.5 tonnes of medicines worth Rs. 40 lakhs to Bangladesh by air. India also gifted 20,000 tonnes of par-boiled rice worth Rs. 22 crores and over 800 tonnes of wheat and maize seeds worth Rs. 2.2 crores. India's relations with Bangladesh are thus close, friendly and extensive. There is widespread people-to-people contact as established by the fact that the High Commission of India in Dhaka issues an average of 1000 visas daily. Thousands of students from Bangladesh pursue higher studies in India. There were many cultural exchanges both under governmental and private auspices. ndia provided training to several technical personnel from Bangladesh. The Bangladesh Prime Minister visited Calcutta to inaugurate the 24th Calcutta Book Fair on January 27-28, 1999. An Indian Trade Fair is being organised in Dhaka on March 9-15, 1999. Sri Lanka India's relations with Sri Lanka continued to be marked by warmth and cordiality. The visits of the Sri Lankan Foreign Minister, Mr Lakshman Kadirgamar, to India in March and June 1998, as a Special Envoy of the Sri Lankan President provided opportunities for useful, high level exchanges between the two Governments.

Both sides reaffirmed the consensus prevailing in both countries on maintaining close and cordial relations. The Sri Lankan leader of the Opposition, Mr Ranil Wickremesinghe, visited India in April 1998. The Prime Minister's visit to Colombo from 28-31 July, 1998 to attend the Tenth SAARC Summit helped to further cement the multifaceted ties between the two countries. The President of Sri Lanka, H.E. Mrs Chandrika Bandaranaike Kumaratunga, paid a state visit to India from December 27-30, 1998. During the visit, the two sides signed an agreement to establish a Free Trade Area between India and Sri Lanka. The agreement is expected to lead to a steady growth of trade and investment through graduated reduction of tariffs. The two countries also signed a Memorandum of Understanding to set up the India-Sri Lanka Foundation. The Foundation would promote bilateral exchanges in various spheres and would be governed by an independent board.

The deliberations during the visit reflected the priority attached by both countries to sustaining the warmth and understanding that mark the India-Sri Lanka relationship. Earlier, the fourth Session of the India-Sri Lanka Joint Commissions met at New Delhi on December 18, 1998. The Indian delegation was led by the Minister of External Affairs, while the Sri Lankan Minister of Foreign Affairs, Mr Lakshman Kadirgamar led the Sri Lankan delegation. The Joint Commission reviewed the existing levels of bilateral cooperation in the areas of science & technology, economy, trade & investment, and cultural, educational & social matters. Both sides agreed on further programmes to broaden and deepen bilateral exchanges.

Bilateral trade between the two countries showed an upward trend. India continued to provide trade concessions to Sri Lanka within the SAPTA framework with a view to improving market access for Sri Lankan products in India. Both sides continued their dialogue on problems faced by fishermen of the two countries with a view to finding appropriate solutions to the problems. Both countries agree on the need to deal with these problems in a spirit of compassion and understanding. Maldives India-Maldives relations continued to remain close and friendly. India kept up assistance to the Maldives in its developmental efforts including in the area of Human Resource Development. There was regular interaction through the exchange of high level visits.

President Maumoon Abdul Gayoom visited India in his capacity as Chairman of SAARC from June 30 to July 1, 1998. The Vice President visited the Maldives from November 10-13, 1998 to represent India at President Gayoom's swearing-in ceremony on November 11, 1998, for a 5th consecutive term following a national referendum held on October 16, 1998.

Mr Suresh P Prabhu, Minister of Environment and Forests attended the Seventh Session of the Governing Council of the South Asia Cooperative Environment Programme (SACEP) in Male from April 20-23, 1998. An expert team from India visited Maldives from July 4-9, 1998 to study the feasibility of setting up in Maldives an Institute of Hotel and Catering Services. India provided technical training to a large number of Maldivian candidates in diverse fields including medicine, engineering, computer science and agriculture under its technical assistance and scholarships scheme.

Mr Ibrahim Hussain Zaki, Minister of Tourism, Mr Abdul Rasheed Hussain, Minister of Planning, Human Resources and Environment, Mr Mohammed Latheef, Minister of Education and Mr Ahmed Abdulla, Minister of Health, Government of Maldives visited India during the year for international meetings. These visits were also used for bilateral discussions. Myanmar India has a stable and cooperative relationship with Myanmar. Focussed efforts were made to diversify and broadbase areas of contact and cooperation. An MOU on Cooperation in the field of Agriculture and Allied Sectors was signed during the visit to Yangon (April 22-25) of the Minister of State for Agriculture, Shri Som Pal. As a follow up to the MOU, a work Plan was finalised during the visit to India (August 16-25) by the Myanmar Agriculture Minister.

The Commerce Secretary led an Inter-Ministerial delegation in October and was accompanied by a business delegation to Yangon to explore ways and means of expanding trade and economic linkages including cross border projects in areas such as power, mining and oil & gas. The Myanmar Deputy Minister for Industry-2 visited India in November to identify sectors for collaboration. Possibilities of cooperation in the fields of science & technology, herbal medicines, satellite telecommunication etc. are being explored. A number of Myanmar nationals received training at Indian institutes.

In areas of vital interest such as border management and drug-trafficking, regular interaction was maintained through bilateral institutional mechanisms. The Home Secretary led the Indian delegation for the Fifth India-Myanmar National Level Meeting held in Yangon (April 26-29). The sectoral level dialogue took place in January, 1999, to discuss issues related to border management.

Section 3

India's traditional friendship and cooperation with its northern neighbours, Bhutan and Nepal, have continued to grow and strengthen over the years, reflecting the firm foundations and essential stability of the bilateral relationships. These bilateral relationships have traditionally been based on mutual understanding, respect and goodwill. Mutually beneficial economic cooperation between the two countries has grown steadily over the past few years and has provided substance to India-Bhutan and India-Nepal relations. During the period under review several initiatives were taken with a view to further enriching and consolidating these relationships.

particular, India's economic cooperation programmes with Bhutan and Nepal, and trade and commercial relations developed satisfactorily, with steps being taken to liberalise and improve the procedures and bilateral arrangements in these sectors. The renewal of the Transit Treaty with Nepal with an automatic renewability clause, in particular, has contributed to developing business and investment confidence. India's bilateral relationship with both Bhutan and Nepal is characterised by frequent interaction at both political and official levels, and this trend continued during the period under review with several high-level exchanges of visits served to provide direction and impetus to India's relationships with both its northern neighbours.

Nepal The President of India Shri K R Narayanan made a State Visit to Nepal from 28-30 May, 1998. He was accompanied by Minister of Commerce Shri R K Hedge and four Members of Parliament. During his visit, the President held discussions with His Majesty the King, and received the Prime Minister and leaders of major political parties of Nepal, academics, intellectuals and business leaders. Their Majesties King Birendra Bir Bikram Shah Dev and Queen Aishwarya Rajya Laxmi Devi Shah of Nepal paid a State

Visit to India from 24-29 January, 1999 at the invitation of the President of India. The King was the Chief Guest at the Republic Day celebrations on 26 January, 1999.

During the visit, the King called on the President and also had separate meetings with Vice-President, Prime Minister, External Affairs Minister, Home Minister and Commerce Minister. Both the above State Visits were highly successful in underlining the goodwill and warmth that characterise our bilateral ties with Nepal, and have contributed to the consolidation of friendship and understanding between the two countries. Among the other high level bilateral contacts, notable are Prime Minister Shri A B Vajpayee's meetings with his Nepalese counterpart Mr G P Koirala on the fringes of the NAM Summit in Durban and the SAARC Summit in Colombo. Discussions between the two Prime Ministers encompassed a wide gamut of bilateral, regional and international issues of common interest.

he 2nd Meeting of the Joint Working Group (JWG) on Border Management was held in Delhi on 16 & 17 June, 1998. A number of decisions with the objective of preventing misuse of the open border between India and Nepal by undesirable elements were taken by the two sides. The meeting was followed by Home Secretary level talks on 18 June, 1998 that, inter alia, reviewed the decisions taken by the JWG. The first Director General level talks on Customs Cooperation were held in New Delhi on 15 & 16 June, 1998. The Nepalese delegation was led by their Director General, Customs and the Indian side by the Director General, Department of Revenue Intelligence. It was decided that such bilateral DG level meetings should be held on a regular basis to monitor and effectively combat smuggling activities across the open India-Nepal border.

A 3-member Nepalese delegation headed by their Director General, Taxation attended the 2nd Meeting of the India-Nepal Joint Commission set up under the Double Taxation Avoidance Agreement (DTAA) held in New Delhi from 28-30 July, 1998. The Meeting was useful in so far as the two sides had an exchange of views on specific issues relating to DTAA, with the objective of further strengthening bilateral cooperation in this area. In pursuance of the Memorandum of Understanding on Agricultural Cooperation signed between India and Nepal in December 1991, the 3rd Meeting of the India-Nepal Joint Agricultural Working Group (JWG) was held in Kathmandu from 5-7 August, 1998. The Meeting reviewed the progress on the decisions taken at the 2nd JWG meeting held in New Delhi in December 1996 and finalised the biennial Work Plan for the years 1999 and 2000.

The Deputy Prime Minister of Nepal, Ms Shailaja Acharya paid a private visit to India in September 1998, during which she called on the Prime Minister of India and discussed various bilateral issues of mutual concern. On a separate visit to Bihar from 22-26 October, 1998, Ms Acharya participated in the inaugural ceremony on the occasion of the 29th Anniversary of the Vishwa Shanti Stupa at Ratnagiri Hill, Rajgir held on 25 October, 1998. The 21st Meeting of the Joint Technical Level India-Nepal Boundary Committee (JTC) was held in New Delhi on 26 & 27 November 1998. At the Meeting, the two sides reviewed the progress in the implementation of the decisions taken at 20th JTC Meeting and recommended specific actions for the timely completion of the Indo-Nepal boundary tasks. The 5th Meeting of the Joint Working Group (JWG), constituted by the Joint Technical Level India-Nepal Boundary Committee (JTC), was held in Kathmandu on 15 & 16 July, 1998.

The Meeting reviewed the progress in the implementation of the recommendations of the 4th JWG Meeting, 20th JTC Meeting and Survey Officials Meeting (SOM) held during May 1998. India attaches high priority to the development of economic and commercial ties with Nepal. Successive reviews of bilateral trade & transit arrangements were held during Commerce Secretary level talks at New Delhi in March, September and November 1998. The agenda covered a gamut of issues in this area, in particular,

the operation of the new road transit route from Nepal to Bangladesh via Phulbari, and the renewal of the Treaty of Transit between the two countries.

A renewed Transit Treaty between India and Nepal was signed on 5 January. 1999 in Kathmandu by Commerce Minister Shri Ram Krishna Hegde and his Nepalese counterpart Mr Purna Bahadur Khadga. The renewed Treaty, valid for a period of seven years up to 5 January, 2006, will be automatically extended for further periods of seven years at a time, unless either of the parties gives written notice of its intention to terminate the Treaty six months in advance. A Protocol and a Memorandum to the Treaty containing the modalities and other arrangements were also signed. These would be subject to review and modification every seven years or earlier, if warranted. India's contribution to Nepal's economic development in diverse areas has increased over the years. Major projects funded by the Government of India currently under implementation include the construction of 22 bridges on the Kohalpur-Mahakali sector of the East-West Highway, establishment of the B P Koirala Institute of Health Sciences at Dharan, construction of an Emergency and Trauma Centre at Bir Hospital in Kathmandu, broadgauging of Raxaul-Sirsiya Rail Link and several other projects that form part of India's commitment under the mahakali Treaty. A High Level Task Force (HLTF) monitors the progress in bilateral relations and oversees Indian assisted projects in Nepal. Initiatives taken by the Government of India to liberalise the trade and investment regime with Nepal are expected to provide a boost to bilateral economic exchanges in the coming years.

Indian investments as of date accounted for over 40% of total foreign investments in Nepal. Bilateral trade during 1997- 98 amounted to Rs. 946 crores. For the period April-August 1998, the two-way trade was Rs. 409 crores, while the figure for the corresponding period in the previous year was Rs. 346 crores. An interesting development is the sharp increase in Indian imports from Nepal during the first five months of 1998-99, with the figure reaching Rs. 249 crores, as compared to Rs. 108 crores registered in April-August 1997. A large number of Nepalese students continued to avail of academic and training facilities in India. Several scholarship schemes, such as the Silver Jubilee Scholarship and the B P Koirala Foundation Scholarship supplemented normal scholarships and self-financing opportunities for studies in India offered by the Government of India to Nepalese students in diverse fields, notably engineering, medicine and technical areas. Specific professional training and orientation programmes were also conducted for select candidates from Nepal under the Nepal Aid Scheme. A large number of Nepalese students also directly sought admission to schools and colleges in India on a special concessional basis.

Bhutan His Majesty Jigme Singye Wangchuck, the King of Bhutan visited India from 5-8 October, 1998. Discussions that the King held with the President, the Vice President, Prime Minister, External Affairs Minister and other senior Cabinet Ministers, provided an opportunity for a wide ranging overview of the bilateral relationship. The Minister of Power, Shri P K Kumaramangalam led a high level delegation to Bhutan from 26-29 October, 1998 to discuss issues relating to development of hydel power in Bhutan. The 5th Joint Technical Level Meeting on the Bilateral Survey Collaboration Project was held in Thimphu from 6-9 August, 1998. This project aims at developing indigenous capacity in Bhutan for survey and mapping, and includes supply of equipment and technology transfer in this field. To Bhutan's 8th Five Year Plan (1997-2002), as in previous Plans, Indian assistance has focussed on areas of infrastructure such as the construction of roads, bridges and hydro-power capacity. Special emphasis has also been placed on the implementation of projects in social sectors such as education and health.

Larger projects that are being jointly developed with the Royal Government of Bhutan include the Tala Hydroelectric Project, Kurichu Hydroelectric Project and the Dungsum Cement Project. Following the outbreak of fire in the famous Taktsang Monastery in Bhutan, the Government of India contributed an amount of Rs. 25 lakhs in April 1998 towards the cost of reconstruction of the Monastery. Cooperation between the two countries in the areas of culture and education has been noteworthy. A number of Bhutanese students availed of scholarships provided by the Government of India in technical areas such as agriculture, engineering and medicine. Under the bilateral Cultural Exchange Programme, there are regular visits of cultural troupes and artistes between the two countries. SAARC Overview Regional cooperation in South Asia under the framework of SAARC gained further momentum during the year 1998.

The Tenth SAARC Summit in Colombo in July 1998 reaffirmed the desire of all SAARC leaders to strengthen cooperation in the region, particularly in the economic field. India took some bold initiatives to speed up trade liberalisation in the region with the lifting of Quantitative Restrictions for SAARC countries with effect from 1 August, 1998. Cooperation in the core economic areas was further consolidated with the conclusion of the Third Round of SAPTA negotiations in November 1998. SAARC leaders also agreed that there should be a separate Treaty for a South Asia Free Trade Area (SAFTA) and negotiations on this Treaty are to commence in early 1999.

New initiatives were taken to develop cooperation in the field of Information and the Media and in Telecommunications with the first meetings of the Ministers of Information and Telecommunications. The gains of the past were assessed and a perspective plan for SAARC for the next two decades was provided by the Group of Eminent Persons constituted by SAARC leaders in 1997. Their Report presented at the Colombo Summit in July 1998 sets out a substantial agenda for economic integration in three phases and for cooperation in the social sectors upto the year 2020. The range of SAARC cooperation is evident from the sixty meetings and activities that took place at various levels during the year starting from the Summit down to the Ministerial, official and technical levels. Highlights of the activities are as follows: Ministerial and Other Meetings The First SAARC Information Ministers Meeting, Dhaka, Bangladesh (24-25 April, 1998)

The Meeting adopted the Dhaka Communiqu containing a SAARC Plan of Action for developing cooperation in the field of Media and Information. This provides, inter-alia, for free flow of information, newspapers, periodicals, books and other publications, increased cooperation amongst news agencies of SAARC countries; holding of annual conferences of Editors and Journalists, evolution of a SAARC Media Forum and discouraging negative projection of member countries. The Second SAARC Commerce Ministers' Meeting, Islamabad, Pakistan (29-30 April, 1998)

The Commerce Ministers discussed ways to accelerate the ongoing Third Round of SAARC Preferential Trade Negotiations and stressed the need to deepen tariff cuts accompanied by removal of Non-Tariff Barriers on major items of intra-SAARC trade, as well as product coverage. It stressed the need for early finalisation of the Draft Agreement on Promotion and Protection of Investment in the Region, conclusion of Double Taxation Avoidance Agreements between the SAARC Countries, and for expanding intra-SAARC investment cooperation and joint ventures. The meeting also reviewed the progress of the group on transition from SAPTA towards SAFTA. The Commerce Ministers agreed to coordinate SAARC positions at the WTO and authorised the constitution of a Group of SAARC Ambassadors to the WTO at Geneva.

The First SAARC Communication Ministers' Meeting on 22-24 May, 1998 at Colombo, Sri Lanka A SAARC Plan of Action was finalised which, inter-alia, calls for reduction of telecom tariffs to the lowest extent feasible, complete digitalisation of inter- country links amongst SAARC countries preferably by

December 1999, allocation of sufficient band width for regional telecommunication links, setting up of Web Sites/data bases to exchange information on telecom standards, policies and technologies, adoption of Mutual Recognition Arrangements for equipment standards, and consultations to evolve common SAARC positions on Telecommunication issues of regional concern at international fora. SAARC UGC Representatives' Meeting The Representatives of University Grants Commissions of SAARC Countries met in New Delhi from 14-16 May, 1998 to consider ways of enhancing cooperation amongst universities in SAARC countries. Extensive deliberations were held and recommendations inter alia, to recognise university degrees mutually, increasing the number of scholarships, review of the SAARC Chairs, etc were made at the Meeting.

South Asian Development Fund The Third Meeting of the Governing Board of the South Asian Development Fund was held at Pokhara, Nepal on 4-6 June, 1998. The Board finalised the draft operational modalities for the Window II and considered the modalities for Window III. It also reviewed the progress of Project Studies underway under Window I and recommended sponsorship of projects for which detailed studies had been carried. It also set up a Technical Committee to review the draft Accounting Manual and a proposal to set up a permanent Secretariat of the SADF. India offered to host an Executive Development Programme for the Development Financial Institutions of SAARC Countries in 1999.

Regional Convention to Combat Trafficking in Women and Children for Prostiution An Expert Group Meeting on drafting a Regional Convention to Combat Trafficking in Women and Chldren for Prostitution was held in New Delhi (18-19 June, 1998). Negotiations lasting over two days resulted in a draft Convention. The salient points of the draft include severe punishment for trafficking under national laws, provisions for extradition or prosecution of offenders and mutual legal assistance. It also provides for positive measures to prevent trafficking, as well as for providing temporary care and for repatriation of the victims of trafficking. Technical Commitee on Education, Culture and Sports The Fifth Technical Committee Meeting of SAARC on Education, Culture and Sports was held in Thimpu, Bhutan on May 26-27, 1998. Review of the activities under the SAARC Technical Committee during the past year like preparation of a SAARC Anthology, SAARC Audio-Visual Exchange (SAVE) Programme, Literacy programmes, Coaching Camps for Sports, etc. took place in the Meeting.

Technical Committee on Women in Development The Thirteenth Technical Committee Meeting on Women in Development was held in Kathmandu, on June 28-30, 1998. The consideration of the Regional Convention on Combating Trafficking of Women and Children for Prostitution was the major item. India offered to hold a "Workshop on Implementation of the Dhaka Resolution on Women".

Tenth SAARC Summit The Tenth SAARC Summit was held in Colombo, 29-31 July, 1998, to coincide with its 50th Independence Anniversary Celebrations. It was preceded by the 20th Session of the Programming Committee, the 25th Session of the Standing Committee, and the 20th Session of the Council of Ministers, and the Seventh Meeting of the Food Security Reserve Board. At the conclusion of their deliberations, the Heads of State or Government issued the Colombo Declaration. The Indian delegation was led by Prime Minister Shri Atal Behari Vajpayee. He was accompanied by the Commerce Minister, the Deputy Chairman Planning Commission as well as the Minister of State for External Affairs, who headed the Indian delegation for the Meeting of the SAARC Council of Ministers immediately preceding the Summit. The Summit took some significant decisions to advance cooperation in the core economic areas of trade and investment. A Group of Experts from all seven SAARC Countries will be set up to commence negotiations on an Agreement or Treaty for a South Asian Free Trade Area. This

Agreement will spell out binding schedules for freeing trade and is expected to be finalised and put in place by 2001.

This would provide a predictable and transparent blue- print for achieving a Free Trade Area in South Asia. The Agreement will also include special facilitative measures for the Least Developed Countries. Negotiations for deepening and widening trade preferences under the South Asian Preferential Trading Arrangement will continue in parallel. SAARC leaders at their meeting in Colombo directed that the Third Round of SAPTA negotiations should be concluded quickly and also directed that the Fourth Round of SAPTA negotiations should commence immediately thereafter, with the mandate of extending deeper tariff concessions to products which are being actively traded or are likely to be traded. Discriminatory trade practices and non-tariff barriers are to be simultaneously removed on items in respect of which tariff concessions are granted. This would ensure that we continue to liberalise trade, even as the negotiations for a SAFTA Agreement are underway.

India took some bold initiatives to enhance access to its market. The Prime Minister announced that India would lift Quantitative Restrictions for SAARC countries with effect from August 1, 1998. This involves putting over 2000 products on Open General License for SAARC countries and has been widely welcomed. The Prime Minister also announced that the ceiling for Overseas Indian investment in SAARC countries under fast track procedures would be increased from \$8 million to \$15 million. This was appreciated as an indication of India's commitment to encourage a greater flow of Indian investment in its immediate neighbourhood.

India also offered to consider bilateral free trade arrangements with those countries who are interested in moving faster. This is expected to reinforce regional trade liberalisation and impart added momentum to the process. Sri Lanka has taken up this offer. Significant decisions were also taken to strengthen cooperation in the social sectors. SAARC leaders agreed in Colombo to draw up a Social Charter for SAARC setting out regional goals in the important areas of population stabilisation, education, health, nutrition, child welfare and women's development. Particular focus has been placed on the persistent problem of poverty in the region and the leaders of SAARC countries have committed themselves to the eradication of poverty in South Asia preferably by the year 2002. A three-tier institutional structure to evolve cooperation in this field has been set up. These three tiers comprise: A Group of Secretaries to Governments dealing with Poverty Eradication and Social Development; the Group of Finance/Planning Secretaries; and SAARC Finance/Planning Ministers.

This mechanism is a forum for exchange of information on poverty eradication programmes, strategies and technologies. The impact of structural adjustment programmes and economic liberalisation on weaker sections of society has been kept in focus through the involvement of Finance/Planning Ministers at the highest level. The text of the Regional Convention to Combat Illegal Trafficking in Women and Children for Prostitution was finalised. SAARC leaders agreed that the scope of the Convention could be expanded in time to cover trafficking for other purposes. The Convention is expected to be signed at the next SAARC Summit in Kathmandu. A separate Convention on Child Welfare is also under discussion. A new initiative has been taken to develop cooperation in the field of Distance Education. A SAARC Forum of Vice Chancellors of Open Universities will be established to develop cooperation in areas such as the sharing and joint development of programmes, credit transfers for specific programmes and the translation of existing programmes.

The Summit stressed the importance of developing a regional self-reliant capability for South Asia in scientific research and development. India will host a special meeting of SAARC Science & Technology

Ministers to consider a SAARC Technology Initiative to identify and implement specific regional projects in rural areas which would have a direct impact in improving the day-to-day life of people. SAARC leaders also emphasised the need to institutionalise SAARC cooperation in the field of bio-technology and have directed that cost-effective arrangements for such cooperation should be evolved.

The Summit has also taken the initiative to develop cooperation in the field of traditional systems of medicine in which the SAARC region has a rich heritage. India will host the First Health Ministers' Conference in 1999 which would help in evolving proposals for cooperation in this field. The Report of the Group of Eminent Persons (GEP) was presented at the Tenth SAARC Summit. The Report contains important recommendations for strengthening cooperation in the economic and social field and for restructuring the Integrated Programme of Action. The SAARC leaders directed that the Report and recommendations of the GEP should be examined in depth by the SAARC Council of Ministers at their next session.

Post-Summit Meetings SAARC Group on Customs Cooperation The Third Meeting of the SAARC Group on Customs Cooperation was held at Jaipur from August 24-26, 1998. Several issues including exchange of information about positions to be taken at the WCO and the WTO on Harmonisation of Rules of Origin, revisions required to be incorporated in the new version of the Harmonised System of classification, Standardisation of Forms for Customs Declaration, Draft Agreement on Mutual Administrative Assistance for application of Customs Laws were discussed at the Meeting. The Meeting agreed on coordination amongst SAARC Customs Authorities for providing inputs for the Harmonised Rules of Origin and adoption of Common Formats for import/export declarations.

Conference on Multi-lingual and Multi-media Information Technology A SAARC Conference on Multilingual and Multi-media Information Technology was held from 1-4 September, 1998 at Pune, India. Various facets of Information Technology relevant to the SAARC countries were analysed and recommendations made for the spread of Information Technology in the region.

Technical Committee on Rural Development The Meeting of the Technical Committee on Rural Development took place in Colombo from 24-25 September, 1998 and agreed to the Indian proposal for establishing a Network of Experts in Rural Development including housing, water, sanitation. India will host a Seminar on Rural Poverty Alleviation early next year under the Technical Committee. Informal Meeting Of SAARC Foreign Ministers at UNGA The Informal Meeting of SAARC Foreign Ministers on 28 September, 1998 on the margins of the UNGA focussed on follow-up of the decisions taken at the Tenth SAARC Summit in Colombo in July 1998. It was agreed that the Third Round of SAPTA negotiations should be completed quickly. It was also agreed that the meeting of the Committee of Participants to consider the proposals for a downward revision of the national content requirements of the SAPTA Rules of Origin should be held immediately following the SAPTA-III talks in Kathmandu. Both these meetings have since been held.

An important decision taken by the Foreign Ministers was to consider joint SAARC initiatives, where possible, on issues before the UNGA. It was agreed that the Permanent Representatives to the UN be mandated to consult regularly to evolve common positions and common strategies. The Ministers discussed the time-schedule of the various Ministerial meetings and stressed the need for proper sequencingand preparation. It was agreed that Ministerial Meetingsshould be preceded by preparatory official meetings. A detailed conceptpaper outlining the objectives sought to be achieved should also be circulated before the Meeting.

Meeting of Finance Secretaries and Governors of Central Banks The SAARC Finance Secretaries and Governorsof Central Banks met for the first time at the margins of the Annual Meeting of the IMF - World Bank in Washington on October 5, 1998. They decided to establish a network called "SAARC Finance" for exchange of information on developments in the region, specially related to exchange of Status Papers on Payment Systems in their respective countries, so that quicker settlement could be effected in respect of cross-border Trade flows. India is to prepare a monograph on this. Two issues viz. (a) Supervision of banking and non-banking financial entities and (b) Coordination between fiscal and monetary policies - were identified to be discussed in-depth at a meeting of officials of Central Banks. India proposed to host the meeting in Mumbai.

Technical Committee on Environment and Meteorology The Third Technical Committee Meeting on Environment and Meteorology was held in Kathmandu from 14-16 October. A format for the State of the Environment Report was prepared. It was also agreed to convene an Expert Group Meeting for Exchange of Information on Environmental Standards. India offered to host, during the next year, a workshop on Sharing Information on Disaster Preparedness and Mitigation and two Expert Group Meetings (i) to draft an understanding on Transboundary Movement of Hazardous Wastes in the SAARC region and (ii) Expert Group Meeting for the proposed establishment of a Networking Mechanism to assist member countries for protection and preservation of the Environment.

SAARC LAW Conference The Seventh SAARC LAW Conference was held in Colombo from 23 -25 October, 1998. The Chief Justice of India, Attorney General of India, Shri Ram Jethmalani, Urban Affairs Minister and a host of legal luminaries from India participated in the Conference.

Environment Ministers' Meeting The Fourth SAARC Environment Minister's Meeting was held in Colombo from October 31 to November 1, 1998. A draft common SAARC position on Climate Change Issues on the eve of the Buenos Aires Meeting on Climate Change was adopted at the Meeting. The common SAARC position highlights the need for determination of equitable emission entitlements as well as transfer of new and additional financial resources and environmentally sound technologies on concessional terms to developing countries. It expresses concern at the attempt of some Annex-I Parties (Industrialized Countries) to link ratification of the Kyoto Protocol to the introduction of new commitments for non-Annex-I parties which will only delay the Protocol coming into force.

The SAARC Environment Ministers agreed to direct their focus on a single theme in each of their future meetings. They also agreed that Bio-Diversity should be the theme for the year 1999. The Government of India will host a Meeting on the trans-boundary movement of hazardous wastes and dumping of such wastes in the region by other countries. This Meeting would examine the implications of the coming into effect of the Basel Convention for the SAARC countries and also explore the possibility of harmonising policies and procedures with regard to hazardous wastes.

SAARC Audio Visual Exchange Programme (SAVE) The seventeenth meeting of the SAARC Audio Visual Exchange Programme was held in New Delhi on 17-18 November, 1998. 14 Radio and 11 TV Programmes, were selected by its Screening Committee. These Programmes will be broadcast/telecast simultaneously in all SAARC countries. The Meeting also deliberated on various means to increase the SAARC profile in the Region. India offered to host a training programme on "On line Editing" for TV technicians from the Region.

Third Round of SAPTA The Third Round of Preferential Trade Negotiations under SAPTA concluded on 23 November, 1998 in Kathmandu. A total of 3456 tariff lines were covered under concessional tariffs. India

offered more than half the concessions. The cumulative total concessions offered countrywise were : India : 1917, Bangladesh: 481; Pakistan : 295; Sri Lanka : 82; Nepal : 189; Bhutan : 124; Maldives : 368.

The Third Meeting of Committee of Participants was held in Kathmandu on 24-25 November, 1998. A consensus to revise the Domestic Content Requirements under the SAPTA Rules of Origin downward by ten percent was reached at the Meeting. Goods traded under the SAPTA Agreement will be covered under the revised rules of origin after endorsement by the SAARC Council of Ministers. SAARC Visa Exemption Scheme An Expert Group Meeting on review and further expansion of the SAARC Visa Exemption Scheme was held in Kathmandu (November 25-26, 1998). This Scheme was initiated in 1988 with a view to promote closer and frequent contacts among the people of the SAARC region and became operational from March 1, 1992. The Meeting recommended addition of 20 categories of persons who could travel within the SAARC Countries without visas. The Meeting also suggested various measures to improve the Scheme and make it more transparent and acceptable in all SAARC countries.

Draft Convention on Regional Arrangements on the Promotion of Child Welfare in South Asia The decade 2001-2010 has been designated the "SAARC Decade of the Rights of the Child". An Expert Group Meeting to consider a draft Convention on the Promotion of Child Welfare was held in Male, Maldives from December 9-10, 1998. This will be further discussed by the Technical Committee on Health, Population and Child Welfare.

The Eighth meeting of the Governing Board of the SAARC Tuberculosis Centre took place on 6-7 January, 1999 in Kathmandu, Nepal. Inter alia, the Governing Board decided on organising a SAARC-CIDA workshop on Control of TB and HIV cases in the Region, setting up of a lab- testing facility at the Centre, SAARC Training Programmes and a Multicentric Study on Primary Drug Resistance. A two Weeks Executive Development Programme for Middle Level Officers of Nodal Development Financial Institutions was held at the Jawaharlal Nehru Institute for Development Banking, Hyderabad from January 11-23, 1999.

The First Meeting of Vice Chancellors of Open Universities in SAARC countries was held from January 25 to 27 in Colombo, Sri Lanka. The Meeting discussed issues of regional cooperation in the areas of Sharing of Resources including course module and personnel currently available from respective institutions, joint development of programmes/courses, evolving mechanisms for credit transfer, accumulation and accreditation and sharing information technology. A Task Force of three members (Sri Lanka, India and Maldives) was constituted to work out details of a Policy Formulation Body, an Accademic Body, an Accreditation Body as well as drawing up of relevant protocols and identifying sources of funding.

The Thirteenth Technical Committee Meeting on Prevention of Drug Trafficking and Drug Abuse took place at Male, Maldives from 27-28 January, 1999. The discussions covered the issue of making the SAARC Drug Offences Monitoring Desk (SDOMD) in Colombo more effective. Other issues included control of drugs and precursor chemicals and rehabilitation of drug addicts. A Seminar on Supervision of Banks and other Financial Entities in the SAARC Region was held in Pune from January 27-30, 1999. Soundness of the financial system as an essential prerequisite for successful pursuit of macroeconomic, policies, importance of supervision by Central Banks, etc. was discussed in the Seminar.

The Sixth Governing Board Meeting of the SAARC Documentation Centre was held on February 5-6, 1999, in New Delhi. It has been decided to launch a SAARC website which will provide information on all activities that have been held under the aegis of SAARC including reports, recommendations and studies

for regional cooperation. In addition, training of documentation officials in SAARC countries, development of several value added databases like scientific research institutes in the region, alternate/traditional forms of medical systems, periodicals and books published yearly, etc. will be undertaken by the SDC during the current year.

The Third SAARC Commerce Ministers' Meeting (February 2-3, 1999), preceded by the Tenth Meeting of the Committee on Economic Cooperation at the Commerce Secretary level (January 30-February 1, 1999), took place in Dhaka, Bangladesh. The Meeting decided that two preparatory Meetings should be held for coordination of SAARC positions at the forthcoming WTO Ministerial Meeting in the USA in November 1999. India offered to host the first of these two preparatory meetings. The Commerce Ministers approved the outcome of the Third Round of SAPTA negotiations and called for issuing notifications, giving effect to the Round, not later than October 1, 1999. They also decided that the Fourth Round of SAPTA negotiations should commence by the first half of August, 1999. The First Meeting of the Expert Group to commence drafting the SAFTA Treaty would also be held immediately thereafter. The Meeting approved the revision of the SAPTA Rules of Origin reducing the domestic/regional content requirement by 10 percent. The Meeting also decided to make a formal request to the European Commission to recognise SAARC as an association for according cumulative Rules of Origin for GSP Treatment.

The Seventeenth Meeting of the Technical Committee on Agriculture was held in New Delhi from February 15-17, 1999. A Draft Regional Perspective of the Status of Agriculture ill SAARC Countries was prepared by India and was adopted at the Meeting. A detailed analysis of the position of Horticulture in the SAARC Region was discussed and a compendium of the deliberations will be prepared. India has proposed to organise a Training-cum-Demonstration Programme on Watershed Management Approach for minimising soil degradation. Two workshops on Nut Cropping and Soil Fertility Management for Increased Productivity in Rice based Cropping Systems will be held in the course of the year under this Technical Committee.

The following important meetings are likely to take place during the remaining part of the current year: (i)Sixteenth Meeting of the Technical Committee on Science and Technology from February 24-26, 1999 in New Delhi.

(ii)Programming and Standing Committees and the Council of Ministers Meetings in mid March 1999 in Colombo, Sri Lanka.

Review of SAARC Functioning Two review Reports on the functioning of SAARC were prepared during the year. The first was the Report of the Independent Group of Experts on the functioning of the Integrated Programme of Action (IPA)- with its eleven technical committees comprising Agriculture, Communications, Education, Culture & Sports, Environment & Meteorology, Health & Population activities, Prevention of Drug Trafficking & Abuse, Rural Development, Science & Technology, Tourism, Transport and Women's Development. The Report has suggested a moderate restructuring of the IPA with reduction of the number of Technical Committees to seven by amalgamation of several Committees, and the setting up of a new Committee on Energy.

The other, far reaching Report was by the Group of Eminent Persons constituted by the last Summit in Male (12-14 May, 1997). The mandate of the Group was to undertake a comprehensive appraisal of SAARC and identify measures, including mechanisms to further vitalise and enhance the effectiveness of the Association and develop a long range vision and formulate a Perspective Plan of Action, including a

SAARC Agenda for 2000 and Beyond, which will spell out the targets that can and must be achieved by the year 2020. The Group submitted its Report to the Tenth SAARC Summit in Colombo in July 1998. The GEP has identified the following focus areas: Economic Agenda On the economic side, the GEP has recommended a substantive agenda for achieving economic integration in three phases:

(i) Negotiation of a Treaty for a South Asian Free Trade Area (SAFTA) by 1999 with implementation commencing in 2000. Achievement of SAFTA by 2008, stretching to 2010 for the Least Developed Countries;

(ii) Achievement of a SAARC Customs Union with harmonisation of external tariffs by 2015; and

(iii)Achievement of SAARC Economic Union with harmonisation of monetary and fiscal policies by 2020. The GEP has also recommended substantial concessions for the Least Developed Countries including a longer time period for freeing trade. Other proposals in the economic field include: nFinalisation of a Regional Investment Agreement and setting up a SAARC Investment Area before the commencement of SAFTA implementation; nHarmonisation and simplification of Customs Procedures and upgradation of Customs Infrastructure; nHarmonisation and conformance of Standards, Quality and Measurement; nDevelopment of Transportation Infrastructure and Transit Facilities; nSocial Agenda.

In the Social field, the GEP has recommended: nCommitment to the Target of reaching a replacement level of poulation which translates into a birth rate of 21 per thousand before the year 2020; nAttainment of universal primary education upto the age of 15 before the year 2010. Elimination of gender disparities in access to education within the target date of 2010; nSetting aside 6% of GDP for education by the year 2010; nReduction of infant mortality below 50 per thousand live births by the year 2005. Attainment of 100% immunisation by the year 2000 in target areas set by the UNICEF programmes; nEmpowerment of women socially, economically and politically; nHolding of regular biennial Ministerial meetings on Women's Development; nEach member-State to set its own time-frame for poverty eradication; n Effective utilisation of the SAARC three-tier mechanism on Poverty Alleviation to facilitate sharing of experiences and formulation and implementation of regional policies; nRegular meetings at political and technical levels on the Environment. Urgent follow-up on the SAARC Plan of Action on the Environment.

The two Reports will be an issue of special consideration at the next Council of Ministers Meeting and an extra day would be set aside at the next Meeting of the Standing Committee of Foreign Secretaries for their detailed consideration. Subregional Cooperation Bangladesh-Bhutan-India-Nepal Growth Quadrangle (BBIN- GQ) Initiative The Second meeting of Foreign Secretaries of the four countries met in Kathmandu on 17 July, 1998 and finalised Working Modalities for Sub Regional Cooperation. The Growth Quadrangle is to follow a project led approach to cooperation in the core economic sectors of Multimodal Transportation and Communication, Energy, Trade and Investment Facilitation and Promotion, Tourism, Optimal Utilization of Natural Resource Endowments and Environment. These projects would result in tangible benefits to the people in the sub-region in the form of poverty eradication, employment and income generation, social welfare and improvement in the quality of life.

These projects will be supportive of and complimentary to national plans of the countries in the Growth Quadrangle, to fully utilize their talent and resources as well as mobilize the participation of the private sector in the implementation of projects and activities identified collectively. The projects will develop and make best use of neighborhood synergies and would be such that they can most productively be dealt with on a sub-regional basis. The resources and expertise within the sub-region will be given

priority and used to the maximum extent possible with resort to international resources and agencies depending on the requirements of specific projects and availability of internal resources. A prioritized, practical, action-oriented, time-bound and incremental approach will be followed in selection, development and implementation of projects having immediate impact as well as large infrastructure projects with long gestation.

A three-phase plan of action involving conceptualization of specific projects in the first phase, preparation of feasibility studies and financial estimates in the second phase and implementation of projects and schemes as and when they are ready in the third phase has been agreed upon. The first phase is to last for one year, the second phase to take two years, and the third phase to take between 5-10 years.

Nepal will continue to coordinate the overall sub-regional cooperation efforts. Nepal will also coordinate projects in the area of Tourism and Multi-Modal Transportation and Communication. Projects in the area of Natural Resource Endowments and Energy will be coordinated by Bangladesh. Bhutan will coordinate projects relating to the Environment. India will coordinate projects in the area of Trade and Investment Promotion and Facilitation. uu 1999

South East Asia and the Pacific

India's relations with the countries in the South East Asian region have expanded and diversified and more so since the conscious adoption of our 'Look East' policy which sought to strengthen existing linkages and forging new ones with the ASEAN countries. The closeness of relationship was reflected in the exchange of visits with these countries, including visit of H.R.H. Crown Prince of Thailand to India and holding of Joint Commission Meetings with Laos and Vietnam. Total bilateral trade with ASEAN countries in 1997-98 was US\$ 5.98 billion compared to US\$ 5.99 billion in 1996-97. The marginal decline in bilateral trade can be largely attributed to the fall in the value of the currencies of ASEAN countries and contraction in imports from India. The economic difficulties facing these countries have posed new challenges and we offered to cooperate with these countries in finding ways and means to ensure that the crisis does not adversely impact on our economic & commercial relations.

Our ties with ASEAN have been developing satisfactorily since India became a Full Dialogue Partner of the ASEAN in 1996. The ASEAN India Joint Cooperation Committee Meeting held in New Delhi in April 1998 provided important mechanisms for implementing various decisions. India has a fundamental interest in the regional security issues as we share maritime boundaries with several ASEAN countries and land and maritime boundary with Myanmar. India sought to promote wider and deeper contact with ASEAN countries in the ASEAN and ARF framework to promote peace development and security in the region. Shri Jaswant Singh, Deputy Chairman, Planning Commission and a special envoy of PM led the Indian delegation to the 31st ASEAN Post Ministerial Conference (PMC) and the 5th ASEAN Regional Forum (ARF) meetings held in Manila in July 1998. The ARF Meeting was significant for India as it was the first time after our nuclear tests that all nuclear weapons States were interacting in a security related forum. The meetings provided opportunities for important bilateral interactions with ASEAN and ARF members.

Following our nuclear tests in May last year, Australia had taken several measures including ban on visits to India of Ministers and senior officials and suspension of defence cooperation and non-humanitarian aid. In response to the Australian measures Indian Government took reciprocal actions. The Australian government in December, 1998 decided to relax the suspension on Ministerial and senior officials' visits,

but the other restrictions remained in place. The Australian Government has recently been trying to start official contacts at high level. Australian deputy PM and Minister of Trade Tim Fisher is scheduled to visit India from February 25-27, 1999 to co-chair the Joint Ministerial Commission Meeting with Commerce Minister.

Cambodia After months of infighting and violent incidents, general elections were held in Cambodia on July 26 to elect a 122 member National Assembly. These elections were the first since a UN-organised vote in 1993 which followed years of war and political upheaval. In the five years since that poll, Cambodia witnessed further violence and bloodshed. The National Election Committee of Cambodia declared the poll results on 1 September showing that the Cambodian Peoples Party (CPP) led by Hun Sen had won 64 seats, followed by Prince Norodom Ranariddh's FUNCINPEC with 43 seats and the SAM RAINSY's party with 15 seats. At a summit held on 12 &13 November, under the auspices of King Norodom Sihanouk, the CPP and the Funcinpec reached an agreement, to form Cambodia's next coalition government ending a deadlock of almost three months since the declaration of the results. In accordance with the deal, Mr Hun Sen was appointed as the sole Prime Minister; Prince Ranariddh as the President of the National Assembly and Mr Chea Sim, President of CPP becoming the Chairman of a newly created Senate.

India maintained friendly and close relations with Cambodia. On Cambodian Government's request, a team of five officials led by Shri Sayan Chatterjee, Deputy Election Commissioner from the Election Commission was deputed to Cambodia from 19-29 July as Observers to observe the elections. Bilateral trade during 1997-98 amounted to Rs. 10.3 crores. India donated medicines worth Rs. Five lakhs for humanitarian assistance to the internally displaced persons in Cambodia. As part of the Celebrations of the 50th Anniversary of India's Independence a Photo Exhibition was organised in July 1998 and Leela Samson's Group gave two dance performances. General Ke Kim Yan, Chief of General Staff, Ministry of Defence of Cambodia led a 3-member delegation for participation in the AeroIndia '98 at Bangalore from 6-14 December, 1998.

The UN General Assembly, on the recommendations of the Credentials Committee decided (December 7) to give Cambodia's seat in the UN to the new coalition government after keeping it vacant for fifteen months. At the 6th ASEAN Summit held in Hanoi on 15-16 December, 1998, it was decided to admit Cambodia as the ASEAN's tenth member at a special admission ceremony to be organised in Hanoi on a subsequent date.

Lao People's Democratic Republic (Lao PDR) India's relations with Lao People's Democratic Republic (Lao PDR) continued to be close and cordial with Laos showing considerable understanding on matters of importance to India. Dr Souli Nanthavong, Vice-Minister of Science, Technology and Environment of Laos visited India from 1-4 April to participate in the Global Environment Facility Conference at New Delhi. Shri S T Devare, Secretary (ER) visited Vientiane from 5-6 July, 1998 and had detailed discussions with the Lao Deputy Prime Minister, Vice-Minister of Foreign Affairs and other officials. Lao Vice-Minister of Commerce, Mr Siaosavath Savengsuksa visited India from 15- 17 November to attend the India-G77 and China Trade Conference.

Bilateral trade with Laos during 1997-98, while remaining at a modest level, showed a healthy increase, at Rs. 2.9 crores compared to Rs. 1.3 crores in 1996- 97 and maintained the trend during 1998-99. Several Indian companies such as Kirloskars, Tatas, BHEL, PEC etc. evinced keen interest in exploring the Lao market. Kirloskar Bros. Ltd., which exported irrigation pumps worth about US\$ 30 million to Laos, set up a showroom-cum-service centre in Vientiane.

As part of 50th Anniversary Celebrations of India's Independence, an exclusive Indian Photo Exhibition was held at Savannakhet from 24-26 July; a Seminar titled 'India and Laos: Areas of Understanding and Cooperation' was held in Vientiane from 27-29 July; a Bharatnatyam dance recital by Ms Leela Samson and her troupe was held in Vientiane on 12 August and a Hindi feature film 'Aasman Se Gira' was screened in a prominent auditorium on the eve of the Birth Anniversary of Maulana Abul Kalam Azad on 10 November. 21 officials of the Lao Government attended training courses in India under ITEC and Colombo Plan. In one of the major archaeological findings in the southern Champassak Province, Hindu religious relics and symbols (Shiva Lingam) were discovered in September, reinforcing the strong cultural and civilizational links between the two countries between 5th and 17th century AD. Three Lao artisans visited Bhopal in May at the invitation of the Indira Gandhi Rashtriya Manav Sangrahalaya to participate in the Workshop & Exhibition of Folk and Tribal Artists from South East Asia and India.

Smt Vasundhara Raje, Minister of State for External Affairs visited Laos from 17-20 January, 1999 to cochair the second Meeting of the India-Laos Joint Commission (JCM) held in Vientiane on 18-19 January, 1999. The Lao delegation was led by H. E. Mr Phongsavath Boupha, Vice-Minister of Foreign Affairs of The Lao's People's Democratic Republic. In their discussions at the JCM, the leaders of the two delegations reviewed the overall state of bilateral relations and agreed to further strengthen and upgrade the existing economic and cultural relations which will be commensurate with the excellent political bilateral relations. During her visit to Laos, MOS called on the President and the Deputy Prime Minister and the Foreign Minister of Lao PDR. An Agreement for US \$ 2 million soft credit to Laos and a Protocol to renew the Cultural Exchange Programme for another three years (1999-2001) were signed during the visit.

Vietnam India and Vietnam continued to work towards further strengthening and diversifying the existing traditionally close and friendly relations. The 4th session of the India-Vietnam Joint Working Group Meeting (JWG) was held at Hanoi from 25-27 April and co-chaired by Shri S T Devare, Secretary (ER) from the Indian side. During the JWG detailed discussions were held with the Vietnamese side on promotion of bilateral trade and expansion of cooperation in agriculture, science and technology and small and medium industries. Smt Vasundhara Raje, Minister of State for External Affairs paid a visit to Hanoi on 18 & 19 June and had detailed discussions with Deputy PM and Foreign Minister Mr Nguyen Manh Cam. In October 1998, Smt Suseela Gopalan, Minister of Industries of Kerala led a four-member delegation to Hanoi and had high level discussions with the Vietnamese ministers for enhancing trade between the two countries. Shri Dilip Ray, Minister of State for Coal, accompanied by a high level delegation paid a visit to Vietnam from 4-7 November to discuss programme of cooperation between India and Vietnam in the field of coal trade.

Bilateral trade during 1997-98 (Rs 478.2 crores) registered a marginal increase of 12.5 % over the 1996-97 volume of Rs 425.2 crores and continued to grow further during 1998-99. The Embassy of India, Hanoi organised the Second Pride of India Exhibition at Hanoi from 23-26 October, 1998 in which 28 Indian companies, both from private and public sector displayed state-of-the-art products in various industries and services. Coinciding with the Exhibition were: the 3rd Meeting of the India-Vietnam Joint Business Council in Hanoi and a visit of nine-member delegation from Engineering Export Promotion Council to Hanoi and Ho Chi Minh City for business promotion.

Funds were raised in April 1998 for upgrading a School in Nam Mao Commune and with the approval of the Vietnamese Government the school was renamed 'The Vietnam-India Friendship School'. Three Vietnamese artists visited Bhopal in May at the invitation of the Indira Gandhi Rashtriya Manav

Sangrahalaya to participate in the Workshop & Exhibition of Folk and Tribal Artists from South East Asia and India. The Leela Samson dance troupe visited Vietnam in August and gave performances at Hanoi, Ho Chi Minh City and Da Nang. A 12-member team of Indian scientists participated in the 5th ASEAN Science & Technology Week held at Hanoi from 5-15 October. The 2nd session of India-Vietnam Joint Commission for Science & Technology (JCST) was held on November 2 & 3 in New Delhi.

A Seminar on India-Vietnam Studies was organised in Ho Chi Minh City on 5 November. Six Indian scientists visited Vietnam from 10-12 November to participate in the first ever joint seminar on biotechnology. A delegation from Vietnam's Institute of Oceanography visited Goa in October to participate in the International Symposium on Information Technology and discuss bilateral cooperation. Historic photographs of President Ho Chi Minh and Nehru taken on the occasion of Nehru's visit to Hanoi and Ho Chi Minh's visit to Delhi in 1958 were presented on Children's Day (14 November) to Ho Chi Minh Museum for permanent display. Three Indian Naval Ships - INS Rajput, INS Delhi and INS Khanjar paid a Goodwill visit to Vietnam from 1-4 October. Regular exchanges of armed forces delegations from both sides took place.

The cultural Exchange Programme between India and Vietnam for the years 1998- 2000 was signed at Hanoi on 14 December, 1998. Vietnam hosted the 6th ASEAN Summit at Hanoi on 15-16 December, 1998. The Summit leaders outlined a 'hanoi plan of Action' for the period 1999-2004 indicating measures aimed at enhancing intra-regional economic integration, trade liberalization and financial cooperation and to establish an ASEAN free trade area by 2002.

An 8-member Vietnamese Parliamentary delegation visited India from 13-22 December, 1998 on a study tour on population and development policy under UNFPA Hanoi - Country Programme. Dr R Chidambaram, Chairman, Atomic Energy Corporation of India led a six member delegation to Vietnam from 14-19 January, 1999 to discuss bilateral cooperation programme with Vietnam Atomic Energy Corporation.

H. E. Mr Nguyen Manh Cam, Deputy Prime Minister for Foreign Affairs of the Socialist Republic of Vietnam visited India from 30 January, 1999 to co-chair the 9th meeting of the India-Vietnam Joint Commission held in New Delhi. During the visit H. E. Mr Cam called on the President and the Prime Minister. At the Joint Commission Meeting, discussions were held on bilateral, regional and international matters of mutual interest and for reviewing the ongoing cooperation and identifying fresh areas with a view to enhancing bilateral interaction. An agreement for extending soft credit of Rs. 47 crores to Vietnam and a Work Plan for 1999-2000 in the area of agriculture were signed during the visit. The two sides agreed to setting up a Working Group on coal for cooperation in the sector. Besides the officials, a 5-member business delegation accompanied the Vietnamese dignitary for interaction with Indian businessmen.

Indonesia During 1998-99, there were major economic and political upheavals in Indonesia, which became the biggest victim of the economic crisis that hit the East Asian countries in late 1997. The economic downturn resulted in depreciation of over 70% in the value of the Indonesian Rupiah, sharp rise in the prices of food and other essential goods and massive layoffs. Succumbing to internal and external pressure in the wake of worsening economic crisis, students unrest and rioting in Indonesia, President Soeharto resigned on May 21 after being in office for 32 years, and handed over power to Vice-President B J Habibie. With President Habibie at the helm of affairs, Indonesia entered an era of greater openness and political freedom, which saw a proliferation of political parties.

A special session of Indonesia's highest constitutional body, the People's Consultative Assembly (MPR) was held from 10-13 November to approve a framework for political reform. MPR Session was opposed by various groups seeking immediate removal of the Indonesian Armed Forces (ABRI) from the House and investigation into former President Soeharto's wealth. Failure of MPR Session to accommodate people's demands and fulfill their aspirations led to huge demonstrations and widespread rioting during the month. During the Special Session, MPR endorsed twelve decrees which pledged to hold elections in May/June 1999; to limit President's and Vice-President's tenure to two terms in office; to reduce armed forces' allocation of seats in the House gradually and a decree on good governance free from corruption, collusion and nepotism.

Bilateral relations between India and Indonesia, which have been traditionally close and cordial, continued to progress satisfactorily with bilateral exchanges and Indonesia showing understanding on issues of vital interest to us. Prof Dr Farid Anfasa Moeloek, Minister of Health of Indonesia, visited New Delhi from 3-7 September, 1998 to attend WHO Conference during which he had discussions with our Minister for Chemicals & Fertilizers, Shri Surjit Singh Barnala. Shri Madan Lal Khurana, Minister for Parliamentary Affairs & Tourism led a ten-member parliamentary delegation to Jakarta (September 22-25). The delegation had meaningful exchanges with Indonesian Ministers for Population, Education and Tourism besides interacting with the Indonesian parliamentarians.

The delegation also met prominent Buddhists and representatives from travel industry in Indonesia in connection with the Buddha Mahotsav organised in India from October 24-November 8, 1998. Prof Dr Juwono Sudarsono, Minister of Education and Culture of Indonesia visited New Delhi from 11-14 October, 1998 to deliver a lecture under the 'India-ASEAN Eminent Persons Lecture Series'. During the visit Prof Sudarsono called on our Minister of Human Resource Development, Dr Murli Manohar Joshi.

Shri S T Devare, Secretary (ER), MEA visited Jakarta from July 9-11 for bilateral consultations and met the Indonesian Foreign Minister, the Education Minister, ASEAN Secretary-General and senior Government officials. Dr J S Djiwandono, Professor of Economics and former Governor of Bank of Indonesia visited Delhi from 12-13 September to deliver a lecture for the ASEAN-India Eminent Persons Lecture series. Shri Virendra Dayal, Member, National Human Rights Commission visited Jakarta from 6-10 September to participate in the Third Annual Meeting of the Asia Pacific Forum of Human Rights. Shri Sayan Chatterjee, Deputy Election Commissioner paid a visit to Indonesia from 29 November-6 December, 1998 to participate in bilateral and multi-lateral conferences on electoral law reforms arranged by the International Institute for Democracy and Electoral Assistance (IDEA)'s Mission to Indonesia.

Bilateral trade between the two countries during 1997-98 amounted to Rs. 4330.3 crores as compared to Rs. 4226.2 crores during 1996-97. With a view to strengthening trade relations with Indonesia (which registered a declining trend during 1998-99 due to the economic turmoil being faced by Indonesia for the past one year), a delegation led by Shri Nripendra Mishra, Additional Secretary in the Ministry of Commerce visited Indonesia from 12-14 July and had meetings, inter alia, with Indonesian Minister of Trade and Industry. During this visit counter-trade arrangements as well as export from India of rice and bulk drugs were discussed. In September 1998, a delegation from the Indonesian pharmaceutical industry visited India to explore the possibility of import of bulk drugs from India. Indonesian State Logistic Bureau (Bulog), which is responsible for rice imports, sent a delegation to India in November 1998 for further discussions on rice imports.

As part of the celebrations of the 50th Anniversary of India's Independence, various functions were organised in Jakarta and other major cities in Indonesia. These included a Photo Exhibition, a

Bharatnatyam dance performance by Ms Leela Samson and a Kuchipudi dance recital by Ms Swapan Sundri. Mr Nurcholish Madjid, an economic scholar visited India at the invitation of ICCR from 2-6 September to participate in an international seminar on India's Islamic Heritage. Cooperation in the scientific and technical areas also continued. Over 63 Indonesian candidates received training in India under the Colombo Plan, ITEC and other schemes. Under the MOU signed by ISRO and LAPAN of Indonesia the construction of Telemetry, Tracking and Command (TTC) ground station at Biak (Kalimantan) for continuous monitoring ISRO's Geosynchronous Satellite Launch Vehicle (GSLV) was completed satisfactorily. As regards defence cooperation, an Indonesian Naval Ship visited India from 25-28 April to participate in joint exercise 'Madad '98'.

The next general elections in Indonesia will be held on June 7, 1999 to elect 500 members of the Lower House (DPR). The new DPR would be convened on August 29, 1999 and election of the President and Vice President would be held on November 10, 1999 after the consultation of the Upper House. Anti-government agitation and demonstration by students, communal strife between Christians and Muslims have continued unabated in various parts of Indonesia. Former President Soeharto was questioned by the office of the Attorney General on the charges of corruption.

India provided humanitarian assistance worth US \$ 56,000 consisting of 18 tonnes of baby milk powder to Indonesia. The consignment was handed over by our Ambassador to the Indonesian Minister of Health on 16 December, 1998. Brunei Darussalam Relations with Brunei Darussalam remained friendly and cordial. Shri S T Devare, Secretary (ER), Ministry of External Affairs, visited Brunei in early July for bilateral consultations on matters of mutual interest as part of the ongoing process. An Indian cultural week, first of its kind, was held in Brunei in June, in celebration of the 50th Independence Anniversary. The events included a Kathak dance performance, a photo exhibition, and a film festival.

Philippines A new administration under President Joseph E Estrada took over in Philippines following elections in May 1998. The new administration addressed itself to the continuing economic and financial problems caused by the regional monetary and financial crisis, while maintaining continuity in external relations. Ties with India remained friendly and registered favourable trends during the year. The 5th ASEAN Regional Forum (ARF) was held in Manila in July 1998. Philippines was in Chair. Earlier, Minister of State for External Affairs Ms Vasundhara Raje visited Manila from 17&18 June, 1998 in the course of which she conferred with President-elect Joseph Estrada and Foreign Secretary Domingo Siazon Jr. The 3rd India-Philippines Foreign Office Consultations were held on 23 & 24 April, 1998 with the Indian delegation led by Secretary (ER) and the Philippine delegation by Undersecretary Mr Lauro L Baja, Jr. The consultations covered the whole range of bilateral relations besides regional and international issues. The Indo-Philippine Agreement on Promotion and Reciprocal Protection of Investment was initialled in Manila in April 1998.

India-Philippines trade showed a downward trend during the year, with India's exports to the Philippines at \$ 90 million from January to July marking a 31.36% decline from the same period last year. The decrease is to be mostly attributed to the impact of the regional monetary and financial crisis on the Philippine economy, causing reduced demand for industrial and consumer goods. A commercial delegation from India headed by Commerce Secretary visited the Philippines from 31 August to 1 September to hold discussions with the Philippine government officials including Secretaries (Ministers) of Trade, Agriculture and the Governor of theCentral Bank of various matters pertaining to trade and economic relations including institutionaland financial arrangements in sustaining bilateral trade, prospects for counter-trade and the possibility of using national currencies in trade exchanges. Two

important trade issues which figured in discussions during the year related to Indian rice and buffalo meat exports. Greater market access for these products was sought and some gains were achieved.

Three Indian naval ships-INS Delhi, INS Khanjar and INS Jyoti-visited Philippines from October 24-27, 1998. The ships were visited by the Philippines Defence Secretary (Minister) and high-ranking officials of the Philippine Navy. They also held joint exercises with units of the Philippine Navy. Singapore Close relations between India and Singapore have been underpinned by a steady growth in as East Asian economic potentialities shrunk. A large number of high level visits have been exchanged to demonstrate the political commitment of both governments to further India-Singapore relations. Important visits included visit by MOS of External Affairs in June 1998 and Secretary (ER) MEA during April 1998. In August 1998, Commerce Minister and a seven-member CEOs delegation of the Confederation of Indian Industry (CII) visited Singapore and called on Prime Minister and Foreign Minister.

During September 1998, Minister of Parliamentary Affairs and Tourism led a parliamentary delegation and interacted with the Speaker and inaugurated the International Buddha Festival. Four Indian naval ships paid a goodwill visit in September 1998. Minister of Power represented India at the East Asia Economic Summit organised in Singapore by the World Economic Forum in October 1998. Other important visitors in October included the Minister of Surface Transport as also Chief Commissioner (Investment and NRIs) and Chairman IIC. In November 1998, Minister of State for Finance (Revenue, Banking and Insurance) held meetings with the Forum of Indian Banks and Insurance Companies in Singapore.

From the Singapore side, in July 1998, Mr Davindar Singh, Member of Singapore Parliament, led a delegation of senior businessmen from the Indian Business Group of the Singapore Trade Development Board (TDB). He paid a courtesy call on the Prime Minister. Indian exports to Singapore in Sing-dollars terms grew by 26% during January- November, 1998. Bilateral trade, however, remains in Singapore's favour at the ratio of 16:5. An important feature in bilateral trade was the entrepot role played by Singapore with approximately 40% of trade-flow both ways comprising as re-exports. Singapore is a trading hub for Indian trade with South East and East Asian countries and a window for India's counter-trade in the region.

Thailand India continued to maintain warm and friendly relations with Thailand. Bilateral cooperation continued in all fields. The two countries co-operated actively in the regional economic cooperation grouping. BIMST-EC, launched in June 1997. Bilateral trade between India and Thailand was US\$ 650 million in the year 1996- 97 which declined to US \$ 567 million in 1997-98. In 1998, this trend continued. The economic crisis in the region would seem to have affected the trade turnover. However, the surplus is still in favour of India, though reduced. There were several high level visits to Thailand during this period. Commerce Minister led a delegation in April 1998, to attend the 54th Annual Session of ESCAP. During this visit, Commerce Minister met Thai Deputy Prime Minister and Commerce Minister Dr Supachai Panitchpakdi and had useful discussions on various bilateral issues. Commerce Minister also led a delegation to Thailand in August, to participate in the Economic Ministers' Retreat of the BIMST-EC. Commerce Secretary led a business delegation to Thailand in September to explore ways and means of promoting trade and investment linkages. Shri Baba Gouda Patil, MOS for Rural Areas and Employment visited Thailand in June. He met the Thai Government in the rural areas.

Shri Madan Lal Khurana, Minister of Parliamentary Affairs and Tourism visited Thailand in September 1998, as the head of a Parliamentary delegation. He held discussions with the President of the National

Assembly of Thailand and the Chairman of the Foreign Relations and the Parliamentary Affairs Committee of the House of Representatives of the Thai Parliament. The Minister also utilised the opportunity to meet the Governor of the Tourism Authority of Thailand and to invite high level participation from Thailand for the Buddha Mahotsav which was celebrated in India in November 1998.

Both the National Assembly of Thailand and the newly established National Election Commission of Thailand interacted with the Election Commission of India on various aspects of the rules and procedures on conducting of elections and the electoral system in India. H. R. H. Crown Prince Maha Vajiralongkorn of Thailand, along with his two daughters and Minister of Foreign Affairs of Thailand, paid a 7-day State visit to India (December 23-29) at the invitation of the Hon'ble Vice-President of India. During the visit, the Crown Prince held discussions with the President, Vice-President and Prime Minister in New Delhi.

Malaysia India and Malaysia continued to maintain close and friendly relations. A number of important visits took place from India to Malaysia during this period. Dr Murli Manohar Joshi Minister of Science and Technology and Human Resource Development, led a delegation for the Commonwealth Games held in Kaula Lumpur from 11-21 September, 1998, and attended the inauguration of the sports event. He was accompanied by eight Members of Parliament and three Ministers from different States. During the visit, Dr Joshi also signed an Agreement of Cooperation with Malaysia in the field of Science and Technology. Shri Madan Lal Khurana, Minister of Parliamentary Affairs and Tourism headed a Parliamentary delegation to Malaysia from September 25-26, 1998, and had meetings with Malaysian Minister of Tourism and Speaker of the Senate. Shri Siddaramaiah, Deputy CM of Karnataka along with four other Ministers from the State, led a delegation to Malaysia to promote investment in the State.

A business delegation headed by Commerce Secretary, P P Prabhu and comprising representatives from Ministry of Commerce, EXIM Bank, RBI, ECGC and FICCI visited Kuala Lumpur in August 1998. The delegation met with the Minister of International Trade and Industry Rafidah, Samy Vellu, Minister of Works etc. A 3-member delegation headed by Shri C M Udasi, Karnataka Minister of Public Works, visited Malaysia from June 25-29, 1998 and interacted with senior level officials including Malaysian Minister of Works and Malaysian Deputy Minister of Domestic Trade and Consumer Affairs Dato Subramaniam. He also invited Malaysians to invest in Karnataka, specially in developments of roads and highways and water supply projects. Prof U R Rao, Member, Space Commission of India, visited Malaysia July 14-19, 1998 and delivered addresses on space development at various apex institutions in Malaysia From the Malaysian side the Hon'ble Chief Minister of Penang, Tan Sri Dr Koh Tsu Koon led a business delegation to India on November 2-6, 1998.

Australia Relations between India and Australia were cordial and friendly before India's nuclear tests. Bilateral cooperation had been in full swing and was slated to grow in diverse fields but suddenly hit a Iull, after India's nuclear tests of 11-13, May 1998.

Government of Australia reacted strongly to our nuclear tests. It recalled temporarily it's High Commissioner for consultations. Other measures directed against India were, suspension of bilateral defence relations with India, recall of Australian defence adviser and of Australian defence personnel currently training in India and Indian defence personnel undergoing training at Defence College in Australia, cancellation of ship and aircraft visits, suspension of non-humanitarian aid, and suspension of Ministerial and Senior Official Visits. India too conveyed its displeasure by responding similarly to Australian Government's actions. Since then bilateral relations have been on hold. General elections were held in Australia on 3rd October and the ruling Liberal Party of PM John Howard was returned to power, though with a reduced margin and formed a Coalition Government with the National Party.

Economic and trade relations between Australia and India continued to expand. Two-way bilateral trade in 1997-98 stood at US\$ 1.58 billion (an increase of 23% over the last year). With a sustained export effort, Indian exports to Australia in 1997-98 increased by 19% over the previous year reaching US\$ 427 million. Australian companies are now taking an active interest in investments in India, in areas like mining, power, oil and natural gas and coal. During the period, the Chief of Airstaff, Air Chief Marshall S K Sareen visited Australia (March 30 - April 3) to attend the 1998 RAF Air - Power Conference before nuclear tests and a 7 member Australian Young Leaders Delegation comprising young Australians of different political and corporate backgrounds visited India (29 November - 6 December) to initiate a programme of youth exchanges between Australia and India.

Former Australian FM Mr Gareth Evans paid a private visit (14-16 December) to India which was undertaken with full encouragement and support of the Australian government. The Australian Senate's Foreign Affairs, Defence and Trade References Committee held a public hearing on India and Pakistani nuclear tests on December 4, 1998. The officials of the department of Foreign Affairs and Trade gave evidence to the committee at the hearing for the second time - their previous appearance being in July 1998. Our High Commission has been told that the Government of Australia, in a review of measures adopted in response to the nuclear tests, has decided to relax suspension of Ministerial and senior officials visits. However, suspension of non-humanitarian aid and bilateral defence relations with India and Pakistan will remain in force.

New Zealand New Zealand Government reacted strongly to India's nuclear tests. It announced a temporary recall of its High Commissioner from New Delhi for consultations. Its Foreign Ministry summoned the Indian High Commissioner S Kipgen twice to its Foreign Office to lodge New Zealand's protest against India even before our High Commissioner had presented his credentials. New Zealand also declined to accept the accreditation of our Defence Attache from Canberra. Since the Pokhran tests bilateral relations have been somewhat lukewarm. But efforts are being made by the New Zealand Government to improve trade relations with India. New Zealand's Minister for International Trade Dr Lockwood Smith visited India (10-15 October) to attend the 8th JBC Meeting in New Delhi on 12th October. A 30-member delegation comprising MPs and Speakers of State Legislatures led by Lok Sabha Speaker GMC Balayogi attended the 44th Commonwealth Parliamentary Conference in Wellington, New Zealand (17-23 October).

Bilateral trade between India and New Zealand has moved up at a satisfactory pace though in overall terms, it has remained on a modest scale with the balance of trade being in New Zealand's favour. India's exports to New Zealand for the year 1997-98 were Rs. 2,534 million/US\$ 63 million and imports Rs. 3,031 million/US\$ 76 million. Papua New Guinea Bilateral relations between India and Papua New Guinea have been friendly and cordial since the opening of our resident Mission in April 1996 in Port Moresby. PNG deplored India's nuclear tests of May 1998 but it was more or less, a proforma protest, as they had earlier also condemned similar tests by France and China. The leadership showed understanding and India's security concerns. About 250 Indian professionals continued to be employed in Papua New Guinea. India awarded 12 scholarships for PNG nominees for short term training courses under ITEC/Colombo Plan. PNG utilised all the 12 slots awarded to them. Two PNG artists from National Museum and Art Gallery attended the Workshop and Exhibition of Contemporary Folk & Tribal Artist of India and South East Asia in Bhopal from 27th May to 5th June. M/s UBS Publishers and Distributors, New Delhi signed a Memorandum of Understanding with the PNG Writers and Artists Association in

October under which the books written by the Members of the Association will be published by the Indian firm. PNG continued to support India's candidatures to the UN bodies, including those of Shri V K Shunglu, Comptroller and Auditor General of India for election to the UN Board of Auditors and India's candidature to the Executive Board of the International Coffee Organisation.

One of the Islands of Papua New Guinea was devastated by the onslaught of strong tidal waves on July 17 causing large scale destruction of property and loss of many lives. Medicines worth Rs. 5 lakhs have been gifted to the Government of Papua New Guinea as relief assistance. Bilateral trade between India and PNG gained momentum. According to available indications, India's direct exports as well as exports through third countries to PNG, continued to increase during the period.

Fiji India and Fiji enjoyed, close, cordial relations in the past. The new constitution of Fiji came into effect from July 27, 1998 and according to it, the country is now known as "The Republic of Fiji-Islands" and its nationals as "Fiji-Islanders". Trade relations between two countries resumed with the lifting of trade embargo by the Ministry of Commerce. Government of India communicated its acceptance in principle and on June 9, Cabinet accorded approval to the re- opening of the Indian High Commission in Suva (Fiji). This decision of the Government was conveyed to the Government of Fiji and the host Government's approval was received on June 25th. A three-member delegation from Ministry of External Affairs visited Fiji (1-3 November) to assess government property and to finalise pending issues to facilitate re-opening of Indian High Commission in Suva. Joint Secretary (South) also visited Fiji (11-14 November) to meet with various important dignitaries / Govt. officials. This was the first high level official visit to Suva after the closure of Indian Mission nearly a decade ago. Fijian PM Rabuka announced that general elections would be held on 24 April, 1999 under the newly amended constitution.

Bilateral relations with Pacific-Islands have been cordial and friendly though there have been minimal contacts. The Pacific Islands mildly condemned our nuclear tests. President of Nauru HE Mr Kinza Godfrey Cloduman visited India to attend the Global Environment Facility (GEF) assembly (1- 3 April, 1998).

INDIA USA LAOS THAILAND VIETNAM PHILIPPINES AUSTRALIA CAMBODIA UNITED KINGDOM CHINA LATVIA SRI LANKA INDONESIA PERU BRUNEI REPUBLIC OF SINGAPORE MALAYSIA PAKISTAN NEW ZEALAND GUINEA PAPUA NEW GUINEA FRANCE FIJI NAURU

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East Asia China

We seek good relations with all our neighbours including China. We believe that the Five Principals of Peaceful Co-existence, jointly enunciated by India and China, are of continuing relevance to the development of our relations. We seek a relationship in which both sides are responsive to each other's

concerns. We remain committed to the process of dialogue to resolve outstanding differences and to the development of friendly, cooperative, good neighbourly and mutually beneficial relationship with China.

The India-China border has remained generally peaceful. Both sides have reiterated their commitment to the maintenance of peace and tranquillity in accordance with the Agreement on Border Peace and Tranquillity (1993) and Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas (1996). The Joint Working Group (JWG) on the boundary question was set up by a decision of the Prime Ministers of the two countries in 1988, to seek a fair, reasonable and mutually acceptable settlement of the boundary question. The JWG has met ten times so far. The Eleventh meeting of the JWG, scheduled to be held in Beijing in 1998, was not convened by the Chinese side. Foreign Office Consultations, in the framework of the Protocol on this subject concluded in August 1997, were held in Beijing on 25-26 February, 1999.

Exchanges at the governmental, parliamentary, non-governmental, people-to-people and other levels continued during the year. Functional exchanges in trade & commerce; environment; railways; industries; agriculture; energy; non- conventional energy; education; civil services and public administration; space; science & technology; remote sensing; aeronautics; medicines; engineering; academics; culture and sports continued. Chief of General Staff of Chinese People's Liberation Army (PLA), General Fu Quanyou, visited India from April 26- May 1, 1998 - the first-ever visit by a PLA Chief of General Staff. The 6th meeting of the India-China Expert Group of diplomatic and military officials, a subgroup of the JWG, was held in Beijing on June 8-9, 1998. Deputy Chairman, Planning Commission met the Chinese Foreign Minister during the ASEAN Regional Forum - Post Ministerial Conference (ARF -PMC) Meeting in Manila on July 27, 1998. The Vice Chairman of China's National People's Congress (NPC) met our Speaker during the International Parliamentary Union (IPU) Conference in Moscow on 11 September, 1998. A delegation of Parliamentarians visited China in October to participate in the 6th General Assembly of the Asia-pacific Parliamentarians' Conference on Environment and Development. Bilateral party-level exchanges during this period included visits of a delegation of the Chinese Communist Party to India in September to attend the CPI party congress in Chennai and in October in Calcutta for the CPM party congress. A 3-member delegation from the Janata Party visited China in October 1998. At the NGO level, the first ever gathering of academics of the neighbouring regions of North-Eastern India and South-Western China deliberated on "Regional Development in India and China", in New Delhi, on November 19-20, 1998. Another delegation of Chinese scholars participated in the "Sino-India Track II Dialogue" organised by the Centre for Policy Research from 25-28 January, 1999 in New Delhi.

India-China trade relations have continued to grow. Bilateral trade during 1998 reached US\$ 1.922 billion, marking an increase of 5.02% over 1997. India-China border trade conducted through Lipulekh Pass (Uttar Pradesh) and Shipki La Pass (HP) amounted to Rs. 51.7 lakhs in 1998.

Japan We remain committed to friendly co-operative, mutually beneficial relations with Japan with whom we have shared cultural links and values of human freedoms, commitment to peace, stability and economicdevelopment of the peoplein Asia and the world. In the immediateaftermath of our nuclear tests in May 1998, Japan took several measures including a freezeon Yen loans and grant assistance for new projects and calling off a series of scheduled meetings and visits. Bilateral dialogue, encompassing issues covering our multifaceted relationship, resumed in January 1999. This includes ForeignSecretary level talks, Trade Talks and MEA-MITI dialogue. Other meetings are being scheduled.

High level exchanges during the year include the meeting between : nOur two Speakers in Tokyo (26 October, 1998) nShri I K Gujral, Chairman of the Standing Committee on External Affairs and Prime Minister, Foreign Minister and Finance Minister of Japan (October 1998) nShri Sikander Bakht, Industry Minister and the Japanese Minister for International Trade and Industry (November 1998) Visits from Japan include :

nA six-member Japanese Parliamentary Delegation led by Deputy Speaker Mr Kozo Watanabe(November 1998) nDr Taro Nakayama, President of the Japan-India Parliamentary Friendship League (April 1998) nMs Akiko Yanamaka Member of House of Representatives of Japan (April 1998) and nMr Shin Sakurai, Chairman of the Asian Forum of Parliamentarians on population and development (April 1998) Our Minister of Industry participated in the FICCI sponsored seminar "Destination India" in Japan (1-6 November, 1998) organised by FICCI. The 29th meeting of the India-Japan Business Cooperation Committee was held in Delhi (30 November-1 December, 1998) India's exports to Japan amounted to Rs. 69072 million in 1997-98 and India's imports from Japan Rs. 79117 million. According to the Sectt. of Industrial Approvals, proposals approved for Japan's investment in India, till July 1998 amounted to Rs 72,103 million.

Exchanges of scientists, engineers and research scholars continued. Eminent Buddhist scholars and monks participated in the Buddha Mahotsava (5-8 November, 1998). Republic of Korea (ROK) Relations with the Republic of Korea (ROK) continue to be marked with cordiality and understanding.

Smt Vasundhara Raje, MOS (EA) visited Seoul (January 21-24) for bilateral consultations. She met the ROK PM, the FM and the MOS for Trade in the Ministry of Foreign Affairs and Trade. MOS (EA) extended an invitation to the ROK PM to visit India. The ROK PM, Mr Kim Jong Pil, visited India (February 10-11). Alongwith the Vice President he inaugurated the CII sponsored India Engineering Trade fair (IETF '99) where ROK participated as a Partner Country. More than 140 Korean companies participated in the IETF. A week long festival of cultural events from Korea was organised to coincide with the IETF.

High level exchanges during the year include: nMeeting between Shri I K Gujral, Chairman of the Standing Committee on External Affairs and President Kim Dae-Jung in Seoul (October 1998) nVisit of a 31-member Korea Chamber of Commerce and Industry delegation for the 15th meeting of the India-ROK Joint Business Council(JBC) in New Delhi (29 October, 1998) nVisit of Dr M Thambi Durai, Union Minister of Surface Transport to ROK (October 1998) for the 5th World Congress on Intelligent Transport Systems. The two-way trade between India and ROK in 1997-98 amounted to Rs. 48,615 million, India's exports to ROK being Rs. 1,53,00 million and imports from ROK Rs. 33,315 million. Investment approvals till July 1998 amounted to Rs. 59,051 million.

Buddhist leaders and scholars from ROK participated in the Buddha Mahotsava (November 1998). Exchanges of cultural delegations, students and research scholars continued. The Goverment of ROK opened an Honorary Consulate General in Calcutta in November 1998. Democratic People's Republic of Korea (DPRK) India's relations with the Democratic People's Republic of Korea(DPRK) continue to be friendly and cordial. Consultations between the Foreign Offices of the two countries were held in Pyongyang (14-18 February, 1998). During the occasion, a protocol of co-operation between the Foreign Ministries of India and DPRK was also signed.

According to Foreign Trade Statistics of India, trade between India and DPRK during 1997-98 amounted to Rs. 6,982 million, India's export to DPRK being Rs. 3,164 million and imports from DPRK Rs. 3,817 million. Shri Mukhtar Abbas Naqvi, Union Minister of State for Information & Broadcasting visited

Pyongyang (22-26 September, 1998) to participate in the Sixth Pyongyang Film Festival for Non Aligned and Developing countries. India continued its humanitarian assistance to DPRK which has been experiencing food shortage for some time. India sent 50-meteric tonnes of baby food and 1000 metric tonnes of rice during the year.

CHINA INDIA USA PHILIPPINES RUSSIA JAPAN KOREA NORTH KOREA UNITED KINGDOM

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Central Asia

Section 1

Both bonds of history and geo-strategic location of the Central Asian States (CAS) in an extended neighbourhood make India's relations with them a matter of priority. The region has profound strategic and economic importance for us. Since independence of these countries seven years ago, conscious efforts have been made to strengthen and diversify relations and to bring a contemporary focus to our age-old ties.

India and the CAS share common values of democracy, secularism and opposition to fundamentalism and terrorism. There is also the mutual recognition that national security concerns of Central Asia and India are closely inter-linked. Bilateral political relations with these countries are marked by close understanding. In the economic sphere, abundant natural resources of Central Asia and India's technological and scientific capabilities provide the rationale for collaboration, notwithstanding the current problems of transitional economies in these states. Efforts are being made to overcome these temporary difficulties. Cultural and people-to-people relations are excellent and consciously nurtured by us.

Section 2

Azerbaijan Initiatives to develop all round bilateral relations with Azerbaijan were continued. Smt Vasundhara Raje, Minister of State of External Affairs visited Baku in June 1998 which coincided with an exclusive Indian trade exhibition organised by ITPO - HINDEXOPO 98. Minister of Petroleum and Natural Gas, Shri V K Ramamurthy visited in June 1998 to attend the Baku International Oil and Gas Conference. It has been decided to open a resident mission in Baku which is likely to start functioning in March 1999.

Kazakhstan Indo-Kazakh relations progressed smoothly during the year under report. Foreign Minister Tokaev met Minister of State for External Affairs Smt. Vasundhara Raje in September, 1998 at the UNGA. The second session of the Indo-Kazakh Joint Science and Technology Committee was held in Almaty in October 1998. A Kazakh parliamentary delegation is likely to visit in the first quarter of 1999. Indian Airlines and Air Kazakhstan signed a code sharing agreement in September 1998 and the latter is in the process of starting their flights to India in the near future. India participated in the 7th Asia Pacific International Trade Fair (ASPAT '98) in Almaty in October 1998 under the aegis of India Trade Promotion Organisation (ITPO). Punjab National Bank opened its representative office in Almaty in October, 1998.

The next meeting of Indo-Kazakh Joint Commission is likely to be held in the second half of March 1999 and Dr. Umirzak Sultangazin, Director Space Research Institute of Kazakhstan and Co-chairman of Indo-Kazakh Joint Committee on Science and Technology is likely to visit India in March 1999 for a series of lectures.

Kyrgyzstan Traditional relations with Kyrgyzstan progressed well. Foreign Office consultations were held in July 1998 when Deputy Foreign Minister of Kyrgyzstan H.E. Mr Erian Abdildayav visited New Delhi. Our Minister of State for Tourism Shri Omak Apang visited Kyrgyzstan in October 1998. We gifted a 'mini dairy plant' to Kyrgyzstan under the ITEC programme. Mr B T Shamshiev, Director of State Agency for Tourism and Sport, visited India along with a delegation of tour operators in December 1998.

H.E. Mr Bolot T Shamshiev, Chairman of the State Agency for Tourism and Sports (Ministerial status) visited from 14-18 December, 1998 on the invitation of Shri Omank Apang, Minister of State for Tourism. Days of Kyrgyz Culture in India are scheduled to be held from 6-14 March, 1999. Kyrgyz Defence Minister visited India from 20-27 February, 1999 on the invitation of the Raksha Mantri, Shri George Fernandes.

Tajikistan Official level consultations with Tajikistan on bilateral matters as well as situation in Afghanistan were held in Dushanbe in August 1998. Two consignments of humanitarian assistance were sent. Tajikistan participated in short term training courses under the ITEC programme. Smt Vasundhara Raje, MOS for External Affairs met Tajik Minister of Foreign Affairs Mr Nazarov in September 1998 at UNGA.

Tajik President Mr Emamali Rakhmonov paid a working visit to New Delhi on 22 January, 1999 and had a luncheon meeting with PM. Both the sides agreed to step up economic and commercial cooperation between the two countries. Turkey India-Turkey relations witnessed significant forward movement with high level political exchanges and important initiatives in the commercial, economic and cultural fields. The high point of the year was the state visit of President Shri K R Narayanan in September 1998, followed by the visit of Vice-President Shri Krishan Kant in October 1998 to participate in the 75th Anniversary of founding of the Turkish Republic. During President's visit, Agreements on Prevention of Traffic in Narcotic Drugs, and Bilateral Investment Promotion and Protection, besides an MoU on scientific and technological cooperation and a Protocol on exchange of trade information were signed. Foreign Office consultations were held in Ankara in April 1998 for which Secretary (East) Shri Nareshwar Dayal visited Turkey. Shri G M C Balayogi, Speaker of Lok Sabha, along with a Parliamentary delegation visited Turkey in July 1998. India participated in the Izmir International Trade Fair in August 1998 as 'Guest Country'. The third meeting of the Indo-Turkish Joint Business Council was held on that occasion. A defence industry delegation from India visited Turkey in May 1998 and a team from National Defence College (NDC) in June 1998. On the cultural and educational front, an Indian food festival was organised in Izmir in August, 1998 when an ICCR sponsored cultural troupe also visited. A delegation of University Grants Commission (UGC) headed by its Chairman visited in May 1998. Turkish Minister of Transport and Communications, Mr Ahmet Denizonlgun visited India to participate in the Management Policy Seminar of Transport Ministers. During the visit, he called on Minister of Railways Shri Nitish Kumar, Minister of State of Communications Shri Kabindra Purkayastha and Minister of Civil Aviation Shri Ananth Kumar.

Turkmenistan An Indian scientific delegation representing Central Electronics Ltd.(CEL) and Council for Scientific and Industrial Research(CSIR) visited Turkmenistan in June 1998 to study the possibilities of cooperation in the solar energy sector. A delegation from Indian Oil Corporation(IOC) visited Turkmenistan and had useful discussions with the Deputy Minister of Oil and Gas Industry of Turkmenistan. A three-member delegation from Punjab Agri-Export Corporation visited Turkmenistan in November, 1998 with a proposal to set up joint commercial farming for which a Protocol of Intent was signed. The Indo-Turkmen joint venture -'Ajanta Pharma Turkmenderman' was inaugurated by President Mr Niyazov in Ashgabat on 11th December, 1998 in the presence of Shri Som Pal, Minister of State for Agriculture.

Uzbekistan Relations with Uzbekistan remained active. Shri V K Ramamurthy, Minister for Petroleum and Natural Gas, at the head of a delegation, visited Uzbekistan in October 1998. A delegation of science and technology experts from Ministry of Science and Technology visited Uzbekistan in May 1998 with a view to exploring further possibilities of cooperation in S&T. Shri Jasjit Singh, Director, Institute of Defence Studies and Analysis visited Uzbekistan in June 1998 to establish institutional linkages between IDSA and the Institute of Strategic and Regional Research of Uzbekistan. Two rounds of ForeignOffice consultations were held in May 1998 when Secretary(East) Shri Nareshwar Dayal visited Tashkent and in December 1998 when Mr I Ergashev, Deputy Minister of Foreign Affairs visited Delhi. In the economic and commercial sphere, a delegation of manufacturers of auto components and another of consultancy firms visited Uzbekistan in May and June 1998 respectively. The fourth session of Indo-Uzbek Joint Commission is likely to be held in the first quarter of 1999.

Mr I Ergashev, Deputy Foreign Minister of Uzbekistan visited India from 9-12 December, 1998 for Foreign Office Consultations. The 4th Session of the Indo-Uzbek Joint Commission was held in New Delhi from 17-20 February, 1999. The Uzbek Deputy Prime Minister, Mr M Z Usmanov visited New Delhi for the purpose.

INDIA USA AZERBAIJAN KAZAKHSTAN KYRGYZSTAN OMAN TAJIKISTAN AFGHANISTAN MALI TURKEY TURKMENISTAN UZBEKISTAN RUSSIA

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The Gulf, West Asia & North Africa

Gulf / Haj Division

Dating back to historical times, India's ties with all countries of the Gulf are cordial, substantial and mutually beneficial. Given India's geographical proximity, cultural affinity and economic complementarities with the Gulf countries, India's multifaceted relations with the countries of this region have continued to flourish. While about 3.5 million Indians -workers and professionals - are engaged in the economic development of the Gulf countries, the region is also the primary source of India's energy needs and one of India's most important economic partners in the areas of trade, investments and joint ventures. With a view to continually strengthening and diversifying relations

between India and the Gulf, interactions take place regularly, particularly through high-level visits. Important developments and events which took place in 1998-99 in India's relations with the Gulf countries are summarised in the following paragraphs.

Bahrain The warm, cordial and friendly relations between India and Bahrain received an impetus with the meeting of the joint Committee on Technical and Economic Cooperation in New Delhi, on 12-13 November, 1998, after a gap of nearly seven years. Noting that a vast potential existed for the expansion of the two-way trade, both sides agreed to find ways and means for stepping up bilateral trade not only in the existing fields, which included oil and other downstream products but also in the services sector such as off-shore banking and tourism. Both sides expressed keenness to enhance industrial and technical cooperation for setting up joint ventures in the small and medium-scale sectors, as well as cooperation in fields of health, education, agriculture, youth & sports and information and culture. They also agreed to expedite finalisation of the pending bilateral Agreements.

Secretary (East) and Joint Secretary (Gulf) visited Bahrain in June 1998 to explain India's position on the nuclear tests. Bahrain Ispat Limited Company, a joint venture with a large Indian steel company, made considerable progress in setting up a us \$ 290 million sponge-iron project in Bahrain. Prime Minister sent an invitation to the Bahraini Prime Minister to visit India.

Iraq India's relations with Iraq, which have traditionally been close, received a boost with the revival of the India-Iraq joint Commission for Economic and Technical Cooperation. A 7 member Iraqi delegation, led by H.E. Mr Amir Mohammed Rashid, Minister of Oil, visited New Delhi for joint Commission Meeting from 31 August to 2 September, 1998. A Memorandum of Understanding on cooperation in the field of oil and a Cultural Exchange Programme for the period 1998-2001 were signed between the two countries during the visit. Several areas of cooperation in the hydro-carbon and oil related sectors were identified. Indian companies offered bids for the exploration and development of Iraqi oil fields. As part of the Cultural Exchange Programme, both sides agreed to exchange visits of researchers, professors and academicians, sports and cultural troupes, journalists, etc.

India continued to reiterate its position calling for compliance by Iraq with the UN Security Council Resolutions on Iraq while reiterating that use of force against Iraq would serve no useful purpose but would only aggravate the sufferings of the Iraqi people. The appointment of the Indian diplomat Shri Prakash Shah, as Special Envoy of the UN Secretary-General, was welcomed by Iraq. The Indian Ambassador in Iraq Presented life-saving drugs to the Iraqi Ministry of Health and 700 scientific textbooks to the Iraqi Ministry of Higher Education and Scientific Research, as also five container loads of educational material, including geometry boxes, school bags, calculators, and exercise books for use of the children of Iraq.

Dr Sadoun Hamadi, special envoy of the President of Iraq, visited India from 25- 29 May, 1998. He called on the President, Vice President, Prime Minister and Speaker (Lok Sabha). An 11 member Parliamentary delegation, led by the Hon'ble Speaker, Shri G M C Balyogi, visited Iraq from 20-26 August, 1998. The Speaker called on President Saddam Husein. Shri Som Pal, Minister of State for Agriculture visited Iraq from 8-10 October, 1998; he called on the Iraqi Minister of Agriculture and Minister of Industries. A 2 member delegation from the ONGC (Videsh) Ltd. visited Baghdad to hold technical discussions with the Ministry of Oil regarding their offer for exploring Iraqi oil fields in the western desert of Iraq. Twenty four Indian organisations participated in the Baghdad International Fair held in Baghdad from 1 to 10 November 1998. The Indian pavilion was awarded the extra-ordinary gold medal. A 20 member Iraqi Football Team also visited India to participate in the Rajiv Gandhi Football Cup Tournament. Kuwait Friendly relations with Kuwait were strengthened by high-level visits which included a Parliamentary delegation, led by H E Mr Talal Mubarak Al-Ayyar, the Deputy Speaker of the Kuwaiti National Assembly, to New Delhi from 27 September to 1 October, 1998, on the first leg of its visit to some Asian countries. The delegation called on the President. Secretary (East) and joint Secretary (Gulf) visited Kuwait on 10-11 June, 1998, and had detailed discussions with the Kuwaiti Foreign Secretary H E Mr Sulaiman Majid Al-Shaheen; they also met Deputy Prime Minister and Foreign Minister of Kuwait, Mr Sheikh Sabah Al-Ahmed Al- Sabah, and explained India's position on the nuclear tests to the Kuwaiti leader. Two Indian naval ships paid a goodwill visit to Kuwait on 1-4 June, 1998. Following Government of India's approval to the setting up of the Orissa Oil Refinery, an Indo-Kuwait joint venture, Indian Oil Corporation opened a Representative office in Kuwait in June. Smt Sonia Gandhi, Congress Party President, visited Kuwait on 29 August, 1998 and had separate meetings with the Amir and the Crown Prince and Prime Minister of Kuwait. Prime Minister issued an invitation to the Crown Prince and Prime Minister to visit India.

Oman Since the visit of the former President Dr. Shanker Dayal Sharma to Oman in October 1996 and that of H. M. Sultan Qaboos bin Said to India in April 1997, relations between India and Oman have scaled new heights. The Prime Minister, Shri A B Vajpayee, accompanied by a high-level delegation which included Shri K Ramamurthy, Minister of Petroleum and Natural Gas and Shri S S Barnala, Minister of Chemicals and Fertilisers, visited Salalah on 29-30 August, 1998. The Prime Minister and Sultan Qaboos had substantial discussions on bilateral, regional and international issues, and committed the two countries to promote ties in political and economic fields. The Omani Minister of Commerce and Industry, Mr Maqbool Bin Ali bin Sultan, visited India from 30 April to 2 May, 1998 in connection with "Oman week", which was inaugurated by the Vice President on 1 May, 1998.

Mr Maqbool Sultanalso met the Petroleum, Industry and Fertiliser Ministers and Minister of State for External Affairs. He addressed Indian business leaders under the auspices of the Confederation of Indian Industry (CII). Secretary (East) and joint Secretary (Gulf) visited Oman on 31 May to 2 June, 1998. They called on the Minister responsible for Foreign Affairs as well as Minister of National Economy to brief them on India's nuclear tests. In June 1998. Bharat Heavy Electricals Limited (BHEL) commissioned a 30-MW Gas turbine- based power plant turnkey project at a cost of Rs. 560 million.

A flotilla of three naval ships paid a goodwill visit to Oman from 30 May to 4 June, 1998 and undertook joint exercises with the Royal Oman Navy. The formalities for setting up two multi-million dollar joint venture projects, namely the India-Oman Fertiliser Project and the Bharat-Oman Fertiliser Project and the Bharat-Oman Refinery Project, proceeded satisfactorily. An Indian ocean (IOR) Exhibition was organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) at Muscat from 10-14 October, 1998, in which 56 Indian organisations participated. Meetings of the India-Oman Joint Economic Committee and the Annual Political Consultations will take place in New Delhi and Muscat respectively in early 1999.

Qatar India's traditionally warm and friendly relations with Qatar continued to grow during the year Mr Abdullah Bin Hamad, Al-Attiyah, Minister of Energy and Industry, visited Indian in July 1998 and called on the Prime Minister and handed over a letter from the Amir of Qatar to the PM. The Visiting dignitary also called on his counterpart, the Minister of Petroleum and Natural Gas, Shri K Ramamurthy, on 8 July 1998. The Qatari Minister was accompanied by a 6 member delegation from the Qatar General Petroleum Corporation. A 22 member delegation from Qatar, led by assistant Under Secretary in the Ministry of Energy and Industry, visited India on 6-8 May, 1998, and participated in two Seminars on "Indo-Qatar Trade Relations" organised by the Confederation of Indian Industry (CII) in New Delhi and Mumbai.

Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Qatar on 3 June, 1998. They called on the Qatari Minister of State for External Affairs and held discussions on bilateral relations. They also explained India's position on the nuclear tests conducted in May 1998. Qatar has been selected for holding negotiations for supply of 7.5 million tonnes of LNG per year to India on a long-term basis. The Minister of State for External Affairs, Smt Vasundhara Raje, accompanied by Secretary (East) and Joint Secretary (Gulf), visited Qatar from 26-29 October, 1998. She handed over a letter from the Prime Minister to H.H. Sheikh Hamad Bin Khalifa Al-Thani, Amir of Qatar. She had a meeting with H.E. Sheikh Hamad Bin Jassem Bin Jabor Al-Thani, Foreign Minister of Qatar. The MOS also laid the foundation stone of the Indian chancery building in Doha, capital of Qatar. Shri E A Nayanar, Chief Minister of Kerala, visited Qatar from 26-28 September, 1998. He called on Mr Abdullah Bin Hamad Al-Attiyah, Minister of Energy and Industry. A Bilateral Investment Promotion and Protection Agreement (BIPPA) was initialled between India and Qatar in Doha on 30 November, 1998. The meeting of the India- Qatar Joint Commission will take place in New Delhi on 8-9 March, 1999.

At the invitation of our Minister of Petroleum and Natural Gas, H. E. Mr Yousef Hussain Kamal, Minister of Finance, Economy and Commerce of the State of Qatar, visited India from 13-15 December, 1998. The visit was in connection with the purchase of 7.5 million tonnes of natural gas per year by India from Qatar on long-term basis. The visiting dignitary called on Shri Yashwant Sinha, Minister of Finance, and Smt Vasundhara Raje, Minister of State for External Affairs.

Saudi Arabia India's traditional relations with the Kingdom of Saudi Arabia are marked by cordiality and friendship. The bilateral trade between India and Saudi Arabia amounts to about US \$ 3.5 billion. The Kingdom is host to around 1.3 million Indians. Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Saudi Arabia between 17-20 July, 1998 to explain the rationale of the nuclear tests conducted by India in May 1998. An Indian team visited Saudi Arabia on 24-25 November, 1998 to hold negotiations for finalising the text of the Bilateral Investment Promotion and Protection Agreement between the two countries.

With a view to stepping up defence cooperation, an invitation was extended for a goodwill visit of a Saudi defence delegation to India. The battle ships-INS Rajput and INS Varuna-called at the Jubail Port on 6 June, 1998 on a goodwill visit, the first time in ten years that Indian Naval ships have made a friendly port call in the Kingdom. The Saudi Minister of Justice, H.E. Dr Abdulla Ibn Muhammed Ibn Ibrahim Al Sheikh, visited India to participate in the 37th session of Asian-African Legal Consultative Committee which was held in New Delhi from 13-18 April, 1998.

A total of 95,119 Indian pilgrims performed Haj in March 1998, of whom 63,583 pilgrims had gone through the Haj Committee, Mumbai, and the rest through Private Tour Operators (PTOs) or privately on international passports. To look after the welfare of the pilgrims 398 deputationists (223 doctors and para- medical staff and 175 administrative staff) were deputed to Saudi Arabia; 88 Haj volunteers were also sent by 13 State Haj Committees. A 28 member Haj Goodwill delegation visited Saudi Arabia during the Haj. While, on the whole, the Haj was very well-organised, there was one untoward incident a stampede at Mina in which 32 Indian pilgrims lost their lives.

To safeguard the interest of the pilgrims who perform Haj through PTOs and to regulate the working of the latter, the Ministry invited applications from companies organising Haj/Umrah pilgrimages. After

detailed scrutiny, a number of PTOs have been recommended for registration with the Saudi Missions in New Delhi and Mumbai.

Haj 99 will take place in the last week of March 1999, and arrangements releting to accommodation in Makkah and Madinah and the Haj charter flights have been finalised satisfactorily. A team of three Members of Parliament from the Parliamentary Standing Committee on External Affairs visited Saudi Arabia in February 1999 to review the arrangements made for Indian pilgrims.

UAE The age-old multidimensional relations between India and the United Arab Emirates (UAE) were further strengthened and diversified during the year. With a view to promoting investment, the Bilateral Investment Protection and Promotion Agreement between the two countries was initialled in June 1998. In order to promote investment in Maharashtra, a delegation, led by Shri R V Patil, Minister of Culture and Water Conservation, Government of Maharashtra, visited the UAE on 15 September 1998. A delegation led by the CII President, Shri R V Shah, visited the UAE on 1 August, 1998 and held discussions with Indian businessmen, the Dubai Chamber of Commerce and Industry and the Abu Dhabi Chamber of Commerce and Industry to promote greater economic cooperation and joint ventures. The UAE- based Non-Resident Indian (NRIs) contributed US \$ 1.26 billion to the Resurgent Indian Bonds (RIBs) which was around 30% of the total global collection of the RIBs.

Secretary (East) and Joint Secretary (Gulf/Haj) in the Ministry of External Affairs visited Abu Dhabi on 2 June, 1998 and met the UAE Minister of Information and Culture, Mr Sheikh Abdullah Bin Zahid, and Acting Secretary of the UAE Foreign Office, Mr Saif Saeed Bin Saad and discussed ways to strengthening bilateral relations. They also explained the rational for the nuclear tests conducted by Indian in May 1998. The Vice President of India, Shri Krishan Kant, made a stopover in Dubai en route to India and was received by the UAE Minister for Cabinet Affairs, Mr Saeed Al Ghaith. The UAE Minister for Petroleum and Mineral Resources, Mr Obeid bin Saif Al-Nasiri, visited India on February 22-24, 1999 to discuss cooperation in the energy sector.

A delegation of the Abu Dhabi Chamber of Commerce and Industry, including some private businessmen, visited India during April 1998 and met various industrial bodies, organisations and businessmen. The Sharjah Chamber of Commerce and Industry sent a delegation, led by its Chairman, Mr Ahmed Al Medfa, for a six- day presentation in India from 20 April 1998 which aimed at exploring business and investment opportunities both in India and Sharjah. Yemen Indo-Yemen relations are characterised by mutual goodwill, cordiality an friendship. The foreign policies of the two countries have much in common as both are committed to Non-alignment and support for Arab issues. Again, both India and Yemen are members of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) and engage in continuous interaction cooperating in the various projects identified for benefit of the people of the member-countries of the IOR-ARC. The annual Foreign Office Consultations were institutionalized with Yemen in 1993; the next session of the Foreign Office Consultations is scheduled to be held in New Delhi during February 1999.

The third session of the Indo- Yemen Joint Committee for Economic, Scientific and Technical Cooperation is expected to be held in Sana'a during March 1999. With a view to further strengthening relations between the parliamentarians of the two countries an invitation was extended to the Speaker of Yemeni National Assembly to visit India. Steps have been taken for making institutional arrangements with Yemen for close cooperation in curbing the menace of drug trafficking, combat terrorism and organised crimes; negotiations are under way for concluding these agreements, including extradition treaty. An Indian film festival and a photographic exhibition were inaugurated on 3 August 1998 in Sana'a by the Yemen Minister for Culture, Mr Abdul Al Mansoor.

Special Kuwait Cell The Special Kuwait Cell has been working since 1991. Its main task is obtaining and distributing compensation for the Indian nationals and organizations who were adversely affected by the Gulf War of 1990-91. After a considerable time, funds are now being transferred by the United Nations Compensation Commission (UNCC), Geneva. Transfer of funds is taking place roughly once every six months for partial settlement of category A & C claims \$ 2500 per claim. Disbursement of the compensation money to successful claimants is being done by four designated nationalised Banks. The four Banks, with the active cooperation and guidance of the Special Kuwait Cell, are carrying out the task of locating the successful claimants (many of whom have shifted residences or gone abroad), and paying their claim amounts.

In September 1998, UNCC transferred \$ 93,542,500 for partial settlement of 37,417 claims approved in the 4th instalment of category A. UNCC has also transferred \$ 14,255,510.61 for partial settlement of 5,869 claims in the 4th instalment of category C.

UNCC has also finalized the list of approved claims for the 6th instalment of category C. This covers 8,621 Indian claims, of a total value of over \$ 101 million. UNCC is in the process of finalising the list for the 7th (and the last) instalment of category C. They have also started sending lists of approved claims in category D, i.e., claims exceeding \$100,000. In the 29th UNCC Governing Council Meeting (Geneva, 28-30 September, 1998), 23 Indian claims in category D have been approved for a total value of \$ 522574.

In April 1998, a UNCC team of loss-adjustors and legal experts visited India for an on-site appraisal of documents pertaining to the Government of India claim in category F. Special Kuwait Cell made effective arrangements for a successful appraisal operation. As a result, the India's Govt. claim was processed expeditiously, although it was initially classified as "unusually large and complex". It has been approved for \$ 92,621,397 in the 29th UNCC Governing Council Meeting. The actual transfer of the amount may, however, take some time. It would depend on the availability of funds from Iraq and payment prioritization between different claim categories, decided upon by the UNCC. India was among the few countries who made official statement at the 29th Governing Council Meeting. The thrust of India's statement was that some degree of priority should be given to the small claims under categories A & C, after the first-part payments are completed.

It is the exclusive responsibility of the UNCC to evaluate and scrutinize the claims, evolve a payment procedure and deliver the awarded compensation to eligible claimants for payment through national Governments. Up to 31 December, 1998 the Special Kuwait Cell had been instrumental in the disbursement of the following amounts, in cooperation with the four designated Banks:

CategoryAmount disbursedNo. of claimants (US \$)covered A85022500.0030201 B617000.00163 C12141782.494890 Total97781282.4935254 Towards end-March 1999, we expect to receive from UNCC, further funds for installments V of categories A & C (depending on the financial situation on UNCC). As important meeting of the UNCC Governing Council is also expected to take place in March. Among other things, this Meeting is expected to take a view on the payment priorities, after the first phase of payments for categories A & C gets completed. In the Governing Council Meeting of September 98, India made an official statement which, inter alia, stated that in the second phase of payments, a degree of priority should be given to completion of payments for categories A & C."

WANA Region India maintained its support for the Arab and Palestinian causes as well as the Middle East Peace Process. Developments in the region and lack of progress in the Middle East Peace Process gave rise to growing concern. India had welcomed the Wye River Memorandum signed between Israel and Palestine Liberation Organisation on 23 October, 1998 and had maintained that the signed agreements and accords should be honoured and implemented without any pre-conditions. India's multi-faceted relations with countries in West Asia and North Africa were further strengthened through exchange of visits and conclusion of functional Cooperation Agreements. Our trade with the region witnessed a steady growth. Work continued apace on the Indian joint venture in Morocco and this project is likely to come on stream by the middle of 1999. India's gesture of humanitarian assistance to Sudan and the human resource development under the ITEC Programme were a manifestation of our commitment to South South Cooperation.

Algeria Relations with Algeria continued to be marked by warmth and closeness. On the margins of the G-15 Summit held in Cairo in May 1998, Vice-President Shri Krishan Kant met President Mr Liamine Zeroual of Algeria. Again on the sidelines of the NAM Summit at Durban and the UNGA at New York, Algerian Foreign Minister Mr Ahmed Attaf called on Prime Minister Shri Atal Behari Vajpayee and exchanged views on important global, regional and bilateral issues. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Algiers in August 1998 for pre-NAM consultations. President of the Algerian Constitutional Council Justice Said Bouchair, alongwith members of the Constitutional Council, visited India from 6-12 September ,1998 at the invitation of Chief Justice of India. During their visit, "New Delhi Declaration" was issued. This Declaration provides for exchange of information, documents and setting up of a forum of the judges, lawyers and professors of law. A delegation from the national oil company of Algeria - SONATRACH - visited India between 21-24 June, 1998 and held discussions with officials of ONGC-VL and IOC on the possibilities for cooperation in the areas of drilling, oil field equipment, joint ventures in third countries, joint research and development, human resource development, etc.

Egypt Bilateral ties of friendship, mutual understanding and co-operation with Egypt were strengthened. Vice-President Shri Krishan Kant led the Indian delegation to the G-15 Summit in Cairo from 11-13 May, 1998. The other members of the Indian delegation to the G-15 Summit included Commerce Minister Shri Ramakrishna Hegde and Minister of State for External Affairs Smt Vasundhara Raje. On the sidelines of the Summit, the Vice-President met President Mr Hosni Mubarak and exchanged views on important issues. The meetings between the Prime Minister and Foreign Minister Mr Amre Moussa during the NAM Summit in Durban, UNGA in New York and Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa during the G-15 Summit in Cairo and NAM Ministerial Meeting in Cartagena sustained the high level dialogue between the two countries. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai visited Cairo to attend the 4th Annual Board Meeting of 'Partners in Population & Development' from 7-11 November, 1998. A delegation led by Minister of Environment Shri Suresh P Prabhu visited Cairo from 16-24 November, 1998 to attend the meeting of the Parties to the Montreal Protocol. Minister of Textiles Shri Kashi Ram Rana visited Egypt from 19-22 August, 1998 to preside over the Valedictory Reception for the 5th exclusive Indian Jewellery Exhibition organised by the HHEC from 13-19 August, 1998 in Cairo. The Minister met Egyptian Minister for Trade and Supply Dr. Ahmed al-Goweili and a group of Egyptian businessmen. Chief of Army Staff Gen V P Malik transited through Cairo on 14 December, 1998 on a private visit. During his stay in Cairo, Gen. Malik called on Chief of Egyptian Armed Forces Lt Gen Mogdy Hatata. Chief Election Commissioner of India Dr M S Gill paid an official visit to Egypt from 26 April - 2 May, 1998. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Egypt in August 1998 for pre-NAM consultations. Indian delegation was received by Foreign Minister Mr Amre Moussa. A Memorandum of Understanding between India and Egypt for Co-operation in the Development of Small Scale Enterprises Sector in Egypt was signed in Cairo on 9.5.98 by Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa. President of the Court of Cassation in Egypt Justice Mehdat El-Maraghi visited India from 11-18 April, 1998 at the invitation of Chief Justice of India.

The first exclusive "Made in India" Exhibition held in Cairo from 15-19 April, 1998, was inaugurated by Prime Minister of Egypt Dr Kamal el Ganzouri. Other dignitaries present at the inauguration were Egyptian Foreign Minister Mr Amre Moussa and Minister for Industry and Mineral Wealth Dr Soliman Reda Ali Soliman. Minister of Industry and SocialWelfare of Kerala Smt Susheela Gopalan led the Indian delegation to the Exhibition. A Round Table Conference on Indo-EgyptianRelations was held in New Delhi on 16 December, 1998. Deputy Editor of Egyptian Arabic language newspaper 'Al-Ahram' Mr Mahmoud Mourad participated in this Conference. A high- powered media delegation led by the Chairman and Chief Editor of Arabic language daily 'Al-Ahram' Ibrahim Nafie to India from 24-29 June, 1998.

The delegation called on the Prime Minister Shri Atal Behari Vajpayee, Minister of Defence Shri George Fernandes, Minister of Finance Shri Yashwant Sinha, Deputy Chairperson of Rajya Sabha Dr (Mrs) Najma Heptullah, External Affairs Minister (then Deputy Chairman of Planning Commission) Shri Jaswant Singh and Minister of State for External Affairs Smt Vasundhara Raje. The first round of Annual Indo-Egyptian Foreign Office Consultations are scheduled to be held in New Delhi on 22-23 February, 1999.

Israel Cooperation with Israel in the areas of trade and agriculture continued to develop satisfactorily. The Deputy Director General in Israel's Foreign Office Mr Yitzhak Shelev visited India for the Fourth round of Foreign Office Consultations held in New Delhi on 21 January, 1999. The Indian delegation was led by Secretary (East) Shri Nareshwar Dayal. The Second Meeting of Indo-Israeli Joint Trade & Economic Committee was held in New Delhi on 27 October, 1998 and was co-chaired by the Commerce Secretary and Director General in Israel's Ministry of Industry, Dov Mishor. The Joint Trade & Economic Committee Meeting was co-chaired by Commerce Secretary Shri P P Prabhu and Director General, Israel's Ministry of Industry Mr Dov Mishor. The Attorney General for India Shri Soli J Sorabjee visited Israel from 20-24 December, 1998 at the invitation of his counterpart in Israel. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai went to Israel on a private visit from 11-13 November, 1998.

Minister of State for Rural Areas & Employment, Shri Babagouda Patil visited Israel from 30.10.98 to 5.11.98 at the invitation of Israel's Minister for Agriculture and Deputy Prime Minister Mr Rafael Eitan. Minister of Urban Affairs and Employment Shri Ram Jethamalani visited Israel from 7-11 September, 1998 at the invitation of Israel's Minister of Infrastructure Mr Ariel Sharon. Agreement on Co-operation in the field of Telecommunications and Posts between India and Israel, signed on 29 November, 1994, was ratified by India on 24 September, 1998.

Jordan Bilateral relations with Jordan retained their positive trends of increasing understanding and cooperation. Vice President Shri Krishan Kant represented India at the funeral of King Hussein in Amman on 8 February, 1999. Both Houses of Parliament adopted an Obituary Reference to King Hussein on the opening day of the Budget Session of Parliament. Additional Secretary (UN) and Joint Secretary(WANA) in the Ministry visited Amman in August 1998 for pre-NAM consultations. The delegation was received by Crown Prince Hassan. Speaker of Lok Sabha, Minister of State for Agriculture and Chief Election Commissioner transited through Jordan.

Lebanon India's relations with Lebanon continued to be warm and friendly. India maintained its support for the immediate and unconditional implementation of the UN Security Council Resolution No. 425 which calls for withdrawal of Israeli forces from Lebanon's occupied territories forthwith. At the request of the United Nations, India sent an Indian Army contingent as part of the UN Interim Force in Lebanon (UNIFIL). Secretary (East) in the Ministry Shri Nareshwar Dayal visited Lebanon from 15-17 July, 1998 for Foreign Office consultations. He was received by Prime Minister Mr Rafik Al-Hariri and Foreign Minister Mr Fares Bouez.

Libya India's relations with Libya continued to be marked by understanding and co- operation. India has consistently believed and worked for a just and equitable solution to the Lockerbie issue. Under Secretary for Asian Affairs in Libyan Foreign Office Mr Saad Mustafa Mujber visited India from 23-25 April, 1998 for Foreign Office consultations. During his stay in New Delhi, Under Secretary Mujber called on Minister of State for External Affairs Smt Vasundhara Raje and delivered a letter addressed to Prime Minister Shri Atal Behari Vajpayee from Libya's Foreign Minister. He also called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy, Minister of State for Information & Broadcasting, Shri Mukhtar Naqvi and Secretary (Industry) Shri T R Prasad.

Morocco Relations with Morocco witnessed qualitative enhancement. Prime Minister Shri Atal Behari Vajpayee visited Morocco on 13-14 February, 1999. He had a tete- etete with Prime Minister Abderrahmane El Youssoufi, followed by delegation- level talks. Prime Minister also called King Hassan II. The King honoured the Prime Minister by conferring on him "Grand Cordon of the Alawy Wissam". During Prime Minister's visit, Bilateral Investment Protection Agreement, Tourism Co- operation Agreement and Agreement between Press Trust of India (PTI) and Maghreb Arab Presse (MAP) for mutual professional co-operation were signed. Foreign Minister of Morocco Abdellatif Filali called on Prime Minister Shri Atal Behari Vajpayee on the margins of the NAM Summit in Durban in August 1998 and Minister of External Affairs (then Deputy Chairman of Planning Commission) Shri Jaswant Singh met Morocco's Prime Minister Abderrahmane El Youssoufi in New York on the sidelines of the Special Session of the UN on Narcotics and Drugs held in New York from 8-10 June, 1998.

Minister of State for External Affairs Smt Vasundhara Raje, accompanied by Secretary (East) Shri Nareshwar Dayal, visited Morocco from 25-27 June, 1998. Besides holding discussions with her counterpart State Secretary in the Ministry of Foreign Affairs for International Cooperation Mme Aicha Belarbi, MOS also called on Prime Minister Mr Abderrahmane El Youssoufi, Foreign Minister Abdellatif Filali and Finance Minister Mr Fthallah Oualalou. She signed a Memorandum of Understanding between India and Morocco on Foreign Office Consultations. Speaker of Lok Sabha Hon'ble Shri G M C Balayogi led a Parliamentary delegation to Morocco from 7-12 October, 1998. The Hon'ble Speaker was invited to the inauguration of the Moroccan Parliament by the President of the Majlis An-Nuwab (House of Representatives) Mr Abdelwahed Radi. The Hon'ble Speaker was received by King Hassan II of Morocco and honoured with the title of "Officer Wissam Alaoui". The Hon'ble Speaker also called on Morocco's Prime Minister Mr Abderrahmane El-Youssoufi. During the visit of Indian Parliamentary delegation, it was decided to establish an Indo-Moroccan Parliamentary Friendship Group. Minister of State for Finance (RB & I) Shri K M R Janardhanan visited Morocco from 28-30 October, 1998 to sign the Convention on Avoidance of Double Taxation between India and Morocco.

Amongst others, he called on the Prime Minister of Morocco. General Manager of the Moroccan National Railways Office (ONCF) Mr Mohammed El Als visited India on 7-12 December, 1998. During his visit, he held discussions with RITES and IRCON. Ambassador of the King of Morocco Mr Hassan Abouyoub visited India from 6-7 November, 1998. He called on Hon'ble Speaker of Lok Sabha, Minister of Commerce, Principal Secretary to the Prime Minister and Secretary (East) in the Ministry of External Affairs. Palestine India continued to extend political, material and technical support to Palestine. India repeatedly expressed its concern at the stalling of the Middle East Peace Process. India welcomed the Wye River Memorandum signed between Israel and PLO on 23 October, 1998. India believes that this Memorandum will improve the quality of life of the Palestinian people and pave the way to commence Final Status Negotiations so that a just, comprehensive and lasting peace could be achieved in the region on the basis of the Principle of "Land for Peace" and the relevant UN Resolutions.

India calls upon the parties concerned to faithfully implement this Memorandum and eschew unilateral measures which are not in conformity with this Memorandum and other understandings and agreements. India's traditional friendly relations with Palestine were enhanced by several exchanges. Additional Secretary (UN) and Joint Secretary (WANA) visited Palestine Authority territory in August 1998 for pre-NAM consultations. The Indian delegation was received by President Arafat. Additional Secretary (FA) and Joint Secretary (WANA) in the Ministry visited Gaza in June, 1998 to sign two MOUs and Agreed Minutes for the implementation of two Indian-aided projects, namely, construction of a Library at Al Azhar University and construction of a Library-cum-Activity Centre at Palestinian Technical College at Deir El Balah.

Joint Secretary (WANA) was received by President Mr Yasser Arafat, Minister for International Cooperation Dr Nabil Sha'ath and PLO Executive Secretary Dr Mahmoud Abbas (Abu Mazen). Grand Mufti of Jerusalem and Islamic Holy Sites in Palestine Sheikh Ikrima Sabri visited India from 10-16 December, 1998 on a goodwill mission. He was received by the Vice-President, Prime Minister and the Minister of Industry. He also visited Hyderabad and Bangalore. Member of the Executive Committee of Al-Fateh, Incharge of Foreign Relations and Member of Palestine National Council Mr Hani Al-Hasan visited India as a representative of PLO to attend the 17th Congress of CPI from 18-20 September, 1998 held in m Chennai. During his visit, he called on Minister of State for External Affairs. The Palestine Authority's Minister of Housing & Energy Mr Abdel Rehman T Hamad visited India to attend the Seminar organised by the Council of Arab Ambassadors. During his stay in New Delhi, the Palestinian Minister called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy and Minister of State for External Affairs Smt Vasundhara Raje.

India offered more than 50 training slots to the Palestinian personnel for specialised training courses during the current financial year 1998-99. At the International Donors Conference was held in Washington DC on 30 November, 1998 to help the Palestinian people, India pledged an amount of US\$ 1 million. The utilisation of this amount will be decided on consultation with the Palestinian authorities. India supported the UN efforts on Western Sahara. India has contributed 10 Police personnel to the civilian contingent under the MINURSO. In Somalia, India supports UN efforts to restore peace and normalcy. The President of Djibouti Hassan Gouled Aptidou transited through Chennai on 1-2 August, 1998.

Sudan Relations with Sudan were strengthened through expansion and diversification of bilateral economic co-operation. India reiterated its support for Sudan's territorial integrity and sovereignty. Minister of Transport of the Government of the Republic of the Sudan Dr Lam Akol and the Secretary General of the Ministry of Transport Mr Mudawi Eltiraifi visited India to attend the Seminar on "National Transport Policy - Environmental and Energy Issues" held in New Delhi from 9-11 December, 1998, at the invitation of the Chairman of the Railway Board. While in New Delhi, the Sudanese Minister called on the Minister of Railways. A 3-member Sudanese Parliamentary delegation led by the Deputy Chairman, Federal Relations Committee, Sudanese National Assembly Dr Salah Eldin Mirghani M A Gaili visited India in the first week of October 1998 to get acquainted with the functioning of the federal system in India.

During their visit, the Sudanese delegation called on the Minister of Parliamentary Affairs & Tourism Shri Madan Lal Khurana and Lt Governor of Delhi. Sudan's Minister of Animal Wealth Mr Joseph Malawal came to India on a private visit in June, 1998 and amongst others, called on the Minister of State for Agriculture Shri Som Pal. The Government of India sent relief supplies consisting of baby milk powder and medicines to Sudan to help the flood victims. Syria Bonds of understanding and co-operation with Syria were strengthened. Chief of Army Staff Gen V P Malik visited Syria from 10-14 December, 1998 at the invitation of Syria's Chief of Army & Armed Forces Lt Gen Ali Asslan. Gen Malik was also received by Syria's Defence Minister First Lt Gen Mustafa Tlass and Foreign Minister Mr Farouq al-Shara. Secretary (East) in the Ministry Shri Nareshwar Dayal visited Syria on 13-15 July, 1998 for Foreign Office Consultations. Secretary (East) was received by Foreign Minister Mr Farouk Al- Shara. The Director General of the Atomic Energy Commission of Syria Dr I Othman visited India for the IAEA Meeting from 12-16 October, 1998 held at BARC, Mumbai.

Tunisia Bilateral relations with Tunisia continued to develop satisfactorily. Tunisia's Minister for Environment and Land Use Planning Mohamed Mr Mehdi Mlika visited India from 1-3 April, 1998 to attend the meeting of Global Environment Facility at New Delhi. During his stay in India, the Tunisian Minister called on Minister of Environment and Forests Shri Suresh Prabhu and Minister of State for External Affairs Smt Vasundhara Raje. India maintained cordial relations and co-operation with the regional organisations, namely, League of Arab States (LAS) and Union of Arab Maghreb. 1999

Africa (South of Sahara)

Introduction As in the past, the period under review saw a continuation of the high-level of interaction with the countries of the African continent. The special priority attached to the region, with whom our ties have been both longstanding and time- tested, was underlined by the visit of Prime Minister Shri Atal Behari Vajpayee to Namibia, South Africa and Mauritius in August-September, 1998. It is significant that this visit to Africa was the first foreign visit by the Prime Minister outside the sub-continent.

In addition to a series of high-level exchanges with most countries of the region, the year also saw the visit to India of both Prime Minister Dr Navinchandra Ramgoolam and Vice-President Mr A V Chettiar of Mauritius. India's ties with Mauritius are one of kinship, and these high-level visits further cemented the already close ties between the two countries. A significant element of India's relationship with sub-Saharan Africa was the growing level of economic interaction. The overall volume of trade with the region exceeded Rs.10,000 crores. Endeavours in the area of economic cooperation were particularly significant for the growing appreciation across the African region of India's prowess - and its special relevance to Africa - in the fields of small and medium-scale industrial enterprises, and agriculture. The already well-established respect for India's expertise in the human development sector was reinforced.

A wide-ranging political dialogue with several key countries in the region displayed a considerable degree of understanding of India's security interests.

Bilateral India's relations with the countries of East Africa are marked by friendship and cordiality. The relations between India and Mauritius continued to grow during the period. Prime Minister Shri A B Vajpayee paid an official visit to Mauritius on 3-4 September, 1998. During the visit a Protocol on Cooperation in the field of Meteorology and a Bilateral Investment Promotion and Protection Agreement was signed. Prime Minister Dr Navinchandra Ramgoolam paid a state visit to India on 13-19 October , 1998. The Vice President of Mauritius Mr A V Chettiar visited India on 26 December, 1998 to 8 January, 1999. Ms Marie Claude Arouff-Parfait, the Mauritian Minister for Youth and Sports visited India in January-February, 1999. During the visit a Protocol each on Cooperation in the field of Sports and Youth Affairs were signed. Cooperation in the sectors of education, science and technology, information technology, trade and industry was further intensified. Shri Suresh P Prabhu, Minister for Environment and Forests visited Kenya to attend the Special Session of the Governing Council of the United Nations and Environment Programme at Nairobi in May 1998.

General DRC Tonje, Chief of General Staff, Kenyan Armed Forces visited India on 20-28 March, 1998. General V P Malik, Chief of Army Staff of India visited Kenya in July 1998. The High Commission of India organised a seminar on "India-Kenya Relations : Vision - 2000" in Nairobi on July 14, 1998. Two prominent Kenyan Ministers i.e. Dr Bonaya Godana, Minister for Foreign Affairs and Hon. S Nyachae, Minister for Finance delivered key-note addresses at the Seminar. Shri A N Ram, former Secretary, MEA, Shri Amit Mitra, Secretary General, FICCI and Shri Pavan K Varma, JS, MEA attended the Seminar. The scope for Kenya to learn from India's development experience was under-scored, as was the potential for enhancing the level of interaction in Indo-Kenyan cooperation in all fields. India organised "India-Tech 98" on 1-4 September, 1998 at Nairobi. More than 60 companies from India displayed their goods and technology at the show. The show received considerable attention from the Government and the business community of Kenya. The exposition show-cased India's capabilities, the comparative and cost effective quality of its technologies and their appropriateness to local needs. The exposition was inaugurated by Shri Som Pal, Minister for State for Agriculture. He also discussed matters of mutual concern with a number of Kenyan Ministers. Hon. J J Kamotho, Kenyan Minister for Trade accompanied by a trade delegation visited India on November 11-13, 1998. Apart from his meetings with Shri R K Hegde, Minister of Commerce, he also led the Kenyan side at the Joint Trade Committee Meeting held during the visit. Shri S T Devare, Secretary(ER) visited Nairobi on 20-25 November, 1998 and held discussions with his Kenyan counterpart on various matters of mutual concern.

India's growing relations with Uganda were further strengthened during the period under review. Ugandan President Mr Y Museveni made a transit halt at Mumbai in April 1998. The first Deputy Prime Minister and Foreign Minister Mr Eriya Kategaya paid a private visit to India from 28 April to June 1, 1998. An exhibition by Building Materials Technology Promotion Council of India on low- cost housing was held in Kampala from 3-10 April, 1998. This was the biggest ever exhibition/fair in Uganda organised by India. It generated considerable interest in Uganda. During the year, Indian Council of Agricultural Research and National Agricultural Research Organisation of Uganda signed an Agreement on Cooperation in the field of Agricultural Research. Ugandan Minister for Higher Education, Dr. Abil Rwendeire led a delegation to India on 1-7 November, 1998. The Indo-Ugandan Joint Committee met in Kampala on 23-24 November, 1998. Shri S T Devare, Secretary (ER), led the Indian delegation. The Joint Committee deliberations identified several areas of mutually beneficial cooperation between the two countries including the establishmentof a small-scaleindustrial estate at Jinja, cooperation in commercialfarming, human resource development, the identification of new areas such as information technology etc. DrP Byarauhanga, Ugandan Minister of State for Health visited India in December 1998.

The Minister of Education of Rwanda visited India from May 18-21, 1998. During the visit, an Agreement between the Ministry of Education of Rwanda and EducationalConsultants India Limited was signed. Under this Agreement ED.CIL is to facilitate admission of over 430 Rwandese students in various Indian universities/institutions. On a specific request by Rwandan Government a specialised training course for one month for 5 Rwandan dairy farmers was arranged at National Dairy Research Institute, Karnal. During the year, several delegations from Ethiopia visited India seeking to gain from India's development strategy and experience. These included a 20-member Ethiopian dairy farmers delegation, an 8-member veterinary delegation, a 10- member delegation of the Ministry of Finance, Industry and Trade and a 3-member pharmaceuticals delegation. A delegation from Ethiopia also came to study income-generating employment strategies for women in India. Ethiopia continued to recruit Indian professors and experts for its universities and technical training institutions. In May 1998, a Bilateral Cultural Exchange Programme (1998-2000) was signed with Ethiopia. India and Seychelles signed a Bilateral Trade Agreement at Mahe on 18 September, 1998. The agreement provides for most favourable nation facilities to imports from each other. The agreement also envisages the setting-up of a Joint Trade Council to review trade and commercial relations.

The ties of friendship and cooperation between India and Madagascar continued to expand further during the year. The President Mr Didier Ratsiraka met Prime Minister Shri A B Vajpayee, at Durban on the margins of the NAM Summit. The National Mineral Development Corporation signed an MOU on 11 September, 1998 with the Malagasy organisation for exploration of gold, and, Telecommunications Consultants India Limited bagged a contract worth US \$ 9 million in Madagascar. After a gap of nearly 20 years, India participated at the Dar-es-Salaam International Trade Fair in Tanzania and won the first prize in the foreign participation category.

India's relations with the countries in southern Africa made significant progress during the year. The traditionally close and friendly relations between India and South Africa were sustained through exchanges of visits and bilateral consultations at all levels. Shri Brijesh Mishra, Principal Secretary to the Prime Minister, visited South Africa as a Special Envoy of the Prime Minister in July 1998 for bilateral consultations. General V P Malik, Chief of Army Staff of India visited South Africa in July 1998. The Deputy Minister in the South African Deputy President's Office, Dr Essop Pahad, visited India on 2-10 October, 1998. Mr Mac Maharaj, the South Africa Joint Commission took place in Pretoria on 4-5 December, 1998. The meeting was chaired by Smt Vasundhra Raje, Minister of State for External Affairs and Mr Aziz Pahad, the South African Deputy Foreign Minister.

The Joint Commission reviewed the progress of cooperation in the entire gamut of bilateral relations and identified areas where progress could be accelerated. An Agreement on Air Services was also signed during the meeting. These high level bilateral contracts served to reinforce and expand the existing areas of bilateral cooperation while at the same time opening new areas of cooperation. Other high level exchanges included the visits to South Africa of the Minister of Petroleum and Natural Gas, the Minister of Mines, and the Minister of State for Rural Development and the visits to India by Mr Jay Naidoo, the Minister of Posts, Telecommunications and Broadcasting and Dr A M "Dullah" Omar, the Minister of Justice, Mr Ismail Mohamed, the Chief Justice of Supreme Court and Mr Narend Singh, the Minister for Agriculture of Kwazulu Natal served to provide further focus to bilateral cooperation in these areas.

The relations between India and Namibia were marked by the traditional sense of closeness and understanding. Prime Minister Shri Atal Behari Vajpayee paid an official visit to Namibia on August 30-31, 1998 at the invitation of President Sam Nujoma. During the visit, extensive talks were held on issues of bilateral interests, and subjects of multilateral concern. A prominent street in Windhoek was named after Mahatma Gandhi in the presence of India's PM. Four important bilateral agreements in the areas of Technical Cooperation, Agricultural Research, Technology Demonstration and Foreign Office Consultations were signed. An Agreement facilitating exchange of information between Press Trust of India and Namibia Press Agency was also exchanged. President Laurent Kabila of the Democratic Republic of Congo met Prime Minister Shri A B Vajpayee in Windhoek in August 1998.

The Hon'ble Speaker of the Lok Sabha, Shri G M C Balayogi accompanied by 5 members of Parliament attended the 99th IPU meeting held in Windhoek in April 1998. Mr H Palichta, the Namibian Minister of Works, Transport and Communications visited India in August 1998. During the visit he held extensive talks on possibilities of cooperation between the two countries in the field of railways. The relations between India and Zimbabwe continued to be warm and friendly. Shri Dilip Lahiri, Additional Secretary (UN), Ministry of External Affairs held consultations with his counterparts in the Zimbabwean Ministry of Foreign Affairs in May 1998. The first Indo-Zimbabwean Joint Trade Committee meeting was held in Harare from 17-19 August, 1998. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. TCIL of India won a major contract worth US \$35 million in Zimbabwe during the year.

The relations between India and Zambia continued to grow during the period of the report. The India-Zambia Joint Trade Committee meeting was held in Lusaka on 6-7 January, 1999. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. The Conference of India's Commercial Representatives in the Region was also held at Lusaka on 8 January, 1999. The Deputy Commander of the Botswana Defence Force, Major General T H C Masire visited India from 24-30 January, 1999. The relations between India and the countries in West Africa continued to expand in all fields. Nigeria is an important trading partner of India in Africa with the volume of bilateral trade reaching Rs 3000 crores in 1998-99. General Olusegun Obasanjo, former Head of State of Nigeria paid a private visit to India in September 1998. In October 1998, the Chief of the Naval Staff Rear Admiral Jubrilia Ayinia paid an official visit to India. Nigeria is in lead up to national elections scheduled for February 1999. As a gesture of support for this transformative process, India has gifted indelible ink worth Rs 74.65 lakh for use during the elections.

Shri S S Barnala, Minister of Chemicals & Fertilizers and Consumer Affairs visited Dakar, Senegal on 7-10 November 1998 to attend the foundation laying ceremony as Chief Guest of the project of Industries Chimique Du Senegal in which IFFCO is an equity partner. H.E. Mr Salifou Diallo, Minister of State, Minister for Environment and Water of Burkina Faso visited India over 12 &13 October, 1998 to exchange views on the ongoing aspects of bilateral cooperation.

India's relations with Cote d'Ivoire have been improving steadily. A delegation organised by the EXIM Bank of India and the CII visited Cote d'Ivoire and also had discussions with the Abidjan based African Development Bank in May 1998. Shri Kashiram Rana, the Minister of Textiles led a delegation of the Indian jute industry to Nigeria, Ghana and Cote d'Ivoire in August 1998 for promoting export of hydrocarbon free jute bags to the West African region. India's Assistance to African Countries The Prime Minister of Senegal Mr Habib Thiam received 100 Indian tractors in May 1998 as part of the Agricultural Development Project being set up with India's assistance. India assisted Togo in rural development by gifting water pumps, sewing machines, corn grinding mills, and TATA mobile ambulances worth Rs 3.26 crores during the year. In Mali, a drilling rig gifted by India was installed and commissioned during the period of the report. Two TATA ambulances were handed over to President Sam Nujoma of Namibia on 17 November 1998 for use at a maternity clinic. Another gift of 10,000 litres of cooking oil and 5 tonnes of baby milk powder were formally handed over to President Sam Nujoma on 27 January 1999. A cheque for Rs. 10,00,000 was presented to President Mugabe by the Indian High Commissioner in support of the Jawaharlal Nehru-Robert Mugabe Trust Fund. As a gesture of solidarity and support; in the aftermath of the US bombing at Nairobi and Dar-es-Salaam on 8 August 1998, India provided medical assistance worth Rs 10 lakh and Rs 5 lakh respectively to Kenya and Tanzania. A consignment of books on economics, management, computers and public administration was presented to the Institute of Public Administration and Management in Sierra Leone in July 1998.

Evacuation/Repatriation Assistance provided to affected Indian community in Africa On the humanitarian front, India was prompt in providing assistance to the affected Indian community residing in African countries. Following the outbreak of hostilities between Ethiopia and Eritrea in June 1998, 153 Indian nationals were evacuated from Asmara capital of Eritrea by chartering an aircraft in Djibouti and brought safely to India. During the political upheavals in Lesotho in September 1998, the Indian community crossed over the border into South Africa. They were provided all possible consular assistance by our mission in South Africa. Following demarches made by India, ten Indian soldiers serving in Angola with the MONUA (UN Observer Mission in Angola), held hostage by UNITA, were released on 6 December, 1998. Following the outbreak of armed revolt in Guinea Bissau in June 1998, 49 Indians nationals were evacuated and repatriated to India. Assistance was also rendered to the Indian nationals affected by the rebels' attacks which took place in Sierra Leone in December 1998.

Multilateral Prime Minister, Shri A B Vajpayee, led the Indian delegation to the NAM Summit in Durban in September 1998. Shri A B Vaipayee, Prime Minister addressed a Message to the OAU Summit (June 8-10, 1998) held at Ouagadougou, capital of Burkina Faso. It was handed over by Shri S T Devare, Secretary (ER) and was put on record as a document of the proceedings of the Summit. India also gifted seven heavy duty photocopiers to Burkina Faso for use during the Summit. As part of the consultation preceding the NAM Summit at Durban, South Africa in September 1998, high level envoys visited several African capitals: Shri S T Devare, Secretary (ER) visited Dar-es-Salam, Harare, Lusaka and Shri A N Ram, Special Envoy visited Libreville, Lagos, Dakar, Freetown, Banjul and Accra. Conclusion Africa is in a phase of transition, leaving behind the legacies of the past, and moving towards a many-splendoured future embracing democracy, economic reform and a constructive emergence of regional identities. India, with its unique developmental experience, and as the world's largest democracy undergoing significant economic reform, has a vital role to play in underpinning and moulding such an African future. The people of Indian origin who have made Africa their home in almost every corner of the continent are a natural bridge in re-enforcing our future ties with Africa. However, India's diplomatic vision extends beyond such natural ethnic affinities to embrace the interests of Africa as a whole, particularly in the priority area of economic progress and development. Such an economic congruence is facilitated by a broad agreement between India and the countries of Africa on their vision of a new world order characterised by peace, justice and equity, and fully responsive to the needs and interests of the developing world. uu

MAURITIUS NAMIBIA SOUTH AFRICA USA INDIA KENYA MALI UGANDA RWANDA ETHIOPIA SEYCHELLES CENTRAL AFRICAN REPUBLIC MADAGASCAR TANZANIA CONGO ZIMBABWE ZAMBIA BOTSWANA NIGER NIGERIA SENEGAL BURKINA FASO COTE D'IVOIRE GHANA ERITREA DJIBOUTI LESOTHO ANGOLAGUINEA GUINEA-BISSAU SIERRA LEONE GABON THE GAMBIA 1999

Europe

Eastern Europe Section 1 India's traditionally warm, friendly and cooperative relations with the Russian Federation and the countries of East and Central Europe continued to develop steadily during the year. There is a consensus on maintaining good relations with most of these countries in India, where there is considerable goodwill for these countries, and vice versa. With the consolidation of democracy and democratic institutions in East and Central Europe, our friendship with the countries in this region has acquired an added dimension, based on shared values and aspirations. India's multi-faceted cooperation with them in all spheres including trade and commerce, science and technology, culture, etc. has been progressing satisfactorily.

The tradition of high level bilateral exchanges with these countries continued during the year and contributed to strengthening our bilateral cooperation. Sustained efforts were made to further strengthen our political understanding with them. Exchanges of visits by Parliamentary delegations helped to revitalise contacts with the legislatures of these countries. We also sought to build upon our existing business and institutional linkages with them, so as to benefit from the parallel processes of economic change and development in India and East/Central Europe. Efforts were made to consolidate and expand our cultural ties. In turn, these countries acknowledged the importance of their traditional ties with India.

Section 2

Close and friendly ties between India and Russia, based on continuity, trust and mutual understanding, constitute an important foreign policy priority for both countries. Our multi-faceted relations have been developing apace in different areas of cooperation. The tradition of high level bilateral exchanges with Russia, which has contributed to strenghthening our bilateral cooperation in a wide range of areas, was maintained during the year, culminating in the visit of Prime Minister Mr Y M Primakov to India in December, 1998. There is a consensus in both countries on maintenance of good bilateral relations. Recognition of the strategic dimension to Indo-Russian relations has grown. India and Russia share similar perceptions on many international issues.

Prime Minister inaugurated the 7 RCR-Kremlin Hot-line with a telephonic conversation with President Yeltsin on 13 April 1998, the 51st anniversary of the establishment of diplomatic relations between India and Russia. Defence Secretary visited Russia from 15-19 June 1998 and held discussions with First Deputy Defence Minister Mr N V Mikhailov, and met Defence Minister Mr Igor Sergeev, Economy Minister Mr Yakov Urinson and other Russian dignitaries. During the visit, an Inter-Governmental Agreement on the Long-Term Programme of Military and Technical Cooperation for the period upto the year 2010 was initialed.

Russian Minister for Atomic Energy Mr Yevgeny Adamov visited India from 19-22 June, 1998. He signed with Dr R Chidambaram, Secretary, Department of Atomic Energy, a Supplement to the 1988 Indo-Soviet Inter-Governmental Agreement on the construction of a 2x1000 MW Nuclear Power Station in Kudankulam, Tamil Nadu. Governor of the Voronezh region of the Russian Federation, Mr I M Shabanov visited India from 9-11 July, 1998. During his stay in India, he met the Chief Minister of Delhi Shri Sahib Singh and Secretary (West), MEA, and visited Calcutta.

Chief Minister of Delhi Shri Sahib Singh visited Russia from 13-15 July, 1998 to attend the International Youth Games. During his stay in Russia, he met the Mayor of Moscow Mr Yuri Luzhkov, and visited the

Voronezh region of the Russian Federation. A contract on the preparation of the Detailed Project Report for the construction of a 2x1000 MW Nuclear Power Station in Kudankulam was signed in Moscow on 20 July, 1998.

Chief of Naval Staff Admiral Vishnu Bhagwat visited Russia from 24-31 July, 1998. During the visit, he called on the Russian Defence Minister Mr Igor Sergeev and had talks with the Commander-in-Chief of the Russian Navy Admiral Vladimir Kuroyedov. He also visited St. Petersburg and Severomorsk. Deputy Chairman of the Planning Commission Shri Jaswant Singh met the Russian Foreign Minister Mr Yevgeny Primakov in Manila on 28 July, 1998, during the 5th meeting of the ASEAN Regional Forum. Mr Yevgeny Primakov, Russian Foreign Minister, met Prime Minister Shri Atal Bihari Vajpayee during the 53rd Session of the UN General Assembly UNGA in September 1998 in New York.

Lok Sabha Speaker, Shri G M C Balayogi, led a multi-party Indian Parliamentary delegation to the IPU Conference in Moscow from 6-13 September, 1998. An Agreement on Indo-Russia Inter-Parliamentary Commission was also signed during that visit. The Chairman of the Russian State Duma Committee for International Relations, Mr V P Lukin, accompanied by a multi-party Russian Parliamentary delegation visited India from 13-16 September, 1998, during which he held detailed discussions with the Parliamentary Standing Committee on External Affairs. He also called on PM, Vice President and other Indian dignitaries. Foreign Secretary visited Moscow on 11 September, 1998 for Foreign Office Consultations.

Vice Mayor and First Deputy Prime Minister of the Moscow Government, Mr Valeri P Shantsev, visited India from 23-26 September, 1998 and on 23 September, 1998, inaugurated the "Days of Moscow in Delhi" jointly with Home Minister. Petroleum Minister, Shri V K Ramamurthy, visited Russia from 21-23 October, 1998, during which a meeting of the Indo-Russian Joint Working Group on Oil was also convened. Russian Deputy Foreign Minister Mr G B Karasin visited India from 1-3 November, 1998. He held discussions with Foreign Secretary and called on Home Minister and Principal Secretary to PM.

Defence Secretary visited Russia from 10-12 November, 1998 for the Joint Working Group meeting on military-technical cooperation. Lok Sabha Speaker led a multi-party Indian parliamentary delegation to Russia from 12-17 November, 1998. In addition to having discussions with his Russian counterpart, he addressed the Russian State Duma and called on Prime Minister Mr Y Primakov. President Mr M S Shaimiev of the Republic of Tatarstan (Russian Federation) visited India from 22-26 November, 1998 at the invitation of Commerce Minister. During the visit, he also called on Vice President.

Finance Minister led an Indian delegation to Moscow from 26-28 November 1, 1998 for the 5th session of Indo-Russian Inter-Governmental Commission as its co- chairman. Besides meeting his counterpart and Russia's First Deputy Prime Minister Mr Yuri Maslyukov, Finance Minister called on Russian Prime Minister Mr Y Primakov, Finance Minister Mr M Zadornov and Deputy PM Mrs V I Matvienko. Russian Prime Minister Mr Yevgeny Primakov paid an official visit to India from 20-22 December, 1998. During the visit, he called on President, Vice President and PM, and met Lok Sabha Speaker and EAM besides other high Indian dignitaries. Discussions took place in the warm and friendly atmosphere traditional to Indo-Russian interaction. There was a coincidence of views on practically all issues discussed, and both sides expressed satisfaction that bilateral cooperation was proceeding well. Both sides reiterated their commitment to close and stable relations in a long-term perspective. During the visit seven bilateral documents were signed in the presence of the two Prime Ministers. Mr Primakov also attended a business seminar organised by CII.

Chairman of the Federation Council of the Federal Assembly of the Russian Federation, Mr Y S Stroev, accompanied a high-level parliamentary delegation including eight regional governors visited India from 8-10 February, 1999. During the visit Mr Stroev and the delegation called on the President, Vice-President, Lok Sabha Speaker and Home Minister. Russian Defence Minister Mr Sergeev is expected to visit India from 11-15 March, 1999.

India's relations with othercountries of the CIS - Armenia, Belarus, Georgia, Moldova, Ukraine continued to develop satisfactorily. Smt Vasundhara Raje, Minister of State for External Affairs met Mr Ivan Antonovich, the Foreign Minister of Belarus in New York on September 29, 1998 during the 53rd Session of UNGA. Belarusian Foreign Minister, Mr Ivan Antonovich, paid an official visit to India from 13-17 October, 1998, during which he held talks with MOS for External Affairs. He also called on Prime Minister, the Vice President, and Industry Minister. An Indo-Belarus ITEC Agreement was signed during the visit.

Industry Minister, Shri Sikander Bakht, led the Indian delegation to Minsk from 25-28 October, 1998 at the 1st session of the Indo-Belarus Inter-Governmental Commission. He co-chaired the session with the Belarusian Industry Minister. During the visit, he called on the Belarusian President, Prime Minister and Minister of Foreign Economic Relations. Minister of State for Coal, Shri Dilip Ray, accompanied by officials from Coal India Ltd. visited Minsk from 10-12 January, 1999. During the visit CoalMinister called on the Prime Minister Mr Sergei Ling and also held discussions with the Belarus Minister for Industry, Mr A D Kharlap.

India's relations with the countries of Central/East Europe and the three baltic Republics, i.e., Lithunia, Latvia and Estonia- continued to be close and productive. High level visits were exchanged with several of these countries during the course of the year, which confirmed the importance and priority that these countries attach to their relations with India. Bosnia and Herzegovina opened its resident Mission in New Delhi in 1998. Bulgarian Deputy Minister of Trade and Tourism, Mr Hristo Mihailovski visited India from 27-30 April, 1998, accompanied by a group of officials and businessmen. He called on the Commerce Minister, MOS for Agriculture and Commerce Secretary. The 12th Session of Indo-Bulgarian Joint Commission was held in Sofia from 22-25 September, 1998. MOS for Agriculture, Shri Sompal, led the Indian side and met Bulgarian PM Kostov, Speaker Sokolov, and the Ministers of Trade, Transport and Agriculture.

President Petar Stoyanov paid a state visit to India from 25-28 October, 1998 accompanied by his wife and a high-level official delegation. He had separate meetings with the President, the Vice-President and the Prime Minister. The Indo-Bulgarian BIPA, an Agreement on Mutual Cooperation between ITPO and the International Fair Inc. Plovdiv, an MOU between the National Centre for Trade Information (NCTI) and the Bulgarian Export Promotion Centre, and an MOU between the CII and the Bulgarian Industrial Association were signed. President Stoyanov visited Agra, Udaipur and Mumbai. The 10th meeting of the Indo-Bulgarian Joint Business Council was convened in New Delhi on 27 October, 1998 coinciding with the visit to India of the Bulgarian President.

Bulgurian Deputy Minister of Transport, Mr Ilko Miloushev, visited India from 8- 10 December, 1998 to take part in a seminar organised by the Ministry of Railways. He met Railway Minister Shri Nitish Kumar, Minister for Surface Transport Shri Thambi Durai, MOS for Agriculture Shri Som Pal and senior officials of the Ministry of Civil Aviation, RITES, Cimmco Birla and Konkan Railways.

Mr George Ganchev, MP and Chairman of the Bulgarian Parliamentary Group for "Friendship with India" visited India from 21-26 February, 1999. He called on Shri Krishna Kant, Vice President of India and Shri G M C Balayogi, Lok Sabha Speaker. He also met Shri P R Kumaramangalam, Parliamentary Affairs Minister, Shri R K Hegde, Commerce Minister, Smt Vasundhara Raje, MOS (External Affairs), and Shri Som Pal, MOS for Agriculture, and attended a lunch hosted by FICCI in his honour.

Croatian Minister for Economy Mr Nenad Porges led the Croatian delegation to the Fourth session of the Indo-Croatian Joint Committee on Trade and Economic Cooperation which took place on 16-18 November, 1998 in New Delhi. He met Minister of Commerce Shri R K Hegde, Minister of Surface Transport, Shri M Thambidurai, Minister of Petroleum and Natural Gas Shri K Ramamurthy. Croatian Minister for Culture Mr Bozo Bispkupic is expected to visit India on 4- 6 March, 1999.

The President of Croatian Parliament Dr Vlatko Pavletic will be leading a Parliamentary delegation to India from 28 March to 4 April, 1999. Minister of State for Coal, Shri Dilip Ray, visited Prague in May 1998, and held detailed discussions with the Czech Trade and Industry Minister, Mr Kuhnl. The Indo-Czech Agreement on Avoidance of Double Taxation was signed in Prague on 1 October, 1998 by the Indian Ambassador and Czech Finance Minister, Mr Ivo Svoboda.

The Third session of the Joint Committee took place in Prague on 5 & 6 October, 1998. The Indian delegation was led by Shri P Prabhu, Commerce Secretary, and the Czech delegation was led by First Deputy Minister of Industry and Trade, Mr Vaclav Petricek. Commerce Secretary also met the Minister of Industry and Trade, Mr Miroslav Gregr, and Deputy Finance Minister, Miloslav Fiedler. The 2nd meeting of the Indo-Czech Joint Business Council was held simultaneously with the meeting of the Joint Committee in Prague on 5 & 6 October, 1998, which was attended by Indian businessmen.

A Czech Parliamentary delegation led by the President of the Chamber of the Deputies of the Czech Parliament, Mr Vaclav Klaus, is expected to visit India from 8-14 March, 1999. Mr Klaus will be accompanied by his wife, six Members of Parliament and government officials.

The President of the Republic of Estonia, Mr Lennart Mery, paid a State visit to India 3-10 February, 1999. During the visit, President Mery had separate meetings in New Delhi with the President, the Vice President and the Prime Minister of India as well as other Indian dignitaries. An Indo-Estonian Agreement on Co-operation in the field of Science and Technology and an MOU on co-operation between FICCI and the Estonian Chamber of Commerce was signed during this visit. Besides New Delhi, President Lennart Meri also visited Agra, Jaipur and Mumbai.

Foreign Minister of FRY, Mr Jovadin Jovanovic, met Smt Vasundhara Raje, Minister of State for External Affairs in New York on 29 September, 1998 during the 53rd session of the UNGA. Discussions were held on the need to intensify and renew bilateral cooperation in all fields. The FRY Minister for Agriculture Mr Nedelijko Sipovac, visited India on 2-7 November, 1998. He met Shri Som Pal, Minister of State for Agriculture, Shri R K Hegde, Minister of Commerce, Shri P A Sangma, Member of Parliament, and called on the Vice President of India. He also visited Maharashtra and met the Chief Minister, Shri Manohar Joshi, and the Minister of Agriculture of Maharashtra, Shri Harsh Vardan Patil.

Dr Murli Manohar Joshi, Minister for Human Resource Development, visited Hungary on 26-28 November, 1998 in connection with the Golden Jubilee of the establishment of diplomatic relations between India and Hungary. He inaugurated a symposium on "Hungary, India and the European Union" on 26th November, 1998. Dr Joshi called on Hungarian President Dr Arpad Goncz and held discussions with Prof Janos Hamori, Minister for National Cultural Heritage, Dr Janos Martonyi, Minister for Foreign Affairs and Dr Zoltan Pokornyi, Minister of Education. The Cultural Exchange Programme for 1999-2000 was also signed during the visit. To commemorate the 50th Anniversary of the establishment of diplomatic relations between India and Hungary, an International Round Table Conference on "India and Hungary: Perspectives on the Changing World Order" was held at the School of International Studies, Jawaharlal Nehru University, New Delhi from 17 - 18 November, 1998, with the participation of distinguished academics and experts from India and Hungary.

A Hungarian Parliamentary delegation led by Dr Janos Ader, Speaker of the Hungarian Parliament is expected to visit India on 7-13 March, 1999. Latvian Under Secretary of State Mr Janis Karklins, visited India from 7-12 December, 1998. He held discussions at MEA, besides visiting the 5 Latvian pilots detained in Calcutta in connection with the Purulia Arms Dropping Case. During the visit, he and Joint Secretary (East Europe) initialed the text of the Agreement on the establishment of an Indo-Latvian Joint Commission. The Chief of General Staff of the Polish Armed Forces Lt Gen H Szumski visited India on 30 March - 3 April, 1998, and called on Raksha Mantri, COAS, CAS, Defence Secretary and Secretary (West).

Indo-Polish Working Consultations on Trade and Economic Related Issues were held in Warsaw on 22 & 23 June, 1998. The Indo-Polish Working Group on Coal under the Indo-Polish Joint Commission for Economic, Trade, Scientific and Technical Cooperation met in Warsaw on 14 October, 1998. The Indian delegation was led by Mr S S Boparai, Secretary (Coal) who held discussions with the Deputy Minister of Economy, Mr Jan Szlazak and called on Mr Janusz Steinhoff, the Minister of Economy.

Mr Czeslaw Bielecki, Chairman of the Foreign Relations Committee of the Polish Parliament (Sejm) visited India on 14-16 February, 1999 to participate in the "Global Conference on Democracy" jointly organised by CPR and CII in New Delhi. He met Smt Vasundhara Raje, MOS (External Affairs) and Shri I K Gujral, Chairman, Standing Committee on External Affairs of the Indian Parliament. The Deputy Defence Minister of Poland Mr Romuald Szeremietiew, is expected to visit India from March 22, 1999.

The 13th session of the Indo-Romanian Joint Commission was held on 15-16 December, 1998. Commerce Minister, Shri R K Hegde, visited Bucharest. He met PM Radu Vasile, Foreign Minister Andrei Plescu and the Romanian Ministers of Health, Finance, Industry and Commerce. Commerce Minister also led the Indian delegation as Co-Chairman of the Indo-Romanian Joint Commission. The Romanian side was led by Industry Minister, Mr Radu Berceanu. A Protocol was signed between the two governments on Economic, Scientific and Technical cooperation. Shri Suresh Prabhu, Minister of Environment and Forests, visited the Slovak Republic from 3-6 May, 1998 to attend the Ministerial Round Table of the 4th Meeting of the Conference of Parties to the Convention of Biological Diversity. The third session of Indo-Slovak Joint Committee took place on 7-8 October, 1998 at Bratislava. The Indian delegation was led by the Additional Secretary in the Ministry of Commerce, who is also the co-chairman on the Indian side. The Slovak delegation was led by Mr Dusan Gutan, Vice-Minister, Ministry of Economy. The delegation was received by the Minister of Economy, Mr Milan Cagala, State Secretary in the Ministry of Finance, Mr Peter Stanec, and by the Director General in the Ministry of Foreign Affairs, Mr Anton Pitner. A meeting of the Indo-Slovak Joint Business Council took place at Bratislava on 7 & 8 October, 1998, concurrently with the Joint Committee meeting.

Smt Vasundhara Raje, Minister of State for External Affairs met Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia on September 1, 1998 during the meeting of the Nonaligned Movement held in Durban. Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia, visited New Delhi on 2-6 February, 1999 for the fourth round of Indo-Slovene Foreign Office Consultations. During the visit, he held discussions with Secretary (West). He met Shri Nripendra Mishra, Additional Secretary, Ministry of Commerce, and called on Smt Vasundhara Raje, Minister of State (External Affairs), and Smt Maneka Gandhi, Minister of State, Ministry of Welfare.

Western Europe West Europe is a region of considerable political and economic significance to India. The European Union (EU), of which 15 countries of the region are members, is India's largest trading partner and the second largest source of approved foreign investment. The adoption of the Euro by 11 of its member states and the evolution of a Common Foreign and Security Policy are significant pointers to the emergence of an "European identity", which would have an increasingly important role in international affairs.

Normal dialogue and interaction has continued in 1998-99 with the countries of West Europe, as also with the EU. A number of high level visits have been exchanged with West Europe. The President visited Germany, Portugal and Luxembourg, in September 1998. The Prime Minister visited France in Sept-Oct 1998. We have also received the visits of the President of Switzerland, and the Crown Prince of Belgium and the Prime Minister of Luxembourg. The 11th Round of the India-EU Troika Ministerial Meeting was held in New Delhi on November 13, 1998. There has also been an exchange of several other Ministerial visits with various other countries. High level official consultations have been conducted with France, the UK and Germany.

During this period, India's trade with the countries of the region has grown and there has been a further strengthening of the investment and technology cooperation ties between India and Europe. The diversification and deepening of the economic linkages and continuing political dialogue between the two sides reflects a shared desire to pursue a closer relationship for mutual benefit. While most of the countries in West Europe and the EU expressed concern at the nuclear tests conducted by India in May 1998, the specific reactions by different countries were far from uniform. A few countries like the Netherlands, Switzerland, Norway, Sweden and Denmark imposed unilateral economic measures (primarily curtailing development assistance and banning arms sales) with the others being opposed to such action.

Austria held the Presidency of the EU during the second half of 1998. In this capacity the Austrian Minister of State for Foreign Affairs, Dr (Mrs) Benita Ferrero Waldner led the EU Troika delegation at the 11th India-EU Troika Ministerial Meeting held in New Delhi on November 13, 1998. Our bilateral relationship with Belgium has progressed well. Belgium is the 7th largest trading partner for India. Bilateral trade, dominated by trade in diamonds, was over US \$ 4 billion in 1997. The total approved Belgian investment in India from 1991 to Aug 1998 has been around US \$ 1 billion, making Belgium the 9th largest investor in India in terms of approval figures. There are around 140 Indo-Belgium joint ventures in operation.

H.R.H. Crown Prince Philippe of Belgium, accompanied by the Deputy Prime Minister and Minister for Economy and Telecommunications, in-charge of Foreign Trade, Mr Elio Di Rupo, led a large high level business delegation to India from 22-29 November, 1998 at the invitation of the Vice President. The delegation included nearly 80 senior representatives of professional organisations, top Belgian companies and financial institutions. The 9th Session of Indo-Belgium- Luxembourg Economic Joint Commission was held in Brussels on 29 June 1998. Commerce Secretary led the Indian delegation and the Secretary-General, Ministry of Foreign Affairs, External Trade and Development Cooperation of Belgium led the Belgium-Luxembourg side. The 3rd Session of the Indo-Cyprus Joint Economic Committee was held in Nicosia in September, 1998. A Protocol was signed at the end of the meeting by the heads of the two delegations. An MoU between the National Centre for Trade Information (NCTI) of India and the Cyprus Chamber of Commerce and Industry for exchange of information on electronic media, country and product profile, trade statistics, import tariffs, import/export policy was also finalised on this occasion. Indo-French relations have continued to progress in a satisfactory manner. There has been an intense high level substantive political dialogue between the two sides. Bilateral economic relations with France have also progressed satisfactorily. The Prime Minister visited France on 29 & 30 September, 1998.

He held discussions with President Chirac, Prime Minister Jospin and Defence Minister Richard. His visit helped consolidate the progress in bilateral relations subsequent to President Chirac's visit to India in January 1998. Raksha Mantri visited France from 11-13 January, 1999 and held detailed discussions with his French counterpart. The Minister of Railways visited France from 19-20 January, 1999. Principal Secretary to PM visited France from 1-2 June, 1998 as Special Envoy of the Prime Minister and from 18-19 January, 1998. The Indo-French Forum (IFF), a high level non-governmental group of eminent personalities from both sides, set up in January 1998 to advise on ways of diversifying and enriching the bilateral relations, held its first meeting in Paris on 2 & 3 July, 1998. Dr Karan Singh and Mr Jean Francois-Poncet are the two Co-Chairman of the Forum. The second meeting of the Forum was held in New Delhi from 16-17 February, 1999.

The French Minister of State for Trade and Commerce, Mr Jacques Dondoux led the French delegation for the ninth meeting, of the Indo- French joint Committee for Economic and Technical Cooperation held in New Delhi in November 1998. On 24 November, 1998, officials of the Ministries of Industries of India and France, signed a 'Protocol of Intent' for cooperation. Mr Laurent Fabius, former Prime Minister of France and the present President of the French National Assembly led a Parliamentary Delegation to India from 15- 17 September, 1998. Mrs. Segolene Royal, the French Minister of State for Education visited India from 28 Nov - 1 Dec, 1998. She inaugurated the French Education Fair in New Delhi during the visit.

Indo-German relations have grown closer in recent years. Germany is India's largest trading partner in Europe and the second largest overall. The two-way trade is of the order of DM 9 billion (over US \$ 6 billion). Approved German investment in India in 1997 was worth Rs 21.5 billion million and the figure for the period 1991-August 1998 is over Rs. 64 billion. Germany is also an important source of technology and has cooperated in various development projects in India. The President visited Germany from 6-10 September 1998. This was the first Head of State/Government visit from either side in four years. The President held discussions with the German President, Chancellor and Foreign Minister. A Memorandum of Understanding on bilateral Cooperation in the field of Environment was signed by two sides during the visit.

Mr Guenther Verheugen, one of the two new Ministers of State for Foreign Affairs in Germany, visited India on 13 November 1998 for the 11th India-EU Troika Ministerial Meeting. A high level business delegation, led by Dr Walter Doering, Minister for Economic Affairs in the state of Baden Wuerttemberg, visited India from 22-28 March, 1998. Dr Franz-Josef Feiter, State Secretary and Deputy Federal Minister for Food, Agriculture and Forestry led an economic delegation to India during the sameperiod. Mr Rudolf Kraus, State Secretary in the Federal Ministry of Labour, visited India from 13-19 April, 1998.

The 13th session of the Indo-GermanJoint Commission on Industrial and Economic cooperation was held in New Delhi from 8-10 January, 1998. The then Finance Minister of India and the then Minister of

Economics of Germany, Mr Guenter Rexrodt jointly chaired the meeting. The seventh annual meeting of the high- powered Indo German Consultative Group was held in Dresden on 29 & 30 August, 1998. Bilateral Foreign Office Consultations, at the level of Foreign Secretary, were held in Bonn on 13 July, 1998. The Instruments of Ratification of the Agreement for Bilateral Investment Promotion and Protection were exchanged by the two sides during the visit.

Indo-Greek relations made significant progress. The Greek National Minister for Defence, Mr Apostolos-Athanasios Tsohatzopoulos visited India from 5-8 December, 1998. His visit coincided with Aero India '98, to which he was invited by Raksha Mantri. An MoU on Defence Cooperation between India and Greece was signed during the visit. The Greek Defence Minister called on the Prime Minister and had detailed meetings with Raksha Mantri and the three Service Chiefs. Foreign Office Consultations were held with Greece on November 30 & December 1, 1998. The 13th Session of the Indo-Italian joint Commission on Economic Cooperation was held in Rome from 17-18 December, 1998. The Indian delegation was led by our Commerce Minister while the Italian side was led by the Italian Minister for Foreign Trade, Piero Fassino. Both sides reviewed bilateral industrial cooperation projects and renewed their commitment to maintaining and strengthening the multilateral trade system. The fourth session of the Indo- Italian joint Committee on S&T Cooperation was held in New Delhi/Calcutta on 9 & 10 November, 1998. The Indian delegation was led by Secretary, Dept. of S&T, Ministry of S&T while the Italian delegation was led by H. E. Mr Gaetano Zucconi, Ambassador of Italy in India. Both sides agreed to promote joint activities in S&T areas of mutual interest. Foreign Office consultations will be held in Rome shortly, the first since October 1996.

There has also been an intensification of our linkages with Luxembourg. The President visited the Grand Duchy of Luxembourg from 14- 16 September, 1998 at the invitation of the Grand Duke jean. This was the first major high level political visit from either side in the last 25 years. The President held discussions with the Grand Duke, Prime Minister Jean-Claude Juncker, Deputy Prime Minister and Minister of Foreign Affairs Jacques Poos and the President of the Chamber of Deputies Jean Spautz. The Prime Minister of Luxembourg visited India from 11-13 January, 1999. This was the first visit by a Prime Minister of Luxembourg to India. The Instruments of Ratification of the bilateral agreement on cooperation in the fields of art and culture, education, mass media and sports were exchanged during the visit.

India's relations with the Netherlands have a strong economic content, with a growing bilateral trade of the order of US \$ 1.5 billion and total approved Dutch investment of over Rs. 37 billion (1991-July 1998). The Netherlands is our sixth largest trading partner in Europe. The Netherlands ranks 8th in terms of overall approved investment in India since 1991. The Netherlands was among the few countries to have imposed economic measures - restrictions on the sale of arms and on certain categories of government to-government credit and project assistance against India in the wake of the nuclear tests. Commerce Minister visited the Netherlands in October 1998.

The Nordic countries were critical of India's nuclear tests. While Sweden, Norway and Denmark stopped their development assistance programmes to India, Finland and Ireland did not impose any economic measures. The Danish Minister for Development Cooperation, Mr Poul Nielson visited India from April 1-4, 1998 at the head of their delegation to the Assembly of the Global Environment Facility.

The Ethics Committee of Rajya Sabha, led by Shri S B Chavan, visited Finland in May, 1998. A Finnish Parliamentary delegation led by the Deputy Speaker of Finnish Parliament, Mr Mikko Pesala returned the visit and was in India from 13- 19 November, 1998. Earlier, in June, 1998, the Minister of State for

Communications visited Finland to attend the Inter-Governmental Conference on Emergency Telecommunications.

The Secretary-General to the Icelandic President, Ambassador Kornelius Sigmundsson visited India from 29 August - 2 September, 1998. The Deputy Foreign Minister of Norway, Mr Leiv Lunde visited India from 31 March - 4 April, 1998 at the head of the Norwegian delegation to the Assembly of the Global Environment Facility. Two consular agreements; an "Agreement on the Transfer of Convicted Offenders" and a Treaty for "Mutual Legal Assistance in Criminal Matters" were initialled by both the sides in May 1998. Our relations with Portugal received an impetus with a series of high level visits. The President visited Portugal from 10-14 September, 1998. He held discussions with Mr Jorge Sampaio, the Portuguese President and Mr Antonio Guterres, the Portuguese Prime Minister. He also visited the EXPO '98 Exhibition in Lisbon. A Double Taxation Avoidance Agreement between Portugal and India was signed during this visit. A nine member parliamentary delegation from Portugal visited India from 15-22 December, 1998. The delegation was led by Dr Antonio De Almeida Santos, President of the National Assembly. This was the first visit to India by a parliamentary delegation from Portugal to India. The Third Session of the Indo-Portuguese joint Business Council was held in New Delhi on 5 & 6 January, 1999. The Portuguese Secretary of State for Economy, Prof. Fernando Pacheco visited India from 6-9 January, 1999 for the CII Partnership Summit in Jaipur.

Normal interaction continued with Spain. Bilateral Foreign Office Consultations were held in Madrid on 3 & 4 December, 1998. The Indo-Spanish Joint Commission and joint Business Council was held in Delhi from 15-16 February, 1999. The President of Switzerland, Mr Flavio Cotti, was in India on a State Visit from 20-25 November, 1998. This was the first ever visit to India by a Swiss President. He was accompanied by a ten member 'business delegation. He called on President, Vice President and held discussions with PM. He also visited the cities of Mumbai and Bangalore and interacted with the business communities. Our relations with UK are important with a tangible and modern economic content, apart from the historical dimension. India's annual trade with the UK is of the order of Pounds Stg 3.3 billion. The UK is also the largest cumulative investor in India with a figure of Pounds Stg 3 billion. The presence of a large community of Indian origin, which has done well economically, strengthens the traditional links between the two countries.

The UK in its individual capacity and as the then EU Presidency had been initially critical of the nuclear tests conducted by India. Since then bilateral consultations at a high level have helped to place relations on a firmer footing. The Principal Secretary to PM visited UK on 4 & 5 June, 1998, as the Special Envoy of the Prime Minister and on 20 & 21 January, 1991. The visit of Mr Derek Fatchett, Minister of State for Foreign Affairs and Commonwealth to India in November 1998 was also beneficial. The External Affairs Minister visited UK from 2-7 February, 1999. During this visit, discussions were held on a wide range of issues, including, inter alia, bilateral cooperation, regional developments, nuclear disarmament and non-proliferation. These have proved to be useful in promoting greater mutual understanding.

Chief Emeka Anyaoku, the Commonwealth Secretary General (CSG), visited India from 13-18 February, 1999. The visit was part of the traditional round of consultations that the CSG undertakes with member countries before a Cornmonwealth Heads of Governments Meeting, the next one being held in South Africa in November 1999. During the visit, the CSG called on the President, the Prime Minister and the Minister of External Affairs. The CSG's visit to India coincided with the Asia Trade and Investment Forum organised by the Commonwealth Business Council and the Confederation of Indian Industry, from 14-16 February, 1999.

Developments with far reaching impact are presently taking place at the EU level. The finalisation of the Economic and Monetary Union with the adoption of a single currency Euro by 11 member states of the EU from January 1999 has significance for the international financial system as also implications for the attempts to forge a "European identity" in international affairs. The EU is working on plans for an eastward expansion and there is a serious discussion on the need for its internal financial reforms. There have been moves towards initiating a discussion on NATO's nuclear doctrine and the scope and mandate of its activities, even as it prepares to accept three new members from 1999, its 50th anniversary year. The forthcoming NATO Summit to be held in Washington in April 1999 is expected to consider a New Strategic Concept for the organization which may go beyond the defence of the territories of member countries. These developments impact on the evolving security architecture in Europe and have implications for the security around that region.

The EU, with its fifteen member countries is the largest economic entity in the world today. It is India's largest trade partner with an annual bilateral trade of over US \$ 21 billion in 1997. It is also India's second largest source of approved foreign investment (over Rs 300 billion during 1991-August 1998) and an important partner in technology cooperation.

The 11th Round of annual India-EU Ministerial level talks was held in New Delhi on 13 November, 1998. MOS (EA) led the Indian delegation at the talks. The delegations from the EU side consisted of the then Presidency (Austria), European Commission, Germany (next incumbent) and the UK (past incumbent). These were led by Dr (Mrs) Benita Ferrero-Waldner, Minister of State for Foreign Affairs of Austria, Mr Manuel Marin, Vice President of the EC, Mr Guenther Verheugen, Minister of State for Foreign Affairs of Germany and Mr Derek Fatchett, Minister of State, FCO, UK respectively. The discussion covered India-EU relations, new initiatives in this regard, regional developments, disarmament and non-proliferation, reform of the UN, international terrorism and other subjects of mutual interest. The first India-EU Senior Officials Meeting had earlier been held in London on 21 April, 1998. The first meeting of officials of the two sides dealing with Policy Planning was held in April 1998 in New Delhi. uu

RUSSIA INDIA USA PHILIPPINES UNITED KINGDOM ARMENIA GEORGIA UKRAINE COMMONWEALTH OF INDEPENDENT STATES(CIS) BELORUSSIA ESTONIA LATVIA BULGARIA CROATIA CZECH REPUBLIC HUNGARY POLAND OMAN ROMANIA SLOVAKIA SLOVENIA GERMANY PORTUGAL FRANCE SWITZERLAND BELGIUM THE NETHERLANDS DENMARK NORWAY SWEDEN AUSTRIA CYPRUS GREECE ITALY FINLAND IRELAND ICELAND SPAIN

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USA

Relations with the United States during the year can be seen broadly in two phases. In the early part of the year, there was continuation of a broad based dialogue which both countries had agreed upon. In that context, US Permanent Representative to UN, Bill Richardson headed a delegation to India from

April 14-15, 1998. The Indian and the US side had useful exchanges of views on a number of important international, bilateral and regional issues.

Following India's nuclear tests, the US reaction was extremely critical and negative. The reaction was made up of several elements including what the United States saw as a challenge to the non-proliferation regime which the United States and other nuclear-weapon states have south to put in place to preserve their monopoly of nuclear weapons. It also contained elements of frustration at US inability to detect the tests in advance. India look every opportunity to respond to such statements wherever necessary.

The US also took the initiative in meetings of the P-5 and G-8 to orchestrate condemnation of the nuclear tests. Many of these countries, however, did not go along with attempts to multilateralise the imposition of restrictive economic measures against India.

Since then, the reaction has toned down and, to some extent, moderated, This has been reflected in more balanced coverage in the US media. There have been a number of articles and statements from eminent US political personalities and strategic analysts which reflect a better understanding of India's security concerns. There has also been considerable debate in the United States regarding the effectiveness of the coercive economic measures called "sanctions".

Despite development of the strains in the bilateral relationship, the visits of prominent US political representative continued. US Senators Sam Brownback and Charles Robb, visited India from June 26-30. On their return to the US, these Senators introduced an Amendment to provide authority to the President to waive for up to one year some of the economic measures under Glenn Amendment. In July 1998, US Congress passed an amendment which was called "Agriculture Export Relief Act of 1998" which exempted finance and credit guarantees for agricultural commodities, medicine and fertilisers from the purview of 1994.

After the nuclear tests and the apprehensions expressed in several countries, it was decided to have a more intensive dialogue with the United States. Shri Jaswant Singh, then Deputy Chairman, Planning Commission and Mr Strobe Talbott, Deputy Secretary of State have been designated as Representatives to conduct this dialogue.

The talks are being conducted on the basis of the comprehensive proposals that India has put forward on disarmament and non-proliferation matters, our unilateral moratorium on explosive nuclear tests, willingness to discuss converting this moratorium into a de jure obligation, our offer to enter into constructive negotiations on the FMCT and reaffirming our policies on stringent control on export of sensitive technologies.

The talks have focussed on issues related to disarmament and non-proliferation. Both sides have agreed that these issues should be kept distinct from regional issues. After six rounds of discussions the talks have narrowed down four issues. These are the CTBT, the FMCT, Export Controls and Defence Posture. On Export Control Issues an expert level meeting was also held in New Delhi on 9-10 November, 1998. The meeting was deemed helpful by both India and the US to the prospects of continuing cooperation in this area. Both sides have agreed to meet in 2nd half of January 1999 in New Delhi to carry forward this dialogue.

The US has recently announced a partial lifting of the restrictive measures imposed against India. These relate to EXIM, OPIC, TDA Financing and Military Training. The US has stated that these measures are being lifted in recognition of the progress made in the bilateral dialogue. It is however noted that non-basic human needs financing from multilateral financial institutions is still subject to US restrictions. India regards these coercive and restrictive measures as unjustified and counter-productive which should be lifted.

The US has also issued a list of Indian Government Organisations, Research Institutions, PSUs and Private Companies, which will be subject to export restrictions. This step is with clearly punitive intent. India has made it clear to the US that such measures will be regarded as adverse developments in our relations and will not be conducive to the ongoing dialogue. These aspects were reiterated strongly at the last round of discussions held on 19-20 November, 1998. So far there has been no change in the US position. India will continue to take up this matter in bilateral discussions and is also examining the feasibility of multilateral options, such as consistency with WTO provisions. US Deputy Secretary of State, Strobe Talbott visited India from January 29 to February 1, 1999 with an 8-member delegation including the Vice-Chairman of the US Joint Chiefs of Staff General Joseph Ralston for the 8th round of Indo-US talks. Discussions between the Indian and US delegations were held on January 29, 30 and 31. The Indian side was led by Shri Jaswant Singh, External Affairs Minister.

During the talks, the security perspectives of the two sides were further elaborated and clarified and proposals for harmonising these perspectives were explored. Both delegations were satisfied with the outcome of these talks and believed that progress was made in some of the subjects under discussions. Both sides are determined to create a positive atmosphere for advancing the bilateral relations. Indian and US expert level teams will meet in March for follow-up talks on export controls. The two sides have agreed to remain in close contact.

The next round of the dialogue is envisioned towards the middle of the year, the dates and the venue of the same would be determined in consultations between the two sides.

Canada The Governor General of Canada, Romeo LeBlanc and Mrs LeBlanc, accompanied by Canadian Revenue Minister, Herb Dhaliwal, paid a State visit to India from March 26 to April 1, 1998. It was the first ever visit by a Governor General of Canada to India specifically undertaken in the context of the 50th Anniversary celebrations of India's independence.

Canada reacted very adversely to India's nuclear tests in May 1998, and unilaterally restricted government contact. The Canadian position contained a number of elements which were totally unacceptable to India. Canada also placed restrictions on assistance under CIDA. Subsequently, Canada informed that all ongoing projects would continue to receive funding and that new projects of a basic needs nature could be taken up.

The Canadian Leader of the Opposition, Mr Preston Manning visited India in July- August, 1998. He observed that although Canada did not agree with India's nuclear tests, that was no reason for lack of dialogue, and that India and Canada should be able to talk over differences as friends. There is little change in the official Canadian position so far. Government of India will conduct its relations with Canada in a reciprocal basis. Finance Minister visited Canada in September 1998, for the Commonwealth Finance Minister's meeting.

Trade between India and Canada continued to flourish. Last year, Indian exports to Canada registered an increase of nearly 23%. This year, during the period January-July, the Indian exports have reached C\$ 536.569 from 424.532 during the same period last year marking a growth of 26.38%. On the other hand, Indian imports from Canada during this period have declined to C\$ 182.614 from 287.695 showing a decrease of 36.52%.

Mr JonathanT Fried, Assistant Deputy Minister for Trade and Economic Policy of Canada visited India from January 25-27, 1999. He hadmeetings ill the Ministries of Commerce, External Affairs and Finance. The discussions related to international trade, WTO, foreign investment in India. India's trade and economic relations with SAARC, ASEAN etc. The Speaker of Lok Sabha, Shri G M C Balayogi visited Canadafrom January 5-9 to participate in the meeting of the Standing Committee of Commonwealth Speakers held in Ottawa.

Latin America and the Caribbean India's relations with the countries of the Caribbean, Central America and South America have been traditionally warm and friendly. Presently India maintains 13 Resident Missions and 1 post in the region. India's interaction and collaboration with these countries is close both in the bilateral context and in multilateral fora. 11 countries from the region maintain Resident Diplomatic Missions in New Delhi, Uruguay being the latest to open their Mission in November 1998. Guyana is also considering opening of a Resident Mission in New Delhi.

Interaction with the countries of the region is conducted through bilateral consultative mechanisms. Presently we have such agreements with 9 countries. High level visits complemented by bilateral and official visits have further cemented our relations with the region. In the economic field, realising the potential of the region a concerted effort has been made to diversify and enhance bilateral cooperation. Similar economic reforms in most of the countries in the region have facilitated mutually beneficial cooperation. There have been an increased number of visits of official and private business delegations to and from the region. India has trade and economic agreements with 7 countries of the region and set up Joint Business Councils with some other countries. In continuation of the FOCUS LAC Programme, exclusive Indian exhibitions have helped the dissemination of information on the opportunities available for mutual beneficial economic interaction. Due to concerted efforts trade between India and the LAC region in 1997-98 has grown to over US \$ 1.3 billion.

In the field of culture India enjoys considerable goodwill in the LAC region. Some of the countries like Guyana, Suriname and Trinidad & Tobago have a substantial percentage of people of Indian origin. The region also has also more than 500 institutions, schools, libraries and streets named after Indian leaders. At the institutional level there are cultural agreements and Cultural Exchange Programmes with governments that provide the framework for meaningful interactions between artistes, academicians and scholars. In addition, India gives technical assistance under the ITEC programme to several countries of the region.

India also has been able to establish institutional relations with the regional organisations like the Organisation of American States (OAS), Association of Caribbean States (ACS) and the Andean Community where we have Observer Status. India participated in the meetings of the regional organisations in our capacity as Observers. A mechanism for dialogue with the Rio Group and MERCOSUR has also been established.

After the nuclear tests on 11 & 13 May, 1998, Brazil cancelled the Agreement with India on Cooperation in Peaceful Uses of Nuclear Energy. The OAS General Assembly held in Caracas, 1-3 June, 1998 through a

resolution condemned Indian and Pakistani nuclear tests and urged them to refrain from further testing, missile deployment and weaponisation.

The President of India Shri K R Narayanan paid a State visit to Peru from 29 April - 3 May, 1998 and held discussions with President Fujimori. Two bilateral documents - (i) MoU on Cooperation in Space Technology between ISRO of India and its counterpart Peruvian agency CONIDA and (ii) A Work Plan for Cooperation in the field of Agriculture - were signed during the visit. The President had wide ranging discussions with President Fujimori on issues of mutual interest. Peru is the first country in Latin America with which India has signed a MOU for cooperation in space.

President Shri K R Narayanan also paid a State visit to Brazil from 3-8 May, 1998. During the visit, President had fruitful discussions with President Cardoso of Brazil in the presence of the two delegations. The Brazilian delegation included the Ministers of Foreign Affairs, Health, Science & Technology and Agriculture. The President of India was assisted by the Minister of Civil Aviation. An Implementing Arrangement for cooperation in the field of Health and Medicine under the Agreement on Cooperation in Science & Technology was signed for cooperation in areas like biotechnology, epidemology, Public Health Systems, Traditional Medicine, Pharmacology and Pharmaceuticals, Infectious Diseases, Maternal and Child Health care and Tropical Medicine. A MoU on Cooperation between Foreign Service Institute of India and the Rio Branco Institute of Brazil was also signed during the visit. A Festival of India was held in Brazil on the occasion of the President's visit. The Festival was inaugurated in Brasilia by the two Presidents.

Subsequent cultural events were held in Sao Paulo, Rio de Janeiro and other major cities in Brazil. The Minister of State for External Affairs Smt Vasundhara Raje led the Indian delegation to the Ministerial Meeting of the NAM Coordinating Bureau in Cartagena, Colombia 18-20 May, 1998. During the visit, the Minister interacted with her counterparts and briefed them on our foreign policy priorities and the context in which India undertook the nuclear tests. The Minister also called on the President of Colombia.

Utilising the opportunity provided at the 53rd Session of the UNGA, Prime Minister had a meeting with the President of Honduras and Minister of State for External Affairs met the Foreign Minister of Uruguay. During the XII NAM Summit at Durban, the Minister of State for External Affairs had bilateral meetings with the Foreign Ministers of Cuba, Grenada, Guyana, Jamaica and Suriname and discussed matters of bilateral and multilateral interest.

At the invitation of the Cuban Minister of Agriculture, Mr Alfredo Jordan Morales, the Minister of State for Agriculture Shri Som Pal visited Cuba 27-30 September, 1998. During the visit, areas of cooperation in agriculture and animal husbandry were identified.

The Minister of Power Shri R Kumarmanglam paid an official visit to Venezuela 17-20 September, 1998. He was accompanied by a group of select businessmen interested in the power sector. During his stay in Venezuela, the Minister called on President Caldera and held discussions with the Venezuelan Ministers for Energy and External Relations on matters of mutual interests. The visit was essentially to study and assess the commercial viability of the fuel ORIMULSION, a Venezuelan product which has been included by Government of India in the list of approved fuels for power generation. Invited by the Rural Society of Argentina, the Minister of State for Agriculture, Shri Som Pal visited Buenos Aires 8-10 August, 1998 to attend the inauguration of Argentina's most important trade fair -112th Agriculture Trade Fair.

Shri Nareshwar Dayal, Secretary in the Ministry of External Affairs visited Jamaica, Suriname and Venezuela for consultations in the context of the NAM Summit. Shri Kamlesh Sharma, India's Permanent Representative to the United Nations, visited Havana from 13-16 August, 1998 for discussions with his counterparts in Cuba.

Shri K M Chandershekher, Joint Secretary, Ministry of Commerce visited Cuba from 9-14 August, 1998 and held discussions with Cuban authorities on the question of revival of trade between India and Cuba. Shri Ramiah Rajagopalan presented his credentials on 9 September, 1998 as the Ambassador of India to Cuba to the Vice-President of the Council of State of Cuba Mr Juan Almeida Bosque, in the presence of the Cuban Foreign Minister. The first ever exclusive India Products Fair was held in Mexico City from 3-9 March, 1998. Simultaneously with the Fair, an Indian Food Festival and Cultural Festival were also held which received tremendous response from the Mexican business community as well as general public.

India received a tremendous response and cooperation from the countries of the LAC region for the celebrations of the 50th Anniversary of India's independence. A 2-member Venezuelan Parliamentary delegation consisting of Deputy Julio Castillo, Vice Chairman of the Chamber of Deputies and Deputy Gustavo Tarre Briceno, Chairman of the Permanent Commission on Finance of the Chamber of Deputies visited India from 5 to 12 July, 1998, at the invitation of the Lok Sabha. They had useful interactions with Members of Parliament in India. General elections were held in Belize on 27 August, 1998. The Opposition Peoples United Party (PUP) won a landslide victory capturing 26 out of total 29 seats. PUP leader Said Musa will be the next Prime Minister of Belize. Mr Raul Cubas Grau was sworn in as President of Paraguay on 15 August, 1998. Mr Jamil Mahuad witt was elected as the new President of Ecuador on 12 July, 1998 and was sworn in on 10 August, 1998.

Mr Andres Pastrana Arango, of the Conservative Party was declared President- elect of Colombia in the final round of elections on 21 June, 1998. He took over office on 8 August ,1998. A new Government with H.E. Mrs Sussy Camelia Romer of National Party (PNP) as Prime Minister assumed office in Netherlands Antilles. Though the general elections took place in December 1997 till now there was only an interim Government in power due to lack of agreement between the various parties. Sir James Fitz-Allen Mitchell was re-elected as the Prime Minister of St. Vincent & the Grenadines after his New Democratic Party won 8 of the 15 seats in Parliament in the general elections held on 15 June, 1998. This is his fourth consecutive term as PM of St. Vincent & the Grenadines. H.E. Mr Miguel Angel Rodriguez E assumed charge as President of the Republic of Costa Rica on 8 May, 1998.

On 26 October, 1998 Peru and Ecuador signed a Peace Agreement at Brasilia ending a border dispute which started in 1942 and led to a number of border clashes, the last one in 1995. This was the last explosive border dispute in Latin America. The impact of Asian currency crisis and the Russian crisis affected most of the Latin American economies, forcing the respective governments to adopt stringent austerity measures. Brazil was the worst affected. In view of the turbulent economic situation in the region, it is anticipated that trade between India and Latin America would receive a setback in the coming months. In Guyana, where there is a significant presence of people of Indian origin, tension prevailed following violence between the Indo-Guyanese and Afro- Guyanese, especially after the disputed Presidential elections held in December 1997. All efforts, including that of a CARICOM Audit Committee, to find a solution have not succeeded.

Hurricane Georges hit Antigua & Barbuda, Dominican Republic, Haiti and St. Kitts & Nevis causing widespread damage to property and loss of life. The Government of India has sent token relief assistance in the form of medicines to these Caribbean countries affected by the hurricane. Central America in general and Honduras and Nicaragua in particular were badly hit by Hurricane Mitch causing devastation and enormous loss of human life and property. Infrastructure and crops were destroyed due to the resultant floods and landslides. Token assistance of medicines is being sent to Honduras, Nicaragua, El Salvador and Costa Rica.

The new Ambassador of Argentina, H.E. Mr Gerardo Manuel Biritos presented his credentials to the President of India on 20 March, 1998. H.E. Mr Vicente Enrique Anchordoqui Cannizzaro, Ambassador of Uruguay, presented his credentials to the President of India, on 12 November, 1998. Mr Hugo Chavez, a retired army Colonel, was elected as the next President of Venezuela. The new Government under Mr Chavez will officially be sworn in on 2 February, 1999.

Prime Minister of India Shri Atal Behari Vajpayee paid an official visit to Trinidad & Tobago on 8-9 February, 1999 and held discussions with Prime Basdeo Panday on a wide range of topics of mutual interests. An Agreement on Avoidance of Double Taxation and a Memorandum ofUnderstanding on Low Cost Housing were signed during the visit. Prime Minister laid the foundation stone for the Mahatma Gandhi Institute of Cultural Cooperation in Port of Spain and also inaugurated a Low Cost Housing Support Centre in Trinidad city. Prime Minister led an Indian delegation to G-15 Summit held in Montego Bay, Jamaica 9-12 February 1999.

H.E. Mr Owen Arthur was re-elected as Prime Minister of Barbados in the election held on 20 January, 1999. H.E. Mr Fernando Henrique Cardoso assumed office of the President of the Federative Republic of Brazil on 1 January, 1999 for a second term. H.E. Mr Keith Mitchell who was re-elected in the general elections held in January 1999 was sworn in as the Prime Minister of Grenada. H.E. Mr Hugo Chavez was officially sworn in as the President of Venezuela on 2 February, 1999. uu

USA INDIA CENTRAL AFRICAN REPUBLIC CANADA ITALY URUGUAY GUYANA SURINAME BRAZIL VENEZUELA PAKISTAN PERU COLOMBIA HONDURAS CUBA GRENADA JAMAICA JORDAN ARGENTINA MEXICO BELIZE PARAGUAY ECUADOR COSTA!!RUSSIA ANTIGUA & BARBUDA DOMINICA HAITI NICARAGUA EL SALVADOR SPAIN

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abinet Secretariat to solicit the Cabinet approval. A formal foundation stone laying ceremony took place on 13 April at 5 p.m. by the Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje. The Division participated in the Preparatory Committee (PREPCOM) negotiations held at New York on the Establishment of International Criminal Court (ICC). The Division also participated in the UN Plenipotentiary Diplomatic Conference on the Establishment of ICC held at Rome from 15 June to 17 July, 1998. At the Diplomatic Conference India made a proposal for the inclusion of terrorism within the jurisdiction of the ICC. India also proposed the inclusion of the use of nuclear weapons and the weapons of mass destruction in the category of war crimes.

The Legal & Treaties Division participated in negotiations, held at Paris, France from 1-3 April, 1998, and at Sofia, Bulgaria from 12-14 October, 1998 for concluding extradition treaties, respectively with France and Bulgaria. The Division also participated in negotiations with Norway, held at Delhi from 28-29 May, 1998, for the conclusion of agreements on mutual legal assistance in criminal matters and in civil matters. Draft texts of agreements were adopted in principle and initialled, are pending formal signing.

This Division examined various extradition requests and requests for mutual judicial assistance, received both from domestic as well as foreign jurisdictions and rendered legal advice therein. Various requests prepared by CBI, aimed to seek assistance from foreign countries in ongoing criminal investigations including those with which there exists no formal agreement in this area, were also examined by this Division. Legal advice was rendered in all extradition court cases pending in Indian and foreign courts. Draft extradition treaties and mutual judicial assistance agreements were prepared for proposing them to foreign countries for their consideration for concluding treaties/agreements on thee subject matters. Also examined draft treaties/agreements on these subjects proposed by foreign countries for the consideration of Indian authorities.

This Division also participated in an interministrial meeting convened by the Ministry of Defence at New Delhi on 17 June, 1998 for discussion on a proposal regarding the constitution of Maritime Tribunals. At the Initiative of the Austrian Government, 'European Convention on the transfer of sentenced persons' was examined in this Division, with a view for India's becoming a party to the Convention. On examination, the matter found several merits. Nevertheless, further process of the proposal would have to await the enactment of suitable domestic enabling legislation.

The Division participated in the Meeting of Senior Officials of Law Ministries held at London from 26-29 May, 1998. Various subjects were discussed in the meeting like computer and computer related crime; 50 years of Universal Declaration of Human Rights; Promoting and Implementing Human Rights; Advancing the Right to Information; criminal justice in the elimination of violence against women and mutual judicial assistance. A joint Meeting of Commonwealth Finance and Law Officials on Money Laundering was held at London from 1-2 June, 1998, for discussions on special problems of parallel economies and coordination of efforts in combating money laundering at the national level, where in the Ministry was represented by this Division. Also the Division participated in the Expert Group Meeting to negotiate the text of the SAARC Convention on Preventing and Combating Trafficking in Women and Children for Prostitution, held at New Delhi from 18-19 June, 1998.

The Division participated in the meeting of experts convened to review the general problems concerning the Fourth Geneva Convention relative to the Protection of civilian Persons in time of War from 27-29 October, 1998 at Geneva. The Meeting discussed the ways of implementing the IV Geneva Convention during armed conflict with a special focus on occupied territories specially in the context of the changing character of international and non-international armed conflict situations.

India has signed/ratified many bilateral agreements in various fields during the year. A list of treaties/agreements entered into by India with foreign countries during the year is given at Appendix-IX. A list of instruments of full powers issued during 1998 for signing treaties/agreements on behalf of India is at Appendix-X and a list of instruments of ratification is at Appendix-XI Uu

1999 Foreign Economic Relations

Economic Division In the year under review, India faced a challenging international economic scenario. Whereas the global economy had recorded a modest growth of 3% per annum during the period 1994-97, it became widely apparent in 1998 that world economy may be hurtling towards economic contraction and a phase of intense instability. The recent but persistent financial crisis, which first hit East and South East Asia in 1997 and later showed its contagion effect in Russia, Latin America and even US and Europe, had shaken the world out of complacency. Recessionary trends in Japan further compounded the depressing economic and business scenario prevailing in the world today. As the recession spread, the investors shied away from the emerging economies. Even relatively insulated economies such as India and China felt its adverse impact. These events only proved how the economies all over the globe had become inter-linked in an era of globalisation.

The direct impact of these developments on India had been somewhat limited last year. However, since the beginning of 1998, it became apparent that the crisis in these regions had been more deep-rooted than expected. Following four years of impressive performance, India's industrial and export growth started turning sluggish since 1997-98. Notwithstanding the increasing strains and dampening effect on India's external trade sector, macro-economic fundamentals of Indian economy remained strong. Against this setting, ensuring India's economic security and maintaining the momentum gained in Indian export expansion, FDI and FII inflows, technology transfers and that the confidence in the Indian economy was not eroded, was the major challenge confronting the economic diplomacy of India.

A key role that the Economic Division has been entrusted with and which it has been playing vigorously is the promotion of India's economic and commercial interests. The Economic Division interacted intensively with various Ministries, apex chambers of commerce and industry, business organisations, trade promotion councils & agencies and the business community to evolve strategies and contribute to promotion of trade and investment. The Division was associated with a number of economic policy making bodies, bothinter-ministerial and public sector undertaking and industry associations. In particular, Economic Division represented MEA on the boards of EXIM Bank, Indian Trade Promotion Organisation, Empowered Committee of Oil and Natural Gas Commission-Videsh Limited, Special Committee of the Reserve Bank of India on Indian Investments Abroad, RITES, WAPCOS, Overseas Construction Council of India, National Centre for Trade Information, etc. This enabled the Ministry to provide not only the political inputs and MEA's thinking on various subjects but also the regional and global perspectives on various policy issues which have a bearing on the economic interests of India. Having been closely associated with the policy making aspects of trade reforms and liberalisations, streamlining of procedures for promotion of Indian exports and Indian investments overseas, analytical inputs were provided to the nodal ministeries.

Another key role that the Economic Division undertook was to provide a standard backstopping arrangements and a nodal point for addressing the concerns of Indian exporters and industry by providing and seeking timely inputs to and from our Missions. Keeping in view the crucial importance of information dissemination and providing value added information, the Economic Division continued to provide a backup support and information wherewithal to our Missions abroad to enable them to carry out their economic and commercial functions effectively. The Economic Division continued to update its information base on the Indian economy, evolution of trade, economic and investment policies, database of Indian exporters, opportunities for Indian exporters abroad and technology-related aspects by liaising with concerned Government departments and trade information networks in India. Thus the Division could respond effectively and in a timely manner to various economic and commercial queries from the exporters and our Missions abroad. The Indian Missions were also advised from time to time to upgrade their databases and establish connectivity to online databases, develop promotional strategies and undertake large scale information dissemination campaigns regularly so that India's economic policies and concomitant opportunities reached out to the largest cross-section of the local investors and business community. Missions were continuously urged to improve upon their lead response time in addressing the concerns and interests of Indian business and exporting community. While impressing on the Missions to accord highest priority to economic and commercial work, greater emphasis was placed on effectively projecting India's image and building up a global India Brand Equity as a competitive economy as well as in a number of niche products, both traditional and non-traditional including financial services and Information Technology sectors so that a major export thrust could be achieved.

Being the export-promotion cell of the Ministry, the Economic Division interacted and rendered inputs and assistance in trade promotion efforts of Government agencies and industry associations in order to evolve a pragmatic approach towards our export promotion efforts and further improvements in our trade promotion strategies. The Division assisted in the efforts of various organisations in promoting the participation of foreign business organisations in Indian trade fairs and Indian business in foreign trade fairs, sector- specific seminars, road shows, buyer-seller meets etc. The Division also provided assistance in facilitating contacts between Indian businessmen and their counterparts in major target countries and where required in match making and joint ventures, penetrating new markets, marketing and trade promotion activities etc. Economic Division was actively associated with the "Made in India" show in South Africa and FICCI/CII exhibition in Oman, which were specifically aimed at showcasing India's achievements, strengths and potential and promoting Indian brand image abroad. The Division facilitated through contact with foreign Missions in India and Indian Missions abroad and in collaboration with apex chambers the visits of business delegations to and from India. The Indian industry and business community was increasingly associated in various events of G-15, IOR-ARC, BIMST-EC so that eventually there are trade and investment spin offs for India. The Division circulated wide range of useful information from time to time to apex business chambers and our missions abroad. The Division also received a number of trade complaints both from Indian and foreign companies which were promptly attended to in consultation with our Missions and concerned agencies including DGFT.

The Economic Division was involved in processing more than 150 proposals for setting up joint ventures and wholly owned subsidiaries relating to Indian investments overseas involving over US\$ 250 million. Similarly the information on foreign investment regulation from various countries were procured and analysed in order to advise other concerned ministries on the viability of incorporating relevant and competitive aspects in our own policies. Another important work of the Economic Division was its increasing and active involvement in work relating WTO. The Division provided inputs on a large number of trade related subjects to influence and purse the issues of interest to India. The Economic Division was actively associated in providing inputs and international perspective as well as political economic assessments in deliberations of various joint business councils and joint commission/committees.

The Economic Division has been actively contributing to crisis management as well as damage containment and damage prevention on a number of market access and trade related problems and issues affecting India's exports and imports. Emerging patterns with regard to regional groupings, free trade areas, trade blocs, market access related issues and use of restrictive and protectionist policies by various countries which have an impact on the Indian exports were monitored closely and strategies devised to best cope with non-tariff and technical barriers of various kinds. For instance EU has emerged

as the largest user of trade protection instruments during the last 2-3 years on imports from India. In particular Indian textiles, steel products, engineering goods and pharmaceuticals have been subjected to around 25 anti-dumping and anti-subsidy investigations. Some of the items like unbleached cotton fabric, bed-linen, synthetic fiber ropes had been repeatedly targeted. The defence of such actions called for elaborate steps and extensive lobbying efforts.

The Economic Division actively participated in coordinating efforts of the concerned Ministries, Export Promotion Councils, Trade Associations, Indian Missions abroad to take up the issues at appropriate fora to safeguard the interests of Indian industry. As a result of this coordinated action, EU's anti-dumping case on imports of unbleached cotton fabric from India ended satisfactorily without imposition of any definitive duties. Economic Division was also actively involved in monitoring and analysing the impact of economic sanctions imposed by certain countries after the nuclear tests by India. With regard to child labour issue which is increasingly being used for protectionist purposes, the Economic Division continued in its efforts to project the problem in its right perspective and to dispel the misconceptions and skewed impressions propagated by various vested interests in our major export markets. In another case involving grant of patent by US Patent and Trade Mark Office to an American company on basmati rice, the Economic Division actively participated in an inter-organisational exercise to prevent misappropriation of indigenous biogenetic resources of India by other countries.

Apart from the economic and trade-related activities, the Economic Division also processed the Government of India's nominations for various courses and training programmes offered by Singapore under the Colombo Plan and Thailand and Indonesia under the Technical and Cooperation among Developing Countries. Multilateral Economic Relations Introduction The world found itself in a difficult and uncertain economic environment during the year. What had started off as a liquidity crisis in Thailand in mid-1997 snowballed in 1998 into a loss of investor confidence in emerging markets as a whole, and more specifically in the ASEAN countries, South Korea and in Russia. One country after another experienced a sharp downturn in its stock market and a depreciation of its currency owing to a decline of confidence in the viability of its banks and financial institutions. The vast foreign capital that had made possible the Asian miracle of the 80's and early 90's, began to drain out rapidly.

Although largely protected from similar capital outflows, the Indian economy suffered on account of declining demand for its goods and services in South-East and East Asia, Russia and in recession-struck Japan. But despite the uncertain market conditions, Indian exports sustained their growth in the US and other select developed markets, and that in the face of increasingly competition. India's resilience gives us the confidence that Indian industry will be well- positioned to take advantage of the global recovery when it begins. Today, governments are being called upon to have a more active economic agenda. The World Development Report of 1997 says that development requires an effective State, one that plays a catalytic, facilitating role, encouraging and complementing the activities of private. Businesses and individuals. The reform agenda is hence not just one of liberalisation and a greater reliance on market forces. It is as importantly a redefinition of the government's economic role and responsibilities. Driven by globalisation, rapid diffusion of new technologies, and multilateral harmonisation of international economic activity, there are changes continuously taking place in global trade and investment, with both government and business having to respond.

The Ministry has accordingly made use of its vantage position by its outreach with economic agencies both within and outside the country, and thus has been a conduit for the flow of information. Our work with economic ministries and state governments as well with trade and industry associations helped our embassies abroad to project the range of opportunities for foreign investors in India. We have tried to play the role of an informed and committed intermediary helping to interpret the expectations that India and the outside world have of each other. Our effort has been to interpret change, identify opportunities and anticipate challenges for our industries and companies. Our objective has been to balance the country's self interest with obligations deriving from our participation in the larger international economic community. Our work, therefore, has been an integral part of India's collective endeavour for commercial and economic development and for a greater Indian presence in the world markets.

Multilateral Economic Relations Division In the light of these parameters, Multilateral Economic Relations (MER) Division has pursued promotion of India's relations with international multilateral economic organisations and regional, sub-regional and supra-regional economic and trade groupings. Given the emerging importance of the World Trade Organisation (WTO), the Ministry was actively involved in trade policy-making in GOI and in negotiations on various trade issues. WTO issues are an integral and intrinsic part of international relations and impact on our overall economic and political relations with other WTO member countries. Accordingly, important multilateral developments which have a bearing on global trade and commerce, are regularly analysed and monitored. Inputs on various trade policy issues like Investment, Competition Policy, Government Procurement, Intellectual Property Rights, etc. are duly conveyed to concerned GOI Ministries from time to time. Besides theoretical analysis, MEA was also represented at important events like the Second WTO Ministerial Conference at Geneva to ensure that it keeps abreast of the nuances involved in the WTO multilateral negotiations.

India's Dialogue Partnership with ASEAN saw many positive developments this year. The Second Meeting of the ASEAN-India Joint Cooperation Committee (AIJCC) was held at Singapore on April 28-29, 1998. India reaffirmed its solidarity with ASEAN in the wake of the financial crisis plaguing the region. Measures outlined by India in this context included Government-to-Government Credit, Exim Bank credit for trade finance, facilities for counter trade, EXIM Bank credit finance for outward and inward investment to and from South-East Asia, feasibility study and consultancy financing by EXIM Bank for infrastructure projects, guarantees and counter guarantees for trade finance, and enhancement of Indian Technical and Economic Cooperation Programmes for ASEAN countries.

As part of the on-going India-ASEAN Cooperation in academic and People-to-People Contacts, the India-ASEAN Lecture Series was initiated in December 1996. As many as five lectures by eminent persons from ASEAN countries were organised between May and August 1998. These included Dr Thaksin Shinawatra, former Deputy Prime Minister of Thailand, Mr Kavi Chongkittavorn, Executive Editor of "The Nation" (Bangkok), Dr J Soedradjad Djiwandono, former Governor of Central Bank of Indonesia, and Prof Tommy Koh, Ambassador-at-Large, Ministry of Foreign Affairs of Singapore. From the Indian side, eminent Space scientist Prof U R Rao delivered lectures in Malaysia and Dr R A Mashelkar, Director General of CSIR in Thailand.

A large contingent of scientists was deputed to participate in the Fifth ASEAN Science and Technology Week (FASTW) and Exhibition held at Hanoi, Vietnam from October 12-15, 1998. Besides taking part in the deliberations, the scientists made focussed presentations on the scientific and technological strides made by India. India also put up a stall at the Exhibition where its strengths in Information Technology, Remote Sensing, Advanced Materials, Biotechnology and India's vision 2020 were highlighted.

An India-ASEAN Small and Medium Enterprises (SMEs) Partenariat was organised by FICCI from November 10-11, 1998. The Partenariat was designed to facilitate business linkages amongst Indian and ASEAN SMEs by providing them an opportunity to interact closely and to apprise themselves of mutual strengths and complementarities. In all, 27 SME companies from ASEAN and nearly 200 representatives from Indian companies, participated in this event.

The nascent regional grouping called Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation (BIMST-EC), launched in June, 1997, registered commendable progress. India participated in the BIMST-EC Working Group meetings, to give shape to emerging initiatives for cooperation. The BIMST-EC Economic Ministers' Retreat held on 7 August 1998 at Bangkok. decided that lead countries would coordinate cooperation in the six priority sectors, viz., Trade and Investment (Bangladesh), Technology (India), Transport and Communications (Thailand), Energy (Myanmar), Tourism (Sri Lanka), and Fisheries (Sri Lanka).

With the Ministry's support and in collaboration with the Ministry of Tourism, the Confederation of Indian Industry organised a BIMST-EC Tourism Summit at Calcutta from October 30-31, 1998 which was attended by the Tourism Ministers, senior Tourism Officials and travel trade representatives from BIMST-EC countries. It adopted an Action Plan identifying short, medium and long term measures and policies covering areas such as infrastructure corridors, facilitation and promotion measures, declaration of the Year 2001 as 'Visit BIMST-EC Year', Buddhist Circuit and technical training.

India also participated in the Second BIMST-EC Ministerial Meeting held at Dhaka from December 17-19, 1998. The meeting emphasised the need to take practical initiatives to implement projects in agreed sectors of cooperation. It recommended establishment of multimodal transport linkages, regional cooperation in the energy sector, promotion of tourism and active participation by the private sector for intensifying existing linkages between members. The meeting approved admission of Nepal as an Observer besides evolving general guidelines for admission of new observers and guests. It also outlined future priorities including South-South cooperation, trade facilitation and development of a free trade arrangement enhancing regional complementarities and taking initiatives for making the international economic and trading system more favourable for developing countries.

As in the past, India adopted an active profile in the context of 'Group of 15'(G-15) activities during the year. It participated in the Eighth G-15 Summit held at Cairo from May 11-13, 1998. The high-level Indian delegation to the Summit was led by the Hon'ble Vice-President. The Summit focussed on two major themes, viz., developments in international financial markets; and developments in the Multilateral Trading System and enhancement of intra-G-15 Cooperation in trade and investment. The Summit examined different perspectives and called for comprehensive and urgent action on preventing the spread of the financial turmoil in East and South East Asia. On the issue of the multilateral trading system, the Summit focussed on evolving common (developing) country positions on various matters to be taken up at the Second WTO Ministerial Conference at Geneva in May 1998, as well as on facilitating a positive agenda for developing countries.

Apart from providing an Indian perspective to the two main themes of the Summit, the Indian delegation also played a major role in focussing Summit discussions on issues like terrorism and biodiversity. On WTO issues, India emphasized that the pursuit of liberalisation which has become WTO's raison d'etre, was not an end in itself and should meet the core objectives of rapid development, welfare gains and best returns for the extant and potential resources of developing countries. Towards this end, India submitted proposals outlining developing countries' concerns and possible ways of ensuring special and differential treatment to developing countries in all aspects of the WTO agenda and its implementation. An MOU on Small Scale Industries Cooperation was concluded between India and Egypt under the framework of the SSI Cooperation Project. The business cooperation pursued in parallel with the Summit included the setting up of a G- 15 Federation of Chambers of Commerce and Industry. A composite Indian business delegation from the apex Chambers participated in the business workshop. India also exhibited a cross-section ofproducts under the theme "Modern India" at the G-15 Business Exhibition.

In pursuance of its commitment at the Cairo Summit, India hosted a G-15 Symposium on 'Specialand Differential Provisions for Developing and Least Developed Countries in the Uruguay Round Agreements' in New Delhi from November 10-11, 1998. The Symposium reiterated that the commitments made in the Uruguay Round Agreements must be fulfilled. The deliberations revealed that there was a common approach with regard to strengthening of certain concessions inherent in the WTO Agreement in the areas of longer transition periods, larger threshold limits, reorientation of 'best endeavour' clauses, linking of S&D treatment to development parameters, improvement of market access for developing countries through S&D provisions, transfer of technology, technical assistance and cooperation.

India also participated in the Ninth G-15 Summit held at Montego Bay, Jamaica from 10-12 February 1999. Hon'ble Prime Minister led the Indian delegation to the Summit. The G-15 Summit Meetings deliberated extensively on issues of concern to developing countries. These included discussions on the current international economic situation including the need for an international consultative process in respect of capital flows, reaffirmation of the importance of a transparent, fair and equitable rules-based multilateral trading system under the World Trade Organisation, reform of the international financial architecture, South-South and intra G-15 cooperation and prospects of undertaking a G-15 - G-8 dialogue in these matters.

All such priorities were duly reflected in the Joint Communique issued at the end of the Ninth Summit. In order to be able to cope with challenges posed by globalisation and economic liberalisation and the ongoing financial crisis, members agreed to promote convergence of viewpoints on these issues. They also called for enhanced regional and international cooperation to combat the menace of terrorism. India's offer to host a G-15 meeting at an appropriate level in preparation for the Third WTO International Conference was welcomed by the participants at the Ninth G-15 Summit. They also endorsed India's proposal which suggested adoption of a strategic sectors approach towards South-South cooperation focussing on core areas like bio-technology, information technology and infrastructure development.

India also took active interest in the programmes of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). It participated in a major Indian Ocean Rim Trade Exhibition organised in Oman (Muscat) from October 10-14, 1998. India also participated in the First Meeting of Experts on Standards & Accreditation from November 9-11, 1998 in Colombo. A high-level delegation was deputed to participate in the First IOR-ARC Senior Trade Policy Officials Meeting held at Perth (Australia) from December 7-8, 1998. The Second Ministerial Meeting of IOR-ARC is scheduled to take place in Maputo (Mozambique) in March 1999. A high-level Indian delegation is expected to participate in the meeting. A Seminar on Trade and Investment in IOR-ARC countries, which will be coordinated by the IOR-ARC Chair in the University of Mauritius, is planned to be held alongside the meeting.

India is an active member of the 'Group of 77' and participated in the Annual Ministerial Meeting held at New York on 25 September, 1998 which was held against the backdrop of a global financial crisis and prospects of an economic recession. India has taken initiatives on (a) sensitisation and consciousness raising on the gravity of problems and on the systemic crises that need to be highlighted besides highlighting opportunities presented by the situation for developing countries (b) getting developing countries to focus on key issues that they need to stress and negotiate with the developed countries in the financial, monetary and trading system, (c) drawing attention of the North to the key concept of international public good rather than just market forces being an important determinant of international economic policy and order, (d) bringing back the focus on concessional financial flows, more favourable and relatively unhindered transfer of technology and special and differential treatment in trade to developing countries as part of development cooperation agenda, and (e) establishing synergy and connectivity between this agenda and the new liberalisation and globalisation agenda.

As a symbol of its solidarity with Africa, India participated in the Second Tokyo International Conference on African Development (TICAD-II) which was held in Tokyo from October 19-21, 1998. About 80 countries and 40 international organisations and the UN Secretary General, participated in the event at which the developmental concerns and priorities of African countries received attention. The need to step up the level of developmental assistance and cooperation with African countries was duly recognised by developed countries.

India's intervention highlighted its special relationship with Africa and commitment to deeper economic cooperation as well as ongoing technical assistance projects in Africa. It recommended adoption of triangular cooperation involving developed countries or international organisations along with the technical expertise of a developing country for projects in Africa. In keeping with its commitment at the South-South Conference on Trade, Finance and Investment held in San Jose (Costa Rica) in January 1997, India hosted a "G- 77 Trade Fair and Trade Conference" in New Delhi in November 1998. The objective was to enhance South-South Cooperation by providing an opportunity for developing business contacts and networking amongst the G-77 countries, and also to create greater awareness for enhancing business opportunities by utilising the vast trade, economic and business potential existing in the South. A New Delhi Declaration setting the agenda for Trade and Investment cooperation for G- 77 was adopted.

With the developed world's think-tank and policy consultation body, Organisation for Economic Cooperation and Development (OECD), India continued to develop a policy dialogue relationship. It participated in OECD's outreach programmes for Dynamic Non-Member Economies (DNMEs) by deputing experts to attend the OECD Seminars/Workshops on Steel Trade Issues, Benefits of Trade and Investment Liberalisation, Practical Application of Tax Treaties, Agricultural Policies, etc.

Technical Cooperation The Technical Cooperation Division administers bilateral assistance on a Government to Government basis to 130 developing countries in Africa, Asia, Latin America and Eastern Europe. While most countries in the world either give or receive technical assistance, India is unique in both receiving and giving technical assistance in a major way, the latter through two programmes conducted by TC Division, the Indian Technical and Economic Cooperation (ITEC) and the Special Commonwealth African Assistance Plan (SCAAP) programme. In this Report, reference to ITEC will also include SCAAP as the two programmes are different only in the budget heads under which accounts are maintained.

The ITEC Programme has four major components:

(1)Training (both Civil and Military)

(2)Projects, including feasibility studies and consultancy services

(3) Deputation of Experts and

(4)Study Tours for foreign decision-makers to India. In regard to Civilian Training, 1485 slots were provided under ITEC during this year in 39 prestigious Training Institutions and Establishments (Appendix - XIII) of which 1326 slots were utilised (lists at Appendices - XIV-XV). These slots were for training in various types of courses such as Audit and Accounts, Banking, Diplomacy, Manpower Planning, Parliamentary Studies, Poultry, Rural Development, Small Scale Industries, Computers and Software, Maintenance of Biomedical Equipment, Food Processing Technology etc. During the year, a new subject "English Language for Professional Purposes" was introduced into the Programme and courses in various S&T fields were conducted for Vietnam and Cuba under special Agreements.

A special training course was conducted for 25 Zimbabwean Police Officers in computer software. The wife of the Prime Minister of Senegal Mrs Silvie Aicha Loum was trained at the Fragrance and Flavour Development Centre, Kannauj and KVIC, New Delhi on production of Agarbatti and Dhoop Batti to enable her to organize Dhoop production centres for unemployed women in Senegal, using locally grown raw materials. Training slot offers to Iraqi nationals under sanction-affected Iraq were increased from 35 to 50 in the current financial year. These offers cover many fields such as agriculture, water management, desert cropping, genetic engineering, tyre industry, telecommunications and several others.

The assistance offered under ITEC is a fully self-contained package inclusive of international air passages, boarding, lodging and training costs etc. Currently, India bears an average cost of Rs.1.25 lakhs on each foreign participant under the ITEC Programme which has benefited over 10,000 nominees of foreign Governments since its inception in 1964. Demands for our training programmes are growing as during 1998-99, 1326 nominees were trained which is the highest number as compared to 1995-96 (970 nominees), 1996-97 (1001 nominees) and 1997- 98 (1031 nominees).

Every year ITEC Day is celebrated by the Indian Missions abroad on 15th September. This year the event was also celebrated at Headquarters after a gap of 5 years. The event was attended by about 350 guests consisting of Heads of Diplomatic Missions/other Diplomats of more than 60 countries who are recipients of ITEC assistance, high-level Government officials, representatives of various Training Institutes, media personnel and about 100 trainees both civilian and military trainees who were at that time undergoing training at various Institutes located at New Delhi. The gathering was addressed by the Foreign Secretary who spoke about various activities being undertaken under ITEC Programme and its future orientation. This was followed by a cultural programme presented by candidates from Zimbabwe, Uzbekistan, Mauritius, Uganda.

On December 14-15, 1998, a Conference of the Training Institutes empanelled under ITEC was convened at New Delhi under the Chairmanship of Secretary (ER) Shri S T Devare and addressed by AS (FA) Shri B N Jha. The Conference was the first of its kind organized by the Ministry of External Affairs and was considered timely in view of the growing potential which training and capacity building activities for promoting India's bilateral relations with the developing countries. The Conference was also useful to discuss problems of coordination between our Diplomatic Missions, the Training Institutes and TC Division and many suggestions for procedural improvements emerged from it. There was a consensus that India can be more effectively projected through the ITEC programme as an important training destination for developing countries by streamlining the effectiveness of performance at these three levels. Training Institutes, appreciating the leverage which, having an international profile, can give them to generate important commercial spin-off benefits for themselves, and by extension for the country, were urged to improve their performance under ITEC accordingly.

Military Training is another important task undertaken under ITEC Programme. TC Division is a nodal point for organizing Military Training for nominees of friendly foreign Governments in some of the more prestigious Defence institutions of India such as Indian Military Academy, National Defence College, Defence Service Staff College etc. During this year approximately 198 slots for long and short term training courses were offered under ITEC and approximately 237 slots under Self-Financing Schemes. Some slots were also offered on a reciprocal basis. Appendices - XVI-XIX contain the lists of countries whose candidates were trained under ITEC Programme.

Another important aspect of the ITEC Programme is project cooperation with partner countries. Such cooperation, extended over many years since ITEC was established in 1964, has enhanced India's image as a country which is generous in sharing her experience and expertise acquired in the past fifty years of her independent existence, with other developing countries. In 1998-99 plans to establish a Plastic Technology Demonstration and Common Facility Centre in a backward region of Namibia by NSIC at a cost Rs. 3.40 crores were finalised, soon after a visit to that country by the Indian Prime Minister Shri Atal Behari Vajpayee. A major project to set up an Entrepreneur and Technical Development Centre (ETDC) at a cost of Rs.13 crores in Dakar (Senegal) launched last year in fulfillment of a G-15 commitment, was executed in considerable measure by HMT (I) despite initial setbacks. The Mini Dairy Plant supplied last year to Kyrghyzstan at a cost of Rs.1.75 crores has gone into production of milk and butter. Plans to send six farmers from Punjab to Burkina Faso for three years to demonstrate Indian agricultural techniques especially for growing rice, were carried further.

In addition to project assistance, the TC Division supplied equipment for upgradation of the Upadhyay Training Centre in Mauritius, irrigation pumps to Uganda, Ambulances and Incubators to the Indira Gandhi Maternity Clinic in Namibia, diesel pumps and sewing machines to Ivory Coast and textile machinery to Vietnam in 1998-99. A list of projects and project-related assistance extended this year to different countries may be seen at Appendix - XX. As of now, there are 23 experts on long term deputation (from 2 to 3 years) to various countries as advisors in fields ranging from agriculture to medicine, marine engineering, water management, accountancy, fish toxicity, teaching, legislative drafting and in military fields (list is at Appendix - XXI). Seven short-term experts have also been sent to a few countries this year. Over the years, Indian experts have been acknowledged by many developing countries to have done commendable work in building institutional frameworks for self-reliant growth with limited means.

On the recommendations of Indian Heads of Missions, Study Visits by senior level officers and decisionmakers are organized every year by the TC Division from various partner countries. Visits, generally in the areas of small scale industries, agriculture, health and education, trade and commerce etc. are an extremely popular method of introducing foreign visitors to different developmental sectors in the Indian economy and polity as they offer a first- hand exposure to Indian economic conditions. Nine study visits took place in the year under review. These include a visit by Prof Alberto Simao, Chairman, National Institute for Development of Local Industry, Mozambique to see the various industries and R&D centres engaged in improving the quality of products of the small-scale units under the supervision of the DCSSI. A four-member delegation from Nairobi University led by Prof D N Kariuku, Chairman, Department of Chemistry visited various Institutions and chemical industries to learn from Indian experience of the interface between academic training and commercial activity in the field of chemistry. Also invited was a three-member delegation from Vietnam headed by Director, Cuu Long Rice Research Institute, Dr Nguyen Van Luat to visit some Agricultural Universities and see some items of agricultural machinery which are manufactured in India. Two more agricultural delegations were invited in response to interest expressed by them in knowing about our Green Revolution - (i) a four-member delegation from Mongolia headed by Mr Y A Balgansuren, Director, Department of Policy Coordination, Ministry of Industry & Agriculture, and (ii) a three-member delegation from Kyrghyzstan headed by Mr Tolobek E Omuraliev, Advisor to the President of the Kyrgyz Republic and Head of the Department of Local Self Government and Agricultural Policy under the Presidential Administration.

The visitors were taken to our Agricultural Research & Development Centres in Pusa, Karnal, Shimla, Ludhiana and for discussions with our authorities there. Mr A W Searle, Warden of the Zimbabwe Zoo was invited to interact with the Wildlife Institute in Dehra Dun. Two senior officials from the Namibian Broadcasting Corporation visited India and were shown Doordarshan and AIR facilities with a view to long-term cooperation between India and Namibia in this important sector of information and communication technology. Mr Patrick Mandago, Namibian Chief of Protocol visited to study the functioning of the Protocol Division of the Ministry. Sometimes, a study visit is arranged to acquire expertise from the visitors as was the case when Mr J R Muller, General Manager of a South African Government- owned Company called Abakor came to India to advise the Municipal Corporation of Delhi on improvements in its abattoirs in Delhi and Aligarh, also during this year.

Under the Aid to Disaster Relief Programme (ADR), TC Division provides humanitarian aid for disaster relief to various countries, in the form of medicines, clothing, food etc. In the current financial year, medicines and foodgrain were sent to Bangladesh for victims of some of the worst floods that the country has known. Afghanistan's earthquake victims were assisted with medicine, blankets, tents and biscuits. Many other countries such as Comoros, Cambodia, Central African Republic, Sudan, Papua New Guinea, Kenya, Mozambique, Peru, Tajikistan and Kyrghyzstan received quantities of medicines and other forms of assistance depending upon their expressed requirements. Countries in Latin America and the Caribbean affected Hurricanes George and Mitch respectively were also assisted with small quantities of medicines and surgical instruments under the ADR programme. A complete list of the relief supplied by India under this programme in 1998-99 may be seen at Appendix - XXII. Uu

INDIA RUSSIA USA JAPAN CHINA CENTRAL AFRICAN REPUBLIC OMAN SOUTH AFRICA REPUBLIC OF SINGAPORE SRI LANKA THAILAND INDONESIA KOREA SWITZERLAND MALAYSIA VIETNAM BANGLADESH NEPAL EGYPT URUGUAY JAMAICA AUSTRALIA MOZAMBIQUE MAURITIUS COSTA!!COSTA RICA CUBA ZIMBABWE SENEGAL IRAQ UZBEKISTAN UGANDA NAMIBIA BURKINA FASO LATVIA KENYA UNITED KINGDOM MONGOLIA AFGHANISTAN COMOROS CAMBODIA GUINEA PAPUA NEW GUINEA SUDAN TAJIKISTAN PERU

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Trade and Investment Promotion

The Central Government and the State Governments took several initiatives and measures during the year aimed at encouraging foreign investment inflows, particularly the flow of Foreign Direct Investment (FDI) into India. Major thrust areas included infrastructure development, particularly energy, power, telecom and information technology. It was the task of the Investment Promotion and Publicity Division to actively and publicity efforts, particularly through the Indian Missions and Posts abroad for attracting foreign investment into the country. Quite often, Commercial Wings in the Missionsare the first point of contact for the foreign investor.

It is, therefore, essential that the Missions are given full back-up support in their efforts in the form of providing up-to-date information about the economy, the liberalised policies and the procedures, the project and opportunitiesavailable in different sectors, the incentives offered by the Central Government and various State Governments etc. Missions are also approached by investors seeking their intervention in case of delays in respect of clearances for their proposals or in respect of other hurdles faced in the implementation of projects. For all these and related matters the Investment Promotion and Publicity (IPP) Division in the Ministry has acted as a nodal point of contact and coordination to serve as an effective channel of communication between the Missions and the relevant Ministries/State Governments or other agencies, as the case may be.

Policy The Ministry provides inputs for policy formulations, whenever required, based on investment trends world-wide and based on the need to maintain harmony between foreign policy objectives and our economic policies. Regular feedback was received from the Missions on foreign investor perceptions about India's investment policies or about successful model/policies followed elsewhere for serving as inputs to the evolution of any new policies or to the review of an existing one, if the same was considered necessary in the national interest. The Ministry also actively participated in the meetings of the Foreign Investment Promotion Board (FIPB), where it was represented by Secretary (Economic Relations). Investments from NRIs were given particular attention. FIPB was also empowered to give a firm 'Yes' or 'No' answer to every proposal involving FDI within a deadline of 60 days.

Promotional Efforts and Initiatives The Ministry undertook several initiatives towards suitably projecting the various investment policies and announcements of the Government by co-ordinating with the Missions on the one hand and various economic Ministries of the Central Government and State Governments on the other. Economic news about India was regularly disseminated to all the Missions highlighting major policy decisions and new opportunities, thus keeping them abreast of developments. Missions were also encouraged to hold investment promotion seminars and workshops besides extending investment support services, for which suitable publicity material, speaking points etc. were regularly despatched. Such seminars were held by several of our Missions in identified target countries. Ministry also undertook special efforts to highlight the policies, procedures and opportunities available in the Information Technology sector.

The Missions also provided support to visiting Indian delegations including those sponsored by the State Governments by arranging suitable meetings with potential investors, local Government officials and the local Chamber of Commerce or Products Associations. The Ministry also assisted, based on information provided by the Missions, visiting foreign investor delegations/groups in having appropriate meetings with concerned Government Departments, the Apex Chambers of Commerce, the State Governments etc. The Ministry also participated in many bilateral or other meetings/conferences involving overseas investor groups. Among the many delegations was also a 30-member International Public Affairs's Centre (IPAC) delegation which visited India from 17-20 January, 1999. The IPAC is an association of Presidents of multinational corporations and currently has 150 leading business houses among its members.

The Ministry also actively assisted various organisations in the country such as the apex chambers, Exim Bank, Indian Investment Centre, in organising investment/trade promotion events in India including the Global Indian Entrepreneurs Conference (12-13 November, 1998), India Economic Summit (29 November-1 December, 1998), various joint business councils and other events. The Ministry actively participated in the efforts to mobilise good response for the Resurgent India Bond Scheme launched by the State Bank of India to which our Missions lent full support. Eventually, the scheme proved a success mobilising over US\$ 4.16 billion.

Publicity The following publications were brought out this year by the IPP Division for the use of our Missions and Posts: a)The IPP Division brought out an illustrative brochure "India - Investment Related Websites" in August 1998. The brochure gives information regarding website location and home page of several of the economic ministries of Government of India, the State Governments and a number of other investment related agencies.

b)IPP Division in association with World Link, which is the magazine of the World Economic Forum and Investor Access, a CD-ROM publisher in UK, brought out a CD-ROM on "India - Priorities for the 21st Century" in August 1998. This is a unique multimedia guide to India for Investors conveying a comprehensive picture about the evolving scene in India as the country moves towards the 21st Century. Industrial and investment policies of all the State and Union Territories have been featured along with analysis of 20 different sectors, each highlighting the potential for growth and the vast opportunities opening up. The CD also has a complete guide for foreign investors on policies and procedures for foreign investment. The hyperlinks given for important websites, the CD virtually acts as a gateway to the larger data base contained in most of the investment related websites of India.

As per the arrangement worked out with World Link, the CD was distributed by them to all the participants of the last Davos Summit of World Economic Forum. Copies of CD were also sent to all our missions abroad who sent copies to key local chambers of commerce or large corporate groups and are also using it as a presentational aide while addressing investment promotion seminars or other such speaking opportunities.

c)"Investment Avenues for Non-Resident Indians" - a new publication which gave information on investment opportunities including in portfolio investment, investments in debt securities and deposits and investment in real estate while also outlining options for returning NRIs and provided answers to some of the most frequently asked questions on NRI investment and related subjects. The brochure was also circulated to participants at the Global Indian Entrepreneurs Conference held in New Delhi from 12-13 November, 1998.

d)A revised edition of "India Means Business - Perspectives" in a user friendly format and design, giving the updated position about government's policies and initiatives in infrastructure and other sectors to attract foreign direct investment, was brought out in December 1998. e)IPP Division took the lead in sponsoring a special supplement on the IT industry in India which appeared in the 'Financial Times', London on 2 December, 1998. This helped to project the outcome of the work of the National Task Force on Information Technology and Software Development and also the IT policies announced by the various State governments.

Agreements The Ministry participated in the negotiations for drawing up of bilateral investment promotion and protection agreements that were held in respect of a number of countries. Such agreements were signed during the year with Turkey, Mauritius Bulgaria, Indonesia, Morocco and Zimbabwe. The Ministry also participated in the negotiations relating to bilateral Civil Aviation matters with other countries. The Ministry provided legal inputs, as required, and also tendered advice based on the need for increased civil aviation links particularly with our neighbouring regions to evolve in consonance with the initiatives being taken on the foreign policy front. Uu

INDIA USA UNITED KINGDOM TURKEY BULGARIA INDONESIA MAURITIUS MOROCCO ZIMBABWE

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Policy Planning and Research

The Policy Planning and Research Division of the Ministry continued to perform its role of preparing briefs and background papers on important topics and issues on the evolving international situation. These covered issues of longer term relevance to broad foreign policy objectives. The Division prepared analytical position papers for Ministry's interaction with other agencies. The Division continued to serve as a nodal point for interaction with Joint Intelligence Committee (JIC), the University Grants Commission (UGC) and its affiliates and the Area Study Centres (ASC) located in various universities and specialising in research on various regions of the world.

The Division extended financial assistance to various academic institutions/think tanks located in different parts of the country for holding conferences, seminars, preparation of research papers, exchange of scholars and support for Track-II programmes on issues related to India's external relations and security.

The subject of these seminars, conferences and research projects covered Nationalism in Russia and Central Asian Republics, Indo-China Workshop on Nation Building, Air Transport and Tourism, Indo-Japan Relations, Japan-South Asia Cooperation in the post Cold War Years, Vietnam Today and Indo-Vietnam Relations, 50 Years of Republic of Korea: Indo-Korea Relations. Support was also provided for Indian scholars and experts attending seminars, conferences in Turkey, China, Guyana and the CICA (Conference on Interaction and Confidence Building Measures in Asia) Colloquium in Almaty, Kazakhstan. The Centre for Advanced Study of India at the University of Pennsylvania, USA is also given an annual; recurring grant by the Division. As part of its interactive functions, the Division took the initiative in promoting exchanges with official and non-official visiting experts and projected India's views and perceptions on important issues.

The Division continued to edit and publish the Annual Report of the Ministry. The Report served as a compendium of India's interaction with the rest of the world in the political, economic and cultural fields, including the views of the government on various facets of international relations. The Division rendered all possible assistance to the territorial divisions as well as Indian Missions abroad whenever any specific information or document on international relations was required. The Research Wing examined the depiction of India's international boundaries in foreign publications. Cases of incorrect

depiction were taken up with the concerned government or the publisher through Indian Missions abroad for necessary corrective measures. The Division also scrutinised foreign publications containing maps depicting India's external boundaries before these were imported into the county and offered its views to the Ministries dealing with such matters. It coordinated the supply of map- sheets to various Government and semi-Government agencies for use in their official work with the Survey of India and the Ministry of Defence. The Research Wing dealt with requests from research scholars for access to the records of the Ministry.

In support of research, the Ministry's Library has modern information technology equipment and rich resource materials, with over one hundred thousand books and a large collection of maps, microfilms and official documents. The Library receives and maintains 600 periodical titles. It has in-house computer systems with fifteen terminals, two of which support data entry and retrieval in Hindi. It also has CD-ROM work station and has CD-ROM databases on foreign affairs and current affairs. The Library is also equipped with a Colour Scanner (with OCR capability as well as facility for storage and retrieval of images), a microfilm/fiche reader printer, a plain paper photocopier, as well as a VTR and colour monitor and a laser printer with Desk Top Publishing (DTP) software. This has enabled better presentation of publications and documents of the Division. The Library has internet and E-mail facilities. These are being gradually made availableto visiting users who include former Foreign Service officers.

Documentation/bibliographic services as well as other library operations and services have been computerised, using an integrated library software package. Information on all books, maps, documents and selected periodical articles received in the Library since 1986, and pre-1986 publications in active use, are available on-line through each terminal in the Library as well as in the Ministry's headquarters in South Block and in Akbar Bhavan through network in operation in these buildings. Library information can also be accessed on-line through remote 'login' via dial-up mode by eligible users. All new documents received in the Library - books, maps, microfilms, selected articles from periodicals - are being fed into the in-house computer system to create a database on foreign affairs.

Using this database and CD-ROM Databases, the Library provides Current Awareness Service and Bibliographical and Reference Services. In addition, the Library regularly issues 'Foreign Affairs Documentation Bulletin' - monthly list of selected periodicals, articles many with abstracts, 'Recent Additions' - an annotated monthly list of publications added to the Library, and fortnightly 'Chronicle of Events'. Library users including research scholars are welcome to access the on-line computer-based information in the Library in different databases, including CD-ROM Databases, and the Foreign Affairs Information Retrieval System (FAIRS). Photocopying and computer Print-out facilities are also available to all Library users including research scholars. This year Library has also begun conversion of important publications in the Library on CD-ROMs - beginning with full texts of Ministry's Annual Report upto 1997-98 and Foreign Affairs Record from 1995 to 1996.

During 1998-99 the Division brought out the compilation of a Compendium of India's Bilateral Treaties and Agreements for the period 1981-90 in 4 volumes. This completed the first phase of the project of compiling a comprehensive compendium of India's Bilateral Treaties and Agreements since independence. Subsequent phase of the project envisages publication of annual volumes, the first volume of which covering 1991 has been issued during this year. There are about seven lakh files, both classified and unclassified, lying in the Record Management Section of the Ministry. We have been sending old files for reviewing regularly to the concerned officers for taking a decision regarding retention or otherwise of these files. About 4000 files which were no longer required have been destroyed by burning. About 499 files have been transferred to the National Archives of India. uu

USA INDIA CHINA RUSSIA JAPAN VIETNAM KOREA GUYANA TURKEY KAZAKHSTAN

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External Publicity

Projection of India abroad, including its foreign policy, is the essential function of the External Publicity (XP) Division. It involves the dissemination of news about developments pertaining to India and India's views and concerns on national and international issues. Opinion makers are kept informed about developments in India in the political, economic, social and cultural spheres with particular reference to issues having a bearing on India's external relations and foreign policy. Following the nuclear tests by India in May 1998, this function became dominant and was effectively handled.

The External Publicity Division and Missions/Posts abroad worked in unison to enlarge areas of positive perception about the country while attempting to build greater awareness and understanding of its policies and values. Some focus areas included: India's millennial history and its civilisation; its diverse and profound religious and philosophical traditions; its democratic and secular political culture and institutions, its pluralistic, tolerant and accommodative social ethos; its wide experience in nation building; its impressive economic, scientific and technological achievements, its colossal market potential and, its strategic perceptions including its evolving nuclear policy. Audio visual and print material was used to achieve these objectives.

In its key function as the office of the Official Spokesman of the Government of India on all matters pertaining to India's external affairs, the External Publicity Division strove to orient the domestic and international media on a day to day basis on India's foreign policy perspectives and on topical issues, particularly the nuclear policy through regular briefings and public relations efforts. Over 200 Press Releases and Statements were issued by the Division the year, upto November 1998, and distributed amongst Indian and foreign media, Indian missions abroad, foreign missions in India and also made available on the MEA internet website. The 'Foreign Affairs Record', a compilation of all press releases, visits, agreements and significant diplomatic developments, was brought out on a monthly basis. The Division's news dissemination function also included news bulletins sent out to India's Missions/Posts abroad on a twice - daily basis; a newspaper clipping service on external affairs coverage from the national media for Indian Missions and for senior officials of the Ministry; and, news on the Ministry's internet website.

Eight documentaries were aquired from Surabhi on Education, Art, Music, Dance, Handicrafts, Development and Culture for non-commercial publicity through our Missions/ Posts abroad. Copies of these films were sent to our Missions/ Posts abroad as part of our publicity exercise. Further, documentaries on Progressive Indian Women; India in Space; The North-East; The Changing Face of Indian Countryside; Flute; Confluences in North Indian Music; New Frontiers of Information Era; The Indian Experience; A Nation Celebrates; The Empire Writes Back; The Rooted Imagination; Dreaming Young Dreaming Global; Transition Times; Indian Achievements in Agricultural Sciences and Technology; Buddhist Heritage of Ladakh; The Nuclear Issue; Saarc- 10th Summit in Colombo; Fragrance of Love; Traditional Heritage of India; and, The Victoria Memorial were commissioned and are at various stages of completion. Many documentaries were telecast on local TV networks abroad including The Making of a Nation, A Nation Celebrates, India- Trysts with Destiny, Theatre of India, Magic in the Making, Nauka Caritramu, and 100 Years of Cinema through 40 Missions on the occasion of Independence Day and were well received. This was in addition to other documentaries aired from time to time by the local TV networks abroad. The Star TV and Asianet networks also aired our documentaries.

CD-ROMs on Desi Khana, Multimedia Journey, India Beckons, Hindi Guru, Mahabharta, India Mystica, India Festiva, Krishna were sent to each Mission/Post abroad. Copies of MEA's CD-ROM "India Timeless Civilisation-Vibrant Democracy" were also sent to all Missions/Posts abroad. 2400 gift sets of two video cassettes of film "Making of a Nation" a ten part series and VHS cassettes in gift packs were sent to all Missions/Posts abroad for presentation purposes. XP Division extended its support and cooperation for festivals organised abroad. These included, inter-alia, Film Festivals in Houston, Tokyo, St.Denis, Copenhagen, Tripoli, Malta, Damascus, and the Eager University Film Festival in Budapest. Indian Film Festivals in 23 other Missions were organised during the golden jubilee celebrations of India's Independence. Further, XP division contributed to 35 other film festivals organised by various missions/posts abroad. Apart from this, the division assisted the Directorate of Film Festivals in organising Film Festivals abroad under its aegis.

54 prints of eight feature films based on the Freedom Struggle namely: Gandhi, Sardar, Nehru, Garam Hawa, Tamas, 22nd June 1897, Making of the Mahatma and Train to Pakistan were acquired, sub-titled in English, French, Spanish and Arabic and sent to missions abroad for film festivals. 175 prints of various feature films in 16/35mm format were sub-titled in English, French, Spanish and Arabic languages through NFDC, Mumbai.

Activity on the Photo Publicity side also increased substantially. Collections of large size photographs were sent to Missions abroad for special photo exhibitions in connection with the 50th anniversary of Indians Independence. On the occasion of the Independence Day, 1500 prints were sent to various missions and posts abroad for special supplements in local newspapers. Cataloging, computerisation and inventor formation of the entire stock of feature films, documentary films, U-Matic/Betacam cassettes, video programmes, photographs and transparencies was completed during the year. Active assistance was provided to our Missions/Posts abroad in promoting their publicity effort by providing them with tourist literature, photographs and pamphlets.

The foreign media continued to show a keen interest in India through visits by media delegations and TV teams. The entry of India into the 'Nuclear Club' in May 1998, further stimulated incoming media visits. The XP Division provided assistance to them, including briefing them, as well as seeking appointments with senior Ministers, senior officials, academicians, representatives of business houses and chambers of commerce. This Division also invited foreign media persons to facilitate foreign journalists in gaining a first hand experience of India. In 1998, 120 journalists, individually or as part of media and TV delegations, visited India from the Phillipines, Thailand, Azerbaijan, Egypt, Nepal, Malaysia, Turkey, Pakistan , China, Kenya, Mexico, UAE, USA, Sri Lanka, Senegal, Cyprus, South Africa, Czechlovakia, Jordan, Algeria, Morocco, Kyrgyztan, Uzbekistan, Croatia, Mauritius, Saudi Arabia and Venezuela. These visits generated extensive coverage on India in the foreign media and in creating a better understanding of our country.

Another important job handled by this Division was making media arrangements for delegations accompanying the Heads of State or Government on visits to India. This assistance entailed facilitating media coverage, arranging press briefings and providing other logistical arrangements. During the year, VVIP visits were received from France, Canada, Maldives, Bangladesh, Mauritius, Bhutan, Bulgaria, Belarus, Belgium, Chile and Switzerland. Visits from South Africa, Russia, Thailand and Sri Lanka are expected by the end of the year. The XP Division also handled all logistical arrangements for Indian media persons accompanying the President, Vice President and the Prime Minister on their state visits abroad to Peru, Brazil, USA, Nepal, Germany, Luxembourg Portugal, Turkey, Cairo (G-15 Summit), Colombo (SAARC Summit), Durban (NAM Summit), Namibia, Oman, Mauritius, Jamaica (G-15), Trinidad and Tobago and Morocco. The division effectively contributed during these visits by setting up and operating media centres and looking after all logistical arrangements for the Indian media - locally based and travelling with the VVIPs.

One of the important jobs entrusted to this Division is the clearance of documentary proposals received from documentary makers all over the world. Out of over 360 proposals received, 85 per cent were cleared, while others were awaiting approvals from central and state governments.

There are more than 300 foreign journalists of various foreign news agencies and organisations based in India. An important aspect of this Division's work has been to provide accreditation facilities and give clearances for renewal of visas to these journalists. With more and more news agencies setting up bureau offices in India, work related to this aspect increased this year, especially following the nuclear tests. A number of new Bureau were opened during the year.

The supply of books, magazines, journals and other periodicals on a wide range of issues for use in the Missions' libraries and for distribution to local dignitaries abroad, opinion makers and academic institutions continued during the year. Based on the feedback received from various targetted groups, the Division supplied material suitable to their requirements. More than fifty different books were purchased for distribution to our Missions/Posts, including the Booker Prize Winner, "God of Small Things", a highly valued photographic book by Lindsay Hebberd on the Cultural and Socio-economic spectrum of India- "Cultural Portraits", "Indian Experience" on the diverse aspects of India, a foreign publication on India, "India Unveiled", "India 2020: A Vision for new Millennium" by eminent scientist APJ Abdul Kalam, a collection of writings on India by a team of accomplished journalists of international news agencies titled 'Assignment India', and others including some specifically meant for children.

The two important publications of External Publicity Division in Coffee table book format, viz. "India Continuity in Change" and "India: A Dynamic Democracy", were distributed to our missions abroad. The reprinting of the revised publication "India A Dynamic Democracy" in English was completed and 6000 copies were distributed to our Missions/Posts abroad for publicity purposes. In view of the rising demand, their publication was commissioned in other languages like French, German, Russian, Arabic and Spanish. The Division continued to assist ICCR and UN/ITEC Divisions in the production of their publications.

Over Fifty five thousand copies of India Perspectives, a prestigious monthly magazine published by the XP Division in ten different languages, were distributed through Indian Missions and Posts abroad. The magazine was also made available on the MEA website to cover a wider audience. Besides highlighting India's historical and cultural heritage, the journal has been focussing on the impressive progress made by India in all facets of life, achievements in the area of Science and Technology and the steps taken to globalise the country's economy. A special issue of this magazine on Nuclear India was brought out in

the month of September 1998 to supplement the efforts of projecting India's viewpoint on the nuclear issue.

The international media was monitored using inputs from Missions abroad. Negative and adverse reports in the international media on India's nuclear tests were rebutted by the Indian missions through interviews/letters in influential papers and appearances on TV channels as well as other engagements. Compilations of reportage in the international media, on the nuclear and other relevant issues were circulated in the Ministry; to the Indian media; and to Indian Missions abroad. The comments by foreign journalists, political leaders and intellectuals of international repute highlighting India's point of view were circulated widely and also put up on the MEA's internet website.

Special supplements were brought out in 'The New York Times' and 'The Washington Post' containing commissioned articles on India's nuclear policy by eminent personalities. Missions abroad also brought out supplements in the local papers throughout the world on Independence Day and Republic Day. India's nuclear policy, foreign policy issues, India's economy, culture, science and technology achievements were some of the focus areas. A section on India's nuclear policy was opened on MEA's website after the nuclear tests and this was appreciated by many international agencies and commended by 'The Los Angeles Times', BBC and many others. The fact that information on the Ministry's website at www.indiagov.org and www.meadev.gov.in was well received could be gauged from the 2.2 million hits received by the site per month. Action has been initiated to enhance the role of the website through its technical enhancement as well as substantive enrichment and updating. 1999 Protocol

State Visits by Heads of State / Government/ Vice Presidents/ Crown Prince to India

- 1.H. E. Mr Romano Prodi, Italian Prime Minister January 5-8, 1998
- 2.H. E. Mr Aleksander Kwasniewski, Polish President January 8-12, 1998
- 3.H. E. Mr Constantinos Stephanopoulos, Greek PresidentJanuary 12-18, 1998
- 4. H. E. Mr Jacques Chirac, French PresidentJanuary 24-26, 1998
- 5. H. E. Mr Romeo Le Blanc, Governor General of Canada March 26-April 3, 1998
- 6.H. E. Mr Kinza Cloduman, President of NauruMarch 31-April 5, 1998
- 7. H. E. Mrs Sheikh Hasina, Prime Minister of BangladeshJune 16-17, 19 98
- 8. H. E. Mr Maumoon Abdul Gayoom, President of Maldives June 30-July 1, 1998
- 9. H. E. Mr Ramgoolam, Prime Minister of Mauritius October 12-19, 1998
- 10.H. E. Mr Peter Stoyanov, Bulgarian PresidentOctober 25-28, 1998
- 11.H. E. Mr Flavio Cotti, Swiss PresidentNovember 20-24, 1998

12. H.R.H. Prince Phillipe, Crown Prince of Belgium November 22-28, 1998

13.H. E. Mr Y Primakov, Prime Minister of Russian FederationDecember 20- 22, 1998

14.H.R.H. Maha Vajiralongkorn, Crown Prince of Thailand December 23-29, 1998

15.H. E. Chandrika B. Kumaratunga, President of Sri LankaDecember 27- 30, 1998

16.H. E. Mr Jean Claude Juncker, Prime Minister of LuxembourgJanuary 10-13, 1999

17.H. M. King Birendra Bir Bikram Shah Dev, King of NepalJanuary 24-29, 1999

18.H. E. Mr Lennart Meri, President of EstoniaFebruary 3-20, 1999 Official Visits by Heads of State / Government, Vice Presidents/Crown Princes

1.H. M. Jigme S Wangchuk, King of BhutanOctober 5-7, 1998

2.H. E. Mr. Angadi Chettiar, Vice President of MauritiusJanuary 5-8, 1999

3.H. E. Sheikh Hasina, Prime Minister of Bangladesh (Calcutta) January 27-29, 1999

4.H. E. Mr Kim Jong Pil, Prime Minister of Rep. of KoreaFebruary 10- 12, 1999 Private Visits by Heads of State/Governments/ Vice Presidents / First Ladies

1. H. E. Mr Angadi Chettiar, Mauritian Vice President January 19-February 5, 1998

2. H. E. Mr Kamal Thapa, Nepalese Foreign Minister February 6-7, 1998

3.Mrs. A. Oyunbileg, Wife of President of Mongolia January 5-10, 1999

Transit visits by Heads of State / Governments and Vice Presidents / Crown Princes

1. President of Uganda (Mumbai) April 13-14, 1998

2. Crown Princess of Luxembourg (Delhi)April 18-20, 1998

3. FM of Bhutan (Delhi)May 21-23, 1998

4. Sri Lankan FM (Delhi)June 10, 1998

5. President of Djibouti (Chennai)August 1-3, 1998

6.President of Angola (Mumbai)October 10, 1998

7. Ethopian PM (Calcutta) October 28, 1998

8. Russian PM (Delhi) November 17, 1998

9.H. E. Mr E Rakhmanov, President of Tajikistan January 22-10, 1999

Official visits by Foreign Ministers or Equivalent Level

1.H. E. Mr Keti Walesbita, FM of ZambiaFebruary 7-8, 1998

2. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka March 21-23, 1998

3. H. E. Mr Abdus Samad Azad, FM of BangladeshApril 21-24, 1998

4. H. E. Mr Kamal Kharrazi, FM of IranJune 2-3, 1998

5. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka June 7-9, 1998

6. Mr Ivan Antonovich, FM of BelarusOctober 13-17, 1998

7.H. E. Mr Strobe Talbott, Seputy Secretary of State of USAJanuary 29- February 1, 1999

8.H. E. Mr Emeka Anyaoku, Secretary General, CommonwealthFebruary 13-18, 1999

9.H. E. Mr Kamal Kharrazi, Foreign Minister of the Islamic Republic of Iran February 23-26, 1999

Other Visits by Foreign Ministers or Equivalent and other Dignitaries

1.Sir Virsamy Ringadoo, Former President of Mauritius February 6-11, 1998

2. Mr Strobe Talbott, Deputy Secretary of State, USA July 19-21, 1998

3. H. E. Mr A Broujerdi, Special Envoy of Iranian PresidentSeptember 18-20, 1998

Foreign Tours of the President, Vice President and Prime Minister

1. PM (Shri I K Gujral) to DhakaJanuary 14-15, 1998

2. Vice President (Shri Krishan Kant) to Mauritius March 10-13, 1998

3. President (Shri K R Narayanan) to New York, Brazil, PeruApril 26-May 10, 1998

4. Vice President (Shri Krishan Kant) to Egypt for G-15 SummitMay 10-14, 1998

5.President (Shri K R Narayanan) to NepalMay 28-30, 1998 6. PM (Shri Atal Behari Vajpayee) to Colombo for SAARC SummitJuly 28-31, 1998

7. PM (Shri Atal Behari Vajpayee) to Salalah (Oman), Namibia, Durban August 29-September 5, 1998 for NAM and Mauritius

8. President (Shri K R Narayanan) to Germany, Portugal, Luxembourg and Turkey September 6-21, 1998

9. PM (Shri Atal Behari Vajpayee) to New York for UNGA and Paris September 22-October 1, 1998 10. Vice President (Shri Krish

an Kant) to TurkeyOctober 28-November 1, 1998

11.Vice President (Shri Krishan Kant) to Maldives November 10-12, 1998 12.Shri A B Vajpayee, Prime Minister to Trinidad & Tobago, February 7-14, 1999

Montego Bay (for G-15 Summit) and Morocco 13.Shri Krishan Kant, Vice President to Jordan (for the funeral of King Hussein II)February 8-9, 1999

Diplomatic Corps

The Heads of Missions of the following countries presented their credentials to the President of India during the period 1.4.98 to 10.12.98.

- 1. Thailand
- 2. Iran
- 3. Japan
- 4. Belarus
- 5.China
- 6. Laos
- 7. Spain
- 8. Ukraine

9.Bulgaria

10. Denmark

- 11. Bosnia Herzegovina
- 12. Bhutan
- 13. Egypt
- 14. Tunisia
- 15. Slovak Republic

16. Uruguay

- 17. Kazakhstan
- 18. Croatia
- 19. The Netherlands
- 20. Mongolia
- 21. Seychelles

The Heads of Missions of the following countries left India during the period

- 1.4.98 to 10.12.98.
- 1. Venezuela
- 2. Slovak Republic
- 3. Croatia
- 4. Denmark
- 5. Ukraine
- 6. Kuwait
- 7. Bulgaria
- 8. Tunisia
- 9. Brazil
- 10. Singapore
- 11. Bhutan
- 12. Kazakhstan
- 13. Iraq
- 14. Egypt
- 15. Trinidad & Tobago
- 16. Mongolia
- 17. The Netherlands

18. Oman uu1999Passport and Consular Services and Indians Overseas

The Passports and Consular services represent the principal domain of activity in which the Ministry of External Affairs has a direct interface with the general public. Apart from constituting a public service, the issue of a passport also has a bearing on a vital component of India's foreign policy viz., the export of Indian manpower, expertise and technology abroad. The large Indian community resident abroad constitutes a dynamic link between India and the rest of the world. In an era in which the international scene has witnessed momentous changes, the people of Indian origin abroad have played a significant role in promoting India's interests and in contributing towards the strengthening of India's political and economic relations with their respective countries of adoption.

Passport Services Efforts to fulfil the Government's commitments under the Citizens' Charter were taken forward in 1998 through various measures aimed at providing efficient, prompt and transparent service at the 28 Passport Offices. A new Passport Office at Pune and three new Passport Collection Centres at Surat, Gangtok and Aurangabad were opened during the year. The Passport Rules were amended to allow for sixty page (Jumbo) passport booklets which is very convenient to frequent travellers in this increasingly globalising world. For less frequent travellers a passport with validity upto 20 years has been introduced.

Separate passports for minors were also introduced to bring the practice in India in line with that prevalent internationally. This has been done to eliminate the chances of inconvenience to the passport holder when they approach some foreign Missions for visas. Some of the countries which insist on a separate passport for children before giving them visa are USA, UK, Canada, Japan and almost all European countries.

Special efforts were made to reduce the pendency of applications in various Passport Offices for which standard monitoring procedures were devised and regular inspections of the Passport Offices institutionalised. The Annual Passport Officers Conference was held on 8 October, 1998 at which emphasis was placed on the need to effectively redress public grievances. A review of the Passports Act and Rules was initiated and Passport Officers asked to consider introducing the practice of periodical 'Passport Adalats'.

Extensive measures have been initiated to simplify and streamline various procedures for issuing passports and rendering other miscellaneous services promptly and efficiently in keeping with our commitment under the Citizens' Charter. Comprehensive instructions liberalizing grant of duplicate passports were issued to various Passport Issuing Authorities.

From the mid 80s when the Ministry had first launched a project to computerise a few passport offices in a phased manner, already 15 passport offices including those in the metropolitan cities have been comprehensively computerised. Other passport offices are also in the process of being computerised. A proposal for a comprehensive satellite based computer programming and connectivity as well as the creation of a central Processing Cell is being fromulated. MEA also went through a process of open tendering and bids for completely overhauling the existing system and to take advantage of the latest available technology. However, due to certain technicalities the bids had to be returned in September 1998. It was decided thereafter to appoint Department of Electronics as a consultant for preparing a fresh tender document especially with regard to the technical specifications for the project. The report has been received and the tender documents are expected to be finalised and issued shortly. It has been the endeavour of the Government of India to house the Passport Offices in Government owned properties. MEA has acquired plots of land/built-up properties in various cities in India to this effect. We have 28 Passport Offices in India of which five Passport Offices at Delhi, Mumbai, Chennai, Cochin and Kozhikode are already operating from Government buildings.

Construction work is in progress at 6 places viz. Ahmedabad for office and residential complex; Cochin (residential complex), Hyderabad (Office complex), Patna (Office complex), Panaji and Kozhikode (residential complex). The process for construction of buildings for Passport Officeshas been initiated at another nine places i.e. Banagalore, Chennai, Lucknow, Jaipur, Trivandram, Chandigarh, Trichy, Jammu and Calcutta.

The number of applications received during the year for grant of passports and other miscellaneous services like renewal, change of name, additional booklets, fresh passports for minors etc. continued to rise in keeping with the overall climate of liberalisation and increased travel of Indians overseas. A total number of 22,22,786 fresh passports were issued and 3,08,214 miscellaneous services rendered. Detailed figures of receipts of passports issued/various services rendered including the revenue and expenditure of Passport Offices are at Appendix IV.

PIO Card The six million Indian citizens and over twenty million People of Indian Origin (PIO) resident abroad have collectively evolved into a major instrument for the furtherance of India's foreign policy. Recognising their significant role in the shaping of the country's destiny, Government announced the introduction of a PIO Card for Persons of Indian Origin settled in countries to be specified by Government which would, besides introducing a visa free regime, also confer some special economic, educational, financial and cultural benefits. A user-friendly software has also been developed which will enable the Indian Missions abroad to compile and maintain a uniform database on the NRIs/PIOs.

Consular Services As part of the drive towards modernisation of consular services, new secure visa stickers were introduced at all the Indian diplomatic Missions and Posts abroad from 1 August, 1998. In keeping with ICAO recommendations, efforts are continuing to introduce more secure and machine readable passports and visas. There was renewed emphasis on the need to cater to the consular needs of Overseas Indians and to render them efficient and timely assistance through the Indian diplomatic Missions abroad. Problems encountered by Non-Resident Indians/workers especially in the Gulf countries, including disputes with their employers/sponsors were sought to be promptly redressed. Government maintained regular contact with the Governments of the Gulf countries, including through the Indian diplomatic mechanism of the Joint Commission, with the objective of resolving consular problems and ameliorating the condition of Indian workers in those countries.

In cases of deaths of Indians abroad immediate assistance was arranged by our Missions and Posts for completing the formalities for early despatch of the mortal remains while maintaining liaison with the local and Indian authorities as well as the relatives of the deceased. In several countries various amnesty schemes were announced for regularising the stay of illegal immigrants in those countries. Special drives were launched to cater to the specific requirements of affected Indian nationals by way of expeditious issue of Emergency Certificates/travel documents and other requisite assistance. During the year, 9383

Indians were arrested abroad and 4783 deaths of Indian abroad were reported to the Ministry. A summary of the consular data for the year 1998 is at Annexure 'B'.

Visas India's more than 150 Missions and Posts abroad provided visa services to over 1.64 million foreigners during 1998. The procedure for grant of visa by our Missions and Posts is user friendly, quick and efficient. Many Missions and Posts give visas either across the counter or the same day and most others grant visas within 48 hours. To keep pace with increasing automation, the Consular Wing in HCI London has been computerised which has reduced the time spent by applicants in the queues as well as at the counter. Computerisation has also speeded up the processing of application for visas. The Ministry is actively considering computerisation of some other Consular Wings in North America where the volume of services rendered is high.

Bilateral Agreements As part of the global endeavour to counter terrorism, and acknowledging the growing international dimensions of crime, consular agreements and institutional mechanisms were negotiated with several countries. These negotiations included over two dozen Extradition Treaties, Mutual Legal Assistance Treaties in Criminal and Civil Matters as well as Consular Conventions. During the visit of Russian Prime Minister to India in December, 1998 an Extradition Treaty, Mutual Legal Assistance Treaty in Criminal Matters and Consular Convention were signed. Official and technical level consultations were held with Bulgaria and Tunisia for finalising bilateral Extradition Treaties. While certain issues still remained to be sorted out with Bulgaria, an Extradition Treaty draft has been finalised and initialled with Tunisia on February 9, 1999.

With France and UAE the Extradition Treaties were initialled. However, as subsequently some changes have been suggested by both sides the two treaties are being further negotiated. The Ministry is currently addressing several requests for extradition and other legal assistance from foreign Governments both for criminal and civil and commercial charges. The request for extradition emanates from our obligations under the Extradition Treaties or extradition arrangements entered into with various countries. During the year six fresh requests were processed in addition to the ongoing cases.

During the year, 2,36,120 documents were accorded consular attestation in CPV Division of which 1,47,069 were commercial documents. The same day service rendered is efficient and courteous and without any charge. Renovation of Patiala House CPV Division is located in the Patiala House which is visited by a large number of applicants who come for attestation of documents as well as by diplomats and staff of foreign Missions in New Delhi. Over the years the building had become dilapidated and shabby in appearance. A project for comprehensive renovation of the exterior as well as interior of the building has been undertaken during the year. The work is expected to be completed by the end of March 1999.

Central Passport Organisation The personnel of the Central Passport Organisation (CPO) man the 28 passport offices and 12 existing Passport Collection Centres. The current strength of CPO Cadre is 1595 with 145 officers and 1450 non-gazetted staff. During the year the All India Passport Employees Association was recognised by the Government. One of the major demands of the employees is for a comprehensive Cadre Review as there is stagnation at various levels. A proposal for Cadre Review has been formulated during the year and is being processed.

As the volume of work as well as the network of Passport Offices and Passport Collection Centres has been growing over the years, the Ministry is considering a proposal to create a Central Passport

Authority with a view to grant greater autonomy to the Passport Offices to achieve greater efficiency and higher productivity.

Vision Our goal is to set up a clean, transparent and efficient passport issuing service which the MEA can be justifiably proud of and which the general public can be genuinely satisfied about. The system should also be sensitive and responsive to the special needs of the public. uu

INDIA USA CANADA UNITED KINGDOM JAPAN PERU CENTRAL AFRICAN REPUBLIC MALI RUSSIA BULGARIA TUNISIA FRANCE UNITED ARAB EMIRATES

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Administration and Organisation

Following the general elections in February/March 1998, Shri Atal Behari Vajpayee assumed charge of the office of Prime Minister on March 18, 1998, with the additional charge of the Ministry of External Affairs. Ms Vasundhara Raje assumed charge as the Minister of State for External Affairs on March 19, 1998. Shri Jaswant Singh took over as the External Affairs Minister on December 5, 1998.

At present the Government of India has 157 Resident Diplomatic Missions/Posts and other offices. Resident Missions would be opened in Armenia(Yerevan) and Azerbaijan (Baku) very shortly. Our Resident Mission at Fiji (Suva) is being re- opened shortly. The total strength of the IFS (A), IFS (B), Interpreter and L&T Cadres of the Ministry is 3717 (Appendix I). This figure remains unchanged from that of 1997- 98.

A table indicating the appointments to various posts in the Ministry made in 1998-99, including vacancies filled against reservations is at Appendix II. The extent of language proficiency in the Ministry can be judged from the list of officers proficient in various foreign languages at Appendix III. Administrative procedures have been streamlined during the period under review. Following the Pay Commission recommendations refixing the pay and allowances of officials and pensioners, the Pension Section has been revamped and most pension-related dues have been dealt with. Procedures have been streamlined by empowering the Pension Section to deal with all pension related payments as well, i.e. delinking pension payments from the Cash Section. The main activities undertaken by this Division during the year 1998-99 are detailed in succeeding paras.

The Ministry has drawn up a long-term property acquisition plan beginning from 1995-96. Accordingly, financial provision to the tune of Rs. 75 crores for the year 1998-99 was provided under the Capital Outlay Budget heads 4059 and 4216. The Establishment Division during the year under review made all-out efforts to purchase built-up properties, complete construction projects for chanceries and residences and pursued vigorously proposals for repairs and maintenance of GOI properties abroad.

Presently, proposals for purchase of built-up properties, in Tehran, Budapest and Paramaribo are under active consideration and are expected to materialise in the current financial year. MEA has undertaken

construction projects after acquiring plots of land either on reciprocal basis or on purchase basis in a number of countries. Currently, the project for construction of Chancery and Embassy Residence in Abu Dhabi is in full swing. The construction of Indira Gandhi Centre for Indian Culture in Mauritius is likely to be completed by the first half of 1999. The Berlin project for construction of Chancery-cum-residential complex is at an advanced stage and construction is expected to start in March 1999.

All preparatory ground work including approval of design have been completed. Selection of the contractor is in hand. Other projects on the anvil are Doha, Muscat, Dhaka, Islamabad and Brasilia. As a result of concerted efforts to this end Govt. of India now owns 73 Chanceries, 77 Embassy Residences and over 600 other residences for officials.

In order to ensure the proper up-keep of GOI owned properties, the major repairs/renovations are also undertaken by the Establishment Division in consultation with the Missions concerned. Currently, the proposals for renovations and redevelopment of GOI properties in Singapore, Kyiv, Moscow and London are in hand.

Establishment Division is also actively undertaking construction projects in India, including the construction of Videsh Bhawan, Foreign Service Institute, Residential complex for officers in Chanakyapuri and ICCR in Calcutta. Additionally, in line with the Ministry's policy to house RPOs in our own buildings, efforts are being made to acquire land and start construction of Passport Offices and residences for the Passport office personnel. Briefly, land has already been acquired in Ahmedabad, Bangalore, Bhubaneshwar, Calcutta, Chandigarh, Cochin, Goa, Kozhikode, Lucknow. Construction work is in progress in Ahmedabad, Cochin, and Kozhikode. In Chennai and Hyderabad semi-built properties have been purchased.

Ministry has made considerable progress towards modernisation of office facilities to provide an efficient working environment for its officers and staff, which is also looked after by the Establishment Division. The use of E.Mail, Internet and PCs has become a common feature. With a view to rationalise the fixation of Foreign Allowance for its officials posted in Missions abroad, Ministry introduced indexation scheme from 1.1.98. The indexation scheme has made the whole process of fixation of FA more realistic and objective.

Foreign allowance of almost all Missions/Posts were revised w.e.f. 1 April, 1998 after the first review of indexation. 1999

Foreign Service Institute

The Foreign Service Institute further expanded its activities during 1998-99.

While all the regular programmes were continued, there was a significant increase in the scope and content of each course. The following courses were held in the year under report :

(i)Professional Course in Diplomacy and International Relations for Indian Foreign Service Probationers (1997 batch);

(ii)Basic Professional Course for IFS(B) personnel posted abroad;

(iii)Professional Course for Foreign Diplomats;

(iv)Familiarization Programme for Resident Foreign Diplomats;

(v)Language Courses; and

(vi)Orientation Course for Non-MEA officers. The most important part of FSI's work is the basic Course on Diplomacy and International Relations conducted for the Probationers of the Indian Foreign Service. The training programme for the 1997 batch of IFS Probationers which started in January 1998 continued upto 1 January, 1999. The basic objective of this course was to provide comprehensive training to the young IFS Officers, not only in traditional areas of diplomacy, international relations, political reporting and protocol but also in several related fields that are growing in importance such as national and international security, the international economic environment, management challenges in the changing global scenario and investment promotion.

The training programme for the 1997 batch of IFS Probationers comprised of 26 modules which dealt with important areas of work related to foreign policy and diplomacy. The most comprehensive module related to India's foreign policy, covering almost every aspect of our external relations.

In keeping with the special emphasis in recent years on economic diplomacy, the module on 'International Economic Relations and Commercial Diplomacy' was strengthened, with the focus on India's economic reforms, the international economic environment, the functions of commercial representatives in Indian missions abroad, role of Commercial Counsellors in investment promotion, commercial negotiations, management challenges in the changing global scenario and the international finance and capital markets etc.

The module entitled "New Areas of International Relations" highlighted some non- traditional areas of diplomacy, such as Environment, Energy, Refugees, Narcotics, Terrorism and Human Rights.

The module on "Defence & Security" apart from focusing on vital security issues like nuclear nonproliferation, disarmament and arms control, also covered India's defence policy, the state of our armed forces, developments in defence technology and the security of our border areas.

An additional module on "Special Diplomatic Skills" emphasised negotiating skills, communication skills, use of Information Technology, development of leadership skills and "espirit de corps".

Apart from these modules, there was a good deal of emphasis on field visits to acquaint the probationers with the ground situation in important areas of the country such as the North-East, Jammu & Kashmir and the Indo-Tibetan border. The Probationers were also attached with the armed forces for training. The IFS Probationers were given extensive briefing on the current state of Science & Technology in India including its foreign policy ramification at the National Institution of Advanced Studies, Bangalore. They also visited the National Hydrographic Institute and the Survey of India establishments in Dehradun for briefing on border demarcation on land and sea.

Continuing with the "SAARC Darshan" programme introduced last year, Nepal and Sri Lanka were visited by the IFS Probationers for a period of around one week each.

Six Basic Professional courses (BPCs) were held, which was two more than the previous year. The course is conducted for officials in the Ministry of External Affairs upto the rank of Section Officers under orders

of posting abroad or about to be posted abroad. Emphasis is given during this course for training/exposure to Mission's administration, establishment and finance; accounts, passports, visas and consular work. Looking at the needs of the participants, the BPC has been bifurcated into two groups.

Separate training programmes are conducted for SOs/Assistants from those of UDCs/LDCs. The focus of the two courses is different. Apart from the above mentioned modules, SOs and Assistants are exposed to commercial work in Missions and also to Indian Foreign Policy and Information work. UDCs/LDCs are trained on the basics of Accountancy, Administration, Establishment and Consular Matters. Emphasis is also on O&M. Thus, the course content has been further strengthened during the year under report so that all officials posted in Missions abroad have a larger perspective and make more effective contribution towards the total team effort of the mission.

The Professional Course for Foreign Diplomats (PCFD) has been organised by the FSI from 1992 onwards. During 1998-99, a total of four PCFDs have been held. The PCFD is designed to cover areas felt most relevant to the training needs of the foreign diplomats who attend. Some of the basic areas covered relate to diplomacy, international relations, regional focus on specific regions, international law and international organizations, international economic relations and commercial diplomacy, defence and security, diplomatic practice and protocol, representational skills and cultural diplomacy. As part of the course, the foreign diplomats are also taken on study tours to various centres of economic, industrial and cultural importance in the country so as to expose them to India's capabilities and achievements in diverse fields.

Interest in the PCFDs has been growing. From April 1998 to December 1998, a total of 57 foreign diplomats from 38 countries, covering virtually every part of the developing world, have attended the course. Since 1992, a total of 442 diplomats from 92 countries have participated.

The Institute organised Orientation Programmes for Non-MEA officers proceeding on posting to our missions abroad. The programmes were designed to acquaint the officers with the general functioning of our missions, the financial, establishment and administrative rules applicable as well as protocol matters. A fully functional Computer Lab has been opened in the Foreign Service Institute to train all MEA personnel in various aspects of use of modern day information technology. This will help allow all MEA personnel access to this latest and important branch of technology.

TheForeign Service Institute has also been functioning as a think tankof important issues relating to India's external relations. The institute maintains continuous interaction with experts in the fields of international relations, diplomacy, economics, defence and security. The FSI continues to maintain contacts with its counterpart institutes. The Executive Director of the Institute of Foreign Affairs of Nepal visited the FSI in November 1998. Experiences between the two Institutes were exchanged and it was agreed to strengthen institutional linkages.

In connection with the celebration of the 50th Anniversary of India's Independence, the FSI brought out a book on "Indian Foreign Policy : Agenda for the 21st Century", in two volumes which is a compilation of articles by leading scholars and specialists. The book was presented to the Hon'ble President of India on July 15, 1998. The two volumes are intended to provide a perspective on India's foreign policy during the past 50 years as well as a projection of the challenges that lie ahead for India in the 21st century.

The 21st Professional Course for Foreign Diplomats was held from 11 January, 1999 to 12 February, 1999 and the number of diplomats from developing countries who participated in the course was 22. 15

Indian Foreign Service Probationers of the 1998 batch joined FSI on 4 January, 1998 for a one-year training programme with the Institute. uu

INDIA USA NEPAL SRI LANKA

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Implementation of Official Language Policy and Propagation of Hindi Abroad

The Ministry is making every endeavour to increase the progressive use of Hindi and its propagation in India and abroad. Documents like bilateral treaties, Agreements, Memorandum of Understanding, Credentials, Speeches of President, PAC paras, Annual Report of the Ministry, Parliament Questions and other documents submitted to both the Houses are issued bilingually.

During the Golden Jubilee Year of India's Independence, Ministry made special efforts for the propagation of Hindi abroad. Ministry sent Hindi books and CD ROMs like 'Learn Hindi', 'Sangya', 'Sarvanaams', 'Visheshan' and 'Panchtantra Ki Kahaniya', to be gifted in countries with a large Hindi Speaking resident population. The books were primarily on India's freedom struggle, our achievements in the last 50 years and other related subjects. These books were gifted to organisations engaged in the propagation of Hindi abroad.

In order to promote bilingualism and the use of Hindi and other Indian languages and to provide basic infra-structural facilities for Hindi typing, Leap Office Software developed by C-DAC, Pune has been purchased and sent to 60 Missions. Efforts are on to equip each Mission with at least one Leap Hindi Software. In pursuance of the decisions taken at the World Hindi Conference in 1998, efforts are being made to establish a 'Permanent Secretariat of Hindi' in Mauritius. It would liaise with Universities and Institutions promoting Hindi all over the world at government and non- governmental levels and also act as a catalyst in the furthering of Hindi as a language of culture, civilisation and communication at the international level.

It has been decided to organise the 6th World Hindi Conference in 1999 since this is the Golden Jubilee Year of proclamation of Hindi as the Official Language of the Union of India. Preparatory activities are underway with regard to the organisation of the Conference. The dates and venue of the Conference are being finalised in consultation with the organisers. Government of India has established a Co-ordination Committee under the chairmanship of the Minister of State for External Affairs and budget provisions have also been made for this purpose.

The Conference would strive to highlight the modern role of Hindi as a language of education, communication and administration and to disseminate information on developments in the fields of publication and advancement made in computer technology for Hindi and other Indian Languages. During the Conference, Government of India will bring out a souvenir. This souvenir will be educative as

well as informative. During the Conference, a book exhibition will be organised wherein various books on Hindi literature, science and technology etc. will be displayed. An exhibition on computer software written in Hindi will also be organised. Cultural and dance troupes will also be sent. During this Conference, eminent Hindi Scholars from all over the world will be honoured. 50 slots were allocated to foreign nationals for learning Hindi at Kendriya Hindi Sansthan, Agra this year. Hindi teachers were appointed in Indian Missions abroad under a special Ministry scheme to teach Hindi to the children of India- based Embassy officials.

In accordance with the recommendation of the Hindi Advisory Committee of the Ministry, two officials were detailed to New York during the UNGA Session to assist those members of the Indian delegation who wished to communicate in Hindi.

This year, a Town Official Language Implementation Committee under the Chairmanship of HCI, London has been formed in London to monitor over the progress made in the implementation of Official Language Policy of GOI in the various offices of Govt. of India located in London. This Committee which is the first of its kind would also help in creating an atmosphere and promoting the progressive use of Hindi in the offices. Efforts will be made to set up such committees in other Missions also.

This year "Hindi Fortnight" was organised in the Ministry, its passport offices located in India and in Missions/Posts abroad. Various cultural and competition programs were organised in which a large number of officers and employees participated. The message of the Hon'ble Home Minister was read out during "Hindi Fortnight".

Under the Hindi Teaching Scheme of the Ministry of Home Affairs, Department of Official Language, 6 persons from Headquarters were nominated for Praveen and Pragya level Hindi training and 12 persons from Indian Missions abroad were nominated for Hindi typing training through correspondence. The Parliamentary Committee on Official Language inspected RPO, Bhubaneshwar in November 1998.

Hindi forms an integral part of the FSI training program. Intensive training about the Government's Official Language Policy and its implementation is given to the trainees. All IFS probationers are required to pass an examination in Hindi, which is conducted by the Hindi Section of MEA. This is a mandatory requirement for confirmation in service.

The Ministry provides liberal financial grants and assistance to the organisations engaged in the promotion and propagation of Hindi abroad. Standard Hindi literature, comprising books in Hindi on Indian art, history, literature, language, religion and philosophy will be sent to Indian Missions/Posts abroad for use in libraries and as gifts to educational and voluntary organisations engaged in teaching of Hindi. Missions/Posts have also been promoting Hindi literature through special Hindi classes, Hindi film shows, seminars and competitions in various schools, colleges, institutions and organisations. Hindi text books, audio cassettes and Hindi dictionaries have been sent to selected Missions/Posts. uu

USA INDIA MAURITIUS UNITED KINGDOM

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Cultural Relations

The Indian Council for Cultural Relations (hereinafter referred to as the Council or ICCR) was formally set up in 1950, with the primary objective of establishing, reviving and strengthening cultural relations and mutual understanding between India and other countries. The major activities of the Council include:

(i) administration of scholarship schemes on behalf of the Government of India for International students;

exchange of scholars, academics, opinion makers, artists and writers; (ii) exchange of exhibitions;

- (iii) organisation of and participation in seminars and symposia;
- (iv) exchange of performing arts groups;
- (v) establishing and maintaining Chairs and Professorships for India Studies abroad;
- (vi) presentation of books and musical instruments;
- (vii) annual organisation of the Maulana Azad Memorial Lectures and Maulana Azad Essay Competition;
- (viii) providing the secretariat for the Jawaharlal Nehru Award for International Understanding;
- (ix) publications;

(x) maintaining Indian Cultural Centres abroad and supporting special bilateral programmes.

Scholarships and Welfare of International Students One of the important activities of ICCR was the continued implementation of its scholarship programmes. The Council administers over 1900 scholarships at any moment of time under its various scholarship schemes for studies in graduate, postgraduate and doctoral programmes as well as for pursuing professional courses such as medicine, engineering, pharmacy and accountancy. The thrust of the scholarship programme is towards developing nations, with special focus on neighbours in South Asia. A total of 615 new scholarships were offered this year to students from 60 different countries bringing the total number of ICCR scholars at the moment to 1955.

The ICCR continued to look after the general welfare of international students by organising various activities throughout the year to familiarise international students with the political, economic, social and cultural milieu of India, besides helping them to make friends through shared experiences. These activities included holding of the 6th Students Festival, holding of summer and winter camps, organisation of orientation programmes and the continued publication of the student newsletter "At Home In India". The ISD Division organised five study tours for the benefit of foreign students studying in India as per the following details:

1998

(i) Mumbai & Goa - Group I

(ii) Mumbai & Goa - Group II

(iii) Mumbai & Goa - Group III

(iv) Calcutta - Puri-Bhubaneshwar

(v) Hyderabad - Aurangabad

Indian Cultural Centres Abroad In order to promote greater awareness and appreciation of India's composite cultural heritage abroad, the Council has set up cultural Centres in Cairo (ARE), Berlin (Germany), Post Louis (Mauritius), Paramaribo (Surinam), Georgetown (Guyana), Jakarta (Indonesia), Moscow (Russia), London (UK), Almaty (Kazakhstan), Tahskent (Uzbekistan), Durban (South Africa), Port of Spain (Trinidad & Tobago), Johannesburg (South Africa) and Colombo (Sri Lanka). All these Cultural Centres are functioning under the administrative control of the respective Indian Missions abroad.

The activities of the Cultural Centres reflect the needs of the local population. The Centres organise talks, lectures, exhibitions of visual arts, essay competitions, performances of dance and music, staging of plays, screening of Indian films, publication of news bulletins, seminars on Indian topics etc. Some of the Cultural Centres also have regular teaching classes of Indian music, dance, tabla and yoga. Hindi is also taught in Moscow and Paramaribo. The Centres are also maintaining Libraries, Reading Rooms and Audio-Video Libraries for the visitors. Apart from organising their own activities, these Cultural Centres also provide a supportive role to the respective Indian Missions for coordinating various cultural activities. The Centres develop and maintain contacts with the local citizens, particularly students, teachers, academicians, opinion makers and cultural personalities to project a holistic picture of India's rich and diverse cultural heritage.

Visiting Professors and Chairs of Indian Studies Abroad The Council deputes Visiting Professors abroad to teach Indian languages and other related subjects. The deputation of Professors abroad is done under the Bilateral Cultural Exchange Programmes, and Scheme of Propagation of Hindi abroad. ICCR presently has on deputation 17 Professors teaching Hindi, Sanskrit, Tamil, Hindi-cum-Malayalam, Modern Indian History, Indian Civilization, in Helsinki (Finland), Paramaribo (Surinam), Budapest (Hungary), Moscow (Russia), Seoul (South Korea), Warsaw (Poland), Brussels (Belgium), Port of Spain (Trinidad & Tobago), Sofia (Bulgaria), Ankara (Turkey), Bucharest (Romania), Beijing (China), Bangkok (Thailand), Paris (France), and Osh (Kyrghystan).

Publications The Council has a major publications programme which has grown over the years. The Council brings out seven quarterly journals in different languages -"Indian Horizons" and "Africa Quarterly" (English), "Gagananchal" (Hindi), "Papeles de la India" (Spanish), "Rencontre avec l'Inde" (French), "Thaqafat-ul Hind" (Arabic) and "Indien in der Gegenwart" (German).

On the occasion of the 50th Anniversary of India's Independence, the Council brought out special issues of "Africa Quarterly", "Gagananchal", "Recontre avec l'Inde", and "Indien in der Gegenwart".

A book entitled "Independent India: The First Fifty Years" edited by Shri Hiranmay Karlekar was brought out by the Council to coincide with the celebrations for the 50th Anniversary of India's Independence. This publication endeavours to highlight the national experience in various areas and political, economic, cultural and social developments in India since Independence. The Council is currently in the process of bringing out a special publication on "Dr Zakir Husain" and the Arabic version of the book "Contemporary Relevance of Sufism".

Library The ICCR Library is well stocked with a rich collection of about 60,000 volumes of books, bound periodicals, maps, manuscripts, rare books etc. The manuscripts and personal collection of rare books of its Founder President, Maulana Abul Kalam Azad and the microfilms are housed in a special section called "Gosha-e-Azad". An annotated catalogue of these rare books in the Library which is available in book form has been put in circulation for the use of the scholars in other Libraries.

Accounts ICCR's grant for general activities for the year 1998-99 was Rs.28 crores. Expected receipts of the Council are Rs.0.50 crores. Besides the grant-in-aid for general activities MEA has released Rs.16.76 crores (Rs.6.96 crores in 1997-99 and Rs.9.80 crores in 1998-99) for celebration of 50th year of India's independence from 15 August, 1997 to 15th August, 1998.

Awards/ Seminars/ Symposia An international Seminar on "Islam in India - The Impact of Civilizations" was organised by ICCR on behalf of Ministry of External Affairs in New Delhi during 3 & 4 September, 1988 and was attended by eminent scholars from abroad as well as India.

The Council assisted by way of providing International air-fare in favour of participants who came to India to attend the International Seminar - IIC Asia Project - Culture, Society and Politics in Central Asia from 20 - 23 November, 1998; and for the foreign participants of the seminar on Maulana Azad, organised by the University of Delhi -Urdu Teachers' Association.

The 53rd anniversary of United Nations Day was celebrated at a function organised by ICCR on 30 October, 1988 and was presided over by Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje.

To honour the memory of ICCR's founder President Maulana Abul Kalam Azad, every year ICCR organises an Essay Competition in Hindi, Urdu and English for Indian citizens as well as for the citizens of SAARC countries. The Award Presentation Ceremony for the 1996-97 Maulana Azad Essay Competition was held on 28 November, 1988 at Vice- President's Residence, New Delhi. The Awards were distributed by the Hon'ble Vice-President of India.

A function was organised at the Tagore Hall of ICCR to mark the International Day of Solidarity with the Palestinian People on 7 December, 1998 at Tagore Hall, Azad Bhavan, New Delhi. Smt Vasundhara Raje, Minister of State for External Affairs was the Chief Guest at the function. The function was attended by a number of VIPs, diplomats, eminent persons and representatives of UN Agencies. His Excellency, Dr Khalid El Sheikh, Ambassador of the State of Palestine was also present on the occasion.

The Maulana Abul Kalam Azad Memorial Lecture for 1998 was delivered by Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia on 14 December, 1998. The topic of the lecture was "The Ethos of the Indian Independence Struggle Today". The lecture was organised at Vigyan Bhavan, New Delhi and was presided over by the Hon'ble Vice President of India/ President, ICCR. The lecture was attended by a distinguished audience including Minister to the Govt. of India, Member of Parliament, academics and members of the Diplomatic Corps. Performing Arts During the period April-December, 1998, the Indian Council for Cultural Relations organised visits of artistes/troupes to India from several countries including Bangladesh, Bhutan, Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, France, Greece, Hungary, Ireland, Maldives, Mauritius, Morocco, Myanmar, Nepal, Nigeria, Oman, Pakistan, Republic of Korea, Russia, Singapore, Slovakia, South Africa, Spain, Sri Lanka, Syria, Thailand, Turkey and the USA. These groups were hosted under ambit of existing Cultural Exchange Programmes as well as part of commemorations of the 50th Anniversary of India's Independence.

Major presentations included the South Asian Dance and Music Festival (with participation from Bangladesh, Bhutan, India, Maldives, Myanmar, Nepal and Sri Lanka), the "Asian Pageant" (part of the Closing Ceremony for the 50th Anniversary Celebrations) with participation from Singapore, Sri Lanka, Indonesia and the Republic of Korea and the International Theatre Festival (with theatre groups from Poland, Hungary, the UK, Italy, France and Germany). Presentations/ workshop/interactions by the 35 groups visiting the country during this period were organised in several cities in the country.

The ICCR continued performances under its "Retrospectives" Series (special presentations by artistes sponsored by ICCR for performances abroad) and its "Horizon" Series (performances by young artistes empanelled with the ICCR). Eminent artistes who participated in the Retrospectives Series included Pt Vishwa Mohan Bhatt, Prof Debu Chaudhury and Ms Leela Samson.

During the period April-December, 1998, the Council sponsored visits abroad of 78 artistes/performing troupes to 72 countries, covering all continents/regions of the world. Significant presentations organised during the above period were in the Festival of India in Brazil, World Expo '98 in Lisbon (Portugal), the April Spring Friendship Art Festival in Pyongyang (Democratic People's Republic of Korea), the Babylon Festival in Baghdad (Iraq), the Izmir Festival in Syria, the Kyongzu Festival in Seoul (Republic of Korea), the Cervantino Festival in Mexico, the Singapore Arts Festival, the Boise River Festival in the State of Idaho, USA the "Sur L'air d L'Inde Paris" (France), the Heritage Festival in Durban (South Africa), the VIth Palestine International Festival, the New York International Friburg Festival (USA) and the International Chorus Festival (Philippines).

Eminent artistes who gave presentations abroad under the ICCR banner included Pt Hari Prasad Chaurasia (Flute), Smt Gangu Bai Hangal (Hindustani Vocal), Guru Vempati Chinna Satyam (Kuchipudi), Pt Vishwa Mohan Bhatt (Mohan Veena), Ms Leela Samson (Bharatanatyam), Ms Uma Sharma (Kathak), Shri Astad Deboo (Contemporary Dance), Pt Narender Sharma's "Bhoomika" (Dance Theatre) and Ustad Zakir Hussain (Tabla).

Distinguished Visitors Programme The Council continued to facilitate, as one of its major activities, exchanges of scholars, intellectuals, academicians and experts under its Distinguished Visitors Programme.

Incoming Visitors Visitors to India included a 15-member Group of Faculty Members of the School of Arts & Crafts, Bhutan; Justice Mohd. Habibur Rahman, Former Chief Justice of Bangladesh and Fellow of Bangladesh Academy & Asiatic Society of Bangladesh; Prof. Joseph Yu-Shek Cheng, Director of the Contemporary China Research Centre, University of Hong Kong; Mr. Prasanna Vithanage, Film Director from Sri Lanka; 5-member Delegation from Nepal and 4-member Delegation from Bangladesh to attend the 26th IBBY Congress; Mr. Mac Maharaj, Minister of Transport of South Africa; Mr. Gabor Szabo, Sculptor from Hungary; Prof. Goga Khidoyatov, Chairman, Deptt. of History, Tashkent State University, Tashkent; H.E. Justice Ismail Mahomed, Chief Justice of the Supreme Court of South Africa and Namibia to deliver the Maulana Abul Kalam Azad Lecture.

Outgoing Visitors During the period, in reciprocity, distinguished Indians from diverse fields of culture were sponsored to visit other countries to meet/interact with their counterparts, to participate in seminars, conferences and workshops and to deliver lectures on different subjects. These distinguished visitors included -- Dr. R.C. Agrawal, Director, Archaeological Survey of India to Uzbekistan to explore possibilities of a joint archaeological excavation project; Dr Salem Jayalakshmi & Prof S Shanmuga Sundaram, Carnatic Musicians to South Africa to attend the International Carnatic Music Conference at Durban;

Smt & Shri Satish Gujral, Painter to Australia to exhibit his paintings in Sydney; Shri Sunil Gangopadhyay, Author to UK to speak at the Nehru Centre, London; Shri A N Ram, Retired Diplomat and Shri Amit Mitra, Secretary General, FICCI to Keny to participate in seminar - "India-Kenya Relations -- Vision 2000"; Prof R Balasubramaniam, Chairman, Afro-Asian Philosophical Association, Prof Bhuvan Chandel, Centre for Studies in Civilizations, Dr Ramakant Sharma Angiras, Deptt. of Sanskrit, Punjab University to USA to participate in the Twentieth World Congress devoted to the theme "Philosophy Educating Humanity" at Boston; Smt Nirmala Deshpande, Member of Parliament to Switzerland to participate in the "World Philosophers Meet 98 - Second Parliament of Science, Religion and Philosophy"; Prof Ramanath Tripathi, Former Professor of Hindi, University of Delhi, Prof Vachaspati Upadhyay, Vice-Chancellor, Rashtriya Sanskrit Vidyapeeth to Mauritius to participate in the Ramayana Conference; Shri C V Ranganathan, Retired Diplomat to China to participate in Seminar on Tan Yun-Shan Centenary organised by China Association for International Friendly Contact; Qari Mohd Naseeruddin to attend 40th International Al-Quran Reciters Assembly held at Kuala Lumpur.

Presentations During the period April-November 1998, the Council, as part of its activities to commemorate the 50th Anniversary of India's Independence and to promote cultural relations with other countries, sent audio-visual material, books and art objects to about 60 countries through Indian Missions abroad for presentation to VVIPs and local dignitaries/institutions.

Exhibitions During the period April- December, 1998 the ICCR organised five exhibitions in India viz. (i) paintings and sculptures by Shri C S N Patnaik, Hyderabad;

(ii) a photographic exhibition by India International Photographic Council, New Delhi;

(iii) an exhibition of paintings by Ms R Lebenas of Argentina,

(iv) a joint Indo-Austrian exhibition of Contemporary art "The Search Within" at NGMA, New Delhi and Mumbai; and

(v) and exhibition - "Treasures of Indian Art" from Germany at the National Museum, New Delhi, Indian Museum, Calcutta and NGMA, Mumbai.

The Council has also sent nine bronze busts/statues for installation abroad. These included two bronze busts of Mahatma Gandhi to Egypt, one each to Germany, New Zealand and Ankara, a double life size bronze statue to Spain, one life size bronze statue of Mahatma Gandhi to Italy. Apart from this, bronze busts of Sant Tulsidas and Gurudev Rabindranath Tagore were sent to Surinam and Romania, respectively.

Two major exhibitions were organised abroad by the ICCR : a Joint Indo- Austrian Exhibition entitled "The Search Within" was sent to Austria along with a delegation of 9-Indian artistes and a contemporary Art exhibition was sent to Brazil (to coincide with the President's State Visit) and to Argentina. hat we entered into a wide ranging and forward looking dialogue. The harshly critical reaction of the US government to India's nuclear tests in May 1998 vitiated the atmosphere of relations. Following India's clarification of the unassailable rationale for our tests, and our well-considered proposals on disarmament and non- proliferation related issues, our actions have begun to be perceived in a better light. The media and the strategic community in US has also indicated a somewhat better appreciation of India's security concerns. In June 1998, the two Governments decided to initiate intensive dialogue to address mutual concerns and create better understanding of each other's positions. Shri Jaswant Singh, EAM, and Mr. Strobe Talbott, Deputy Secretary of State, have been designated as the principal interlocutors. Eight rounds of discussions have been held so far. The talks currently focus on four issues :

(i) CTBT (ii) FMCT (iii) Export Controls (iv) Defence Posture. It has been agreed that regional issues will not feature in these discussions.

The talks are being conducted on the basis of comprehensive proposals made by India, underlying which there is recognition of India's requirement for maintaining a minimal credible nuclear deterrent. We have made it clear that for a successful conclusion of the process, it is essential that our interlocutors help create a positive environment. There has been progress in finding common ground. Both sides have reaffirmed that the basic purpose of the exercise is to lay the foundations of a normal, stable, broad-based relationship. Developments in the regional and global security environment continued to engage our serious consideration. A balanced assessment of the trend over recent years led the Government to undertake a limited series of nuclear test explosions and announce that India is a nuclear-weapon possessing state. In the aftermath, India elaborated its nuclear doctrine based on maintaining a minimum credible deterrent and, a commitment to no-first-use of nuclear weapons. This has been set out clearly in Prime Minister's statement at the UNGA in September 1998 and subsequently in Parliament in December 1998. Diplomatic efforts were undertaken to project India's rationale for our decision to the international community.

High-level dialogues in this regard have been undertaken with the USA, France, UK and Russian Federation. We have also shared our perceptions regularly with the non-nuclear weapon states, in the non-aligned community and elsewhere. We have made clear that India's nuclear capability is purely defensive, does not in any way reflect a threatening, aggressive posture, and will contribute to strengthening stability both in Asia and in the global context. We have also taken initiatives for proposing confidence building measures with countries in our neighbourhood, with a view to enhancing trust and expanding the scope for mutually beneficial bilateral relations, and creating a peaceful and stable regional environment. Our initiatives have yielded positive results.

India's stand in multilateral disarmament fora reflects the continuity of our long-standing commitment to global nuclear disarmament. India's unilateral declaration of a moratorium on nuclear explosive testing was welcomed as were our subsequent statements relating to CTBT. Currently, we are actively engaged in multilateral negotiations in the CD at Geneva for the conclusion of a Fissile Material Cut Off Treaty. This treaty will prohibit future production of fissile materials for nuclear weapons or other nuclear explosive devices. We have also drawn attention to our exemplary record of nonproliferation and the rigour of our export control system, indicating our readiness to make it even more stringent. There has been appreciation of these clarifications and steps by our interlocutors. India also continued our efforts to generate support in the international community for making use of the opportunity created by the end of the Cold War, for reducing the salience of nuclear weapons and moving towards a nuclear weapon free world. A new initiative taken by India in this regard in the UN General Assembly generated wide support. In keeping with our commitment to the purposes and principles of the United Nations Charter, and to strengthening the role of the UN in a multi-polar world, India participated constructively in all areas of UN activity during the year.

Of particular significance was India's contribution to the debate on UN reform, expansion of the UN Security Council, development-related issues, terrorism, and disarmament. We also took active part in the deliberations of the UN on human rights and the environment, which have acquired increasing prominence in the global agenda. The UN continued to grapple in 1998 with critical choices for its reform and revitalisation. The withholding of assessed financial contributions by some countries and unilateral selective actions, including use of military force, to seek to resolve global problems requiring cooperation and consultation for their effective resolution, constituted a major impediment to the strengthening of the multilateral system based on the UN. All this underlined the importance of a purposeful effort for an equitable expansion and restructuring of the UN Security Council, to make it more reflective of the realities of today's world, in particular through the inclusion of developing countries as new permanent members.

There is broad recognition, that under any objective criteria, India is well qualified for permanent membership of such a restructured and expanded Council. India continued to make its traditional contribution to international peace and security through UN Peace Keeping. An Indian battalion was deployed in Lebanon during the year under the UN flag. India also took the initiative to organise a major international seminar on UN peace keeping in Delhi, to strengthen the concepts, doctrine and training methodology for UN peace keeping. The current international economic and financial crisis has provided the impetus for cooperative efforts centred in the UN, for reform of the international financial system.

An international conference on Finance for Development, which has been a long standing demand of the developing countries, has now been endorsed by the UNGA. India is playing an active role in the preparatory work for this conference as a co-Chairman of the Working Group established by the UNGA for this purpose. There was progress at the 53rd session of the UNGA in securing appreciation in the correct perspective of the rationale behind India's nuclear tests. An Indian initiative on "Reducing Nuclear Danger" proposed towards the end of session was endorsed by the broad majority of the UN membership.

India participated actively in the XIIth Summit of the Movement of Non- Alignment countries in Durban in September 1998. As a founder member of NAM, India urged the continued commitment of NAM to its basic principles. The Durban Summit endorsed NAM's traditional emphasis on nuclear disarmament, peace and development. It also reinforced the international community's determination to combat terrorism in all its forms with suggestions for concrete action.

Contributing to the national effort of strengthening our economic security and well being to the citizens of India is the primary objective of the Ministry's conduct of foreign economic relations. The past year saw a greater engagement than ever before in our economic interaction with the outside world, not only bilateral, but also in the regional and multilateral dimension. The Ministry's input was an integral part of the national effort for developing our foreign trade, industrial cooperation, investment, technology transfer relations.

In 1998, we faced a challenging international economic scenario. The global economy which recorded a modest growth of 3% per annum during 1994-97, contracted in 1998 and entered a very difficult and uncertain phase. Though the impact of the East Asian Crisis on India was relatively limited, the Indian economy suffered on account of declining demand for its goods and services in South-East and East Asia, Russia and in recession-struck Japan. India's resilience gives us the confidence that Indian industry will be well positioned to take advantage of the global recovery. The Ministry also, played an active role in the intensified initiatives and measures taken at the national level for encouraging foreign investment inflows, particularly of foreign direct investment (FDI) into India. Major thrust areas included infrastructure development, especially energy, power, telecom and information technology. Investment from NRIs were given particular attention.

The Ministry undertook several initiatives towards suitably projecting our investment policies, in coordination with Indian Missions and Posts abroad, as well as the various economic Ministries and agencies of the Central and State Governments. Negotiations were held with a number of countries for concluding of bilateral investment promotion and protection agreements. The Ministry continued its systematic endeavour to engage the advanced industrialised countries, to develop them as markets for our exports, as source of investment and as partners for technology transfers. Our Missions and Posts abroad centred their efforts to intensify dialogue with them at bilateral and multilateral levels, to project a correct image of India as a substantial partner for trade and investment and industrial/technical cooperation.

Simultaneously, we have sought to safeguard the interests of the developing world by articulating our shared concern over international regimes, crafted largely from the perspectives of the industrially advanced countries. An increased involvement in WTO matters, has led us to study the various disputes to which India was a party to in the WTO, and to examine and comment on the built-in agenda of several WTO agreements. Unilateral trade restrictions that are inconsistent with WTO obligations, technical barriers to trade, pressures for liberalisation in sectors of market interest to the industrialised countries; trade and environment linkages are other issues on which the Ministry has provided inputs. The Ministry's activities in the area of South-South cooperation, to which India attaches great importance were stepped up during the year. In various fora, such as the UN General Assembly, G-77, G-15 or regional and sub-regional associations, such as the Indian Ocean Rim - Association for Regional Cooperation, Indo-ASEAN Dialogue Partnership and BIMSTEC, India reaffirmed its commitment to work for the success of South-South cooperation. This was reiterated by us at the last G-77 Conference. We have substantially increased our contribution to the South Centre in Geneva, which is engaged in projects dealing with South-South Cooperation. India values its participation in G-15, a trans-continental Summit level grouping of developing countries and emerging economies.

At the Cairo Summit last year and the Jamaica Summit in February this year, India joined other G-15 countries in calling for collective efforts to address international economic issues of concern to developing countries, as also to focus on social safety nets to meet the requirements of poor & economically vulnerable people.

The Ministry is pursuing several projects in G-15 countries related to vocational training, solar energy, bio-technology, etc. The newly created Indian Ocean Rim Association for Regional Cooperation with 14 member countries, is another significant effort in developing regional cooperation in which India took active part last year. A number of intra-IOR-ARC projects are currently under progress. A Ministerial Confere nce of the IOR-ARC is scheduled to be held in the end of March this year in Mozambique.

Started in 1964, the Indian Technical Economic Cooperation (ITEC) Programme provides a means of reaching out to other developing countries in the sharing of our developmental experience with them. This programme, which is a concrete manifestation of South-South Cooperation, grew substantially last year with 1326 officials from more than 65 countries having been trained in approximately 40 of our best known-national training institutes, in a range of subjects. 23 Indian experts are currently on deputation abroad and work on several projects was also pursued.

The programme has been generally well received. New ideas to involve more institutions and emerging disciplines in training programmes have met with a good response from the recipients of training. ITEC is a valuable means of bringing officials, trainees, youth of countries in Asia, Africa and Latin America in close touch with their counterparts in India and has served to create an important platform for assisting developing countries with regard to their needs.

Regional cooperation in our immediate neighbourhood and beyond is vital part of our global economic strategy. Our active association with transcontinental organisations such as G-15 and in regional organisations such as SAARC, BIMSTEC, IOR-ARC and with ASEAN, EU, SADEC, etc., along with, Indian industry should help our companies to gain access to markets, technology and capital. Expanding our business relations with neighbours and with other regions will help our business to build competitive strengths and prepare themselves to adopt a regional, and eventually, a global approach to product and service delivery.

This accelerated learning through regional programmes will benefit both our industry and government institutions. Interaction with industry representatives has greatly supplemented our effectiveness to mediate on their behalf on market- access, investment, technology transfer, and other commercial issues. These have been, prominent for example, in the export promotion of products such as textiles and software, and in opportunities for Indian investment abroad in sectors such as petroleum, chemicals, software, pharmaceuticals. A leadingitem on our agenda has been the tackling of anti-dumping and anti-subsidy trade actions against Indian products in Europe and the USA. We also have had intensive dialogues with trade and industry associations on managing the impact of economic restrictions imposed on us in the aftermath of our nuclear tests in May 1998.

For the effective conduct of our foreign economic relations, the Ministry maintains a strong Economic Relations set-up covering multilateral economic relations, technical cooperation and investment promotion and publicity. The work has been carried out in close coordination with the other concerned Ministries, Departments and agencies of the Government of India and the business sector. Special attention was paid to ensuring the effective functioning of our Ministry's establishment both at Headquarters and abroad. The former comprises 32 Divisions including 14 Territorial, 3 Multilateral and 9 Service Divisions, as well as attached offices such as the Foreign Service Institute, ICCR and the Central Passport Organisation.

The establishment abroad is made up of 160 Missions/Posts, including new Missions in Azerbaijan and Armenia, and the recently re-opened Mission in Fiji. Heads of Mission in 41 countries are concurrently accredited to 28 other countries/regions. The Administration/Establishment/Finance set-up of the Ministry provides the logistical, financial and other support for the conduct of our foreign relations. The functioning of our establishments has accordingly been kept under close and regular monitoring and review. For their continued improvement and streamlining, special emphasis has been placed on optimal use of technology especially in information, communication, computerisation, including E.mail,

website, as well as human resource development through upgrading of skills and training, in accordance with the growing demands of specialisation, for example, in economic and commercial work, especially areas such as WTO, and in the areas of security, environment, human rights, etc. Yet another important focus of the Administration's work was the rationalisation, both at Headquarters and abroad, of living and working conditions, safeguarding morale and welfare, as well as strengthening discipline and vigilance.

As a result of concerted efforts, Govt. of India now owns 73 Chancery premises, 77 Embassy residences and 600 other residences for officials in our Missions/ Posts abroad. During the year, the Ministry continued its systematic programme for enhancing the stock of GOI owned property abroad for our Missions and Posts, by acquiring built up property or plots for construction through exchange and purchase. A number of projects have been taken up for construction and some are nearing completion. The Ministry has also actively undertaken construction projects for its establishments within India, including Videsh Bhavan, a composite structure to accommodate the MEA's offices, the Foreign Service Institute, residential complexes, the ICCR building in Calcutta, as well as buildings for Regional Passport Offices. We have paid particular attention to maintenance and upkeep of our premises - at HQ and abroad. The Ministry of External Affairs Budget Allocation for BE 1998-99 is Rs. 2120.72 crores which was enhanced from BE 1997-98 by Rs. 607.30 crores, i.e. about 40%. The RE for 1998-99 is Rs. 2236.17 crores. The Ministry consistently stressed prudent and cost-effective expenditure and economy.

The Ministry and the Central Passport Organization worked vigorously to ensure provision of efficient and transparent services in the passport offices in India, as well as in the Consular wings of the Missions and Posts abroad expanding network of 28 Passport offices and 12 collection centres issued 22 lakh fresh passports in 1998. One new passport office and two new collection centres were opened during the year. Several measures were taken to further streamline. and improve the passport and consular system and make it more responsive to the demands of the public. Three more passport offices were computerised and a project for comprehensive computerisation with satellite link up of all passport offices has been formulated and is expected to be taken up shortly for implementation. An overall plan for construction and renting of more rationally configured and user friendly buildings for passport offices is already under implementation. Measures for ensuring issue of passports within the stipulated period of five weeks through computerisation, dispatch of passports by speed-post in select cities, automatic re-issue in the case of expired passports without prior police verification and augmentation of staff strength in several passport offices have produced results. About 90% of total passports were issued within five weeks of acceptance of applications.

The public grievances redressal mechanism in the Central Passport Organization was considerably strengthened and a Central Public Grievance Redressal Cell has been opened at the CPO headquarters. Steps were also taken to improve morale and discipline. A Central Passport Advisory Committee is ready to be set up soon. The work relating to the development of international law and conclusion of international agreements and treaties is an integral part of the formulation and implementation of foreign policy. Through the Legal and Treaties Division, the Ministry continued to play an active role in this regard. This included sensitive legal and policy issues arising from the negotiations on environmental law regimes, regulating the conduct of armed conflicts, terrorism and human rights and the International Criminal Court, conclusion of land and maritime boundaries and agreements on international watercourses, extradition and mutual judicial assistance arrangements, as well as trade and transit agreements.

he handling of matters concerning privileges and immunities of diplomatic personnel, consular services, cases involving India in foreign jurisdictions, also formed part of the Ministry's work. The Ministry played a central role in the work relating to the welfare NRIs and Persons of Indian Origin (PIOs) abroad. This is a multidimensional task encompassing :

(i) Efficient provision of Consular services, and protection of the rights of Indians working abroad, in the context of local laws. This aspect was particularly prominent in the Gulf countries, and in other regions where large Indian communities exists;

(ii) Investment promotion and economic cooperation- this was attended to in coordination with other agencies; (iii) Nurturing of cultural ties - through the ICCR and other channels. The Ministry also took part in the preparations for the PIO-related schemes e.g. 10 years visa and ID cards. In its totality, the work outlined above can be expected to create better links with NRIs/PIO communities abroad, which is a vitally important element of national policy.

The year witnessed an enhanced external publicity effort, in the first place for correctly projecting India's foreign policy and rationale. The aftermath of our nuclear tests provided a major challenge. Through regular statements by the Spokesman, briefings of Indian and foreign media, press releases, audio visual and print material, opinion and policy makers abroad were kept fully informed of our position. This publicity effort has contributed to created a better understanding of our concerns and the rationale of our actions. The Ministry's external publicity effort covered a wider canvas i.e. of projecting India in its larger totality both traditional and modern through publications, films, direct communication with media, electronic means The Ministry's Website has been continuously expanded and gained international recognition for its content and credibility. Our publicity effort included a substantial programme of exchanges of visits and meetings involving leading media personnel, both Indian and foreign. As part of its on-going work, the External Publicity Division also made regular media arrangements for covering incoming and outgoing high level visits.

A major operation in this regard was the organisation of travel to Pakistan of over 200 journalists, both Indian and foreign, to cover our Prime Minister's bus journey to Lahore in February 1999, which was one of the biggest media events ever. During the year, the Ministry handled a full agenda of Protocol work relating to the continued, active exchange of high-level visits and the large diplomatic/consular corps in India. Keeping in mind the Golden Jubilee Year of our independence, the Ministry made a special effort for the propagation of Hindi. Indian Cultural Centres abroad were active in this regard. Books on learning Hindi, our freedom struggle, achievements since independence and other related subjects, and Indian literature, as well as CD Roms on this subjects were made available for gifting in countries with large Hindi speaking resident population. Apart from its function of policy overview and coordinating the preparation of background and research papers, the Policy Planning Division of the Ministry was also actively involved in networking with academic and research institutions concerned with foreign relations, both in Delhi and outside, facilitating the holding of seminars and conferences on foreign policy issues.

This was part of the Ministry's working relationship with the strategic community in the universities, research centres, media etc. This is reflected, for example, in institutionalised regular briefings and discussions between the Ministry and foreign policy experts outside government. The Foreign Service Institute further expanded its activities during the year. While all the regular programmes were continued, there was a signification expansion of the scope and content of each course. The following courses were held in the year under report:

(i)Professional Course in Diplomacy and International Relations for Indian Foreign Service Probationers (1997 batch),

- (ii) Basic Professional Course for IFS (B) personnel posted abroad,
- (iii) Professional Course for Foreign Diplomats,
- (iv) Familiarization Programme for Resident Foreign Diplomats,
- (v) Language Courses and

(vi) Orientation Course for Non-MEA officers. Curricular continued to be streamlined and updated. Action was also initiated to optimise functioning of the computer and language training facilities. The year 1998-99, witnessing the climax of the celebrations of the Fiftieth Anniversary of our independence was an extremely active one for the Indian Council for Cultural Relations (ICCR), an autonomous body attached to the Ministry of External Affairs. 1700 cultural performances were held in India and in 110 countries abroad, by 155 Indian and 50 foreign troupes under the auspices of the Council during the anniversary year (almost a four fold increase over previous year).

Other mandated activities of the Council, including the exchange of distinguished scholars and visitors, holding of seminars and lectures, exhibitions, installations of statues, and publications, have all shown remarkable increase. Noteworthy among these are the special anniversary activities, such as the Exhibition on Treasures of Indian Art - Germany's Tribute to India's Cultural Heritage, organised in collaboration with the Department of Culture and a compendium of Essays on Society, Polity, Economy and Culture, by some of the country's best minds, entitled 'Independent India : The First Fifty Years''.

The 14 Indian Cultural Centres (including Colombo opened in 1998), and the 20 Chairs of Indian studies (including Moscow set up in 1998) also functioned satisfactorily. The scholarship programme-catering to some 1800 foreign students, mostly from developing countries - is a critically important international cooperation scheme and continued to receive the fullest attention of Council. Apart from ICCR organised programmes, the Ministry administered the self- financing scheme for foreign students for certain professional courses in India.

This was done through the Coordination Division which is also the Ministry's nodal point for Parliament work, examining proposals for foreign tours of Ministers and for conferences in India.

1999

India's Neighbours

Section 1

Afghanistan India closely monitored the continuing fratricidal conflict in Afghanistan, a country with which it has historical ties of friendship and cooperation. India maintained close contacts with various parties and groups within Afghanistan. India believes that there can be no military solution to the internecine war which is being fueled by foreign involvement, principally from across Afghanistan's southern borders. The military situation remained influx. The Taliban, consequent to the major offensives it had launched in July 1998 in Northern Afghanistan, succeeded in capturing several cities in

Northern and Central Afghanistan driving out the forces of Gen. Abdul Rashid Dostum and the Hijb-e-Wahdat. However, Commander Ahmad Shah Masood put up a strong resistance to the Taliban advances to his traditional areas of influence and recaptured in October-November, 1998 from Taliban control all Takhar province and some areas in Kunduz. There have also been reports of uprisings against Taliban rule in several parts of Northern Afghanistan, following which some more areas have been wrested from Taliban control.

India continued to send humanitarian assistance to Afghanistan both bilaterally and through the UN. After the devastating earthquake in Afghanistan on May 30, 1998, a plane load of relief material was sent on June 11, 1998. A consignment of 30 tonnes of vegetable oil was sent through the UN in July 1998. A consignment of medical equipments, medical supplies and medicines worth Rs. 40 lakhs was sent to the Indira Gandhi Institute for Child Health, Kabul, in October 1998. More consignments of medicines, woollens and food items will be sent in the coming months.Iran Based on cultural and civilisational affinities and historical interactions, India's ties with Iran continued to grow. As a part of the process of high-level exchange of visits which have contributed to build mutual trust and confidence, Dr. Seyed Kamal Kharrazi, Foreign Minister of the Islamic Republic of Iran, accompanied by a high-level delegation, visited Delhi on June 2-3, 1998. He called on the Prime Minister and held discussions with Minister of State for External Affairs on bilateral, regional and international issues. Prime Minister had an occasion to review bilateral relations and to discuss issues of mutual interest with President Khatami on the sidelines of the NAM Summit at Durban in September 1998. Iranian President's Special Envoy on Afghanistan, Alaeddin Broujerdi, paid a visit to New Delhi in September 1998, for consultations on Afghanistan.

Economic and commercial interaction between India and Iran continued satisfactorily. The first meeting of the Indo-Iran Joint Business Council was held in Tehran in May 1998 and the second meeting at New Delhi on February 24, 1999, with the active participation of apex Chambers of Commerce and Industry in the two countries to explore the possibilities of increased trade, investment and setting up of joint ventures Iranian Foreign Minister, Dr Kharrazi visited India on February 23-25, 1999 to co-chair the Tenth meeting of

the Indo-Iran Joint Commission along with External Affairs Minister. Besides discussions on bilateral, regional and international issues of mutual interest during Dr Kharrazi's meetings with President, Prime Minister, External Affairs Minister, Commerce Minister and Minister of Petroleum & Natural Gas, the two side reviewed the progress of bilateral co-operation in agriculture & rural development, energy, industry, trade, transportation & communication, cultural, consular, information and science & technology areas. It was decided to further expand and intesify bilateral ties in these fields and institute a mechanism for regular consultations between the Foreign Offices of the two countries. Pakistan Overview Prime Minister Shri Atal Behari Vajpayee took a historic initiative to visit Lahore on February 20-21, 1999 on the inaugural run of the Delhi-Lahore-Delhi bus service.

His visit was part of India's consistent efforts to build peaceful, friendly and cooperative ties with Pakistan and establish a relationship based on mutual respect and a regard for each other's concerns. Earlier, the resumption of the official dialogue between the two countries in October 1998 marked a success in India's endeavours to engage Pakistan in a composite and comprehensive dialogue process that would build trust and confidence, explore avenues of mutually beneficial cooperation and address outstanding issues. A crucial element in Pakistan's attitude and approach towards India, however, was its engaging in terrorism, firing across the international border and Line of Control in Jammu and Kashmir and hostile propaganda.

Prime Minister's Visit India's basic policy approach towards Pakistan was underlined by Prime Minister Shri Atal Behari Vajpayee's declaration that a stable, prosperous and secure Pakistan was in India's interest. This sentiment was reaffirmed by him from the Minar-e-Pakistan in Lahore on February 21, 1999. Prime Minister's visit was the most significant engagement between India and Pakistan in over a quarter of a century. It was also the first visit undertaken by the Prime Minister of India to Pakistan in a decade. During his visit, the Prime Minister conveyed to the Government and people of Pakistan India's deep desire for peace and friendship with them and for developing a comprehensive structure of cooperation for the benefit of the two peoples.

The Prime Minister and the Pakistan Prime Minister signed the Lahore Declaration which is a landmark for peace and security of the two countries. A Memorandum of Understanding was also signed by the Foreign Secretaries under which India and Pakistan will work to enter into agreements to put into place far-reaching Confidence Building Measures. In a Joint Statement issued on the occasion, the two countries also identified new and significant areas of cooperation such as Information Technology and decided to address humanitarian issues at a ministerial level on an urgent basis. India expects that the Prime Minister's historic initiative for the welfare of the peoples of the two countries will mark a new chapter in our bilateralties.Resumption of OfficialDialogue Prime Minister had met Pakistan Prime Minister Mr NawazSharif on the sidelines of the Tenth SAARC Summit at Colombo (29 July, 1998) and in New York (23 September, 1998).

During these meetings, Prime Minister urged Pakistanto work with India to develop trust and confidence, avail of the many opportunities for mutually beneficial cooperation and address outstanding issues. Prime Minister also emphasised that Pakistan's instigation of and support to terrorism against India were incompatible with the development of peaceful and friendly relations and that these activitiesmust cease immediately. During Prime Minister's meeting with Prime Minister Mr Nawaz Sharif in New York on 23 September, 1998, the Foreign Secretaries of India and Pakistan reported to the two Prime Ministers that they had reached an agreement on the modalities of the dialogue process.

(The subjects for the dialogue were agreed upon in June 1997 and are: Peace & Security including CBMs, Jammu & Kashmir, Siachen, Tulbul Navigation Project, Sir Creek, Economic and Commercial Cooperation, Terrorism and Drug Trafficking and Promotion of Friendly Exchanges in various fields). The Prime Ministers welcomed this development and issued directions for the resumption of the dialogue. The first round of the composite dialogue process was held in October and November 1998. The subjects of Peace & Security including CBMs and Jammu & Kashmir were discussed by the Foreign Secretaries in Islamabad in October 1998. The subjects of Tulbul Navigation Project, Siachen, Sir Creek, Economic and Commercial Cooperation, Terrorism and Drug Trafficking and Promotion of Friendly Exchanges in various fields were discussed, respectively, by the Secretary, Water Resources of India and Secretary, Water and Power of Pakistan; the Defence Secretaries; the Surveyor General of India and Additional Secretary, Ministry of Defence, of Pakistan; the Commerce Secretaries; the Home Secretary of India and the Interior Secretary of Pakistan; and the Culture Secretaries, in New Delhi in November 1998.

During talks on Peace & Security including CBMs, India drew Pakistan's attention to India's security needs which were a function of its size and assets. India emphasised that its security concerns were not one-country specific and that its defence profile was non-aggressive. In this context, India proposed the upgradation of existing CBMs and the need to put in place new CBMs, ranging from information

exchange and improved communication links to exchanging views on security concepts and nuclear doctrines. India also emphasised the need to build mutual confidence in the nuclear and conventional fields. During discussions on Jammu & Kashmir, India made it clear that the legal status of Jammu & Kashmir, i.e. that the entire State is an integral part of India, is clear and does not admit of any change. India also demanded that Pakistan cease forthwith its futile instigation and sponsorship of terrorism in Jammu & Kashmir, which constituted a flagrant violation of the provisions of the Simla Agreement.

During talks on the Tulbul Navigation Project, India drew Pakistan's attention to understandings that had been reached during earlier discussions on this subject and that can be the basis for a resolution of the issue. During discussions on Siachen, India stressed the need for a cease fire in the area as a first step. On the subject of Sir Creek, India proposed that, pending agreement on the land boundary, the maritime boundary could be demarcated by starting at sea and proceeding landwards. At the discussions on Terrorism and Drug Trafficking, India gave Pakistan detailed evidence regarding its role in sponsoring terrorism against India and demanded that Pakistan close down training camps for terrorists and hand over terrorists and fugitives from the law who have been given sanctuary in Pakistan.

During discussions on Economic and Commercial Cooperation, India emphasised that there were many avenues for mutually beneficial cooperation including in areas such as electric power and transportation. Detailed discussions on the technical, legal and financial aspects at the expert-level have taken place in Islamabad and New Delhi on the subject of purchase of power by India from Pakistan. These discussions are continuing. On the subject of Promotion of Friendly Exchanges, India proposed a cultural exchange programme which would build on the commonalities between the two countries. India also emphasised the need of regular contacts to address humanitarian issue relating to fishermen and civilian prisoners and people-to- people contacts.

India released a total of 149 Pakistani fishermen in its custody. It also proposed to Pakistan that the fishermen of the two countries who stray innocently into the territorial waters of the other country should not be kept in custody but should be released on completion of formalities. Acting on this principle, India conveyed to Pakistan on 2 November 1998 its decision to release 40 Pakistani fishermen who were captured on 24 October, 1998. Pakistan also released 190 Indian fishermen who were held in its custody. India took the initiative to start a Delhi-Lahore-Delhi bus service. An agreement and a protocol for the regulation of this service were signed in Islamabad on 17 February, 1999. Trial runs of an Indian bus to Pakistan and a Pakistani bus to India had been held in January 1999.

Pakistan's Support to Terrorism Pakistan's support to and involvement in terrorist activities in Jammu & Kashmir and other parts of India continues unabated. This was strongly taken up by Prime Minister during his visit to Pakistan, and also by Foreign Secretary and Home Secretary during the dialogue process. It was pointed out that the atmosphere generated by the open exhortation of terrorist actions in India by fundamentalist organisations in Pakistan, many of which enjoyed official patronage, was not conducive to a normalisation of bilateral relations. India urged that Pakistan take urgent steps to demonstrate its commitment to tackling the issue of terrorism.

Pakistan's Nuclear and Missile Programmes India has carefully been following Pakistan's pursuit of clandestine weapons oriented nuclear and missile programmes, which have been developed with assistance from abroad. On 6 April, 1998, Pakistan announced the successful test of a ballistic missile, the Hatf V (Ghauri). Pakistan also announced that it had conducted tests of six nuclear devices on 28-30 May, 1998. It said that the tests were in reaction to India's nuclear tests carried out earlier in May 1998. In response to these tests, Government of India's official spokesman said that this event vindicated

India's assessment regarding the nature of Pakistani programme and policy as well as the measures India had taken. He also said that Government of India had taken all steps necessary for safeguarding the nation's security.

Conclusion India seeks a relationship of trust, friendship and cooperation with Pakistan. Our approaches to Pakistan are rooted in our national consensus, which favours moving relations ahead with Pakistan over a broad front through the composite dialogue process. These approaches derive their strength from our confidence as a mature nation dedicated to peace, democracy and freedom. It is our earnest hope to build-on the opportunities that are now available on account of the Prime Minister's initiative and his commitment to put behind past connections and think of the welfare of coming generations. The Lahore Declaration and the Memorandum of Understanding on Confidence Building Measures and the Joint Statement are significant developments in our bilateral relations. We trust Pakistan will fully reciprocate our initiatives and abandon the path of confrontation and promotion of terrorism in India.

Section 2

India's relations with its eastern and southern neighbours- Bangladesh, Myanmar, Maldives and Sri Lanka - reflected a continuity of policy and approach in the development of close understanding and active collaboration in mutually beneficial development efforts. There was focus on sectors of specific interest to each of the countries concerned covering a wide range of areas. Equally important was the sustained dialogue covering ongoing matters of operational importance such as border management. The economic and social dimensions however provided the thrust for progress in increased engagement. Bangladesh There was mutual keenness on the part of both India and Bangladesh to promote understanding and to strengthen bilateral relations during the year.

everal high level visits contributed to this process. The foreign Minister of Bangladesh, Mr Abdus Samad Azad, visited India in April 1998 as the Special Envoy of the Bangladesh Prime Minister, to greet the new Government. The Bangladesh Prime Minister, Mrs Sheikh Hasina visited India on June 16, 1998; at the talks held during the visit, both sides agreed on the need to intensify the existing warm and cordial relations between the two countries and to increase interaction at various levels through economic and cultural exchanges, parliamentary delegations, students, and cultural groups.

The two Prime Ministers met again on the sidelines of the 10th SAARC Summit at Colombo in July 1998. The foreign Secretary visited Bangladesh in June 1998 for Foreign Office consultations and held wide ranging discussions on bilateral, regional and international issues. Trade review talks took place in Dhaka in December 1998; the Indian delegation was led by the Commerce Secretary. The talks were positive in nature and covered a number of areas related to the growth of bilateral economic interaction and infrastructure development.

The system of institutional dialogue to discuss matters relating to security and border management continued during the year. Two sessions of talks between the Directors General of the Border Security Force and the Bangladesh Rifles were held in May and October 1998. The 5th meeting of the Joint Working Group took place in New Delhi in August 1998. The Home Secretary visited Dhaka in November 1998. Issues covered during these talks related to security, insurgency, illegal immigration, border management and the visa regime. The talks too place in a constructive spirit while taking into account mutual concerns. Bangladesh was gripped by devastating floods for the longest duration recorded.

There was widespread loss of life and property with a particularly negative impact on agriculture, and Bangladesh made an appeal for international aid. The Government of India rushed over 7.5 tonnes of medicines worth Rs. 40 lakhs to Bangladesh by air. India also gifted 20,000 tonnes of par-boiled rice worth Rs. 22 crores and over 800 tonnes of wheat and maize seeds worth Rs. 2.2 crores. India's relations with Bangladesh are thus close, friendly and extensive. There is widespread people-to-people contact as established by the fact that the High Commission of India in Dhaka issues an average of 1000 visas daily. Thousands of students from Bangladesh pursue higher studies in India. There were many cultural exchanges both under governmental and private auspices.

ndia provided training to several technical personnel from Bangladesh. The Bangladesh Prime Minister visited Calcutta to inaugurate the 24th Calcutta Book Fair on January 27-28, 1999. An Indian Trade Fair is being organised in Dhaka on March 9-15, 1999. Sri Lanka India's relations with Sri Lanka continued to be marked by warmth and cordiality. The visits of the Sri Lankan Foreign Minister, Mr Lakshman Kadirgamar, to India in March and June 1998, as a Special Envoy of the Sri Lankan President provided opportunities for useful, high level exchanges between the two Governments.

Both sides reaffirmed the consensus prevailing in both countries on maintaining close and cordial relations. The Sri Lankan leader of the Opposition, Mr Ranil Wickremesinghe, visited India in April 1998. The Prime Minister's visit to Colombo from 28-31 July, 1998 to attend the Tenth SAARC Summit helped to further cement the multifaceted ties between the two countries. The President of Sri Lanka, H.E. Mrs Chandrika Bandaranaike Kumaratunga, paid a state visit to India from December 27-30, 1998. During the visit, the two sides signed an agreement to establish a Free Trade Area between India and Sri Lanka. The agreement is expected to lead to a steady growth of trade and investment through graduated reduction of tariffs. The two countries also signed a Memorandum of Understanding to set up the India-Sri Lanka Foundation. The Foundation would promote bilateral exchanges in various spheres and would be governed by an independent board.

The deliberations during the visit reflected the priority attached by both countries to sustaining the warmth and understanding that mark the India-Sri Lanka relationship. Earlier, the fourth Session of the India-Sri Lanka Joint Commissions met at New Delhi on December 18, 1998. The Indian delegation was led by the Minister of External Affairs, while the Sri Lankan Minister of Foreign Affairs, Mr Lakshman Kadirgamar led the Sri Lankan delegation. The Joint Commission reviewed the existing levels of bilateral cooperation in the areas of science & technology, economy, trade & investment, and cultural, educational & social matters. Both sides agreed on further programmes to broaden and deepen bilateral exchanges.

Bilateral trade between the two countries showed an upward trend. India continued to provide trade concessions to Sri Lanka within the SAPTA framework with a view to improving market access for Sri Lankan products in India. Both sides continued their dialogue on problems faced by fishermen of the two countries with a view to finding appropriate solutions to the problems. Both countries agree on the need to deal with these problems in a spirit of compassion and understanding. Maldives India-Maldives relations continued to remain close and friendly. India kept up assistance to the Maldives in its developmental efforts including in the area of Human Resource Development. There was regular interaction through the exchange of high level visits.

President Maumoon Abdul Gayoom visited India in his capacity as Chairman of SAARC from June 30 to July 1, 1998. The Vice President visited the Maldives from November 10-13, 1998 to represent India at

President Gayoom's swearing-in ceremony on November 11, 1998, for a 5th consecutive term following a national referendum held on October 16, 1998.

Mr Suresh P Prabhu, Minister of Environment and Forests attended the Seventh Session of the Governing Council of the South Asia Cooperative Environment Programme (SACEP) in Male from April 20-23, 1998. An expert team from India visited Maldives from July 4-9, 1998 to study the feasibility of setting up in Maldives an Institute of Hotel and Catering Services. India provided technical training to a large number of Maldivian candidates in diverse fields including medicine, engineering, computer science and agriculture under its technical assistance and scholarships scheme.

Mr Ibrahim Hussain Zaki, Minister of Tourism, Mr Abdul Rasheed Hussain, Minister of Planning, Human Resources and Environment, Mr Mohammed Latheef, Minister of Education and Mr Ahmed Abdulla, Minister of Health, Government of Maldives visited India during the year for international meetings. These visits were also used for bilateral discussions. Myanmar India has a stable and cooperative relationship with Myanmar. Focussed efforts were made to diversify and broadbase areas of contact and cooperation. An MOU on Cooperation in the field of Agriculture and Allied Sectors was signed during the visit to Yangon (April 22-25) of the Minister of State for Agriculture, Shri Som Pal. As a follow up to the MOU, a work Plan was finalised during the visit to India (August 16-25) by the Myanmar Agriculture Minister.

The Commerce Secretary led an Inter-Ministerial delegation in October and was accompanied by a business delegation to Yangon to explore ways and means of expanding trade and economic linkages including cross border projects in areas such as power, mining and oil & gas. The Myanmar Deputy Minister for Industry-2 visited India in November to identify sectors for collaboration. Possibilities of cooperation in the fields of science & technology, herbal medicines, satellite telecommunication etc. are being explored. A number of Myanmar nationals received training at Indian institutes.

In areas of vital interest such as border management and drug-trafficking, regular interaction was maintained through bilateral institutional mechanisms. The Home Secretary led the Indian delegation for the Fifth India-Myanmar National Level Meeting held in Yangon (April 26-29). The sectoral level dialogue took place in January, 1999, to discuss issues related to border management.

Section 3

India's traditional friendship and cooperation with its northern neighbours, Bhutan and Nepal, have continued to grow and strengthen over the years, reflecting the firm foundations and essential stability of the bilateral relationships. These bilateral relationships have traditionally been based on mutual understanding, respect and goodwill. Mutually beneficial economic cooperation between the two countries has grown steadily over the past few years and has provided substance to India-Bhutan and India-Nepal relations. During the period under review several initiatives were taken with a view to further enriching and consolidating these relationships.

particular, India's economic cooperation programmes with Bhutan and Nepal, and trade and commercial relations developed satisfactorily, with steps being taken to liberalise and improve the procedures and bilateral arrangements in these sectors. The renewal of the Transit Treaty with Nepal with an automatic renewability clause, in particular, has contributed to developing business and investment confidence. India's bilateral relationship with both Bhutan and Nepal is characterised by frequent interaction at both political and official levels, and this trend continued during the period under review with several high-

level exchanges of visits served to provide direction and impetus to India's relationships with both its northern neighbours.

Nepal The President of India Shri K R Narayanan made a State Visit to Nepal from 28-30 May, 1998. He was accompanied by Minister of Commerce Shri R K Hedge and four Members of Parliament. During his visit, the President held discussions with His Majesty the King, and received the Prime Minister and leaders of major political parties of Nepal, academics, intellectuals and business leaders. Their Majesties King Birendra Bir Bikram Shah Dev and Queen Aishwarya Rajya Laxmi Devi Shah of Nepal paid a State Visit to India from 24-29 January, 1999 at the invitation of the President of India. The King was the Chief Guest at the Republic Day celebrations on 26 January, 1999.

During the visit, the King called on the President and also had separate meetings with Vice-President, Prime Minister, External Affairs Minister, Home Minister and Commerce Minister. Both the above State Visits were highly successful in underlining the goodwill and warmth that characterise our bilateral ties with Nepal, and have contributed to the consolidation of friendship and understanding between the two countries. Among the other high level bilateral contacts, notable are Prime Minister Shri A B Vajpayee's meetings with his Nepalese counterpart Mr G P Koirala on the fringes of the NAM Summit in Durban and the SAARC Summit in Colombo. Discussions between the two Prime Ministers encompassed a wide gamut of bilateral, regional and international issues of common interest.

he 2nd Meeting of the Joint Working Group (JWG) on Border Management was held in Delhi on 16 & 17 June, 1998. A number of decisions with the objective of preventing misuse of the open border between India and Nepal by undesirable elements were taken by the two sides. The meeting was followed by Home Secretary level talks on 18 June, 1998 that, inter alia, reviewed the decisions taken by the JWG. The first Director General level talks on Customs Cooperation were held in New Delhi on 15 & 16 June, 1998. The Nepalese delegation was led by their Director General, Customs and the Indian side by the Director General, Department of Revenue Intelligence. It was decided that such bilateral DG level meetings should be held on a regular basis to monitor and effectively combat smuggling activities across the open India-Nepal border.

A 3-member Nepalese delegation headed by their Director General, Taxation attended the 2nd Meeting of the India-Nepal Joint Commission set up under the Double Taxation Avoidance Agreement (DTAA) held in New Delhi from 28-30 July, 1998. The Meeting was useful in so far as the two sides had an exchange of views on specific issues relating to DTAA, with the objective of further strengthening bilateral cooperation in this area. In pursuance of the Memorandum of Understanding on Agricultural Cooperation signed between India and Nepal in December 1991, the 3rd Meeting of the India-Nepal Joint Agricultural Working Group (JWG) was held in Kathmandu from 5-7 August, 1998. The Meeting reviewed the progress on the decisions taken at the 2nd JWG meeting held in New Delhi in December 1996 and finalised the biennial Work Plan for the years 1999 and 2000.

The Deputy Prime Minister of Nepal, Ms Shailaja Acharya paid a private visit to India in September 1998, during which she called on the Prime Minister of India and discussed various bilateral issues of mutual concern. On a separate visit to Bihar from 22-26 October, 1998, Ms Acharya participated in the inaugural ceremony on the occasion of the 29th Anniversary of the Vishwa Shanti Stupa at Ratnagiri Hill, Rajgir held on 25 October, 1998. The 21st Meeting of the Joint Technical Level India-Nepal Boundary Committee (JTC) was held in New Delhi on 26 & 27 November 1998. At the Meeting, the two sides reviewed the progress in the implementation of the decisions taken at 20th JTC Meeting and recommended specific actions for the timely completion of the Indo-Nepal boundary tasks. The 5th

Meeting of the Joint Working Group (JWG), constituted by the Joint Technical Level India-Nepal Boundary Committee (JTC), was held in Kathmandu on 15 & 16 July, 1998.

The Meeting reviewed the progress in the implementation of the recommendations of the 4th JWG Meeting, 20th JTC Meeting and Survey Officials Meeting (SOM) held during May 1998. India attaches high priority to the development of economic and commercial ties with Nepal. Successive reviews of bilateral trade & transit arrangements were held during Commerce Secretary level talks at New Delhi in March, September and November 1998. The agenda covered a gamut of issues in this area, in particular, the operation of the new road transit route from Nepal to Bangladesh via Phulbari, and the renewal of the Treaty of Transit between the two countries.

A renewed Transit Treaty between India and Nepal was signed on 5 January. 1999 in Kathmandu by Commerce Minister Shri Ram Krishna Hegde and his Nepalese counterpart Mr Purna Bahadur Khadga. The renewed Treaty, valid for a period of seven years up to 5 January, 2006, will be automatically extended for further periods of seven years at a time, unless either of the parties gives written notice of its intention to terminate the Treaty six months in advance. A Protocol and a Memorandum to the Treaty containing the modalities and other arrangements were also signed. These would be subject to review and modification every seven years or earlier, if warranted. India's contribution to Nepal's economic development in diverse areas has increased over the years. Major projects funded by the Government of India currently under implementation include the construction of 22 bridges on the Kohalpur-Mahakali sector of the East-West Highway, establishment of the B P Koirala Institute of Health Sciences at Dharan, construction of an Emergency and Trauma Centre at Bir Hospital in Kathmandu, broad-gauging of Raxaul-Sirsiya Rail Link and several other projects that form part of India's commitment under the mahakali Treaty. A High Level Task Force (HLTF) monitors the progress in bilateral relations and oversees Indian assisted projects in Nepal. Initiatives taken by the Government of India to liberalise the trade and investment regime with Nepal are expected to provide a boost to bilateral economic exchanges in the coming years.

Indian investments as of date accounted for over 40% of total foreign investments in Nepal. Bilateral trade during 1997- 98 amounted to Rs. 946 crores. For the period April-August 1998, the two-way trade was Rs. 409 crores, while the figure for the corresponding period in the previous year was Rs. 346 crores. An interesting development is the sharp increase in Indian imports from Nepal during the first five months of 1998-99, with the figure reaching Rs. 249 crores, as compared to Rs. 108 crores registered in April-August 1997. A large number of Nepalese students continued to avail of academic and training facilities in India. Several scholarship schemes, such as the Silver Jubilee Scholarship and the B P Koirala Foundation Scholarship supplemented normal scholarships and self-financing opportunities for studies in India offered by the Government of India to Nepalese students in diverse fields, notably engineering, medicine and technical areas. Specific professional training and orientation programmes were also conducted for select candidates from Nepal under the Nepal Aid Scheme. A large number of Nepalese students also directly sought admission to schools and colleges in India on a special concessional basis.

Bhutan His Majesty Jigme Singye Wangchuck, the King of Bhutan visited India from 5-8 October, 1998. Discussions that the King held with the President, the Vice President, Prime Minister, External Affairs Minister and other senior Cabinet Ministers, provided an opportunity for a wide ranging overview of the bilateral relationship. The Minister of Power, Shri P K Kumaramangalam led a high level delegation to Bhutan from 26-29 October, 1998 to discuss issues relating to development of hydel power in Bhu tan. The 5th Joint Technical Level Meeting on the Bilateral Survey Collaboration Project was held in Thimphu from 6-9 August, 1998. This project aims at developing indigenous capacity in Bhutan for survey and mapping, and includes supply of equipment and technology transfer in this field. To Bhutan's 8th Five Year Plan (1997-2002), as in previous Plans, Indian assistance has focussed on areas of infrastructure such as the construction of roads, bridges and hydro-power capacity. Special emphasis has also been placed on the implementation of projects in social sectors such as education and health.

Larger projects that are being jointly developed with the Royal Government of Bhutan include the Tala Hydroelectric Project, Kurichu Hydroelectric Project and the Dungsum Cement Project. Following the outbreak of fire in the famous Taktsang Monastery in Bhutan, the Government of India contributed an amount of Rs. 25 lakhs in April 1998 towards the cost of reconstruction of the Monastery. Cooperation between the two countries in the areas of culture and education has been noteworthy. A number of Bhutanese students availed of scholarships provided by the Government of India in technical areas such as agriculture, engineering and medicine. Under the bilateral Cultural Exchange Programme, there are regular visits of cultural troupes and artistes between the two countries. SAARC Overview Regional cooperation in South Asia under the framework of SAARC gained further momentum during the year 1998.

The Tenth SAARC Summit in Colombo in July 1998 reaffirmed the desire of all SAARC leaders to strengthen cooperation in the region, particularly in the economic field. India took some bold initiatives to speed up trade liberalisation in the region with the lifting of Quantitative Restrictions for SAARC countries with effect from 1 August, 1998. Cooperation in the core economic areas was further consolidated with the conclusion of the Third Round of SAPTA negotiations in November 1998. SAARC leaders also agreed that there should be a separate Treaty for a South Asia Free Trade Area (SAFTA) and negotiations on this Treaty are to commence in early 1999.

New initiatives were taken to develop cooperation in the field of Information and the Media and in Telecommunications with the first meetings of the Ministers of Information and Telecommunications. The gains of the past were assessed and a perspective plan for SAARC for the next two decades was provided by the Group of Eminent Persons constituted by SAARC leaders in 1997. Their Report presented at the Colombo Summit in July 1998 sets out a substantial agenda for economic integration in three phases and for cooperation in the social sectors upto the year 2020. The range of SAARC cooperation is evident from the sixty meetings and activities that took place at various levels during the year starting from the Summit down to the Ministerial, official and technical levels. Highlights of the activities are as follows: Ministerial and Other Meetings The First SAARC Information Ministers Meeting, Dhaka, Bangladesh (24-25 April, 1998)

The Meeting adopted the Dhaka Communiqu containing a SAARC Plan of Action for developing cooperation in the field of Media and Information. This provides, inter-alia, for free flow of information, newspapers, periodicals, books and other publications, increased cooperation amongst news agencies of SAARC countries; holding of annual conferences of Editors and Journalists, evolution of a SAARC Media Forum and discouraging negative projection of member countries. The Second SAARC Commerce Ministers' Meeting, Islamabad, Pakistan (29-30 April, 1998)

The Commerce Ministers discussed ways to accelerate the ongoing Third Round of SAARC Preferential Trade Negotiations and stressed the need to deepen tariff cuts accompanied by removal of Non-Tariff Barriers on major items of intra-SAARC trade, as well as product coverage. It stressed the need for early finalisation of the Draft Agreement on Promotion and Protection of Investment in the Region, conclusion of Double Taxation Avoidance Agreements between the SAARC Countries, and for expanding intra-SAARC investment cooperation and joint ventures. The meeting also reviewed the progress of the group on transition from SAPTA towards SAFTA. The Commerce Ministers agreed to coordinate SAARC positions at the WTO and authorised the constitution of a Group of SAARC Ambassadors to the WTO at Geneva.

The First SAARC Communication Ministers' Meeting on 22-24 May, 1998 at Colombo, Sri Lanka A SAARC Plan of Action was finalised which, inter-alia, calls for reduction of telecom tariffs to the lowest extent feasible, complete digitalisation of inter- country links amongst SAARC countries preferably by December 1999, allocation of sufficient band width for regional telecommunication links, setting up of Web Sites/data bases to exchange information on telecom standards, policies and technologies, adoption of Mutual Recognition Arrangements for equipment standards, and consultations to evolve common SAARC positions on Telecommunication issues of regional concern at international fora. SAARC UGC Representatives' Meeting The Representatives of University Grants Commissions of SAARC countries met in New Delhi from 14-16 May, 1998 to consider ways of enhancing cooperation amongst universities in SAARC countries. Extensive deliberations were held and recommendations inter alia, to recognise university degrees mutually, increasing the number of scholarships, review of the SAARC Chairs, etc were made at the Meeting.

South Asian Development Fund The Third Meeting of the Governing Board of the South Asian Development Fund was held at Pokhara, Nepal on 4-6 June, 1998. The Board finalised the draft operational modalities for the Window II and considered the modalities for Window III. It also reviewed the progress of Project Studies underway under Window I and recommended sponsorship of projects for which detailed studies had been carried. It also set up a Technical Committee to review the draft Accounting Manual and a proposal to set up a permanent Secretariat of the SADF. India offered to host an Executive Development Programme for the Development Financial Institutions of SAARC Countries in 1999.

Regional Convention to Combat Trafficking in Women and Children for Prostiution An Expert Group Meeting on drafting a Regional Convention to Combat Trafficking in Women and Chldren for Prostitution was held in New Delhi (18-19 June, 1998). Negotiations lasting over two days resulted in a draft Convention. The salient points of the draft include severe punishment for trafficking under national laws, provisions for extradition or prosecution of offenders and mutual legal assistance. It also provides for positive measures to prevent trafficking, as well as for providing temporary care and for repatriation of the victims of trafficking. Technical Commitee on Education, Culture and Sports The Fifth Technical Committee Meeting of SAARC on Education, Culture and Sports was held in Thimpu, Bhutan on May 26-27, 1998. Review of the activities under the SAARC Technical Committee during the past year like preparation of a SAARC Anthology, SAARC Audio-Visual Exchange (SAVE) Programme, Literacy programmes, Coaching Camps for Sports, etc. took place in the Meeting.

Technical Committee on Women in Development The Thirteenth Technical Committee Meeting on Women in Development was held in Kathmandu, on June 28-30, 1998. The consideration of the Regional Convention on Combating Trafficking of Women and Children for Prostitution was the major item. India offered to hold a "Workshop on Implementation of the Dhaka Resolution on Women".

Tenth SAARC Summit The Tenth SAARC Summit was held in Colombo, 29-31 July, 1998, to coincide with its 50th Independence Anniversary Celebrations. It was preceded by the 20th Session of the Programming Committee, the 25th Session of the Standing Committee, and the 20th Session of the Council of Ministers, and the Seventh Meeting of the Food Security Reserve Board. At the conclusion of

their deliberations, the Heads of State or Government issued the Colombo Declaration. The Indian delegation was led by Prime Minister Shri Atal Behari Vajpayee. He was accompanied by the Commerce Minister, the Deputy Chairman Planning Commission as well as the Minister of State for External Affairs, who headed the Indian delegation for the Meeting of the SAARC Council of Ministers immediately preceding the Summit. The Summit took some significant decisions to advance cooperation in the core economic areas of trade and investment. A Group of Experts from all seven SAARC Countries will be set up to commence negotiations on an Agreement or Treaty for a South Asian Free Trade Area. This Agreement will spell out binding schedules for freeing trade and is expected to be finalised and put in place by 2001.

This would provide a predictable and transparent blue- print for achieving a Free Trade Area in South Asia. The Agreement will also include special facilitative measures for the Least Developed Countries. Negotiations for deepening and widening trade preferences under the South Asian Preferential Trading Arrangement will continue in parallel. SAARC leaders at their meeting in Colombo directed that the Third Round of SAPTA negotiations should be concluded quickly and also directed that the Fourth Round of SAPTA negotiations should commence immediately thereafter, with the mandate of extending deeper tariff concessions to products which are being actively traded or are likely to be traded. Discriminatory trade practices and non-tariff barriers are to be simultaneously removed on items in respect of which tariff concessions are granted. This would ensure that we continue to liberalise trade, even as the negotiations for a SAFTA Agreement are underway.

India took some bold initiatives to enhance access to its market. The Prime Minister announced that India would lift Quantitative Restrictions for SAARC countries with effect from August 1, 1998. This involves putting over 2000 products on Open General License for SAARC countries and has been widely welcomed. The Prime Minister also announced that the ceiling for Overseas Indian investment in SAARC countries under fast track procedures would be increased from \$ 8 million to \$ 15 million. This was appreciated as an indication of India's commitment to encourage a greater flow of Indian investment in its immediate neighbourhood.

India also offered to consider bilateral free trade arrangements with those countries who are interested in moving faster. This is expected to reinforce regional trade liberalisation and impart added momentum to the process. Sri Lanka has taken up this offer. Significant decisions were also taken to strengthen cooperation in the social sectors. SAARC leaders agreed in Colombo to draw up a Social Charter for SAARC setting out regional goals in the important areas of population stabilisation, education, health, nutrition, child welfare and women's development. Particular focus has been placed on the persistent problem of poverty in the region and the leaders of SAARC countries have committed themselves to the eradication of poverty in South Asia preferably by the year 2002. A three-tier institutional structure to evolve cooperation in this field has been set up. These three tiers comprise: A Group of Secretaries to Governments dealing with Poverty Eradication and Social Development; the Group of Finance/Planning Secretaries; and SAARC Finance/Planning Ministers.

This mechanism is a forum for exchange of information on poverty eradication programmes, strategies and technologies. The impact of structural adjustment programmes and economic liberalisation on weaker sections of society has been kept in focus through the involvement of Finance/Planning Ministers at the highest level. The text of the Regional Convention to Combat Illegal Trafficking in Women and Children for Prostitution was finalised. SAARC leaders agreed that the scope of the Convention could be expanded in time to cover trafficking for other purposes. The Convention is expected to be signed at the next SAARC Summit in Kathmandu. A separate Convention on Child Welfare is also under discussion. A new initiative has been taken to develop cooperation in the field of Distance Education. A SAARC Forum of Vice Chancellors of Open Universities will be established to develop cooperation in areas such as the sharing and joint development of programmes, credit transfers for specific programmes and the translation of existing programmes.

The Summit stressed the importance of developing a regional self-reliant capability for South Asia in scientific research and development. India will host a special meeting of SAARC Science & Technology Ministers to consider a SAARC Technology Initiative to identify and implement specific regional projects in rural areas which would have a direct impact in improving the day-to-day life of people. SAARC leaders also emphasised the need to institutionalise SAARC cooperation in thefield of bio-technology and have directed that cost-effectivearrangements for such cooperation should be evolved.

The Summit has also taken the initiative to develop cooperation in the field of traditional systems of medicine in which the SAARC region has a rich heritage. India will host the First Health Ministers' Conference in 1999 which would help in evolving proposals for cooperation in this field. The Report of the Group of Eminent Persons (GEP) was presented at the Tenth SAARC Summit. The Report contains important recommendations for strengthening cooperation in the economic and social field and for restructuring the Integrated Programme of Action. The SAARC leaders directed that the Report and recommendations of the GEP should be examined in depth by the SAARC Council of Ministers at their next session.

Post-Summit Meetings SAARC Group on Customs Cooperation The Third Meeting of the SAARC Group on Customs Cooperation was held at Jaipur from August 24-26, 1998. Several issues including exchange of information about positions to be taken at the WCO and the WTO on Harmonisation of Rules of Origin, revisions required to be incorporated in the new version of the Harmonised System of classification, Standardisation of Forms for Customs Declaration, Draft Agreement on Mutual Administrative Assistance for application of Customs Laws were discussed at the Meeting. The Meeting agreed on coordination amongst SAARC Customs Authorities for providing inputs for the Harmonised Rules of Origin and adoption of Common Formats for import/export declarations.

Conference on Multi-lingual and Multi-media Information Technology A SAARC Conference on Multilingual and Multi-media Information Technology was held from 1-4 September, 1998 at Pune, India. Various facets of Information Technology relevant to the SAARC countries were analysed and recommendations made for the spread of Information Technology in the region.

Technical Committee on Rural Development The Meeting of the Technical Committee on Rural Development took place in Colombo from 24-25 September, 1998 and agreed to the Indian proposal for establishing a Network of Experts in Rural Development including housing, water, sanitation. India will host a Seminar on Rural Poverty Alleviation early next year under the Technical Committee. Informal Meeting Of SAARC Foreign Ministers at UNGA The Informal Meeting of SAARC Foreign Ministers on 28 September, 1998 on the margins of the UNGA focussed on follow-up of the decisions taken at the Tenth SAARC Summit in Colombo in July 1998. It was agreed that the Third Round of SAPTA negotiations should be completed quickly. It was also agreed that the meeting of the Committee of Participants to consider the proposals for a downward revision of the national content requirements of the SAPTA Rules of Origin should be held immediately following the SAPTA-III talks in Kathmandu. Both these meetings have since been held. An important decision taken by the Foreign Ministers was to consider joint SAARC initiatives, where possible, on issues before the UNGA. It was agreed that the Permanent Representatives to the UN be mandated to consult regularly to evolve common positions and common strategies. The Ministers discussed the time-schedule of the various Ministerial meetings and stressed the need for proper sequencing and preparation. It was agreed that Ministerial Meetings should be preceded by preparatory official meetings. A detailed concept paper outlining the objectives sought to be achieved should also be circulated before the Meeting.

Meeting of Finance Secretaries and Governors of Central Banks The SAARC Finance Secretaries and Governors of Central Banks met for the first time at the margins of the Annual Meeting of the IMF - World Bank in Washington on October 5, 1998. They decided to establish a network called "SAARC Finance" for exchange of information on developments in the region, specially related to exchange of Status Papers on Payment Systems in their respective countries, so that quicker settlement could be effected in respect of cross-border Trade flows. India is to prepare a monograph on this. Two issues viz. (a) Supervision of banking and non-banking financial entities and (b) Coordination between fiscal and monetary policies - were identified to be discussed in-depth at a meeting of officials of Central Banks. India proposed to host the meeting in Mumbai.

Technical Committee on Environment and Meteorology The Third Technical Committee Meeting on Environment and Meteorology was held in Kathmandu from 14-16 October. A format for the State of the Environment Report was prepared. It was also agreed to convene an Expert Group Meeting for Exchange of Information on Environmental Standards. India offered to host, during the next year, a workshop on Sharing Information on Disaster Preparedness and Mitigation and two Expert Group Meetings (i) to draft an understanding on Transboundary Movement of Hazardous Wastes in the SAARC region and (ii) Expert Group Meeting for the proposed establishment of a Networking Mechanism to assist member countries for protection and preservation of the Environment.

SAARC LAW Conference The Seventh SAARC LAW Conference was held in Colombo from 23 -25 October, 1998. The Chief Justice of India, Attorney General of India, Shri Ram Jethmalani, Urban Affairs Minister and a host of legal luminaries from India participated in the Conference.

Environment Ministers' Meeting The Fourth SAARC Environment Minister's Meeting was held in Colombo from October 31 to November 1, 1998. A draft common SAARC position on Climate Change Issues on the eve of the Buenos Aires Meeting on Climate Change was adopted at the Meeting. The common SAARC position highlights the need for determination of equitable emission entitlements as well as transfer of new and additional financial resources and environmentally sound technologies on concessional terms to developing countries. It expresses concern at the attempt of some Annex-I Parties (Industrialized Countries) to link ratification of the Kyoto Protocol to the introduction of new commitments for non-Annex-I parties which will only delay the Protocol coming into force.

The SAARC Environment Ministers agreed to direct their focus on a single theme in each of their future meetings. They also agreed that Bio-Diversity should be the theme for the year 1999. The Government of India will host a Meeting on the trans-boundary movement of hazardous wastes and dumping of such wastes in the region by other countries. This Meeting would examine the implications of the coming into effect of the Basel Convention for the SAARC countries and also explore the possibility of harmonising policies and procedures with regard to hazardous wastes.

SAARC Audio Visual Exchange Programme (SAVE) The seventeenth meeting of the SAARC Audio Visual Exchange Programme was held in New Delhi on 17-18 November, 1998. 14 Radio and 11 TV Programmes, were selected by its Screening Committee. These Programmes will be broadcast/telecast simultaneously in all SAARC countries. The Meeting also deliberated on various means to increase the SAARC profile in the Region. India offered to host a training programme on "On line Editing" for TV technicians from the Region.

Third Round of SAPTA The Third Round of Preferential Trade Negotiations under SAPTA concluded on 23 November, 1998 in Kathmandu. A total of 3456 tariff lines were covered under concessional tariffs. India offered more than half the concessions. The cumulative total concessions offered countrywise were : India : 1917, Bangladesh: 481; Pakistan : 295; Sri Lanka : 82; Nepal : 189; Bhutan : 124; Maldives : 368.

The Third Meeting of Committee of Participants was held in Kathmandu on 24-25 November, 1998. A consensus to revise the Domestic Content Requirements under the SAPTA Rules of Origin downward by ten percent was reached at the Meeting. Goods traded under the SAPTA Agreement will be covered under the revised rules of origin after endorsement by the SAARC Council of Ministers. SAARC Visa Exemption Scheme An Expert Group Meeting on review and further expansion of the SAARC Visa Exemption Scheme was held in Kathmandu (November 25-26, 1998). This Scheme was initiated in 1988 with a view to promote closer and frequent contacts among the people of the SAARC region and became operational from March 1, 1992. The Meeting recommended addition of 20 categories of persons who could travel within the SAARC Countries without visas. The Meeting also suggested various measures to improve the Scheme and make it more transparent and acceptable in all SAARC countries.

Draft Convention on Regional Arrangements on the Promotion of Child Welfare in South Asia The decade 2001-2010 has been designated the "SAARC Decade of the Rights of the Child". An Expert Group Meeting to consider a draft Convention on the Promotion of Child Welfare was held in Male, Maldives from December 9-10, 1998. This will be further discussed by the Technical Committee on Health, Population and Child Welfare.

The Eighth meeting of the Governing Board of the SAARC Tuberculosis Centre took place on 6-7 January, 1999 in Kathmandu, Nepal. Inter alia, the Governing Board decided on organising a SAARC-CIDA workshop on Control of TB and HIV cases in the Region, setting up of a lab- testing facility at the Centre, SAARC Training Programmes and a Multicentric Study on Primary Drug Resistance. A two Weeks Executive Development Programme for Middle Level Officers of Nodal Development Financial Institutions was held at the Jawaharlal Nehru Institute for Development Banking, Hyderabad from January 11-23, 1999.

The First Meeting of Vice Chancellors of Open Universities in SAARC countries was held from January 25 to 27 in Colombo, Sri Lanka. The Meeting discussed issues of regional cooperation in the areas of Sharing of Resources including course module and personnel currently available from respective institutions, joint development of programmes/courses, evolving mechanisms for credit transfer, accumulation and accreditation and sharing information technology. A Task Force of three members (Sri Lanka, India and Maldives) was constituted to work out details of a Policy Formulation Body, an Accademic Body, an Accreditation Body as well as drawing up of relevant protocols and identifying sources of funding.

The Thirteenth Technical Committee Meeting on Prevention of Drug Trafficking and Drug Abuse took place at Male, Maldives from 27-28 January, 1999. The discussions covered the issue of making the

SAARC Drug Offences Monitoring Desk (SDOMD) in Colombo more effective. Other issues included control of drugs and precursor chemicals and rehabilitation of drug addicts. A Seminar on Supervision of Banks and other Financial Entities in the SAARC Region was held in Pune from January 27-30, 1999. Soundness of the financial system as an essential prerequisite for successful pursuit of macroeconomic, policies, importance of supervision by Central Banks, etc. was discussed in the Seminar.

The Sixth Governing Board Meeting of the SAARC Documentation Centre was held on February 5-6, 1999, in New Delhi. It has been decided to launch a SAARC website which will provide information on all activities that have been held under the aegis of SAARC including reports, recommendations and studies for regional cooperation. In addition, training of documentation officials in SAARC countries, development of several value added databases like scientific research institutes in the region, alternate/traditional forms of medical systems, periodicals and books published yearly, etc. will be undertaken by the SDC during the current year.

The Third SAARC Commerce Ministers' Meeting (February 2-3, 1999), preceded by the Tenth Meeting of the Committee on Economic Cooperation at the Commerce Secretary level (January 30-February 1, 1999), took place in Dhaka, Bangladesh. The Meeting decided that two preparatory Meetings should be held for coordination of SAARC positions at the forthcoming WTO Ministerial Meeting in the USA in November 1999. India offered to host the first of these two preparatory meetings. The Commerce Ministers approved the outcome of the Third Round of SAPTA negotiations and called for issuing notifications, giving effect to the Round, not later than October 1, 1999. They also decided that the Fourth Round of SAPTA negotiations should commence by the first half of August, 1999. The First Meeting of the Expert Group to commence drafting the SAFTA Treaty would also be held immediately thereafter. The Meeting approved the revision of the SAPTA Rules of Origin reducing the domestic/regional content requirement by 10 percent. The Meeting also decided to make a formal request to the European Commission to recognise SAARC as an association for according cumulative Rules of Origin for GSP Treatment.

The Seventeenth Meeting of the Technical Committee on Agriculture was held in New Delhi from February 15-17, 1999. A Draft Regional Perspective of the Status of Agriculture ill SAARC Countries was prepared by India and was adopted at the Meeting. A detailed analysis of the position of Horticulture in the SAARC Region was discussed and a compendium of the deliberations will be prepared. India has proposed to organise a Training-cum-Demonstration Programme on Watershed Management Approach for minimising soil degradation. Two workshops on Nut Cropping and Soil Fertility Management for Increased Productivity in Rice based Cropping Systems will be held in the course of the year under this Technical Committee.

The following important meetings are likely to take place during the remaining part of the current year: (i)Sixteenth Meeting of the Technical Committee on Science and Technology from February 24-26, 1999 in New Delhi.

(ii)Programming and Standing Committees and the Council of Ministers Meetings in mid March 1999 in Colombo, Sri Lanka.

Review of SAARC Functioning Two review Reports on the functioning of SAARC were prepared during the year. The first was the Report of the Independent Group of Experts on the functioning of the Integrated Programme of Action (IPA)- with its eleven technical committees comprising Agriculture, Communications, Education, Culture & Sports, Environment & Meteorology, Health & Population

activities, Prevention of Drug Trafficking & Abuse, Rural Development, Science & Technology, Tourism, Transport and Women's Development. The Report has suggested a moderate restructuring of the IPA with reduction of the number of Technical Committees to seven by amalgamation of several Committees, and the setting up of a new Committee on Energy.

The other, far reaching Report was by the Group of Eminent Persons constituted by the last Summit in Male (12-14 May, 1997). The mandate of the Group was to undertake a comprehensive appraisal of SAARC and identify measures, including mechanisms to further vitalise and enhance the effectiveness of the Association and develop a long range vision and formulate a Perspective Plan of Action, including a SAARC Agenda for 2000 and Beyond, which will spell out the targets that can and must be achieved by the year 2020. The Group submitted its Report to the Tenth SAARC Summit in Colombo in July 1998. The GEP has identified the following focus areas: Economic Agenda On the economic side, the GEP has recommended a substantive agenda for achieving economic integration in three phases:

(i) Negotiation of a Treaty for a South Asian Free Trade Area (SAFTA) by 1999 with implementation commencing in 2000. Achievement of SAFTA by 2008, stretching to 2010 for the Least Developed Countries;

(ii) Achievement of a SAARC Customs Union with harmonisation of external tariffs by 2015; and

(iii)Achievement of SAARC Economic Union with harmonisation of monetary and fiscal policies by 2020. The GEP has also recommended substantial concessions for the Least Developed Countries including a longer time period for freeing trade. Other proposals in the economic field include: nFinalisation of a Regional Investment Agreement and setting up a SAARC Investment Area before the commencement of SAFTA implementation; nHarmonisation and simplification of Customs Procedures and upgradation of Customs Infrastructure; nHarmonisation and conformance of Standards, Quality and Measurement; nDevelopment of Transportation Infrastructure and Transit Faciliti 1999

South East Asia and the Pacific

India's relations with the countries in the South East Asian region have expanded and diversified and more so since the conscious adoption of our 'Look East' policy which sought to strengthen existing linkages and forging new ones with the ASEAN countries. The closeness of relationship was reflected in the exchange of visits with these countries, including visit of H.R.H. Crown Prince of Thailand to India and holding of Joint Commission Meetings with Laos and Vietnam. Total bilateral trade with ASEAN countries in 1997-98 was US\$ 5.98 billion compared to US\$ 5.99 billion in 1996-97. The marginal decline in bilateral trade can be largely attributed to the fall in the value of the currencies of ASEAN countries and contraction in imports from India. The economic difficulties facing these countries have posed new challenges and we offered to cooperate with these countries in finding ways and means to ensure that the crisis does not adversely impact on our economic & commercial relations.

Our ties with ASEAN have been developing satisfactorily since India became a Full Dialogue Partner of the ASEAN in 1996. The ASEAN India Joint Cooperation Committee Meeting held in New Delhi in April 1998 provided important mechanisms for implementing various decisions. India has a fundamental interest in the regional security issues as we share maritime boundaries with several ASEAN countries and land and maritime boundary with Myanmar. India sought to promote wider and deeper contact with ASEAN countries in the ASEAN and ARF framework to promote peace development and security in the region. Shri Jaswant Singh, Deputy Chairman, Planning Commission and a special envoy of PM led

the Indian delegation to the 31st ASEAN Post Ministerial Conference (PMC) and the 5th ASEAN Regional Forum (ARF) meetings held in Manila in July 1998. The ARF Meeting was significant for India as it was the first time after our nuclear tests that all nuclear weapons States were interacting in a security related forum. The meetings provided opportunities for important bilateral interactions with ASEAN and ARF members.

Following our nuclear tests in May last year, Australia had taken several measures including ban on visits to India of Ministers and senior officials and suspension of defence cooperation and non-humanitarian aid. In response to the Australian measures Indian Government took reciprocal actions. The Australian government in December, 1998 decided to relax the suspension on Ministerial and senior officials' visits, but the other restrictions remained in place. The Australian Government has recently been trying to start official contacts at high level. Australian deputy PM and Minister of Trade Tim Fisher is scheduled to visit India from February 25-27, 1999 to co-chair the Joint Ministerial Commission Meeting with Commerce Minister.

Cambodia After months of infighting and violent incidents, general elections were held in Cambodia on July 26 to elect a 122 member National Assembly. These elections were the first since a UN-organised vote in 1993 which followed years of war and political upheaval. In the five years since that poll, Cambodia witnessed further violence and bloodshed. The National Election Committee of Cambodia declared the poll results on 1 September showing that the Cambodian Peoples Party (CPP) led by Hun Sen had won 64 seats, followed by Prince Norodom Ranariddh's FUNCINPEC with 43 seats and the SAM RAINSY's party with 15 seats. At a summit held on 12 &13 November, under the auspices of King Norodom Sihanouk, the CPP and the Funcinpec reached an agreement, to form Cambodia's next coalition government ending a deadlock of almost three months since the declaration of the results. In accordance with the deal, Mr Hun Sen was appointed as the sole Prime Minister; Prince Ranariddh as the President of the National Assembly and Mr Chea Sim, President of CPP becoming the Chairman of a newly created Senate.

India maintained friendly and close relations with Cambodia. On Cambodian Government's request, a team of five officials led by Shri Sayan Chatterjee, Deputy Election Commissioner from the Election Commission was deputed to Cambodia from 19-29 July as Observers to observe the elections. Bilateral trade during 1997-98 amounted to Rs. 10.3 crores. India donated medicines worth Rs. Five lakhs for humanitarian assistance to the internally displaced persons in Cambodia. As part of the Celebrations of the 50th Anniversary of India's Independence a Photo Exhibition was organised in July 1998 and Leela Samson's Group gave two dance performances. General Ke Kim Yan, Chief of General Staff, Ministry of Defence of Cambodia led a 3-member delegation for participation in the AeroIndia '98 at Bangalore from 6-14 December, 1998.

The UN General Assembly, on the recommendations of the Credentials Committee decided (December 7) to give Cambodia's seat in the UN to the new coalition government after keeping it vacant for fifteen months. At the 6th ASEAN Summit held in Hanoi on 15-16 December, 1998, it was decided to admit Cambodia as the ASEAN's tenth member at a special admission ceremony to be organised in Hanoi on a subsequent date.

Lao People's Democratic Republic (Lao PDR) India's relations with Lao People's Democratic Republic (Lao PDR) continued to be close and cordial with Laos showing considerable understanding on matters of importance to India. Dr Souli Nanthavong, Vice-Minister of Science, Technology and Environment of Laos visited India from 1-4 April to participate in the Global Environment Facility Conference at New

Delhi. Shri S T Devare, Secretary (ER) visited Vientiane from 5-6 July, 1998 and had detailed discussions with the Lao Deputy Prime Minister, Vice-Minister of Foreign Affairs and other officials. Lao Vice-Minister of Commerce, Mr Siaosavath Savengsuksa visited India from 15-17 November to attend the India-G77 and China Trade Conference.

Bilateral trade with Laos during 1997-98, while remaining at a modest level, showed a healthy increase, at Rs. 2.9 crores compared to Rs. 1.3 crores in 1996- 97 and maintained the trend during 1998-99. Several Indian companies such as Kirloskars, Tatas, BHEL, PEC etc. evinced keen interest in exploring the Lao market. Kirloskar Bros. Ltd., which exported irrigation pumps worth about US\$ 30 million to Laos, set up a showroom-cum-service centre in Vientiane.

As part of 50th Anniversary Celebrations of India's Independence, an exclusive Indian Photo Exhibition was held at Savannakhet from 24-26 July; a Seminar titled 'India and Laos: Areas of Understanding and Cooperation' was held in Vientiane from 27-29 July; a Bharatnatyam dance recital by Ms Leela Samson and her troupe was held in Vientiane on 12 August and a Hindi feature film 'Aasman Se Gira' was screened in a prominent auditorium on the eve of the Birth Anniversary of Maulana Abul Kalam Azad on 10 November. 21 officials of the Lao Government attended training courses in India under ITEC and Colombo Plan. In one of the major archaeological findings in the southern Champassak Province, Hindu religious relics and symbols (Shiva Lingam) were discovered in September, reinforcing the strong cultural and civilizational links between the two countries between 5th and 17th century AD. Three Lao artisans visited Bhopal in May at the invitation of the Indira Gandhi Rashtriya Manav Sangrahalaya to participate in the Workshop & Exhibition of Folk and Tribal Artists from South East Asia and India.

Smt Vasundhara Raje, Minister of State for External Affairs visited Laos from 17-20 January, 1999 to cochair the second Meeting of the India-Laos Joint Commission (JCM) held in Vientiane on 18-19 January, 1999. The Lao delegation was led by H. E. Mr Phongsavath Boupha, Vice-Minister of Foreign Affairs of The Lao's People's Democratic Republic. In their discussions at the JCM, the leaders of the two delegations reviewed the overall state of bilateral relations and agreed to further strengthen and upgrade the existing economic and cultural relations which will be commensurate with the excellent political bilateral relations. During her visit to Laos, MOS called on the President and the Deputy Prime Minister and the Foreign Minister of Lao PDR. An Agreement for US \$ 2 million soft credit to Laos and a Protocol to renew the Cultural Exchange Programme for another three years (1999-2001) were signed during the visit.

Vietnam India and Vietnam continued to work towards further strengthening and diversifying the existing traditionally close and friendly relations. The 4th session of the India-Vietnam Joint Working Group Meeting (JWG) was held at Hanoi from 25-27 April and co-chaired by Shri S T Devare, Secretary (ER) from the Indian side. During the JWG detailed discussions were held with the Vietnamese side on promotion of bilateral trade and expansion of cooperation in agriculture, science and technology and small and medium industries. Smt Vasundhara Raje, Minister of State for External Affairs paid a visit to Hanoi on 18 & 19 June and had detailed discussions with Deputy PM and Foreign Minister Mr Nguyen Manh Cam. In October 1998, Smt Suseela Gopalan, Minister of Industries of Kerala led a four-member delegation to Hanoi and had high level discussions with the Vietnamese ministers for enhancing trade between the two countries. Shri Dilip Ray, Minister of State for Coal, accompanied by a high level delegation paid a visit to Vietnam from 4-7 November to discuss programme of cooperation between India and Vietnam in the field of coal trade.

Bilateral trade during 1997-98 (Rs 478.2 crores) registered a marginal increase of 12.5 % over the 1996-97 volume of Rs 425.2 crores and continued to grow further during 1998-99. The Embassy of India, Hanoi organised the Second Pride of India Exhibition at Hanoi from 23-26 October, 1998 in which 28 Indian companies, both from private and public sector displayed state-of-the-art products in various industries and services. Coinciding with the Exhibition were: the 3rd Meeting of the India-Vietnam Joint Business Council in Hanoi and a visit of nine-member delegation from Engineering Export Promotion Council to Hanoi and Ho Chi Minh City for business promotion.

Funds were raised in April 1998 for upgrading a School in Nam Mao Commune and with the approval of the Vietnamese Government the school was renamed 'The Vietnam-India Friendship School'. Three Vietnamese artists visited Bhopal in May at the invitation of the Indira Gandhi Rashtriya Manav Sangrahalaya to participate in the Workshop & Exhibition of Folk and Tribal Artists from South East Asia and India. The Leela Samson dance troupe visited Vietnamin August and gave performances at Hanoi, Ho Chi Minh City and Da Nang. A 12-member team of Indian scientists participated in the 5th ASEAN Science & Technology Week held at Hanoi from 5-15 October. The 2nd session of India-Vietnam Joint Commission for Science & Technology (JCST) was held on November 2 & 3 in New Delhi.

A Seminar on India-Vietnam Studies was organised in Ho Chi Minh City on 5 November. Six Indian scientists visited Vietnam from 10-12 November to participate in the first ever joint seminar on biotechnology. A delegation from Vietnam's Institute of Oceanography visited Goa in October to participate in the International Symposium on Information Technology and discuss bilateral cooperation. Historic photographs of President Ho Chi Minh and Nehru taken on the occasion of Nehru's visit to Hanoi and Ho Chi Minh's visit to Delhi in 1958 were presented on Children's Day (14 November) to Ho Chi Minh Museum for permanent display. Three Indian Naval Ships - INS Rajput, INS Delhi and INS Khanjar paid a Goodwill visit to Vietnam from 1-4 October. Regular exchanges of armed forces delegations from both sides took place.

The cultural Exchange Programme between India and Vietnam for the years 1998- 2000 was signed at Hanoi on 14 December, 1998. Vietnam hosted the 6th ASEAN Summit at Hanoi on 15-16 December, 1998. The Summit leaders outlined a 'hanoi plan of Action' for the period 1999-2004 indicating measures aimed at enhancing intra-regional economic integration, trade liberalization and financial cooperation and to establish an ASEAN free trade area by 2002.

An 8-member Vietnamese Parliamentary delegation visited India from 13-22 December, 1998 on a study tour on population and development policy under UNFPA Hanoi - Country Programme. Dr R Chidambaram, Chairman, Atomic Energy Corporation of India led a six member delegation to Vietnam from 14-19 January, 1999 to discuss bilateral cooperation programme with Vietnam Atomic Energy Corporation.

H. E. Mr Nguyen Manh Cam, Deputy Prime Minister for Foreign Affairs of the Socialist Republic of Vietnam visited India from 30 January, 1999 to co-chair the 9th meeting of the India-Vietnam Joint Commission held in New Delhi. During the visit H. E. Mr Cam called on the President and the Prime Minister. At the Joint Commission Meeting, discussions were held on bilateral, regional and international matters of mutual interest and for reviewing the ongoing cooperation and identifying fresh areas with a view to enhancing bilateral interaction. An agreement for extending soft credit of Rs. 47 crores to Vietnam and a Work Plan for 1999-2000 in the area of agriculture were signed during the visit. The two sides agreed to setting up a Working Group on coal for cooperation in the sector. Besides the officials, a 5-member business delegation accompanied the Vietnamese dignitary for interaction with Indian businessmen.

Indonesia During 1998-99, there were major economic and political upheavals in Indonesia, which became the biggest victim of the economic crisis that hit the East Asian countries in late 1997. The economic downturn resulted in depreciation of over 70% in the value of the Indonesian Rupiah, sharp rise in the prices of food and other essential goods and massive layoffs. Succumbing to internal and external pressure in the wake of worsening economic crisis, students unrest and rioting in Indonesia, President Soeharto resigned on May 21 after being in office for 32 years, and handed over power to Vice-President B J Habibie. With President Habibie at the helm of affairs, Indonesia entered an era of greater openness and political freedom, which saw a proliferation of political parties.

A special session of Indonesia's highest constitutional body, the People's Consultative Assembly (MPR) was held from 10-13 November to approve a framework for political reform. MPR Session was opposed by various groups seeking immediate removal of the Indonesian Armed Forces (ABRI) from the House and investigation into former President Soeharto's wealth. Failure of MPR Session to accommodate people's demands and fulfill their aspirations led to huge demonstrations and widespread rioting during the month. During the Special Session, MPR endorsed twelve decrees which pledged to hold elections in May/June 1999; to limit President's and Vice-President's tenure to two terms in office; to reduce armed forces' allocation of seats in the House gradually and a decree on good governance free from corruption, collusion and nepotism.

Bilateral relations between India and Indonesia, which have been traditionally close and cordial, continued to progress satisfactorily with bilateral exchanges and Indonesia showing understanding on issues of vital interest to us. Prof Dr Farid Anfasa Moeloek, Minister of Health of Indonesia, visited New Delhi from 3-7 September, 1998 to attend WHO Conference during which he had discussions with our Minister for Chemicals & Fertilizers, Shri Surjit Singh Barnala. Shri Madan Lal Khurana, Minister for Parliamentary Affairs & Tourism led a ten-member parliamentary delegation to Jakarta (September 22-25). The delegation had meaningful exchanges with Indonesian Ministers for Population, Education and Tourism besides interacting with the Indonesian parliamentarians.

The delegation also met prominent Buddhists and representatives from travel industry in Indonesia in connection with the Buddha Mahotsav organised in India from October 24-November 8, 1998. Prof Dr Juwono Sudarsono, Minister of Education and Culture of Indonesia visited New Delhi from 11-14 October, 1998 to deliver a lecture under the 'India-ASEAN Eminent Persons Lecture Series'. During the visit Prof Sudarsono called on our Minister of Human Resource Development, Dr Murli Manohar Joshi.

Shri S T Devare, Secretary (ER), MEA visited Jakarta from July 9-11 for bilateral consultations and met the Indonesian Foreign Minister, the Education Minister, ASEAN Secretary-General and senior Government officials. Dr J S Djiwandono, Professor of Economics and former Governor of Bank of Indonesia visited Delhi from 12-13 September to deliver a lecture for the ASEAN-India Eminent Persons Lecture series. Shri Virendra Dayal, Member, National Human Rights Commission visited Jakarta from 6-10 September to participate in the Third Annual Meeting of the Asia Pacific Forum of Human Rights. Shri Sayan Chatterjee, Deputy Election Commissioner paid a visit to Indonesia from 29 November-6 December, 1998 to participate in bilateral and multi-lateral conferences on electoral law reforms arranged by the International Institute for Democracy and Electoral Assistance (IDEA)'s Mission to Indonesia. Bilateral trade between the two countries during 1997-98 amounted to Rs. 4330.3 crores as compared to Rs. 4226.2 crores during 1996-97. With a view to strengthening trade relations with Indonesia (which registered a declining trend during 1998-99 due to the economic turmoil being faced by Indonesia for the past one year), a delegation led by Shri Nripendra Mishra, Additional Secretary in the Ministry of Commerce visited Indonesia from 12-14 July and had meetings, inter alia, with Indonesian Minister of Trade and Industry. During this visit counter-trade arrangements as well as export from India of rice and bulk drugs were discussed. In September 1998, a delegation from the Indonesian pharmaceutical industry visited India to explore the possibility of import of bulk drugs from India. Indonesian State Logistic Bureau (Bulog), which is responsible for rice imports, sent a delegation to India in November 1998 for further discussions on rice imports.

As part of the celebrations of the 50th Anniversary of India's Independence, various functions were organised in Jakarta and other major cities in Indonesia. These included a Photo Exhibition, a Bharatnatyam dance performance by Ms Leela Samson and a Kuchipudi dance recital by Ms Swapan Sundri. Mr Nurcholish Madjid, an economic scholar visited India at the invitation of ICCR from 2-6 September to participate in an international seminar on India's Islamic Heritage. Cooperation in the scientific and technical areas also continued. Over 63 Indonesian candidates received training in India under the Colombo Plan, ITEC and other schemes. Under the MOU signed by ISRO and LAPAN of Indonesia the construction of Telemetry, Tracking and Command (TTC) ground station at Biak (Kalimantan) for continuous monitoring ISRO's Geosynchronous Satellite Launch Vehicle (GSLV) was completed satisfactorily. As regards defence cooperation, an Indonesian Naval Ship visited India from 25-28 April to participate in joint exercise 'Madad '98'.

The next general elections in Indonesia will be held on June 7, 1999 to elect 500 members of the Lower House (DPR). The new DPR would be convened on August 29, 1999 and election of the President and Vice President would be held on November 10, 1999 after the consultation of the Upper House. Anti-government agitation and demonstration by students, communal strife between Christians and Muslims have continued unabated in various parts of Indonesia. Former President Soeharto was questioned by the office of the Attorney General on the charges of corruption.

India provided humanitarian assistance worth US \$ 56,000 consisting of 18 tonnes of baby milk powder to Indonesia. The consignment was handed over by our Ambassador to the Indonesian Minister of Health on 16 December, 1998. Brunei Darussalam Relations with Brunei Darussalam remained friendly and cordial. Shri S T Devare, Secretary (ER), Ministry of External Affairs, visited Brunei in early July for bilateral consultations on matters of mutual interest as part of the ongoing process. An Indian cultural week, first of its kind, was held in Brunei in June, in celebration of the 50th Independence Anniversary. The events included a Kathak dance performance, a photo exhibition, and a film festival.

Philippines A new administration under President Joseph E Estrada took over in Philippines following elections in May 1998. The new administration addressed itself to the continuing economic and financial problems caused by the regional monetary and financial crisis, while maintaining continuity in external relations. Ties with India remained friendly and registered favourable trends during the year. The 5th ASEAN Regional Forum (ARF) was held in Manila in July 1998. Philippines was in Chair. Earlier, Minister of State for External Affairs Ms Vasundhara Raje visited Manila from 17&18 June, 1998 in the course of which she conferred with President-elect Joseph Estrada and Foreign Secretary Domingo Siazon Jr. The 3rd India-Philippines Foreign Office Consultations were held on 23 & 24 April, 1998 with the Indian delegation led by Secretary (ER) and the Philippine delegation by Undersecretary Mr Lauro L Baja, Jr. The consultations covered the whole range of bilateral relations besides regional and international issues.

The Indo-Philippine Agreement on Promotion and Reciprocal Protection of Investment was initialled in Manila in April 1998.

India-Philippines trade showed a downward trend during the year, with India's exports to the Philippines at \$ 90 million from January to July marking a 31.36% decline from the same period last year. The decrease is to be mostly attributed to the impact of the regional monetary and financial crisis on the Philippine economy, causing reduced demand for industrial and consumer goods. A commercial delegation from India headed by Commerce Secretary visited the Philippines from 31 August to 1 September to hold discussions with the Philippine government officials including Secretaries (Ministers) of Trade, Agriculture and the Governor of the Central Bank of various matters pertaining to trade and economic relations including institutional and financial arrangements in sustaining bilateral trade, prospects for counter-trade and the possibility of using national currencies in trade exchanges. Two important trade issues which figured in discussions during the year related to Indian rice and buffalo meat exports. Greater market access for these products was sought and some gains were achieved.

Three Indian naval ships-INS Delhi, INS Khanjar and INS Jyoti-visited Philippines from October 24-27, 1998. The ships were visited by the Philippines Defence Secretary (Minister) and high-ranking officials of the Philippine Navy. They also held joint exercises with units of the Philippine Navy. Singapore Close relations between India and Singapore have been underpinned by a steady growth in as East Asian economic potentialities shrunk. A large number of high level visits have been exchanged to demonstrate the political commitment of both governments to further India-Singapore relations. Important visits included visit by MOS of External Affairs in June 1998 and Secretary (ER) MEA during April 1998. In August 1998, Commerce Minister and a seven-member CEOs delegation of the Confederation of Indian Industry (CII) visited Singapore and called on Prime Minister and Foreign Minister.

During September 1998, Minister of Parliamentary Affairs and Tourism led a parliamentary delegation and interacted with the Speaker and inaugurated the International Buddha Festival. Four Indian naval ships paid a goodwill visit in September 1998. Minister of Power represented India at the East Asia Economic Summit organised in Singapore by the World Economic Forum in October 1998. Other important visitors in October included the Minister of Surface Transport as also Chief Commissioner (Investment and NRIs) and Chairman IIC. In November 1998, Minister of State for Finance (Revenue, Banking and Insurance) held meetings with the Forum of Indian Banks and Insurance Companies in Singapore.

From the Singapore side, in July 1998, Mr Davindar Singh, Member of Singapore Parliament, led a delegation of senior businessmen from the Indian Business Group of the Singapore Trade Development Board (TDB). He paid a courtesy call on the Prime Minister. Indian exports to Singapore in Sing-dollars terms grew by 26% during January- November, 1998. Bilateral trade, however, remains in Singapore's favour at the ratio of 16:5. An important feature in bilateral trade was the entrepot role played by Singapore with approximately 40% of trade-flow both ways comprising as re-exports. Singapore is a trading hub for Indian trade with South East and East Asian countries and a window for India's counter-trade in the region.

Thailand India continued to maintain warm and friendly relations with Thailand. Bilateral cooperation continued in all fields. The two countries co-operated actively in the regional economic cooperation grouping. BIMST-EC, launched in June 1997. Bilateral trade between India and Thailand was US\$ 650 million in the year 1996- 97 which declined to US \$ 567 million in 1997-98. In 1998, this trend continued. The economic crisis in the region would seem to have affected the trade turnover. However, the surplus

is still in favour of India, though reduced. There were several high level visits to Thailand during this period. Commerce Minister led a delegation in April 1998, to attend the 54th Annual Session of ESCAP. During this visit, Commerce Minister met Thai Deputy Prime Minister and Commerce Minister Dr Supachai Panitchpakdi and had useful discussions on various bilateral issues. Commerce Minister also led a delegation to Thailand in August, to participate in the Economic Ministers' Retreat of the BIMST-EC. Commerce Secretary led a business delegation to Thailand in September to explore ways and means of promoting trade and investment linkages. Shri Baba Gouda Patil, MOS for Rural Areas and Employment visited Thailand in June. He met the Thai Minister for Agriculture and Cooperatives, and visited various programmes being implemented by the Thai Government in the rural areas.

Shri Madan Lal Khurana, Minister of Parliamentary Affairs and Tourism visited Thailand in September 1998, as the head of a Parliamentary delegation. He held discussions with the President of the National Assembly of Thailand and the Chairman of the Foreign Relations and the Parliamentary Affairs Committee of the House of Representatives of the Thai Parliament. The Minister also utilised the opportunity to meet the Governor of the Tourism Authority of Thailand and to invite high level participation from Thailand for the Buddha Mahotsav which was celebrated in India in November 1998.

Both the National Assembly of Thailand and the newly established National Election Commission of Thailand interacted with the Election Commission of India on various aspects of the rules and procedures on conducting of elections and the electoral system in India. H. R. H. Crown Prince Maha Vajiralongkorn of Thailand, along with his two daughters and Minister of Foreign Affairs of Thailand, paid a 7-day State visit to India (December 23-29) at the invitation of the Hon'ble Vice-President of India. During the visit, the Crown Prince held discussions with the President, Vice-President and Prime Minister in New Delhi.

Malaysia India and Malaysia continued to maintain close and friendly relations. A number of important visits took place from India to Malaysia during this period. Dr Murli Manohar Joshi Minister of Science and Technology and Human Resource Development, led a delegation for the Commonwealth Games held in Kaula Lumpur from 11-21 September, 1998, and attended the inauguration of the sports event. He was accompanied by eight Members of Parliament and three Ministers from different States. During the visit, Dr Joshi also signed an Agreement of Cooperation with Malaysia in the field of Science and Technology. Shri Madan Lal Khurana, Minister of Parliamentary Affairs and Tourism headed a Parliamentary delegation to Malaysia from September 25-26, 1998, and had meetings with Malaysian Minister of Tourism and Speaker of the Senate. Shri Siddaramaiah, Deputy CM of Karnataka along with four other Ministers from the State, led a delegation to Malaysia to promote investment in the State.

A business delegation headed by Commerce Secretary, P P Prabhu and comprising representatives from Ministry of Commerce, EXIM Bank, RBI, ECGC and FICCI visited Kuala Lumpur in August 1998. The delegation met with the Minister of International Trade and Industry Rafidah, Samy Vellu, Minister of Works etc. A 3-member delegation headed by Shri C M Udasi, Karnataka Minister of Public Works, visited Malaysia from June 25-29, 1998 and interacted with senior level officials including Malaysian Minister of Works and Malaysian Deputy Minister of Domestic Trade and Consumer Affairs Dato Subramaniam. He also invited Malaysians to invest in Karnataka, specially in developments of roads and highways and water supply projects. Prof U R Rao, Member, Space Commission of India, visited Malaysia July 14-19, 1998 and delivered addresses on space development at various apex institutions in Malaysia From the Malaysian side the Hon'ble Chief Minister of Penang, Tan Sri Dr Koh Tsu Koon led a business delegation to India on November 2-6, 1998. Australia Relations between India and Australia were cordial and friendly before India's nuclear tests. Bilateral cooperation had been in full swing and was slated to grow in diverse fields but suddenly hit a lull, after India's nuclear tests of 11-13, May 1998.

Government of Australia reacted strongly to our nuclear tests. It recalled temporarily it's High Commissioner for consultations. Other measures directed against India were, suspension of bilateral defence relations with India, recall of Australian defence adviser and of Australian defence personnel currently training in India and Indian defence personnel undergoing training at Defence College in Australia, cancellation of ship and aircraft visits, suspension of non-humanitarian aid, and suspension of Ministerial and Senior Official Visits. India too conveyed its displeasure by responding similarly to Australian Government's actions. Since then bilateral relations have been on hold. General elections were held in Australia on 3rd October and the ruling Liberal Party of PM John Howard was returned to power, though with a reduced margin and formed a Coalition Government with the National Party.

Economic and trade relations between Australia and India continued to expand. Two-way bilateral trade in 1997-98 stood at US\$ 1.58 billion (an increase of 23% over the last year). With a sustained export effort, Indian exports to Australia in 1997-98 increased by 19% over the previous year reaching US\$ 427 million. Australian companies are now taking an active interest in investments in India, in areas like mining, power, oil and natural gas and coal. During the period, the Chief of Airstaff, Air Chief Marshall S K Sareen visited Australia (March 30 - April 3) to attend the 1998 RAF Air - Power Conference before nuclear tests and a 7 member Australian Young Leaders Delegation comprising young Australians of different political and corporate backgrounds visited India (29 November - 6 December) to initiate a programme of youth exchanges between Australia and India.

Former Australian FM Mr Gareth Evans paid a private visit (14-16 December) to India which was undertaken with full encouragement and support of the Australian government. The Australian Senate's Foreign Affairs, Defence and Trade References Committee held a public hearing on India and Pakistani nuclear tests on December 4, 1998. The officials of the department of Foreign Affairs and Trade gave evidence to the committee at the hearing for the second time - their previous appearance being in July 1998. Our High Commission has been told that the Government of Australia, in a review of measures adopted in response to the nuclear tests, has decided to relax suspension of Ministerial and senior officials visits. However, suspension of non-humanitarian aid and bilateral defence relations with India and Pakistan will remain in force.

New Zealand New Zealand Government reacted strongly to India's nuclear tests. It announced a temporary recall of its High Commissioner from New Delhi for consultations. Its Foreign Ministry summoned the Indian High Commissioner S Kipgen twice to its Foreign Office to lodge New Zealand's protest against India even before our High Commissioner had presented his credentials. New Zealand also declined to accept the accreditation of our Defence Attache from Canberra. Since the Pokhran tests bilateral relations have been somewhat lukewarm. But efforts are being made by the New Zealand Government to improve trade relations with India. New Zealand's Minister for International Trade Dr Lockwood Smith visited India (10-15 October) to attend the 8th JBC Meeting in New Delhi on 12th October. A 30-member delegation comprising MPs and Speakers of State Legislatures led by Lok Sabha Speaker GMC Balayogi attended the 44th Commonwealth Parliamentary Conference in Wellington, New Zealand (17-23 October).

Bilateral trade between India and New Zealand has moved up at a satisfactory pace though in overall terms, it has remained on a modest scale with the balance of trade being in New Zealand's favour.

India's exports to New Zealand for the year 1997-98 were Rs. 2,534 million/US\$ 63 million and imports Rs. 3,031 million/US\$ 76 million. Papua New Guinea Bilateral relations between India and Papua New Guinea have been friendly and cordial since the opening of our resident Mission in April 1996 in Port Moresby. PNG deplored India's nuclear tests of May 1998 but it was more or less, a proforma protest, as they had earlier also condemned similar tests by France and China. The leadership showed understanding and India's security concerns. About 250 Indian professionals continued to be employed in Papua New Guinea. India awarded 12 scholarships for PNG nominees for short term training courses under ITEC/Colombo Plan. PNG utilised all the 12 slots awarded to them. Two PNG artists from National Museum and Art Gallery attended the Workshop and Exhibition of Contemporary Folk & Tribal Artist of India and South East Asia in Bhopal from 27th May to 5th June. M/s UBS Publishers and Distributors, New Delhi signed a Memorandum of Understanding with the PNG Writers and Artists Association in October under which the books written by the Members of the Association will be published by the Indian firm. PNG continued to support India's candidatures to the UN Board of Auditors and India's candidature to the Executive Board of the International Coffee Organisation.

One of the Islands of Papua New Guinea was devastated by the onslaught of strong tidal waves on July 17 causing large scale destruction of property and loss of many lives. Medicines worth Rs. 5 lakhs have been gifted to the Government of Papua New Guinea as relief assistance. Bilateral trade between India and PNG gained momentum. According to available indications, India's direct exports as well as exports through third countries to PNG, continued to increase during the period.

Fiji India and Fiji enjoyed, close, cordial relations in the past. The new constitution of Fiji came into effect from July 27, 1998 and according to it, the country is now known as "The Republic of Fiji-Islands" and its nationals as "Fiji-Islanders". Trade relations between two countries resumed with the lifting of trade embargo by the Ministry of Commerce. Government of India communicated its acceptance in principle and on June 9, Cabinet accorded approval to the re- opening of the Indian High Commission in Suva (Fiji). This decision of the Government was conveyed to the Government of Fiji and the host Government's approval was received on June 25th. A three-member delegation from Ministry of External Affairs visited Fiji (1-3 November) to assess government property and to finalise pending issues to facilitate re-opening of Indian High Commission in Suva. Joint Secretary (South) also visited Fiji (11-14 November) to meet with various important dignitaries / Govt. officials. This was the first high level official visit to Suva after the closure of Indian Mission nearly a decade ago. Fijian PM Rabuka announced that general elections would be held on 24 April, 1999 under the newly amended constitution.

Bilateral relations with Pacific-Islands have been cordial and friendly though there have been minimal contacts. The Pacific Islands mildly condemned our nuclear tests. President of Nauru HE Mr Kinza Godfrey Cloduman visited India to attend the Global Environment Facility (GEF) assembly (1- 3 April, 1998).

INDIA USA LAOS THAILAND VIETNAM PHILIPPINES AUSTRALIA CAMBODIA UNITED KINGDOM CHINA LATVIA SRI LANKA INDONESIA PERU BRUNEI REPUBLIC OF SINGAPORE MALAYSIA PAKISTAN NEW ZEALAND GUINEA PAPUA NEW GUINEA FRANCE FIJI NAURU

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East Asia

China

We seek good relations with all our neighbours including China. We believe that the Five Principals of Peaceful Co-existence, jointly enunciated by India and China, are of continuing relevance to the development of our relations. We seek a relationship in which bothsides are responsive to each other's concerns. We remain committed to the processof dialogue to resolve outstanding differences and to the development of friendly, cooperative, good neighbourly and mutually beneficial relationship with China.

The India-China border has remained generally peaceful. Both sides have reiterated their commitment to the maintenance of peace and tranquillity in accordance with the Agreement on Border Peace and Tranquillity (1993) and Agreement on Confidence Building Measures in the Military Field along the Line of Actual Control in the India-China Border Areas (1996). The Joint Working Group (JWG) on the boundary question was set up by a decision of the Prime Ministers of the two countries in 1988, to seek a fair, reasonable and mutually acceptable settlement of the boundary question. The JWG has met ten times so far. The Eleventh meeting of the JWG, scheduled to be held in Beijing in 1998, was not convened by the Chinese side. Foreign Office Consultations, in the framework of the Protocol on this subject concluded in August 1997, were held in Beijing on 25-26 February, 1999.

Exchanges at the governmental, parliamentary, non-governmental, people-to-people and other levels continued during the year. Functional exchanges in trade & commerce; environment; railways; industries; agriculture; energy; non- conventional energy; education; civil services and public administration; space; science & technology; remote sensing; aeronautics; medicines; engineering; academics; culture and sports continued. Chief of General Staff of Chinese People's Liberation Army (PLA), General Fu Quanyou, visited India from April 26- May 1, 1998 - the first-ever visit by a PLA Chief of General Staff. The 6th meeting of the India-China Expert Group of diplomatic and military officials, a subgroup of the JWG, was held in Beijing on June 8-9, 1998. Deputy Chairman, Planning Commission met the Chinese Foreign Minister during the ASEAN Regional Forum - Post Ministerial Conference (ARF -PMC) Meeting in Manila on July 27, 1998. The Vice Chairman of China's National People's Congress (NPC) met our Speaker during the International Parliamentary Union (IPU) Conference in Moscow on 11 September, 1998. A delegation of Parliamentarians visited China in October to participate in the 6th General Assembly of the Asia-pacific Parliamentarians' Conference on Environment and Development. Bilateral party-level exchanges during this period included visits of a delegation of the Chinese Communist Party to India in September to attend the CPI party congress in Chennai and in October in Calcutta for the CPM party congress. A 3-member delegation from the Janata Party visited China in October 1998. At the NGO level, the first ever gathering of academics of the neighbouring regions of North-Eastern India and South-Western China deliberated on "Regional Development in India and China", in New Delhi, on November 19-20, 1998. Another delegation of Chinese scholars participated in the "Sino-India Track II Dialogue" organised by the Centre for Policy Research from 25-28 January, 1999 in New Delhi.

India-China trade relations have continued to grow. Bilateral trade during 1998 reached US\$ 1.922 billion, marking an increase of 5.02% over 1997. India-China border trade conducted through Lipulekh Pass (Uttar Pradesh) and Shipki La Pass (HP) amounted to Rs. 51.7 lakhs in 1998.

Japan We remain committed to friendly co-operative, mutually beneficial relations with Japan with whom we have shared cultural links and values of human freedoms, commitment to peace, stability and economic development of the people in Asia and the world. In the immediate aftermath of our nuclear tests in May 1998, Japan took several measures including a freeze on Yen loans and grant assistance for new projects and calling off a series of scheduled meetings and visits. Bilateral dialogue, encompassing issues covering our multifaceted relationship, resumed in January 1999. This includes Foreign Secretary level talks, Trade Talks and MEA-MITI dialogue. Other meetings are being scheduled.

High level exchanges during the year include the meeting between : nOur two Speakers in Tokyo (26 October, 1998) nShri I K Gujral, Chairman of the Standing Committee on External Affairs and Prime Minister, Foreign Minister and Finance Minister of Japan (October 1998) nShri Sikander Bakht, Industry Minister and the Japanese Minister for International Trade and Industry (November 1998) Visits from Japan include :

nA six-member Japanese Parliamentary Delegation led by Deputy Speaker Mr Kozo Watanabe(November 1998) nDr Taro Nakayama, President of the Japan-India Parliamentary Friendship League (April 1998) nMs Akiko Yanamaka Member of House of Representatives of Japan (April 1998) and nMr Shin Sakurai, Chairman of the Asian Forum of Parliamentarians on population and development (April 1998) Our Minister of Industry participated in the FICCI sponsored seminar "Destination India" in Japan (1-6 November, 1998) organised by FICCI. The 29th meeting of the India-Japan Business Cooperation Committee was held in Delhi (30 November-1 December, 1998) India's exports to Japan amounted to Rs. 69072 million in 1997-98 and India's imports from Japan Rs. 79117 million. According to the Sectt. of Industrial Approvals, proposals approved for Japan's investment in India, till July 1998 amounted to Rs 72,103 million.

Exchanges of scientists, engineers and research scholars continued. Eminent Buddhist scholars and monks participated in the Buddha Mahotsava (5-8 November, 1998). Republic of Korea (ROK) Relations with the Republic of Korea (ROK) continue to be marked with cordiality and understanding.

Smt Vasundhara Raje, MOS (EA) visited Seoul (January 21-24) for bilateral consultations. She met the ROK PM, the FM and the MOS for Trade in the Ministry of Foreign Affairs and Trade. MOS (EA) extended an invitation to the ROK PM to visit India. The ROK PM, Mr Kim Jong Pil, visited India (February 10-11). Alongwith the Vice President he inaugurated the CII sponsored India Engineering Trade fair (IETF '99) where ROK participated as a Partner Country. More than 140 Korean companies participated in the IETF. A week long festival of cultural events from Korea was organised to coincide with the IETF.

High level exchanges during the year include: nMeeting between Shri I K Gujral, Chairman of the Standing Committee on External Affairs and President Kim Dae-Jung in Seoul (October 1998) nVisit of a 31-member Korea Chamber of Commerce and Industry delegation for the 15th meeting of the India-ROK Joint Business Council(JBC) in New Delhi (29 October, 1998) nVisit of Dr M Thambi Durai, Union Minister of Surface Transport to ROK (October 1998) for the 5th World Congress on Intelligent Transport Systems. The two-way trade between India and ROK in 1997-98 amounted to Rs. 48,615 million, India's exports to ROK being Rs. 1,53,00 million and imports from ROK Rs. 33,315 million. Investment approvals till July 1998 amounted to Rs. 59,051 million. Buddhist leaders and scholars from ROK participated in the Buddha Mahotsava (November 1998). Exchanges of cultural delegations, students and research scholars continued. The Goverment of ROK opened an Honorary Consulate General in Calcutta in November 1998. Democratic People's Republic of Korea (DPRK) India's relations with the Democratic People's Republic of Korea(DPRK) continue to be friendly and cordial. Consultations between the Foreign Offices of the two countries were held in Pyongyang (14-18 February, 1998). During the occasion, a protocol of co-operation between the Foreign Ministries of India and DPRK was also signed.

According to Foreign Trade Statistics of India, trade between India and DPRK during 1997-98 amounted to Rs. 6,982 million, India's export to DPRK being Rs. 3,164 million and imports from DPRK Rs. 3,817 million. Shri Mukhtar Abbas Naqvi, Union Minister of State for Information & Broadcasting visited Pyongyang (22-26 September, 1998) to participate in the Sixth Pyongyang Film Festival for Non Aligned and Developing countries. India continued its humanitarian assistance to DPRK which has been experiencing food shortage for some time. India sent 50-meteric tonnes of baby food and 1000 metric tonnes of rice during the year.

CHINA INDIA USA PHILIPPINES RUSSIA JAPAN KOREA NORTH KOREA UNITED KINGDOM

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Central Asia

Section 1

Both bonds of history and geo-strategic location of the Central Asian States (CAS) in an extended neighbourhood make India's relations with them a matter of priority. The region has profound strategic and economic importance for us. Since independence of these countries seven years ago, conscious efforts have been made to strengthen and diversify relations and to bring a contemporary focus to our age-old ties.

India and the CAS share common values of democracy, secularism and opposition to fundamentalism and terrorism. There is also the mutual recognition that national security concerns of Central Asia and India are closely inter-linked. Bilateral political relations with these countries are marked by close understanding. In the economic sphere, abundant natural resources of Central Asia and India's technological and scientific capabilities provide the rationale for collaboration, notwithstanding the current problems of transitional economies in these states. Efforts are being made to overcome these temporary difficulties. Cultural and people-to-people relations are excellent and consciously nurtured by us.

Section 2

Azerbaijan Initiatives to develop all round bilateral relations with Azerbaijan were continued. Smt Vasundhara Raje, Minister of State of External Affairs visited Baku in June 1998 which coincided with an exclusive Indian trade exhibition organised by ITPO - HINDEXOPO 98. Minister of Petroleum and Natural Gas, Shri V K Ramamurthy visited in June 1998 to attend the Baku International Oil and Gas Conference. It has been decided to open a resident mission in Baku which is likely to start functioning in March 1999.

Kazakhstan Indo-Kazakh relations progressed smoothly during the year under report. Foreign Minister Tokaev met Minister of State for External Affairs Smt. Vasundhara Raje in September, 1998 at the UNGA. The second session of the Indo-Kazakh Joint Science and Technology Committee was held in Almaty in October 1998. A Kazakh parliamentary delegation is likely to visit in the first quarter of 1999. Indian Airlines and Air Kazakhstan signed a code sharing agreement in September 1998 and the latter is in the process of starting their flights to India in the near future. India participated in the 7th Asia Pacific International Trade Fair (ASPAT '98) in Almaty in October 1998 under the aegis of India Trade Promotion Organisation (ITPO). Punjab National Bank opened its representative office in Almaty in October, 1998.

The next meeting of Indo-Kazakh Joint Commission is likely to be held in the second half of March 1999 and Dr. Umirzak Sultangazin, Director Space Research Institute of Kazakhstan and Co-chairman of Indo-Kazakh Joint Committee on Science and Technology is likely to visit India in March 1999 for a series of lectures.

Kyrgyzstan Traditional relations with Kyrgyzstan progressed well. Foreign Office consultations were held in July 1998 when Deputy Foreign Minister of Kyrgyzstan H.E. Mr Erian Abdildayav visited New Delhi. Our Minister of State for Tourism Shri Omak Apang visited Kyrgyzstan in October 1998. We gifted a 'mini dairy plant' to Kyrgyzstan under the ITEC programme. Mr B T Shamshiev, Director of State Agency for Tourism and Sport, visited India along with a delegation of tour operators in December 1998.

H.E. Mr Bolot T Shamshiev, Chairman of the State Agency for Tourism and Sports (Ministerial status) visited from 14-18 December, 1998 on the invitation of Shri Omank Apang, Minister of State for Tourism. Days of Kyrgyz Culture in India are scheduled to be held from 6-14 March, 1999. Kyrgyz Defence Minister visited India from 20-27 February, 1999 on the invitation of the Raksha Mantri, Shri George Fernandes.

Tajikistan Official level consultations with Tajikistan on bilateral matters as well as situation in Afghanistan were held in Dushanbe in August 1998. Two consignments of humanitarian assistance were sent. Tajikistan participated in short term training courses under the ITEC programme. Smt Vasundhara Raje, MOS for External Affairs met Tajik Minister of Foreign Affairs Mr Nazarov in September 1998 at UNGA.

Tajik President Mr Emamali Rakhmonov paid a working visit to New Delhi on 22 January, 1999 and had a luncheon meeting with PM. Both the sides agreed to step up economic and commercial cooperation between the two countries. Turkey India-Turkey relations witnessed significant forward movement with high level political exchanges and important initiatives in the commercial, economic and cultural fields. The high point of the year was the state visit of President Shri K R Narayanan in September 1998, followed by the visit of Vice-President Shri Krishan Kant in October 1998 to participate in the 75th Anniversary of founding of the Turkish Republic. During President's visit, Agreements on Prevention of Traffic in Narcotic Drugs, and Bilateral Investment Promotion and Protection, besides an MoU on scientific and technological cooperation and a Protocol on exchange of trade information were signed. Foreign Office consultations were held in Ankara in April 1998 for which Secretary (East) Shri Nareshwar

Dayal visited Turkey. Shri G M C Balayogi, Speaker of Lok Sabha, along with a Parliamentary delegation visited Turkey in July 1998. India participated in the Izmir International Trade Fair in August 1998 as 'Guest Country'. The third meeting of the Indo-Turkish Joint Business Council was held on that occasion. A defence industry delegation from India visited Turkey in May 1998 and a team from National Defence College (NDC) in June 1998. On the cultural and educational front, an Indian food festival was organised in Izmir in August, 1998 when an ICCR sponsored cultural troupe also visited. A delegation of University Grants Commission (UGC) headed by its Chairman visited India to participate in the Management Policy Seminar of Transport Ministers. During the visit, he called on Minister of Railways Shri Nitish Kumar, Minister of State of Communications Shri Kabindra Purkayastha and Minister of Civil Aviation Shri Ananth Kumar.

Turkmenistan An Indian scientific delegation representing Central Electronics Ltd.(CEL) and Council for Scientific and Industrial Research(CSIR) visited Turkmenistan in June 1998 to study the possibilities of cooperation in the solar energy sector. A delegation from Indian Oil Corporation(IOC) visited Turkmenistan and had useful discussions with the Deputy Minister of Oil and Gas Industry of Turkmenistan. A three-member delegation from Punjab Agri-Export Corporation visited Turkmenistan in November, 1998 with a proposal to set up joint commercial farming for which a Protocol of Intent was signed. The Indo-Turkmen joint venture -'Ajanta Pharma Turkmenderman' was inaugurated by President Mr Niyazov in Ashgabat on 11th December, 1998 in the presence of Shri Som Pal, Minister of State for Agriculture.

Uzbekistan Relations with Uzbekistan remained active. Shri V K Ramamurthy, Minister for Petroleum and Natural Gas, at the head of a delegation, visited Uzbekistan in October 1998. A delegation of science and technology experts from Ministry of Science and Technology visited Uzbekistan in May 1998 with a view to exploring further possibilities of cooperation in S&T. Shri Jasjit Singh, Director, Institute of Defence Studies and Analysis visited Uzbekistan in June 1998 to establish institutional linkages between IDSA and the Institute of Strategic and Regional Research of Uzbekistan. Two rounds of Foreign Office consultations were held in May 1998 when Secretary(East) Shri Nareshwar Dayal visited Tashkent and in December 1998 when Mr I Ergashev, Deputy Minister of Foreign Affairs visited Delhi. In the economic and commercial sphere, a delegation of manufacturers of auto components and another of consultancy firms visited Uzbekistan in May and June 1998 respectively. The fourth session of Indo-Uzbek Joint Commission is likely to be held in the first quarter of 1999.

Mr I Ergashev, Deputy Foreign Minister of Uzbekistan visited India from 9-12 December, 1998 for Foreign Office Consultations. The 4th Session of the Indo-Uzbek Joint Commission was held in New Delhi from 17-20 February, 1999. The Uzbek Deputy Prime Minister, Mr M Z Usmanov visited New Delhi for the purpose.

INDIA USA AZERBAIJAN KAZAKHSTAN KYRGYZSTAN OMAN TAJIKISTAN AFGHANISTAN MALI TURKEY TURKMENISTAN UZBEKISTAN RUSSIA

Date : 1999 NIL Ministry of External Affairs Annual Report

1998

The Gulf, West Asia & North Africa

Gulf / Haj Division

Dating back to historical times, India's ties with all countries of the Gulf are cordial, substantial and mutually beneficial. Given India's geographical proximity, cultural affinity and economic complementarities with the Gulf countries, India's multifaceted relations with the countries of this region have continued to flourish. While about 3.5 million Indians -workers and professionals - are engaged in the economic development of the Gulf countries, the region is also the primary source of India's energy needs and one of India's most important economic partners in the areas of trade, investments and joint ventures. With a view to continually strengthening and diversifying relations between India and the Gulf, interactions take place regularly, particularly through high-level visits. Important developments and events which took place in 1998-99 in India's relations with the Gulf countries are summarised in the following paragraphs.

Bahrain The warm, cordial and friendly relations between India and Bahrain received an impetus with the meeting of the joint Committee on Technical and Economic Cooperation in New Delhi, on 12-13 November, 1998, after a gap of nearly seven years. Noting that a vast potential existed for the expansion of the two-way trade, both sides agreed to find ways and means for stepping up bilateral trade not only in the existing fields, which included oil and other downstream products but also in the services sector such as off-shore banking and tourism. Both sides expressed keenness to enhance industrial and technical cooperation for setting up joint ventures in the small and medium-scale sectors, as well as cooperation in fields of health, education, agriculture, youth & sports and information and culture. They also agreed to expedite finalisation of the pending bilateral Agreements.

Secretary (East) and Joint Secretary (Gulf) visited Bahrain in June 1998 to explain India's position on the nuclear tests. Bahrain Ispat Limited Company, a joint venture with a large Indian steel company, made considerable progress insetting up a us \$ 290 million sponge-iron projectin Bahrain. Prime Minister sent an invitation to theBahraini Prime Minister to visitIndia.

Iraq India's relations with Iraq, which have traditionally been close, received a boost with the revival of the India-Iraq joint Commission for Economic and Technical Cooperation. A 7 member Iraqi delegation, led by H.E. Mr Amir Mohammed Rashid, Minister of Oil, visited New Delhi for joint Commission Meeting from 31 August to 2 September, 1998. A Memorandum of Understanding on cooperation in the field of oil and a Cultural Exchange Programme for the period 1998-2001 were signed between the two countries during the visit. Several areas of cooperation in the hydro-carbon and oil related sectors were identified. Indian companiesoffered bids for the exploration and development of Iraqi oil fields. As part of the Cultural Exchange Programme, both sides agreed to exchange visits of researchers, professors and academicians, sports and cultural troupes, journalists, etc.

India continued to reiterate its position calling for compliance by Iraq with the UN Security Council Resolutions on Iraq while reiterating that use of force against Iraq would serve no useful purpose but would only aggravate the sufferings of the Iraqi people. The appointment of the Indian diplomat Shri Prakash Shah, as Special Envoy of the UN Secretary-General, was welcomed by Iraq. The Indian Ambassador in Iraq Presented life-saving drugs to the Iraqi Ministry of Health and 700 scientific textbooks to the Iraqi Ministry of Higher Education and Scientific Research, as also five container loads of

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educational material, including geometry boxes, school bags, calculators, and exercise books for use of the children of Iraq.

Dr Sadoun Hamadi, special envoy of the President of Iraq, visited India from 25- 29 May, 1998. He called on the President, Vice President, Prime Minister and Speaker (Lok Sabha). An 11 member Parliamentary delegation, led by the Hon'ble Speaker, Shri G M C Balyogi, visited Iraq from 20-26 August, 1998. The Speaker called on President Saddam Husein. Shri Som Pal, Minister of State for Agriculture visited Iraq from 8-10 October, 1998; he called on the Iraqi Minister of Agriculture and Minister of Industries. A 2 member delegation from the ONGC (Videsh) Ltd. visited Baghdad to hold technical discussions with the Ministry of Oil regarding their offer for exploring Iraqi oil fields in the western desert of Iraq. Twenty four Indian organisations participated in the Baghdad International Fair held in Baghdad from 1 to 10 November 1998. The Indian pavilion was awarded the extra-ordinary gold medal. A 20 member Iraqi Football Team also visited India to participate in the Rajiv Gandhi Football Cup Tournament.

Kuwait Friendly relations with Kuwait were strengthened by high-level visits which included a Parliamentary delegation, led by H E Mr Talal Mubarak Al-Ayyar, the Deputy Speaker of the Kuwaiti National Assembly, to New Delhi from 27 September to 1 October, 1998, on the first leg of its visit to some Asian countries. The delegation called on the President. Secretary (East) and joint Secretary (Gulf) visited Kuwait on 10-11 June, 1998, and had detailed discussions with the Kuwaiti Foreign Secretary H E Mr Sulaiman Majid Al-Shaheen; they also met Deputy Prime Minister and Foreign Minister of Kuwait, Mr Sheikh Sabah Al-Ahmed Al- Sabah, and explained India's position on the nuclear tests to the Kuwaiti leader. Two Indian naval ships paid a goodwill visit to Kuwait on 1-4 June, 1998. Following Government of India's approval to the setting up of the Orissa Oil Refinery, an Indo-Kuwait joint venture, Indian Oil Corporation opened a Representative office in Kuwait in June. Smt Sonia Gandhi, Congress Party President, visited Kuwait on 29 August, 1998 and had separate meetings with the Amir and the Crown Prince and Prime Minister of Kuwait. Prime Minister issued an invitation to the Crown Prince and Prime Minister to visit India.

Oman Since the visit of the former President Dr. Shanker Dayal Sharma to Oman in October 1996 and that of H. M. Sultan Qaboos bin Said to India in April 1997, relations between India and Oman have scaled new heights. The Prime Minister, Shri A B Vajpayee, accompanied by a high-level delegation which included Shri K Ramamurthy, Minister of Petroleum and Natural Gas and Shri S S Barnala, Minister of Chemicals and Fertilisers, visited Salalah on 29-30 August, 1998. The Prime Minister and Sultan Qaboos had substantial discussions on bilateral, regional and international issues, and committed the two countries to promote ties in political and economic fields. The Omani Minister of Commerce and Industry, Mr Maqbool Bin Ali bin Sultan, visited India from 30 April to 2 May, 1998 in connection with "Oman week", which was inaugurated by the Vice President on 1 May, 1998.

Mr Maqbool Sultan also met the Petroleum, Industry and Fertiliser Ministers and Minister of State for External Affairs. He addressed Indian business leaders under the auspices of the Confederation of Indian Industry (CII). Secretary (East) and joint Secretary (Gulf) visited Oman on 31 May to 2 June, 1998. They called on the Minister responsible for Foreign Affairs as well as Minister of National Economy to brief them on India's nuclear tests. In June 1998. Bharat Heavy Electricals Limited (BHEL) commissioned a 30-MW Gas turbine- based power plant turnkey project at a cost of Rs. 560 million.

A flotilla of three naval ships paid a goodwill visit to Oman from 30 May to 4 June, 1998 and undertook joint exercises with the Royal Oman Navy. The formalities for setting up two multi-million dollar joint venture projects, namely the India-Oman Fertiliser Project and the Bharat-Oman Fertiliser Project and

the Bharat-Oman Refinery Project, proceeded satisfactorily. An Indian ocean (IOR) Exhibition was organised by the Federation of Indian Chambers of Commerce and Industry (FICCI) at Muscat from 10-14 October, 1998, in which 56 Indian organisations participated. Meetings of the India-Oman Joint Economic Committee and the Annual Political Consultations will take place in New Delhi and Muscat respectively in early 1999.

Qatar India's traditionally warm and friendly relations with Qatar continued to grow during the year Mr Abdullah Bin Hamad, Al-Attiyah, Minister of Energy and Industry, visited Indian in July 1998 and called on the Prime Minister and handed over a letter from the Amir of Qatar to the PM. The Visiting dignitary also called on his counterpart, the Minister of Petroleum and Natural Gas, Shri K Ramamurthy, on 8 July 1998. The Qatari Minister was accompanied by a 6 member delegation from the Qatar General Petroleum Corporation. A 22 member delegation from Qatar, led by assistant Under Secretary in the Ministry of Energy and Industry, visited India on 6-8 May, 1998, and participated in two Seminars on "Indo-Qatar Trade Relations" organised by the Confederation of Indian Industry (CII) in New Delhi and Mumbai.

Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Qatar on 3 June, 1998. They called on the Qatari Minister of State for External Affairs and held discussions on bilateral relations. They also explained India's position on the nuclear tests conducted in May 1998. Qatar has been selected for holding negotiations for supply of 7.5 million tonnes of LNG per year to India on a long-term basis. The Minister of State for External Affairs, Smt Vasundhara Raje, accompanied by Secretary (East) and Joint Secretary (Gulf), visited Qatar from 26-29 October, 1998. She handed over a letter from the Prime Minister to H.H. Sheikh Hamad Bin Khalifa Al-Thani, Amir of Qatar. She had a meeting with H.E. Sheikh Hamad Bin Jassem Bin Jabor Al-Thani, Foreign Minister of Qatar. The MOS also laid the foundation stone of the Indian chancery building in Doha, capital of Qatar. Shri E A Nayanar, Chief Minister of Kerala, visited Qatar from 26-28 September, 1998. He called on Mr Abdullah Bin Hamad Al-Attiyah, Minister of Energy and Industry. A Bilateral Investment Promotion and Protection Agreement (BIPPA) was initialled between India and Qatar in Doha on 30 November, 1998. The meeting of the India- Qatar Joint Commission will take place in New Delhi on 8-9 March, 1999.

At the invitation of our Minister of Petroleum and Natural Gas, H. E. Mr Yousef Hussain Kamal, Minister of Finance, Economy and Commerce of the State of Qatar, visited India from 13-15 December, 1998. The visit was in connection with the purchase of 7.5 million tonnes of natural gas per year by India from Qatar on long-term basis. The visiting dignitary called on Shri Yashwant Sinha, Minister of Finance, and Smt Vasundhara Raje, Minister of State for External Affairs.

Saudi Arabia India's traditional relations with the Kingdom of Saudi Arabia are marked by cordiality and friendship. The bilateral trade between India and Saudi Arabia amounts to about US \$ 3.5 billion. The Kingdom is host to around 1.3 million Indians. Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Saudi Arabia between 17-20 July, 1998 to explain the rationale of the nuclear tests conducted by India in May 1998. An Indian team visited Saudi Arabia on 24-25 November, 1998 to hold negotiations for finalising the text of the Bilateral Investment Promotion and Protection Agreement between the two countries.

With a view to stepping up defence cooperation, an invitation was extended for a goodwill visit of a Saudi defence delegation to India. The battle ships-INS Rajput and INS Varuna-called at the Jubail Port on 6 June, 1998 on a goodwill visit, the first time in ten years that Indian Naval ships have made a

friendly port call in the Kingdom. The Saudi Minister of Justice, H.E. Dr Abdulla Ibn Muhammed Ibn Ibrahim Al Sheikh, visited India to participate in the 37th session of Asian-African Legal Consultative Committee which was held in New Delhi from 13-18 April, 1998.

A total of 95,119 Indian pilgrims performed Haj in March 1998, of whom 63,583 pilgrims had gone through the Haj Committee, Mumbai, and the rest through Private Tour Operators (PTOs) or privately on international passports. To look after the welfare of the pilgrims 398 deputationists (223 doctors and para- medical staff and 175 administrative staff) were deputed to Saudi Arabia; 88 Haj volunteers were also sent by 13 State Haj Committees. A 28 member Haj Goodwill delegation visited Saudi Arabia during the Haj. While, on the whole, the Haj was very well-organised, there was one untoward incident a stampede at Mina in which 32 Indian pilgrims lost their lives.

To safeguard the interest of the pilgrims who perform Haj through PTOs and to regulate the working of the latter, the Ministry invited applications from companies organising Haj/Umrah pilgrimages. After detailed scrutiny, a number of PTOs have been recommended for registration with the Saudi Missions in New Delhi and Mumbai.

Haj 99 will take place in the last week of March 1999, and arrangements releting to accommodation in Makkah and Madinah and the Haj charter flights have been finalised satisfactorily. A team of three Members of Parliament from the Parliamentary Standing Committee on External Affairs visited Saudi Arabia in February 1999 to review the arrangements made for Indian pilgrims.

UAE The age-old multidimensional relations between India and the United Arab Emirates (UAE) were further strengthened and diversified during the year. With a view to promoting investment, the Bilateral Investment Protection and Promotion Agreement between the two countries was initialled in June 1998. In order to promote investment in Maharashtra, a delegation, led by Shri R V Patil, Minister of Culture and Water Conservation, Government of Maharashtra, visited the UAE on 15 September 1998. A delegation led by the CII President, Shri R V Shah, visited the UAE on 1 August, 1998 and held discussions with Indian businessmen, the Dubai Chamber of Commerce and Industry and the Abu Dhabi Chamber of Commerce and Industry to promote greater economic cooperation and joint ventures. The UAE- based Non-Resident Indian (NRIs) contributed US \$ 1.26 billion to the Resurgent Indian Bonds (RIBs) which was around 30% of the total global collection of the RIBs.

Secretary (East) and Joint Secretary (Gulf/Haj) in the Ministry of External Affairs visited Abu Dhabi on 2 June, 1998 and met the UAE Minister of Informationand Culture, Mr Sheikh Abdullah Bin Zahid, and Acting Secretary of the UAE Foreign Office, Mr Saif Saeed Bin Saad and discussed ways to strengthening bilateral relations. They also explained the rational for the nuclear tests conducted by Indian in May 1998. The Vice President of India, Shri Krishan Kant, made a stopover in Dubai en route to India and was received by the UAE Minister for Cabinet Affairs, Mr Saeed Al Ghaith. The UAE Minister for Petroleum and Mineral Resources, Mr Obeid bin Saif Al-Nasiri, visited India on February 22-24, 1999 to discuss cooperation in the energy sector.

A delegation of the Abu Dhabi Chamber of Commerce and Industry, including some private businessmen, visited India during April 1998 and met various industrial bodies, organisations and businessmen. The Sharjah Chamber of Commerce and Industry sent a delegation, led by its Chairman, Mr Ahmed Al Medfa, for a six- day presentation in India from 20 April 1998 which aimed at exploring business and investment opportunities both in India and Sharjah. Yemen Indo-Yemen relations are characterised by mutual goodwill, cordiality an friendship. The foreign policies of the two countries have much in common as both are committed to Non-alignment and support for Arab issues. Again, both India and Yemen are members of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) and engage in continuous interaction cooperating in the various projects identified for benefit of the people of the member-countries of the IOR-ARC. The annual Foreign Office Consultations were institutionalized with Yemen in 1993; the next session of the Foreign Office Consultations is scheduled to be held in New Delhi during February 1999.

The third session of the Indo- Yemen Joint Committee for Economic, Scientific and Technical Cooperation is expected to be held in Sana'a during March 1999. With a view to further strengthening relations between the parliamentarians of the two countries an invitation was extended to the Speaker of Yemeni National Assembly to visit India. Steps have been taken for making institutional arrangements with Yemen for close cooperation in curbing the menace of drug trafficking, combat terrorism and organised crimes; negotiations are under way for concluding these agreements, including extradition treaty. An Indian film festival and a photographic exhibition were inaugurated on 3 August 1998 in Sana'a by the Yemen Minister for Culture, Mr Abdul Al Mansoor.

Special Kuwait Cell The Special Kuwait Cell has been working since 1991. Its main task is obtaining and distributing compensation for the Indian nationals and organizations who were adversely affected by the Gulf War of 1990-91. After a considerable time, funds are now being transferred by the United Nations Compensation Commission (UNCC), Geneva. Transfer of funds is taking place roughly once every six months for partial settlement of category A & C claims \$ 2500 per claim. Disbursement of the compensation money to successful claimants is being done by four designated nationalised Banks. The four Banks, with the active cooperation and guidance of the Special Kuwait Cell, are carrying out the task of locating the successful claimants (many of whom have shifted residences or gone abroad), and paying their claim amounts.

In September 1998, UNCC transferred \$ 93,542,500 for partial settlement of 37,417 claims approved in the 4th instalment of category A. UNCC has also transferred \$ 14,255,510.61 for partial settlement of 5,869 claims in the 4th instalment of category C.

UNCC has also finalized the list of approved claims for the 6th instalment of category C. This covers 8,621 Indian claims, of a total value of over \$ 101 million. UNCC is in the process of finalising the list for the 7th (and the last) instalment of category C. They have also started sending lists of approved claims in category D, i.e., claims exceeding \$100,000. In the 29th UNCC Governing Council Meeting (Geneva, 28-30 September, 1998), 23 Indian claims in category D have been approved for a total value of \$ 522574.

In April 1998, a UNCC team of loss-adjustors and legal experts visited India for an on-site appraisal of documents pertaining to the Government of India claim in category F. Special Kuwait Cell made effective arrangements for a successful appraisal operation. As a result, the India's Govt. claim was processed expeditiously, although it was initially classified as "unusually large and complex". It has been approved for \$ 92,621,397 in the 29th UNCC Governing Council Meeting. The actual transfer of the amount may, however, take some time. It would depend on the availability of funds from Iraq and payment prioritization between different claim categories, decided upon by the UNCC. India was among the few countries who made official statement at the 29th Governing Council Meeting. The thrust of India's statement was that some degree of priority should be given to the small claims under categories A & C, after the first-part payments are completed.

It is the exclusive responsibility of the UNCC to evaluate and scrutinize the claims, evolve a payment procedure and deliver the awarded compensation to eligible claimants for payment through national Governments. Up to 31 December, 1998 the Special Kuwait Cell had been instrumental in the disbursement of the following amounts, in cooperation with the four designated Banks:

CategoryAmount disbursedNo. of claimants (US \$)covered A85022500.0030201 B617000.00163 C12141782.494890 Total97781282.4935254 Towards end-March 1999, we expect to receive from UNCC, further funds for installments V of categories A & C (depending on the financial situation on UNCC).

As important meeting of the UNCC Governing Council is also expected to take place in March. Among other things, this Meeting is expected to take a view on the payment priorities, after the first phase of payments for categories A & C gets completed. In the Governing Council Meeting of September 98, India made an official statement which, inter alia, stated that in the second phase of payments, a degree of priority should be given to completion of payments for categories A & C."

WANA Region India maintained its support for the Arab and Palestinian causes as well as the Middle East Peace Process. Developments in the region and lack of progress in the Middle East Peace Process gave rise to growing concern. India had welcomed the Wye River Memorandum signed between Israel and Palestine Liberation Organisation on 23 October, 1998 and had maintained that the signed agreements and accords should be honoured and implemented without any pre-conditions. India's multi-faceted relations with countries in West Asia and North Africa were further strengthened through exchange of visits and conclusion of functional Cooperation Agreements. Our trade with the region witnessed a steady growth. Work continued apace on the Indian joint venture in Morocco and this project is likely to come on stream by the middle of 1999. India's gesture of humanitarian assistance to Sudan and the human resource development under the ITEC Programme were a manifestation of our commitment to South South Cooperation.

Algeria Relations with Algeria continued to be marked by warmth and closeness. On the margins of the G-15 Summit held in Cairo in May 1998, Vice-President Shri Krishan Kant met President Mr Liamine Zeroual of Algeria. Again on the sidelines of the NAM Summit at Durban and the UNGA at New York, Algerian Foreign Minister Mr Ahmed Attaf called on Prime Minister Shri Atal Behari Vajpayee and exchanged views on important global, regional and bilateral issues. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Algiers in August 1998 for pre-NAM consultations. President of the Algerian Constitutional Council Justice Said Bouchair, alongwith members of the Constitutional Council, visited India from 6-12 September ,1998 at the invitation of Chief Justice of India. During their visit, "New Delhi Declaration" was issued. This Declaration provides for exchange of information, documents and setting up of a forum of the judges, lawyers and professors of law. A delegation from the national oil company of Algeria - SONATRACH - visited India between 21-24 June, 1998 and held discussions with officials of ONGC-VL and IOC on the possibilities for cooperation in the areas of drilling, oil field equipment, joint ventures in third countries, joint research and development, human resource development, etc.

Egypt Bilateral ties of friendship, mutual understanding and co-operation with Egypt were strengthened. Vice-President Shri Krishan Kant led the Indian delegation to the G-15 Summit in Cairo from 11-13 May, 1998. The other members of the Indian delegation to the G-15 Summit included Commerce Minister Shri Ramakrishna Hegde and Minister of State for External Affairs Smt Vasundhara Raje. On the sidelines of the Summit, the Vice-President met President Mr Hosni Mubarak and exchanged views on important issues. The meetings between the Prime Minister and Foreign Minister Mr Amre Moussa during the NAM Summit in Durban, UNGA in New York and Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa during the G-15 Summit in Cairo and NAM Ministerial Meeting in Cartagena sustained the high level dialogue between the two countries. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai visited Cairo to attend the 4th Annual Board Meeting of 'Partners in Population & Development' from 7-11 November, 1998. A delegation led by Minister of Environment Shri Suresh P Prabhu visited Cairo from 16-24 November, 1998 to attend the meeting of the Parties to the Montreal Protocol.

Minister of Textiles Shri Kashi Ram Rana visited Egypt from 19-22 August, 1998 to preside over the Valedictory Reception for the 5th exclusive Indian Jewellery Exhibition organised by the HHEC from 13-19 August, 1998 in Cairo. The Minister met Egyptian Minister for Trade and Supply Dr. Ahmed al-Goweili and a group of Egyptian businessmen. Chief of Army Staff Gen V P Malik transited through Cairo on 14 December, 1998 on a private visit. During his stay in Cairo, Gen. Malik called on Chief of Egyptian Armed Forces Lt Gen Mogdy Hatata. Chief Election Commissioner of India Dr M S Gill paid an official visit to Egypt from 26 April - 2 May, 1998. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Egypt in August 1998 for pre-NAM consultations. Indian delegation was received by Foreign Minister Mr Amre Moussa. A Memorandum of Understanding between India and Egypt for Co-operation in the Development of Small Scale Enterprises Sector in Egypt was signed in Cairo on 9.5.98 by Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa. President of the Court of Cassation in Egypt Justice Mehdat El-Maraghi visited India from 11-18 April, 1998 at the invitation of Chief Justice of India.

The first exclusive "Made in India" Exhibition held in Cairo from 15-19 April, 1998, was inaugurated by Prime Minister of Egypt Dr Kamal el Ganzouri. Other dignitaries present at the inauguration were Egyptian Foreign Minister Mr Amre Moussa and Minister for Industry and Mineral Wealth Dr Soliman Reda Ali Soliman. Minister of Industry and Social Welfare of Kerala Smt Susheela Gopalan led the Indian delegation to the Exhibition. A Round Table Conference on Indo-Egyptian Relations was held in New Delhi on 16 December, 1998. Deputy Editor of Egyptian Arabic language newspaper 'Al-Ahram' Mr Mahmoud Mourad participated in this Conference. A high- powered media delegation led by the Chairman and Chief Editor of Arabic language daily 'Al-Ahram' Ibrahim Nafie to India from 24-29 June, 1998.

The delegation called on the Prime Minister Shri Atal Behari Vajpayee, Minister of Defence Shri George Fernandes, Minister of Finance Shri Yashwant Sinha, Deputy Chairperson of Rajya Sabha Dr (Mrs) Najma Heptullah, External Affairs Minister (then Deputy Chairman of Planning Commission) Shri Jaswant Singh and Minister of State for External Affairs Smt Vasundhara Raje. The first round of Annual Indo-Egyptian Foreign Office Consultations are scheduled to be held in New Delhi on 22-23 February, 1999.

Israel Cooperation with Israel in the areas of trade and agriculture continued to develop satisfactorily. The Deputy Director General in Israel's Foreign Office Mr Yitzhak Shelev visited India for the Fourth round of Foreign Office Consultations held in New Delhi on 21 January, 1999. The Indian delegation was led by Secretary (East) Shri Nareshwar Dayal. The Second Meeting of Indo-Israeli Joint Trade & Economic Committee was held in New Delhi on 27 October, 1998 and was co-chaired by the Commerce Secretary and Director General in Israel's Ministry of Industry, Dov Mishor. The Joint Trade & Economic Committee Meeting was co-chaired by Commerce Secretary Shri P P Prabhu and Director General, Israel's Ministry of Industry Mr Dov Mishor. The Attorney General for India Shri Soli J Sorabjee visited Israel from 20-24 December, 1998 at the invitation of his counterpart in Israel. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai went to Israel on a private visit from 11-13 November, 1998.

Minister of State for Rural Areas & Employment, Shri Babagouda Patil visited Israel from 30.10.98 to 5.11.98 at the invitation of Israel's Minister for Agriculture and Deputy Prime Minister Mr Rafael Eitan. Minister of Urban Affairs and Employment Shri Ram Jethamalani visited Israel from 7-11 September, 1998 at the invitation of Israel's Minister of Infrastructure Mr Ariel Sharon. Agreement on Co-operation in the field of Telecommunications and Posts between India and Israel, signed on 29 November, 1994, was ratified by India on 24 September, 1998.

Jordan Bilateral relations with Jordan retained their positive trends of increasing understanding and cooperation. Vice President Shri Krishan Kant represented India at the funeral of King Hussein in Amman on 8 February, 1999. Both Houses of Parliament adopted an Obituary Reference to King Hussein on the opening day of the Budget Session of Parliament. Additional Secretary (UN) and Joint Secretary(WANA) in the Ministry visited Amman in August 1998 for pre-NAM consultations. The delegation was received by Crown Prince Hassan. Speaker of Lok Sabha, Minister of State for Agriculture and Chief Election Commissioner transited through Jordan.

Lebanon India's relations with Lebanon continued to be warm and friendly. India maintained its support for the immediate and unconditional implementation of the UN Security Council Resolution No. 425 which calls for withdrawal of Israeli forces from Lebanon's occupied territories forthwith. At the request of the United Nations, India sent an Indian Army contingent as part of the UN Interim Force in Lebanon (UNIFIL). Secretary (East) in the Ministry Shri Nareshwar Dayal visited Lebanon from 15-17 July, 1998 for Foreign Office consultations. He was received by Prime Minister Mr Rafik Al-Hariri and Foreign Minister Mr Fares Bouez.

Libya India's relations with Libya continued to be marked by understanding and co- operation. India has consistently believed and worked for a just and equitable solution to the Lockerbie issue. Under Secretary for Asian Affairs in Libyan Foreign Office Mr Saad Mustafa Mujber visited India from 23-25 April, 1998 for Foreign Office consultations. During his stay in New Delhi, Under Secretary Mujber called on Minister of State for External Affairs Smt Vasundhara Raje and delivered a letter addressed to Prime Minister Shri Atal Behari Vajpayee from Libya's Foreign Minister. He also called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy, Minister of State for Information & Broadcasting, Shri Mukhtar Naqvi and Secretary (Industry) Shri T R Prasad.

Morocco Relations with Morocco witnessed qualitative enhancement. Prime Minister Shri Atal Behari Vajpayee visited Morocco on 13-14 February, 1999. He had a tete- etete with Prime Minister Abderrahmane El Youssoufi, followed by delegation- level talks. Prime Minister also called King Hassan II. The King honoured the Prime Minister by conferring on him "Grand Cordon of the Alawy Wissam". During Prime Minister's visit, Bilateral Investment Protection Agreement, Tourism Co- operation Agreement and Agreement between Press Trust of India (PTI) and Maghreb Arab Presse (MAP) for mutual professional co-operation were signed. Foreign Minister of Morocco Abdellatif Filali called on Prime Minister Shri Atal Behari Vajpayee on the margins of the NAM Summit in Durban in August 1998 and Minister of External Affairs (then Deputy Chairman of Planning Commission) Shri Jaswant Singh met Morocco's Prime Minister Abderrahmane El Youssoufi in New York on the sidelines of the Special Session of the UN on Narcotics and Drugs held in New York from 8-10 June, 1998.

Minister of State for External Affairs Smt Vasundhara Raje, accompanied by Secretary (East) Shri Nareshwar Dayal, visited Morocco from 25-27 June, 1998. Besides holding discussions with her counterpart State Secretary in the Ministry of Foreign Affairs for International Cooperation Mme Aicha Belarbi, MOS also called on Prime Minister Mr Abderrahmane El Youssoufi, Foreign Minister Abdellatif Filali and Finance Minister Mr Fthallah Oualalou. She signed a Memorandum of Understanding between India and Morocco on Foreign Office Consultations. Speaker of Lok Sabha Hon'ble Shri G M C Balayogi led a Parliamentary delegation to Morocco from 7-12 October, 1998. The Hon'ble Speaker was invited to the inauguration of the Moroccan Parliament by the President of the Majlis An-Nuwab (House of Representatives) Mr Abdelwahed Radi. The Hon'ble Speaker was received by King Hassan II of Morocco and honoured with the title of "Officer Wissam Alaoui". The Hon'ble Speaker also called on Morocco's Prime Minister Mr Abderrahmane El-Youssoufi. During the visit of Indian Parliamentary delegation, it was decided to establish an Indo-Moroccan Parliamentary Friendship Group. Minister of State for Finance (RB & I) Shri K M R Janardhanan visited Morocco from 28-30 October, 1998 to sign the Convention on Avoidance of Double Taxation between India and Morocco.

Amongst others, he called on the Prime Minister of Morocco. General Manager of the Moroccan National Railways Office (ONCF) Mr Mohammed El Als visited India on 7-12 December, 1998. During his visit, he held discussions with RITES and IRCON. Ambassador of the King of Morocco Mr Hassan Abouyoub visited India from 6-7 November, 1998. He called on Hon'ble Speaker of Lok Sabha, Minister of Commerce, Principal Secretary to the Prime Minister and Secretary (East) in the Ministry of External Affairs. Palestine India continued to extend political, material and technical support to Palestine. India repeatedly expressed its concern at the stalling of the Middle East Peace Process. India welcomed the Wye River Memorandum signed between Israel and PLO on 23 October, 1998. India believes that this Memorandum will improve the quality of life of the Palestinian people and pave the way to commence Final Status Negotiations so that a just, comprehensive and lasting peace could be achieved in the region on the basis of the Principle of "Land for Peace" and the relevant UN Resolutions.

India calls upon the parties concerned to faithfully implement this Memorandum and eschew unilateral measures which are not in conformity with this Memorandum and other understandings and agreements. India's traditional friendly relations with Palestine were enhanced by several exchanges. Additional Secretary (UN) and Joint Secretary (WANA) visited Palestine Authority territory in August 1998 for pre-NAM consultations. The Indian delegation was received by President Arafat. Additional Secretary (FA) and Joint Secretary (WANA) in the Ministry visited Gaza in June, 1998 to sign two MOUs and Agreed Minutes for the implementation of two Indian-aided projects, namely, construction of a Library at Al Azhar University and construction of a Library-cum-Activity Centre at Palestinian Technical College at Deir El Balah.

Qatar India's traditionally warm and friendly relations with Qatar continued to grow during the year Mr Abdullah Bin Hamad, Al-Attiyah, Minister of Energy and Industry, visited Indian in July 1998 and called on the Prime Minister and handed over a letter from the Amir of Qatar to the PM. The Visiting dignitary also called on his counterpart, the Minister of Petroleum and Natural Gas, Shri K Ramamurthy, on 8 July 1998. The Qatari Minister was accompanied by a 6 member delegation from the Qatar General Petroleum Corporation. A 22 member delegation from Qatar, led by assistant Under Secretary in the Ministry of Energy and Industry, visited India on 6-8 May, 1998, and participated in two Seminars on "Indo-Qatar Trade Relations" organised by the Confederation of Indian Industry (CII) in New Delhi and Mumbai.

Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Qatar on 3 June, 1998. They called on the Qatari Minister of State for External Affairs and held discussions on bilateral relations. They also explained India's position on the nuclear tests conducted in May 1998. Qatar has been selected for holding negotiations for supply of 7.5 million tonnes of LNG per year to India on a long-term basis. The Minister of State for External Affairs, Smt Vasundhara Raje, accompanied by Secretary (East) and Joint Secretary (Gulf), visited Qatar from 26-29 October, 1998. She handed over a letter from the Prime Minister to H.H. Sheikh Hamad Bin Khalifa Al-Thani, Amir of Qatar. She had a meeting with H.E. Sheikh Hamad Bin Jassem Bin Jabor Al-Thani, Foreign Minister of Qatar. The MOS also laid the foundation stone of the Indian chancery building in Doha, capital of Qatar. Shri E A Nayanar, Chief Minister of Kerala, visited Qatar from 26-28 September, 1998. He called on Mr Abdullah Bin Hamad Al-Attiyah, Minister of Energy and Industry. A Bilateral Investment Promotion and Protection Agreement (BIPPA) was initialled between India and Qatar in Doha on 30 November, 1998. The meeting of the India- Qatar Joint Commission will take place in New Delhi on 8-9 March, 1999.

At the invitation of our Minister of Petroleum and Natural Gas, H. E. Mr Yousef Hussain Kamal, Minister of Finance, Economy and Commerce of the State of Qatar, visited India from 13-15 December, 1998. The visit was in connection with the purchase of 7.5 million tonnes of natural gas per year by India from Qatar on long-term basis. The visiting dignitary called on Shri Yashwant Sinha, Minister of Finance, and Smt Vasundhara Raje, Minister of State for External Affairs.

Saudi Arabia India's traditional relations with the Kingdom of Saudi Arabia are marked by cordiality and friendship. The bilateral trade between India and Saudi Arabia amounts to about US \$ 3.5 billion. The Kingdom is host to around 1.3 million Indians. Secretary (East) and joint Secretary (Gulf) in the Ministry of External Affairs visited Saudi Arabia between 17-20 July, 1998 to explain the rationale of the nuclear tests conducted by India in May 1998. An Indian team visited Saudi Arabia on 24-25 November, 1998 to hold negotiations for finalising the text of the Bilateral Investment Promotion and Protection Agreement between the two countries.

With a view to stepping up defence cooperation, an invitation was extended for a goodwill visit of a Saudi defence delegation to India. The battle ships-INS Rajput and INS Varuna-called at the Jubail Port on 6 June, 1998 on a goodwill visit, the first time in ten years that Indian Naval ships have made a friendly port call in the Kingdom. The Saudi Minister of Justice, H.E. Dr Abdulla Ibn Muhammed Ibn Ibrahim Al Sheikh, visited India to participate in the 37th session of Asian-African Legal Consultative Committee which was held in New Delhi from 13-18 April, 1998.

A total of 95,119 Indian pilgrims performed Haj in March 1998, of whom 63,583 pilgrims had gone through the Haj Committee, Mumbai, and the rest through Private Tour Operators (PTOs) or privately on international passports. To look after the welfare of the pilgrims 398 deputationists (223 doctors and para- medical staff and 175 administrative staff) were deputed to Saudi Arabia; 88 Haj volunteers were also sent by 13 State Haj Committees. A 28 member Haj Goodwill delegation visited Saudi Arabia during the Haj. While, on the whole, the Haj was very well-organised, there was one untoward incident a stampede at Mina in which 32 Indian pilgrims lost their lives.

To safeguard the interest of the pilgrims who perform Haj through PTOs and to regulate the working of the latter, the Ministry invited applications from companies organising Haj/Umrah pilgrimages. After

detailed scrutiny, a number of PTOs have been recommended for registration with the Saudi Missions in New Delhi and Mumbai.

Haj 99 will take place in the last week of March 1999, and arrangements releting to accommodation in Makkah and Madinah and the Haj charter flights have been finalised satisfactorily. A team of three Members of Parliament from the Parliamentary Standing Committee on External Affairs visited Saudi Arabia in February 1999 to review the arrangements made for Indian pilgrims.

UAE The age-old multidimensional relations between India and the United Arab Emirates (UAE) were further strengthened and diversified during the year. With a view to promoting investment, the Bilateral Investment Protection and Promotion Agreement between the two countries was initialled in June 1998. In order to promote investment in Maharashtra, a delegation, led by Shri R V Patil, Minister of Culture and Water Conservation, Government of Maharashtra, visited the UAE on 15 September 1998. A delegation led by the CII President, Shri R V Shah, visited the UAE on 1 August, 1998 and held discussions with Indian businessmen, the Dubai Chamber of Commerce and Industry and the Abu Dhabi Chamber of Commerce and Industry to promote greater economic cooperation and joint ventures. The UAE- based Non-Resident Indian (NRIs) contributed US \$ 1.26 billion to the Resurgent Indian Bonds (RIBs) which was around 30% of the total global collection of the RIBs.

Secretary (East) and Joint Secretary (Gulf/Haj) in the Ministry of External Affairs visited Abu Dhabi on 2 June, 1998 and met the UAE Minister of Information and Culture, Mr Sheikh Abdullah Bin Zahid, and Acting Secretary of the UAE Foreign Office, Mr Saif Saeed Bin Saad and discussed ways to strengthening bilateral relations. They also explained the rational for the nuclear tests conducted by Indian in May 1998. The Vice President of India, Shri Krishan Kant, made a stopover in Dubai en route to India and was received by the UAE Minister for Cabinet Affairs, Mr Saeed Al Ghaith. The UAE Minister for Petroleum and Mineral Resources, Mr Obeid bin Saif Al-Nasiri, visited India on February 22-24, 1999 to discuss cooperation in the energy sector.

A delegation of the Abu Dhabi Chamber of Commerce and Industry, including some private businessmen, visited India during April 1998 and met various industrialbodies, organisations and businessmen. The Sharjah Chamber of Commerce and Industry sent a delegation, ledby its Chairman, Mr Ahmed Al Medfa, for a six- day presentation in India from 20 April 1998 which aimed at exploring business and investment opportunities both in India and Sharjah. Yemen Indo-Yemen relations are characterised by mutual goodwill, cordiality an friendship. The foreign policies of the two countries have much in common as both are committed to Non-alignment and support for Arab issues. Again, both India and Yemen are members of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) and engage in continuous interaction cooperating in the various projects identified for benefit of the people of the member-countries of the IOR-ARC. The annual Foreign Office Consultations were institutionalized with Yemen in 1993; the next session of the Foreign Office Consultations is scheduled to be held in New Delhi during February 1999.

The third session of the Indo- Yemen Joint Committee for Economic, Scientific and Technical Cooperation is expected to be held in Sana'a during March 1999. With a view to further strengthening relations between the parliamentarians of the two countries an invitation was extended to the Speaker of Yemeni National Assembly to visit India. Steps have been taken for making institutional arrangements with Yemen for close cooperation in curbing the menace of drug trafficking, combat terrorism and organised crimes; negotiations are under way for concluding these agreements, including extradition treaty. An Indian film festival and a photographic exhibition were inaugurated on 3 August 1998 in Sana'a by the Yemen Minister for Culture, Mr Abdul Al Mansoor.

Special Kuwait Cell The Special Kuwait Cell has been working since 1991. Its main task is obtaining and distributing compensation for the Indian nationals and organizations who were adversely affected by the Gulf War of 1990-91. After a considerable time, funds are now being transferred by the United Nations Compensation Commission (UNCC), Geneva. Transfer of funds is taking place roughly once every six months for partial settlement of category A & C claims \$ 2500 per claim. Disbursement of the compensation money to successful claimants is being done by four designated nationalised Banks. The four Banks, with the active cooperation and guidance of the Special Kuwait Cell, are carrying out the task of locating the successful claimants (many of whom have shifted residences or gone abroad), and paying their claim amounts.

In September 1998, UNCC transferred \$ 93,542,500 for partial settlement of 37,417 claims approved in the 4th instalment of category A. UNCC has also transferred \$ 14,255,510.61 for partial settlement of 5,869 claims in the 4th instalment of category C.

UNCC has also finalized the list of approved claims for the 6th instalment of category C. This covers 8,621 Indian claims, of a total value of over \$ 101 million. UNCC is in the process of finalising the list for the 7th (and the last) instalment of category C. They have also started sending lists of approved claims in category D, i.e., claims exceeding \$100,000. In the 29th UNCC Governing Council Meeting (Geneva, 28-30 September, 1998), 23 Indian claims in category D have been approved for a total value of \$ 522574.

In April 1998, a UNCC team of loss-adjustors and legal experts visited India for an on-site appraisal of documents pertaining to the Government of India claim in category F. Special Kuwait Cell made effective arrangements for a successful appraisal operation. As a result, the India's Govt. claim was processed expeditiously, although it was initially classified as "unusually large and complex". It has been approved for \$ 92,621,397 in the 29th UNCC Governing Council Meeting. The actual transfer of the amount may, however, take some time. It would depend on the availability of funds from Iraq and payment prioritization between different claim categories, decided upon by the UNCC. India was among the few countries who made official statement at the 29th Governing Council Meeting. The thrust of India's statement was that some degree of priority should be given to the small claims under categories A & C, after the first-part payments are completed.

It is the exclusive responsibility of the UNCC to evaluate and scrutinize the claims, evolve a payment procedure and deliver the awarded compensation to eligible claimants for payment through national Governments. Up to 31 December, 1998 the Special Kuwait Cell had been instrumental in the disbursement of the following amounts, in cooperation with the four designated Banks:

CategoryAmount disbursedNo. of claimants (US \$)covered A85022500.0030201 B617000.00163 C12141782.494890 Total97781282.4935254 Towards end-March 1999, we expect to receive from UNCC, further funds for installments V of categories A & C (depending on the financial situation on UNCC). As important meeting of the UNCC Governing Council is also expected to take place in March. Among other things, this Meeting is expected to take a view on the payment priorities, after the first phase of payments for categories A & C gets completed. In the Governing Council Meeting of September 98, India made an official statement which, inter alia, stated that in the second phase of payments, a degree of priority should be given to completion of payments for categories A & C."

WANA Region India maintained its support for the Arab and Palestinian causes as well as the Middle East Peace Process. Developments in the region and lack of progress in the Middle East Peace Process gave rise to growing concern. India had welcomed the Wye River Memorandum signed between Israel and Palestine Liberation Organisation on 23 October, 1998 and had maintained that the signed agreements and accords should be honoured and implemented without any pre-conditions. India's multi-faceted relations with countries in West Asia and North Africa were further strengthened through exchange of visits and conclusion of functional Cooperation Agreements. Our trade with the region witnessed a steady growth. Work continued apace on the Indian joint venture in Morocco and this project is likely to come on stream by the middle of 1999. India's gesture of humanitarian assistance to Sudan and the human resource development under the ITEC Programme were a manifestation of our commitment to South South Cooperation.

Algeria Relations with Algeria continued to be marked by warmth and closeness. On the margins of the G-15 Summit held in Cairo in May 1998, Vice-President Shri Krishan Kant met President Mr Liamine Zeroual of Algeria. Again on the sidelines of the NAM Summit at Durban and the UNGA at New York, Algerian Foreign Minister Mr Ahmed Attaf called on Prime Minister Shri Atal Behari Vajpayee and exchanged views on important global, regional and bilateral issues. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Algiers in August 1998 for pre-NAM consultations. President of the Algerian Constitutional Council Justice Said Bouchair, alongwith members of the Constitutional Council, visited India from 6-12 September ,1998 at the invitation of Chief Justice of India. During their visit, "New Delhi Declaration" was issued. This Declaration provides for exchange of information, documents and setting up of a forum of the judges, lawyers and professors of law. A delegation from the national oil company of Algeria - SONATRACH - visited India between 21-24 June, 1998 and held discussions with officials of ONGC-VL and IOC on the possibilities for cooperation in the areas of drilling, oil field equipment, joint ventures in third countries, joint research and development, human resource development, etc.

Egypt Bilateral ties of friendship, mutual understanding and co-operation with Egypt were strengthened. Vice-President Shri Krishan Kant led the Indian delegation to the G-15 Summit in Cairo from 11-13 May, 1998. The other members of the Indian delegation to the G-15 Summit included Commerce Minister Shri Ramakrishna Hegde and Minister of State for External Affairs Smt Vasundhara Raje. On the sidelines of the Summit, the Vice-President met President Mr Hosni Mubarak and exchanged views on important issues. The meetings between the Prime Minister and Foreign Minister Mr Amre Moussa during the NAM Summit in Durban, UNGA in New York and Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa during the G-15 Summit in Cairo and NAM Ministerial Meeting in Cartagena sustained the high level dialogue between the two countries. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai visited Cairo to attend the 4th Annual Board Meeting of 'Partners in Population & Development' from 7-11 November, 1998. A delegation led by Minister of Environment Shri Suresh P Prabhu visited Cairo from 16-24 November, 1998 to attend the meeting of the Parties to the Montreal Protocol. Minister of Textiles Shri Kashi Ram Rana visited Egypt from 19-22 August, 1998 to preside over the Valedictory Reception for the 5th exclusive Indian Jewellery Exhibition organised by the HHEC from 13-19 August, 1998 in Cairo. The Minister met Egyptian Minister for Trade and Supply Dr. Ahmed al-Goweili and a group of Egyptian businessmen. Chief of Army Staff Gen V P Malik transited through Cairo on 14 December, 1998 on a private visit. During his stay in Cairo, Gen. Malik called on Chief of Egyptian Armed Forces Lt Gen Mogdy Hatata. Chief Election Commissioner of India Dr M S Gill paid an official visit to Egypt from 26 April - 2 May, 1998. Additional Secretary(UN) and Joint Secretary(WANA) in the Ministry visited Egypt in August 1998 for pre-NAM consultations. Indian delegation was received by Foreign Minister Mr Amre Moussa. A Memorandum of Understanding between India and Egypt for Co-operation in the Development of Small Scale Enterprises Sector in Egypt was signed in Cairo on 9.5.98 by Minister of State for External Affairs Smt Vasundhara Raje and Foreign Minister Mr Amre Moussa. President of the Court of Cassation in Egypt Justice Mehdat El-Maraghi visited India from 11-18 April, 1998 at the invitation of Chief Justice of India.

The first exclusive "Made in India" Exhibition held in Cairo from 15-19 April, 1998, was inaugurated by Prime Minister of Egypt Dr Kamal el Ganzouri. Other dignitaries present at the inauguration were Egyptian Foreign Minister Mr Amre Moussa and Minister for Industry and Mineral Wealth Dr Soliman Reda Ali Soliman. Minister of Industry and Social Welfare of Kerala Smt Susheela Gopalan led the Indian delegation to the Exhibition. A Round Table Conference on Indo-Egyptian Relations was held in New Delhi on 16 December, 1998. Deputy Editor of Egyptian Arabic language newspaper 'Al-Ahram' Mr Mahmoud Mourad participated in this Conference. A high- powered media delegation led by the Chairman and Chief Editor of Arabic language daily 'Al-Ahram' Ibrahim Nafie to India from 24-29 June, 1998.

The delegation called on the Prime Minister Shri Atal Behari Vajpayee, Minister of Defence Shri George Fernandes, Minister of Finance Shri Yashwant Sinha, Deputy Chairperson of Rajya Sabha Dr (Mrs) Najma Heptullah, External Affairs Minister (then Deputy Chairman of Planning Commission) Shri Jaswant Singh and Minister of State for External Affairs Smt Vasundhara Raje. The first round of Annual Indo-Egyptian Foreign Office Consultations are scheduled to be held in New Delhi on 22-23 February, 1999.

Israel Cooperation with Israel in the areas of trade and agriculture continued to develop satisfactorily. The Deputy Director General in Israel's Foreign Office Mr Yitzhak Shelev visited India for the Fourth round of Foreign Office Consultations held in New Delhi on 21 January, 1999. The Indian delegation was led by Secretary (East) Shri Nareshwar Dayal. The Second Meeting of Indo-Israeli Joint Trade & Economic Committee was held in New Delhi on 27 October, 1998 and was co-chaired by the Commerce Secretary and Director General in Israel's Ministry of Industry, Dov Mishor. The Joint Trade & Economic Committee Meeting was co-chaired by Commerce Secretary Shri P P Prabhu and Director General, Israel's Ministry of Industry Mr Dov Mishor. The Attorney General for India Shri Soli J Sorabjee visited Israel from 20-24 December, 1998 at the invitation of his counterpart in Israel. Minister of State for Health & Family Welfare Shri Dalit Ezhilmalai went to Israel on a private visit from 11-13 November, 1998.

Minister of State for Rural Areas & Employment, Shri Babagouda Patil visited Israel from 30.10.98 to 5.11.98 at the invitation of Israel's Minister for Agriculture and Deputy Prime Minister Mr Rafael Eitan. Minister of Urban Affairs and Employment Shri Ram Jethamalani visited Israel from 7-11 September, 1998 at the invitation of Israel's Minister of Infrastructure Mr Ariel Sharon. Agreement on Co-operation in the field of Telecommunications and Posts between India and Israel, signed on 29 November, 1994, was ratified by India on 24 September, 1998.

Jordan Bilateral relations with Jordan retained their positive trends of increasing understanding and cooperation. Vice President Shri Krishan Kant represented India at the funeral of King Hussein in Amman on 8 February, 1999. Both Houses of Parliament adopted an Obituary Reference to King Hussein on the opening day of the Budget Session of Parliament. Additional Secretary (UN) and Joint Secretary(WANA) in the Ministry visited Amman in August 1998 for pre-NAM consultations. The delegation was received by Crown Prince Hassan. Speaker of Lok Sabha, Minister of State for Agriculture and Chief Election Commissioner transited through Jordan.

Lebanon India's relations with Lebanon continued to be warm and friendly. India maintained its support for the immediate and unconditional implementation of the UN Security Council Resolution No. 425 which calls for withdrawal of Israeli forces from Lebanon's occupied territories forthwith. At the request of the United Nations, India sent an Indian Army contingent as part of the UN Interim Force in Lebanon (UNIFIL). Secretary (East) in the Ministry Shri Nareshwar Dayal visited Lebanon from 15-17 July, 1998 for Foreign Office consultations. He was received by Prime Minister Mr Rafik Al-Hariri and Foreign Minister Mr Fares Bouez.

Libya India's relations with Libya continued to be marked by understanding and co- operation. India has consistently believed and worked for a just and equitable solution to the Lockerbie issue. Under Secretary for Asian Affairs in Libyan Foreign Office Mr Saad Mustafa Mujber visited India from 23-25 April, 1998 for Foreign Office consultations. During his stay in New Delhi, Under Secretary Mujber called on Minister of State for External Affairs Smt Vasundhara Raje and delivered a letter addressed to Prime Minister Shri Atal Behari Vajpayee from Libya's Foreign Minister. He also called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy, Minister of State for Information & Broadcasting, Shri Mukhtar Naqvi and Secretary (Industry) Shri T R Prasad.

Morocco Relations with Morocco witnessed qualitative enhancement. Prime Minister Shri Atal Behari Vajpayee visited Morocco on 13-14 February, 1999. He had a tete- etete with Prime Minister Abderrahmane El Youssoufi, followed by delegation- level talks. Prime Minister also called King Hassan II. The King honoured the Prime Minister by conferring on him "Grand Cordon of the Alawy Wissam". During Prime Minister's visit, Bilateral Investment Protection Agreement, Tourism Co- operation Agreement and Agreement between Press Trust of India (PTI) and Maghreb Arab Presse (MAP) for mutual professional co-operation were signed. Foreign Minister of Morocco Abdellatif Filali called on Prime Minister Shri Atal Behari Vajpayee on the margins of the NAM Summit in Durban in August 1998 and Minister of External Affairs (then Deputy Chairman of Planning Commission) Shri Jaswant Singh met Morocco's Prime Minister Abderrahmane El Youssoufi in New York on the sidelines of the Special Session of the UN on Narcotics and Drugs held in New York from 8-10 June, 1998.

Minister of State for External Affairs Smt Vasundhara Raje, accompanied by Secretary (East) Shri Nareshwar Dayal, visited Morocco from 25-27 June, 1998. Besides holding discussions with her counterpart State Secretary in the Ministry of Foreign Affairs for International Cooperation Mme Aicha Belarbi, MOS also called on Prime Minister Mr Abderrahmane El Youssoufi, Foreign Minister Abdellatif Filali and Finance Minister Mr Fthallah Oualalou. She signed a Memorandum of Understanding between India and Morocco on Foreign Office Consultations. Speaker of Lok Sabha Hon'ble Shri G M C Balayogi led a Parliamentary delegation to Morocco from 7-12 October, 1998. The Hon'ble Speaker was invited to the inauguration of the Moroccan Parliament by the President of the Majlis An-Nuwab (House of Representatives) Mr Abdelwahed Radi. The Hon'ble Speaker was received by King Hassan II of Morocco and honoured with the title of "Officer Wissam Alaoui". The Hon'ble Speaker also called on Morocco's Prime Minister Mr Abderrahmane El-Youssoufi. During the visit of Indian Parliamentary delegation, it was decided to establish an Indo-Moroccan Parliamentary Friendship Group. Minister of State for Finance (RB & I) Shri K M R Janardhanan visited Morocco from 28-30 October, 1998 to sign the Convention on Avoidance of Double Taxation between India and Morocco.

Amongst others, he called on the Prime Minister of Morocco. General Manager of the Moroccan National Railways Office (ONCF) Mr Mohammed El Als visited India on 7-12 December, 1998. During his visit, he held discussions with RITES and IRCON. Ambassador of the King of Morocco Mr Hassan Abouyoub visited India from 6-7 November, 1998. He called on Hon'ble Speaker of Lok Sabha, Minister of Commerce, Principal Secretary to the Prime Minister and Secretary (East) in the Ministry of External Affairs. Palestine India continued to extend political, material and technical support to Palestine. India repeatedly expressed its concern at the stalling of the Middle East Peace Process. India welcomed the Wye River Memorandum signed between Israel and PLO on 23 October, 1998. India believes that this Memorandum will improve the quality of life of the Palestinian people and pave the way to commence Final Status Negotiations so that a just, comprehensive and lasting peace could be achieved in the region on the basis of the Principle of "Land for Peace" and the relevant UN Resolutions.

India calls upon the parties concerned to faithfully implement this Memorandum and eschew unilateral measures which are not in conformity with this Memorandum and other understandings and agreements. India's traditional friendly relations with Palestine were enhanced by several exchanges. Additional Secretary (UN) and Joint Secretary (WANA) visited Palestine Authority territory in August 1998 for pre-NAM consultations. The Indian delegation was received by President Arafat. Additional Secretary(FA) and Joint Secretary (WANA) in the Ministry visited Gaza in June,1998 to sign two MOUs and Agreed Minutes for the implementation ftwo Indian-aidedprojects, namely, construction of a Library at Al Azhar University and construction of a Library-cum-Activity Centre at Palestinian Technical College at Deir El Balah.

Joint Secretary(WANA) was received by President Mr Yasser Arafat, Minister for International Cooperation Dr Nabil Sha'ath and PLO Executive Secretary Dr Mahmoud Abbas (Abu Mazen). Grand Mufti of Jerusalem and Islamic Holy Sites in Palestine Sheikh Ikrima Sabri visited India from 10-16 December, 1998 on a goodwill mission. He was received by the Vice-President, Prime Minister and the Minister of Industry. He also visited Hyderabad and Bangalore. Member of the ExecutiveCommittee of Al-Fateh, Incharge of Foreign Relations and Member of Palestine National Council Mr Hani Al-Hasan visited India as a representative of PLO to attend the 17th Congress of CPI from 18-20 September, 1998 held in m Chennai. During his visit, he called on Minister of State for External Affairs. The Palestine Authority's Minister of Housing & Energy Mr Abdel Rehman T Hamad visited India to attend the Seminar organised by the Council of Arab Ambassadors. During his stay in New Delhi, the Palestinian Minister called on Minister of Petroleum & Natural Gas Shri V K Ramamurthy and Minister of State for External Affairs Smt Vasundhara Raje.

India offered more than 50 training slots to the Palestinian personnel for specialised training courses during the current financial year 1998-99. At the International Donors Conference was held in Washington DC on 30 November, 1998 to help the Palestinian people, India pledged an amount of US\$ 1 million. The utilisation of this amount will be decided on consultation with the Palestinian authorities. India supported the UN efforts on Western Sahara. India has contributed 10 Police personnel to the civilian contingent under the MINURSO. In Somalia, India supports UN efforts to restore peace and normalcy. The President of Djibouti Hassan Gouled Aptidou transited through Chennai on 1-2 August, 1998.

Sudan Relations with Sudan were strengthened through expansion and diversification of bilateral economic co-operation. India reiterated its support for Sudan's territorial integrity and sovereignty. Minister of Transport of the Government of the Republic of the Sudan Dr Lam Akol and the Secretary General of the Ministry of Transport Mr Mudawi Eltiraifi visited India to attend the Seminar on "National Transport Policy - Environmental and Energy Issues" held in New Delhi from 9-11 December, 1998, at the invitation of the Chairman of the Railway Board. While in New Delhi, the Sudanese Minister called on the Minister of Railways. A 3-member Sudanese Parliamentary delegation led by the Deputy Chairman, Federal Relations Committee, Sudanese National Assembly Dr Salah Eldin Mirghani M A Gaili visited India in the first week of October 1998 to get acquainted with the functioning of the federal system in India.

During their visit, the Sudanese delegation called on the Minister of Parliamentary Affairs & Tourism Shri Madan Lal Khurana and Lt Governor of Delhi. Sudan's Minister of Animal Wealth Mr Joseph Malawal came to India on a private visit in June, 1998 and amongst others, called on the Minister of State for Agriculture Shri Som Pal. The Government of India sent relief supplies consisting of baby milk powder and medicines to Sudan to help the flood victims. Syria Bonds of understanding and co-operation with Syria were strengthened. Chief of Army Staff Gen V P Malik visited Syria from 10-14 December, 1998 at the invitation of Syria's Chief of Army & Armed Forces Lt Gen Ali Asslan. Gen Malik was also received by Syria's Defence Minister First Lt Gen Mustafa Tlass and Foreign Minister Mr Farouq al-Shara. Secretary (East) in the Ministry Shri Nareshwar Dayal visited Syria on 13-15 July, 1998 for Foreign Office Consultations. Secretary (East) was received by Foreign Minister Mr Farouk Al- Shara. The Director General of the Atomic Energy Commission of Syria Dr I Othman visited India for the IAEA Meeting from 12-16 October, 1998 held at BARC, Mumbai.

Tunisia Bilateral relations with Tunisia continued to develop satisfactorily. Tunisia's Minister for Environment and Land Use Planning Mohamed Mr Mehdi Mlika visited India from 1-3 April, 1998 to attend the meeting of Global Environment Facility at New Delhi. During his stay in India, the Tunisian Minister called on Minister of Environment and Forests Shri Suresh Prabhu and Minister of State for External Affairs Smt Vasundhara Raje. India maintained cordial relations and co-operation with the regional organisations, namely, League of Arab States (LAS) and Union of Arab Maghreb. 1999

Africa (South of Sahara)

Introduction As in the past, the period under review saw a continuation of the high-level of interaction with the countries of the African continent. The special priority attached to the region, with whom our ties have been both longstanding and time- tested, was underlined by the visit of Prime Minister Shri Atal Behari Vajpayee to Namibia, South Africa and Mauritius in August-September, 1998. It is significant that this visit to Africa was the first foreign visit by the Prime Minister outside the sub-continent.

In addition to a series of high-level exchanges with most countries of the region, the year also saw the visit to India of both Prime Minister Dr Navinchandra Ramgoolam and Vice-President Mr A V Chettiar of Mauritius. India's ties with Mauritius are one of kinship, and these high-level visits further cemented the already close ties between the two countries. A significant element of India's relationship with sub-Saharan Africa was the growing level of economic interaction. The overall volume of trade with the region exceeded Rs.10,000 crores. Endeavours in the area of economic cooperation were particularly significant for the growing appreciation across the African region of India's prowess - and its special relevance to Africa - in the fields of small and medium-scale industrial enterprises, and agriculture. The

already well-established respect for India's expertise in the human development sector was reinforced. A wide-ranging political dialogue with several key countries in the region displayed a considerable degree of understanding of India's security interests.

Bilateral India's relations with the countries of East Africa are marked by friendship and cordiality. The relations between India and Mauritius continued to grow during the period. Prime Minister Shri A B Vajpayee paid an official visit to Mauritius on 3-4 September, 1998. During the visit a Protocol on Cooperation in the field of Meteorology and a Bilateral Investment Promotion and Protection Agreement was signed. Prime Minister Dr Navinchandra Ramgoolam paid a state visit to India on 13-19 October , 1998. The Vice President of Mauritius Mr A V Chettiar visited India on 26 December, 1998 to 8 January, 1999. Ms Marie Claude Arouff-Parfait, the Mauritian Minister for Youth and Sports visited India in January-February, 1999. During the visit a Protocol each on Cooperation in the field of Sports and Youth Affairs were signed. Cooperation in the sectors of education, science and technology, information technology, trade and industry was further intensified. Shri Suresh P Prabhu, Minister for Environment and Forests visited Kenya to attend the Special Session of the Governing Council of the United Nations and Environment Programme at Nairobi in May 1998.

General DRC Tonje, Chief of General Staff, Kenyan Armed Forces visited India on 20-28 March, 1998. General V P Malik, Chief of Army Staff of India visited Kenya in July 1998. The High Commission of India organised a seminar on "India-Kenya Relations : Vision - 2000" in Nairobi on July 14, 1998. Two prominent Kenyan Ministers i.e. Dr Bonaya Godana, Minister for Foreign Affairs and Hon. S Nyachae, Minister for Finance delivered key-note addresses at the Seminar. Shri A N Ram, former Secretary, MEA, Shri Amit Mitra, Secretary General, FICCI and Shri Pavan K Varma, JS, MEA attended the Seminar. The scope for Kenya to learn from India's development experience was under-scored, as was the potential for enhancing the level of interaction in Indo-Kenyan cooperation in all fields. India organised "India-Tech 98" on 1-4 September, 1998 at Nairobi. More than 60 companies from India displayed their goods and technology at the show. The show received considerable attention from the Government and the business community of Kenya. The exposition show-cased India's capabilities, the comparative and cost effective quality of its technologies and their appropriateness to local needs. The exposition was inaugurated by Shri Som Pal, Minister for State for Agriculture. He also discussed matters of mutual concern with a number of Kenyan Ministers. Hon. J J Kamotho, Kenyan Minister for Trade accompanied by a trade delegation visited India on November 11-13, 1998. Apart from his meetings with Shri R K Hegde, Minister of Commerce, he also led the Kenyan side at the Joint Trade Committee Meeting held during the visit. Shri S T Devare, Secretary(ER) visited Nairobi on 20-25 November, 1998 and held discussions with his Kenyan counterpart on various matters of mutual concern.

India's growing relations with Uganda were further strengthened during the period under review. Ugandan President Mr Y Museveni made a transit halt at Mumbai in April 1998. The first Deputy Prime Minister and Foreign Minister Mr Eriya Kategaya paid a private visit to India from 28 April to June 1, 1998. An exhibition by Building Materials Technology Promotion Council of India on low- cost housing was held in Kampala from 3-10 April, 1998. This was the biggest ever exhibition/fair in Uganda organised by India. It generated considerable interest in Uganda. During the year, Indian Council of Agricultural Research and National Agricultural Research Organisation of Uganda signed an Agreement on Cooperation in the field of Agricultural Research. Ugandan Minister for Higher Education, Dr. Abil Rwendeire led a delegation to India on 1-7 November, 1998. The Indo-Ugandan Joint Committee met in Kampala on 23-24 November, 1998. Shri S T Devare, Secretary (ER), led the Indian delegation. The Joint Committee deliberations identified several areas of mutually beneficial cooperation between the two countries including the establishment of a small-scale industrial estate at Jinja, cooperation in commercial farming, human resource development, the identification of new areas such as information technology etc. Dr P Byarauhanga, Ugandan Minister of State for Health visited India in December 1998.

The Minister of Education of Rwanda visited India from May 18-21, 1998. During the visit, an Agreement between the Ministry of Education of Rwanda and Educational Consultants India Limited was signed. Under this Agreement ED.CIL is to facilitate admission of over 430 Rwandese students in various Indian universities/institutions. On a specific request by Rwandan Government a specialised training course for one month for 5 Rwandan dairy farmers was arranged at National Dairy Research Institute, Karnal. During the year, several delegations from Ethiopia visited India seeking to gain from India's development strategy and experience. These included a 20-member Ethiopian dairy farmers delegation, an 8-member veterinary delegation, a 10- member delegation of the Ministry of Finance, Industry and Trade and a 3-member pharmaceuticals delegation. A delegation from Ethiopia also came to study income-generating employment strategies for women in India. Ethiopia continued to recruit Indian professors and experts for its universities and technical training institutions. In May 1998, a Bilateral Cultural Exchange Programme (1998-2000) was signed with Ethiopia. India and Seychelles signed a Bilateral Trade Agreement at Mahe on 18 September, 1998. The agreement provides for most favourable nation facilities to imports from each other. The agreement also envisages the setting-up of a Joint Trade Council to review trade and commercial relations.

The ties of friendship and cooperation between India and Madagascarcontinued to expand further during the year. The President Mr Didier Ratsiraka met Prime Minister Shri A B Vajpayee, at Durban on the margins of the NAM Summit. The National Mineral Development Corporation signed an MOU on 11 September, 1998 with the Malagasy organisation for exploration of gold, and, Telecommunications Consultants India Limited bagged a contract worth US \$ 9 million in Madagascar. After a gap of nearly 20 years, India participated at the Dar-es-Salaam International Trade Fair in Tanzania and won the first prize in the foreign participation category.

India's relations with the countries in southern Africa made significant progress during the year. The traditionally close and friendly relations between India and South Africa were sustained through exchanges of visits and bilateral consultations at all levels. Shri Brijesh Mishra, Principal Secretary to the Prime Minister, visited South Africa as a Special Envoy of the Prime Minister in July 1998 for bilateral consultations. General V P Malik, Chief of Army Staff of India visited South Africa in July 1998. The Deputy Minister in the South African Deputy President's Office, Dr Essop Pahad, visited India on 2-10 October, 1998. Mr Mac Maharaj, the South Africa Joint Commission took place in Pretoria on 4-5 December, 1998. The meeting was chaired by Smt Vasundhra Raje, Minister of State for External Affairs and Mr Aziz Pahad, the South African Deputy Foreign Minister.

The Joint Commission reviewed the progress of cooperation in the entire gamut of bilateral relations and identified areas where progress could be accelerated. An Agreement on Air Services was also signed during the meeting. These high level bilateral contracts served to reinforce and expand the existing areas of bilateral cooperation while at the same time opening new areas of cooperation. Other high level exchanges included the visits to South Africa of the Minister of Petroleum and Natural Gas, the Minister of Mines, and the Minister of State for Rural Development and the visits to India by Mr Jay Naidoo, the Minister of Posts, Telecommunications and Broadcasting and Dr A M "Dullah" Omar, the Minister of Justice, Mr Ismail Mohamed, the Chief Justice of Supreme Court and Mr Narend Singh, the Minister for Agriculture of Kwazulu Natal served to provide further focus to bilateral cooperation in these areas.

The relations between India and Namibia were marked by the traditional sense of closeness and understanding. Prime Minister Shri Atal Behari Vajpayee paid an official visit to Namibia on August 30-31, 1998 at the invitation of President Sam Nujoma. During the visit, extensive talks were held on issues of bilateral interests, and subjects of multilateral concern. A prominent street in Windhoek was named after Mahatma Gandhi in the presence of India's PM. Four important bilateral agreements in the areas of Technical Cooperation, Agricultural Research, Technology Demonstration and Foreign Office Consultations were signed. An Agreement facilitating exchange of information between Press Trust of India and Namibia Press Agency was also exchanged. President Laurent Kabila of the Democratic Republic of Congo met Prime Minister Shri A B Vajpayee in Windhoek in August 1998.

The Hon'ble Speaker of the Lok Sabha, Shri G M C Balayogi accompanied by 5 members of Parliament attended the 99th IPU meeting held in Windhoek in April 1998. Mr H Palichta, the Namibian Minister of Works, Transport and Communications visited India in August 1998. During the visit he held extensive talks on possibilities of cooperation between the two countries in the field of railways. The relations between India and Zimbabwe continued to be warm and friendly. Shri Dilip Lahiri, Additional Secretary (UN), Ministry of External Affairs held consultations with his counterparts in the Zimbabwean Ministry of Foreign Affairs in May 1998. The first Indo-Zimbabwean Joint Trade Committee meeting was held in Harare from 17-19 August, 1998. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. TCIL of India won a major contract worth US \$35 million in Zimbabwe during the year.

The relations between India and Zambia continued to grow during the period of the report. The India-Zambia Joint Trade Committee meeting was held in Lusaka on 6-7 January, 1999. The Indian delegation was led by Shri P P Prabhu, Commerce Secretary. The Conference of India's Commercial Representatives in the Region was also held at Lusaka on 8 January, 1999. The Deputy Commander of the Botswana Defence Force, Major General T H C Masire visited India from 24-30 January, 1999. The relations between India and the countries in West Africa continued to expand in all fields. Nigeria is an important trading partner of India in Africa with the volume of bilateral trade reaching Rs 3000 crores in 1998-99. General Olusegun Obasanjo, former Head of State of Nigeria paid a private visit to India in September 1998. In October 1998, the Chief of the Naval Staff Rear Admiral Jubrilia Ayinia paid an official visit to India. Nigeria is in lead up to national elections scheduled for February 1999. As a gesture of support for this transformative process, India has gifted indelible ink worth Rs 74.65 lakh for use during the elections.

Shri S S Barnala, Minister of Chemicals & Fertilizers and Consumer Affairs visited Dakar, Senegal on 7-10 November 1998 to attend the foundation laying ceremony as Chief Guest of the project of Industries Chimique Du Senegal in which IFFCO is an equity partner. H.E. Mr Salifou Diallo, Minister of State, Minister for Environment and Water of Burkina Faso visited India over 12 &13 October, 1998 to exchange views on the ongoing aspects of bilateral cooperation.

India's relations with Cote d'Ivoire have been improving steadily. A delegation organised by the EXIM Bank of India and the CII visited Cote d'Ivoire and also had discussions with the Abidjan based African Development Bank in May 1998. Shri Kashiram Rana, the Minister of Textiles led a delegation of the Indian jute industry to Nigeria, Ghana and Cote d'Ivoire in August 1998 for promoting export of hydrocarbon free jute bags to the West African region. India's Assistance to African Countries The Prime Minister of Senegal Mr Habib Thiam received 100 Indian tractors in May 1998 as part of the Agricultural Development Project being set up with India's assistance. India assisted Togo in rural development by gifting water pumps, sewing machines, corn grinding mills, and TATA mobile ambulances worth Rs 3.26 crores during the year. In Mali, a drilling rig gifted by India was installed and commissioned during the period of the report. Two TATA ambulances were handed over to President Sam Nujoma of Namibia on 17 November 1998 for use at a maternity clinic. Another gift of 10,000 litres of cooking oil and 5 tonnes of baby milk powder were formally handed over to President Sam Nujoma on 27 January 1999. A cheque for Rs. 10,00,000 was presented to President Mugabe by the Indian High Commissioner in support of the Jawaharlal Nehru-Robert Mugabe Trust Fund. As a gesture of solidarity and support; in the aftermath of the US bombing at Nairobi and Dar-es-Salaam on 8 August 1998, India provided medical assistance worth Rs 10 lakh and Rs 5 lakh respectively to Kenya and Tanzania. A consignment of books on economics, management, computers and public administration was presented to the Institute of Public Administration and Management in Sierra Leone in July 1998.

Evacuation/Repatriation Assistance provided to affected Indian community in Africa On the humanitarian front, India was prompt in providing assistance to the affected Indian community residing in African countries. Following the outbreak of hostilities between Ethiopia and Eritrea in June 1998, 153 Indian nationals were evacuated from Asmara capital of Eritrea by chartering an aircraft in Djibouti and brought safely to India. During the political upheavals in Lesotho in September 1998, the Indian community crossed over the border into South Africa. They were provided all possible consular assistance by our mission in South Africa. Following demarches made by India, ten Indian soldiers serving in Angola with the MONUA (UN Observer Mission in Angola), held hostage by UNITA, were released on 6 December, 1998. Following the outbreak of armed revolt in Guinea Bissau in June 1998, 49 Indians nationals were evacuated and repatriated to India. Assistance was also rendered to the Indian nationals affected by the rebels' attacks which took place in Sierra Leone in December 1998.

Multilateral Prime Minister, Shri A B Vajpayee, led the Indian delegation to the NAM Summit in Durban in September 1998. Shri A B Vaipayee, Prime Minister addressed a Message to the OAU Summit (June 8-10, 1998) held at Ouagadougou, capital of Burkina Faso. It was handed over by Shri S T Devare, Secretary (ER) and was put on record as a document of the proceedings of the Summit. India also gifted seven heavy duty photocopiers to Burkina Faso for use during the Summit. As part of the consultation preceding the NAM Summit at Durban, South Africa in September 1998, high level envoys visited several African capitals: Shri S T Devare, Secretary (ER) visited Dar-es-Salam, Harare, Lusaka and Shri A N Ram, Special Envoy visited Libreville, Lagos, Dakar, Freetown, Banjul and Accra. Conclusion Africa is in a phase of transition, leaving behind the legacies of the past, and moving towards a many-splendoured future embracing democracy, economic reform and a constructive emergence of regional identities. India, with its unique developmental experience, and as the world's largest democracy undergoing significant economic reform, has a vital role to play in underpinning and moulding such an African future. The people of Indian origin who have made Africa their home in almost every corner of the continent are a natural bridge in re-enforcing our future ties with Africa. However, India's diplomatic vision extends beyond such natural ethnic affinities to embrace the interests of Africa as a whole, particularly in the priority area of economic progress and development. Such an economic congruence is facilitated by a broad agreement between India and the countries of Africa on their vision of a new world order characterised by peace, justice and equity, and fully responsive to the needs and interests of the developing world. uu

MAURITIUS NAMIBIA SOUTH AFRICA USA INDIA KENYA MALI UGANDA RWANDA ETHIOPIA SEYCHELLES CENTRAL AFRICAN REPUBLIC MADAGASCAR TANZANIA CONGO ZIMBABWE ZAMBIA BOTSWANA NIGER NIGERIA SENEGAL BURKINA FASO COTE D'IVOIRE GHANA ERITREA DJIBOUTI LESOTHO ANGOLA GUINEA GUINEA-BISSAU SIERRA LEONE GABON THE GAMBIA 1999

Europe

Eastern Europe Section 1 India's traditionally warm, friendly and cooperative relations with the Russian Federation and the countries of East and Central Europe continued to develop steadily during the year. There is a consensus on maintaining good relations with most of these countries in India, where there is considerable goodwill for these countries, and vice versa. With the consolidation of democracy and democratic institutions in East and Central Europe, our friendship with the countries in this region has acquired an added dimension, based on shared values and aspirations. India's multi-faceted cooperation with them in all spheres including trade and commerce, science and technology, culture, etc. has been progressing satisfactorily.

The tradition of high level bilateral exchanges with these countries continued during the year and contributed to strengthening our bilateral cooperation. Sustained efforts were made to further strengthen our political understanding with them. Exchanges of visits by Parliamentary delegations helped to revitalise contacts with the legislatures of these countries. We also sought to build upon our existing business and institutional linkages with them, so as to benefit from the parallel processes of economic change and development in India and East/Central Europe. Efforts were made to consolidate and expand our cultural ties. In turn, these countries acknowledged the importance of their traditional ties with India.

Section 2

Close and friendly ties between India and Russia, based on continuity, trust and mutual understanding, constitute an important foreign policy priority for both countries. Our multi-faceted relations have been developing apace in different areas of cooperation. The tradition of high level bilateral exchanges with Russia, which has contributed to strenghthening our bilateral cooperation in a wide range of areas, was maintained during the year, culminating in the visit of Prime Minister Mr Y M Primakov to India in December, 1998. There is a consensus in both countries on maintenance of good bilateral relations. Recognition of the strategic dimension to Indo-Russian relations has grown. India and Russia share similar perceptions on many international issues.

Prime Minister inaugurated the 7 RCR-Kremlin Hot-line with a telephonic conversation with President Yeltsin on 13 April 1998, the 51st anniversary of the establishment of diplomatic relations between India and Russia. Defence Secretary visited Russia from 15-19 June 1998 and held discussions with First Deputy Defence Minister Mr N V Mikhailov, and met Defence Minister Mr Igor Sergeev, Economy Minister Mr Yakov Urinson and other Russian dignitaries. During the visit, an Inter-Governmental Agreement on the Long-Term Programme of Military and Technical Cooperation for the period upto the year 2010 was initialed.

Russian Minister for Atomic Energy Mr Yevgeny Adamov visited India from 19-22 June, 1998. He signed with Dr R Chidambaram, Secretary, Department of Atomic Energy, a Supplement to the 1988 Indo-Soviet Inter-Governmental Agreement on the construction of a 2x1000 MW Nuclear Power Station in Kudankulam, Tamil Nadu. Governor of the Voronezh region of the Russian Federation, Mr I M Shabanov visited India from 9-11 July, 1998. During his stay in India, he met the Chief Minister of Delhi Shri Sahib Singh and Secretary (West), MEA, and visited Calcutta.

Chief Minister of Delhi Shri Sahib Singh visited Russia from 13-15 July, 1998 to attend the International Youth Games. During his stay in Russia, he met the Mayor of Moscow Mr Yuri Luzhkov, and visited the Voronezh region of the Russian Federation. A contract on the preparation of the Detailed Project Report for the construction of a 2x1000 MW Nuclear Power Station in Kudankulam was signed in Moscow on 20 July, 1998.

Chief of Naval Staff Admiral Vishnu Bhagwat visited Russia from 24-31 July, 1998. During the visit, he called on the Russian Defence Minister Mr Igor Sergeev and had talks with the Commander-in-Chief of the Russian Navy Admiral Vladimir Kuroyedov. He also visited St. Petersburg and Severomorsk. Deputy Chairman of the Planning Commission Shri Jaswant Singh met the Russian Foreign Minister Mr Yevgeny Primakov in Manila on 28 July, 1998, during the 5th meeting of the ASEAN Regional Forum. Mr Yevgeny Primakov, Russian Foreign Minister, met Prime Minister Shri Atal Bihari Vajpayee during the 53rd Session of the UN General Assembly UNGA in September 1998 in New York.

Lok Sabha Speaker, Shri G M C Balayogi, led a multi-party Indian Parliamentary delegation to the IPU Conference in Moscow from 6-13 September, 1998. An Agreement on Indo-Russia Inter-Parliamentary Commission was also signed during that visit. The Chairman of the Russian State Duma Committee for International Relations, Mr V P Lukin, accompanied by a multi-party Russian Parliamentary delegation visited India from 13-16 September, 1998, during which he held detailed discussions with the Parliamentary Standing Committee on External Affairs. He also called on PM, Vice President and other Indian dignitaries. Foreign Secretary visited Moscow on 11 September, 1998 for Foreign Office Consultations.

Vice Mayor and First Deputy Prime Minister of the Moscow Government, Mr Valeri P Shantsev, visited India from 23-26 September, 1998 and on 23 September, 1998, inaugurated the "Days of Moscow in Delhi" jointly with Home Minister. Petroleum Minister, Shri V K Ramamurthy, visited Russia from 21-23 October, 1998, during which a meeting of the Indo-Russian Joint Working Group on Oil was also convened. Russian Deputy Foreign Minister Mr G B Karasin visited India from 1-3 November, 1998. He held discussions with Foreign Secretary and called on Home Minister and Principal Secretary to PM.

Defence Secretary visited Russia from 10-12 November, 1998 for the Joint Working Group meeting on military-technical cooperation. Lok Sabha Speaker led a multi-party Indian parliamentary delegation to Russia from 12-17 November, 1998. In addition to having discussions with his Russian counterpart, he addressed the Russian State Duma and called on Prime Minister Mr Y Primakov. President Mr M S Shaimiev of the Republic of Tatarstan (Russian Federation) visited India from 22-26 November, 1998 at the invitation of Commerce Minister. During the visit, he also called on Vice President.

Finance Minister led an Indian delegation to Moscow from 26-28 November 1, 1998 for the 5th session of Indo-Russian Inter-Governmental Commission as its co- chairman. Besides meeting his counterpart and Russia's First Deputy Prime Minister Mr Yuri Maslyukov, Finance Minister called on Russian Prime Minister Mr Y Primakov, Finance Minister Mr M Zadornov and Deputy PM Mrs V I Matvienko. Russian Prime Minister Mr Yevgeny Primakov paid an official visit to India from 20-22 December, 1998. During the visit, he called on President, Vice President and PM, and met Lok Sabha Speaker and EAM besides other high Indian dignitaries. Discussions took place in the warm and friendly atmosphere traditional to Indo-Russian interaction. There was a coincidence of views on practically all issues discussed, and both sides expressed satisfaction that bilateral cooperation was proceeding well. Both sides reiterated their commitment to close and stable relations in a long-term perspective. During the visit seven bilateral

documents were signed in the presence of the two Prime Ministers. Mr Primakov also attended a business seminar organised by CII.

Chairman of the Federation Council of the Federal Assembly of the Russian Federation, Mr Y S Stroev, accompanied a high-level parliamentary delegation including eight regional governors visited India from 8-10 February, 1999. During the visit Mr Stroev and the delegation called on the President, Vice-President, Lok Sabha Speaker and Home Minister. Russian Defence Minister Mr Sergeev is expected to visit India from 11-15 March, 1999.

India's relations with other countries of the CIS - Armenia, Belarus, Georgia, Moldova, Ukraine continued to develop satisfactorily. Smt Vasundhara Raje, Minister of State for External Affairs met Mr Ivan Antonovich, the Foreign Minister of Belarus in New York on September 29, 1998 during the 53rd Session of UNGA. Belarusian Foreign Minister, Mr Ivan Antonovich, paid an official visit to India from 13-17 October, 1998, during which he held talks with MOS for External Affairs. He also called on Prime Minister, the Vice President, and Industry Minister. An Indo-Belarus ITEC Agreement was signed during the visit.

Industry Minister, Shri Sikander Bakht, led the Indian delegation to Minsk from 25-28 October, 1998 at the 1st session of the Indo-Belarus Inter-Governmental Commission. He co-chaired the session with the Belarusian Industry Minister. During the visit, he called on the Belarusian President, Prime Minister and Minister of Foreign Economic Relations. Minister of State for Coal, Shri Dilip Ray, accompanied by officials from Coal India Ltd. visited Minsk from 10-12 January, 1999. During the visit CoalMinister called on the Prime Minister Mr Sergei Ling and also held discussions with the Belarus Minister for Industry, Mr A D Kharlap.

India's relations with the countries of Central/East Europe and the three baltic Republics, i.e., Lithunia, Latvia and Estonia- continued to be close and productive. High level visits were exchanged with several of these countries during the course of the year, which confirmed the importance and priority that these countries attach to their relations with India. Bosnia and Herzegovina opened its resident Mission in New Delhi in 1998. Bulgarian Deputy Minister of Trade and Tourism, Mr Hristo Mihailovski visited India from 27-30 April, 1998, accompanied by a group of officials and businessmen. He called on the Commerce Minister, MOS for Agriculture and Commerce Secretary. The 12th Session of Indo-Bulgarian Joint Commission was held in Sofia from 22-25 September, 1998. MOS for Agriculture, Shri Sompal, led the Indian side and met Bulgarian PM Kostov, Speaker Sokolov, and the Ministers of Trade, Transport and Agriculture.

President Petar Stoyanov paid a state visit to India from 25-28 October, 1998 accompanied by his wife and a high-level official delegation. He had separate meetings with the President, the Vice-President and the Prime Minister. The Indo-Bulgarian BIPA, an Agreement on Mutual Cooperation between ITPO and the International Fair Inc. Plovdiv, an MOU between the National Centre for Trade Information (NCTI) and the Bulgarian Export Promotion Centre, and an MOU between the CII and the Bulgarian Industrial Association were signed. President Stoyanov visited Agra, Udaipur and Mumbai. The 10th meeting of the Indo-Bulgarian Joint Business Council was convened in New Delhi on 27 October, 1998 coinciding with the visit to India of the Bulgarian President.

Bulgurian Deputy Minister of Transport, Mr Ilko Miloushev, visited India from 8- 10 December, 1998 to take part in a seminar organised by the Ministry of Railways. He met Railway Minister Shri Nitish Kumar,

Minister for Surface Transport Shri Thambi Durai, MOS for Agriculture Shri Som Pal and senior officials of the Ministry of Civil Aviation, RITES, Cimmco Birla and Konkan Railways.

Mr George Ganchev, MP and Chairman of the Bulgarian Parliamentary Group for "Friendship with India" visited India from 21-26 February, 1999. He called on Shri Krishna Kant, Vice President of India and Shri G M C Balayogi, Lok Sabha Speaker. He also met Shri P R Kumaramangalam, Parliamentary Affairs Minister, Shri R K Hegde, Commerce Minister, Smt Vasundhara Raje, MOS (External Affairs), and Shri Som Pal, MOS for Agriculture, and attended a lunch hosted by FICCI in his honour.

Croatian Minister for Economy Mr Nenad Porges led the Croatian delegation to the Fourth session of the Indo-Croatian Joint Committee on Trade and Economic Cooperation which took place on 16-18 November, 1998 in New Delhi. He met Minister of Commerce Shri R K Hegde, Minister of Surface Transport, Shri M Thambidurai, Minister of Petroleum and Natural Gas Shri K Ramamurthy. Croatian Minister for Culture Mr Bozo Bispkupic is expected to visit India on 4- 6 March, 1999.

The President of Croatian Parliament Dr Vlatko Pavletic will be leading a Parliamentary delegation to India from 28 March to 4 April, 1999. Minister of State for Coal, Shri Dilip Ray, visited Prague in May 1998, and held detailed discussions with the Czech Trade and Industry Minister, Mr Kuhnl. The Indo-Czech Agreement on Avoidance of Double Taxation was signed in Prague on 1 October, 1998 by the Indian Ambassador and Czech Finance Minister, Mr Ivo Svoboda.

The Third session of the Joint Committee took place in Prague on 5 & 6 October, 1998. The Indian delegation was led by Shri P Prabhu, Commerce Secretary, and the Czech delegation was led by First Deputy Minister of Industry and Trade, Mr Vaclav Petricek. Commerce Secretary also met the Minister of Industry and Trade, Mr Miroslav Gregr, and Deputy Finance Minister, Miloslav Fiedler. The 2nd meeting of the Indo-Czech Joint Business Council was held simultaneously with the meeting of the Joint Committee in Prague on 5 & 6 October, 1998, which was attended by Indian businessmen.

A Czech Parliamentary delegation led by the President of the Chamber of the Deputies of the Czech Parliament, Mr Vaclav Klaus, is expected to visit India from 8-14 March, 1999. Mr Klaus will be accompanied by his wife, six Members of Parliament and government officials.

The President of the Republic of Estonia, Mr Lennart Mery, paid a State visit to India 3-10 February, 1999. During the visit, President Mery had separate meetings in New Delhi with the President, the Vice President and the Prime Minister of India as well as other Indian dignitaries. An Indo-Estonian Agreement on Co-operation in the field of Science and Technology and an MOU on co-operation between FICCI and the Estonian Chamber of Commerce was signed during this visit. Besides New Delhi, President Lennart Meri also visited Agra, Jaipur and Mumbai.

Foreign Minister of FRY, Mr Jovadin Jovanovic, met Smt Vasundhara Raje, Minister of State for External Affairs in New York on 29 September, 1998 during the 53rd session of the UNGA. Discussions were held on the need to intensify and renew bilateral cooperation in all fields. The FRY Minister for Agriculture Mr Nedelijko Sipovac, visited India on 2-7 November, 1998. He met Shri Som Pal, Minister of State for Agriculture, Shri R K Hegde, Minister of Commerce, Shri P A Sangma, Member of Parliament, and called on the Vice President of India. He also visited Maharashtra and met the Chief Minister, Shri Manohar Joshi, and the Minister of Agriculture of Maharashtra, Shri Harsh Vardan Patil.

Dr Murli Manohar Joshi, Minister for Human Resource Development, visited Hungary on 26-28 November, 1998 in connection with the Golden Jubilee of the establishment of diplomatic relations between India and Hungary. He inaugurated a symposium on "Hungary, India and the European Union" on 26th November, 1998. Dr Joshi called on Hungarian President Dr Arpad Goncz and held discussions with Prof Janos Hamori, Minister for National Cultural Heritage, Dr Janos Martonyi, Minister for Foreign Affairs and Dr Zoltan Pokornyi, Minister of Education. The Cultural Exchange Programme for 1999-2000 was also signed during the visit. To commemorate the 50th Anniversary of the establishment of diplomatic relations between India and Hungary, an International Round Table Conference on "India and Hungary: Perspectives on the Changing World Order"was held at the School of International Studies, Jawaharlal Nehru University, New Delhi from 17 - 18 November, 1998, with the participation of distinguished academics and experts from India and Hungary.

A Hungarian Parliamentary delegation led by Dr Janos Ader, Speaker of the Hungarian Parliament is expected to visit India on 7-13 March, 1999. Latvian Under Secretary of State Mr Janis Karklins, visited India from 7-12 December, 1998. He held discussions at MEA, besides visiting the 5 Latvian pilots detained in Calcutta in connection with the Purulia Arms Dropping Case. During the visit, he and Joint Secretary (East Europe) initialed the text of the Agreement on the establishment of an Indo-Latvian Joint Commission. The Chief of General Staff of the Polish Armed Forces Lt Gen HSzumski visited India on 30 March - 3 April, 1998, and called on Raksha Mantri, COAS, CAS, Defence Secretary and Secretary (West).

Indo-PolishWorking Consultations on Trade and Economic Related Issues were held in Warsaw on 22 & 23 June, 1998. The Indo-Polish Working Group on Coal under the Indo-Polish Joint Commission for Economic, Trade, Scientific and Technical Cooperation met in Warsaw on 14 October, 1998. The Indian delegation was led by Mr S S Boparai, Secretary (Coal) who held discussions with the Deputy Minister of Economy, Mr Jan Szlazak and called on Mr Janusz Steinhoff, the Minister of Economy.

Mr Czeslaw Bielecki, Chairman of the Foreign Relations Committee of the Polish Parliament (Sejm) visited India on 14-16 February, 1999 to participate in the "Global Conference on Democracy" jointly organised by CPR and CII in New Delhi. He met Smt Vasundhara Raje, MOS (External Affairs) and Shri I K Gujral, Chairman, Standing Committee on External Affairs of the Indian Parliament. The Deputy Defence Minister of Poland Mr Romuald Szeremietiew, is expected to visit India from March 22, 1999.

The 13th session of the Indo-Romanian Joint Commission was held on 15-16 December, 1998. Commerce Minister, Shri R K Hegde, visited Bucharest. He met PM Radu Vasile, Foreign Minister Andrei Plescu and the Romanian Ministers of Health, Finance, Industry and Commerce. Commerce Minister also led the Indian delegation as Co-Chairman of the Indo-Romanian Joint Commission. The Romanian side was led by Industry Minister, Mr Radu Berceanu. A Protocol was signed between the two governments on Economic, Scientific and Technical cooperation. Shri Suresh Prabhu, Minister of Environment and Forests, visited the Slovak Republic from 3-6 May, 1998 to attend the Ministerial Round Table of the 4th Meeting of the Conference of Parties to the Convention of Biological Diversity. The third session of Indo-Slovak Joint Committee took place on 7-8 October, 1998 at Bratislava. The Indian delegation was led by the Additional Secretary in the Ministry of Commerce, who is also the co-chairman on the Indian side. The Slovak delegation was led by Mr Dusan Gutan, Vice-Minister, Ministry of Economy. The delegation was received by the Minister of Economy, Mr Milan Cagala, State Secretary in the Ministry of Finance, Mr Peter Stanec, and by the Director General in the Ministry of Foreign Affairs, Mr Anton Pitner. A meeting of the Indo-Slovak Joint Business Council took place at Bratislava on 7 & 8 October, 1998, concurrently with the Joint Committee meeting. Smt Vasundhara Raje, Minister of State for External Affairs met Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia on September 1, 1998 during the meeting of the Nonaligned Movement held in Durban. Dr Ernest Petric, State Secretary, Ministry of Foreign Affairs of Slovenia, visited New Delhi on 2-6 February, 1999 for the fourth round of Indo-Slovene Foreign Office Consultations. During the visit, he held discussions with Secretary (West). He met Shri Nripendra Mishra, Additional Secretary, Ministry of Commerce, and called on Smt Vasundhara Raje, Minister of State (External Affairs), and Smt Maneka Gandhi, Minister of State, Ministry of Welfare.

Western Europe West Europe is a region of considerable political and economic significance to India. The European Union (EU), of which 15 countries of the region are members, is India's largest trading partner and the second largest source of approved foreign investment. The adoption of the Euro by 11 of its member states and the evolution of a Common Foreign and Security Policy are significant pointers to the emergence of an "European identity", which would have an increasingly important role in international affairs.

Normal dialogue and interaction has continued in 1998-99 with the countries of West Europe, as also with the EU. A number of high level visits have been exchanged with West Europe. The President visited Germany, Portugal and Luxembourg, in September 1998. The Prime Minister visited France in Sept-Oct 1998. We have also received the visits of the President of Switzerland, and the Crown Prince of Belgium and the Prime Minister of Luxembourg. The 11th Round of the India-EU Troika Ministerial Meeting was held in New Delhi on November 13, 1998. There has also been an exchange of several other Ministerial visits with various other countries. High level official consultations have been conducted with France, the UK and Germany.

During this period, India's trade with the countries of the region has grown and there has been a further strengthening of the investment and technology cooperation ties between India and Europe. The diversification and deepening of the economic linkages and continuing political dialogue between the two sides reflects a shared desire to pursue a closer relationship for mutual benefit. While most of the countries in West Europe and the EU expressed concern at the nuclear tests conducted by India in May 1998, the specific reactions by different countries were far from uniform. A few countries like the Netherlands, Switzerland, Norway, Sweden and Denmark imposed unilateral economic measures (primarily curtailing development assistance and banning arms sales) with the others being opposed to such action.

Austria held the Presidency of the EU during the second half of 1998. In this capacity the Austrian Minister of State for Foreign Affairs, Dr (Mrs) Benita Ferrero Waldner led the EU Troika delegation at the 11th India-EU Troika Ministerial Meeting held in New Delhi on November 13, 1998. Our bilateral relationship with Belgium has progressed well. Belgium is the 7th largest trading partner for India. Bilateral trade, dominated by trade in diamonds, was over US \$ 4 billion in 1997. The total approved Belgian investment in India from 1991 to Aug 1998 has been around US \$ 1 billion, making Belgium the 9th largest investor in India in terms of approval figures. There are around 140 Indo-Belgium joint ventures in operation.

H.R.H. Crown Prince Philippe of Belgium, accompanied by the Deputy Prime Minister and Minister for Economy and Telecommunications, in-charge of Foreign Trade, Mr Elio Di Rupo, led a large high level business delegation to India from 22-29 November, 1998 at the invitation of the Vice President. The delegation included nearly 80 senior representatives of professional organisations, top Belgian companies and financial institutions. The 9th Session of Indo-Belgium- Luxembourg Economic Joint

Commission was held in Brussels on 29 June 1998. Commerce Secretary led the Indian delegation and the Secretary-General, Ministry of Foreign Affairs, External Trade and Development Cooperation of Belgium led the Belgium-Luxembourg side.

The 3rd Session of the Indo-Cyprus Joint Economic Committee was held in Nicosia in September, 1998. A Protocol was signed at the end of the meeting by the heads of the two delegations. An MoU between the National Centre for Trade Information (NCTI) of India and the Cyprus Chamber of Commerce and Industry for exchange of information on electronic media, country and product profile, trade statistics, import tariffs, import/export policy was also finalised on this occasion. Indo-French relations have continued to progress in a satisfactory manner. There has been an intense high level substantive political dialogue between the two sides. Bilateral economic relations with France have also progressed satisfactorily. The Prime Minister visited France on 29 & 30 September, 1998.

He held discussions with President Chirac, Prime Minister Jospin and Defence Minister Richard. His visit helped consolidate the progress in bilateral relations subsequent to President Chirac's visit to India in January 1998. Raksha Mantri visited France from 11-13 January, 1999 and held detailed discussions with his French counterpart. The Minister of Railways visited France from 19-20 January, 1999. Principal Secretary to PM visited France from 1-2 June, 1998 as Special Envoy of the Prime Minister and from 18-19 January, 1998. The Indo-French Forum (IFF), a high level non-governmental group of eminent personalities from both sides, set up in January 1998 to advise on ways of diversifying and enriching the bilateral relations, held its first meeting in Paris on 2 & 3 July, 1998. Dr Karan Singh and Mr Jean Francois-Poncet are the two Co-Chairman of the Forum. The second meeting of the Forum was held in New Delhi from 16-17 February, 1999.

The French Minister of State for Trade and Commerce, Mr Jacques Dondoux led the French delegation for the ninth meeting, of the Indo- French joint Committee for Economic and Technical Cooperation held in New Delhi in November 1998. On 24 November, 1998, officials of the Ministries of Industries of India and France, signed a 'Protocol of Intent' for cooperation. Mr Laurent Fabius, former Prime Minister of France and the present President of the French National Assembly led a Parliamentary Delegation to India from 15- 17 September, 1998. Mrs. Segolene Royal, the French Minister of State for Education visited India from 28 Nov - 1 Dec, 1998. She inaugurated the French Education Fair in New Delhi during the visit.

Indo-German relations have grown closer in recent years. Germany is India's largest trading partner in Europe and the second largest overall. The two-way trade is of the order of DM 9 billion (over US \$ 6 billion). Approved German investment in India in 1997 was worth Rs 21.5 billion million and the figure for the period 1991-August 1998 is over Rs. 64 billion. Germany is also an important source of technology and has cooperated in various development projects in India. The President visited Germany from 6-10 September 1998. This was the first Head of State/Government visit from either side in four years. The President held discussions with the German President, Chancellor and Foreign Minister. A Memorandum of Understanding on bilateral Cooperation in the field of Environment was signed by two sides during the visit.

Mr Guenther Verheugen, one of the two new Ministers of State for Foreign Affairs in Germany, visited India on 13 November 1998 for the 11th India-EU Troika Ministerial Meeting. A high level business delegation, led by Dr Walter Doering, Minister for Economic Affairs in the state of Baden Wuerttemberg, visited India from 22-28 March, 1998. Dr Franz-Josef Feiter, State Secretary and Deputy Federal Minister for Food, Agriculture and Forestry led an economic delegation to India during the same period. Mr Rudolf Kraus, State Secretary in the Federal Ministry of Labour, visited India from 13-19 April, 1998.

The 13th session of the Indo-German Joint Commission on Industrial and Economic cooperation was held in New Delhi from 8-10 January, 1998. The then Finance Minister of India and the then Minister of Economics of Germany, Mr Guenter Rexrodt jointly chaired the meeting. The seventh annual meeting of the high- powered Indo German Consultative Group was held in Dresden on 29 & 30 August, 1998. Bilateral Foreign Office Consultations, at the level of Foreign Secretary, were held in Bonn on 13 July, 1998. The Instruments of Ratification of the Agreement for Bilateral Investment Promotion and Protection were exchanged by the two sides during the visit.

Indo-Greek relations made significant progress. The Greek National Minister for Defence, Mr Apostolos-Athanasios Tsohatzopoulos visited India from 5-8 December, 1998. His visit coincided with Aero India '98, to which he was invited by Raksha Mantri. An MoU on Defence Cooperation between India and Greece was signed during the visit. The Greek Defence Minister called on the Prime Minister and had detailed meetings with Raksha Mantri and the three Service Chiefs. Foreign Office Consultations were held with Greece on November 30 & December 1, 1998. The 13th Session of the Indo-Italian joint Commission on Economic Cooperation was held in Rome from 17-18 December, 1998. The Indian delegation was led by our Commerce Minister while the Italian side was led by the Italian Minister for Foreign Trade, Piero Fassino. Both sides reviewed bilateral industrial cooperation projects and renewed their commitment to maintaining and strengthening the multilateral trade system. The fourth session of the Indo- Italian joint Committee on S&T Cooperation was held in New Delhi/Calcutta on 9 & 10 November, 1998. The Indian delegation was led by Secretary, Dept. of S&T, Ministry of S&T while the Italian delegation was led by H. E. Mr Gaetano Zucconi, Ambassador of Italy in India. Both sides agreed to promote joint activities in S&T areas of mutual interest. Foreign Office consultations will be held in Rome shortly, the first since October 1996.

There has also been an intensification of our linkages with Luxembourg. The President visited the Grand Duchy of Luxembourg from 14- 16 September, 1998 at the invitation of the Grand Duke jean. This was the first major high level political visit from either side in the last 25 years. The President held discussions with the Grand Duke, Prime Minister Jean-Claude Juncker, Deputy Prime Minister and Minister of Foreign Affairs Jacques Poos and the President of the Chamber of Deputies Jean Spautz. The Prime Minister of Luxembourg visited India from 11-13 January, 1999. This was the first visit by a Prime Minister of Luxembourg to India. The Instruments of Ratification of the bilateral agreement on cooperation in the fields of art and culture, education, mass media and sports were exchanged during the visit.

India's relations with the Netherlands have a strong economic content, with a growing bilateral trade of the order of US \$ 1.5 billion and total approved Dutch investment of over Rs. 37 billion (1991-July 1998). The Netherlands is our sixth largest trading partner in Europe. The Netherlands ranks 8th in terms of overall approved investment in India since 1991. The Netherlands was among the few countries to have imposed economic measures - restrictions on the sale of arms and on certain categories of government-to-government credit and project assistance against India in the wake of the nuclear tests. Commerce Minister visited the Netherlands in October 1998.

The Nordic countries were critical of India's nuclear tests. While Sweden, Norway and Denmark stopped their development assistance programmes to India, Finland and Ireland did not impose any economic

measures. The Danish Minister for Development Cooperation, Mr Poul Nielson visited India from April 1-4, 1998 at the head of their delegation to the Assembly of the Global Environment Facility.

The Ethics Committee of Rajya Sabha, led by Shri S B Chavan, visited Finland in May, 1998. A Finnish Parliamentary delegation led by the Deputy Speaker of Finnish Parliament, Mr Mikko Pesala returned the visit and was in India from 13- 19 November, 1998. Earlier, in June, 1998, the Minister of State for Communications visited Finland to attend the Inter-Governmental Conference on Emergency Telecommunications.

The Secretary-General to the Icelandic President, Ambassador Kornelius Sigmundsson visited India from 29 August - 2 September, 1998. The Deputy Foreign Minister of Norway, Mr Leiv Lunde visited India from 31 March - 4 April, 1998 at the head of the Norwegian delegation to the Assembly of the Global Environment Facility. Two consular agreements; an "Agreement on the Transfer of Convicted Offenders" and a Treaty for "Mutual Legal Assistance in Criminal Matters" were initialled by both the sides in May 1998. Our relations with Portugal received an impetus with a series of high level visits. The President visited Portugal from 10-14 September, 1998. He held discussions with Mr Jorge Sampaio, the Portuguese President and Mr Antonio Guterres, the Portuguese Prime Minister. He also visited the EXPO '98 Exhibition in Lisbon. A Double Taxation Avoidance Agreement between Portugal and India was signed during this visit. A nine member parliamentary delegation from Portugal visited India from 15-22 December, 1998. The delegation was led by Dr Antonio De Almeida Santos, President of the National Assembly. This was the first visit to India by a parliamentary delegation from Portugal to India. The Third Session of the Indo-Portuguese joint Business Council was held in New Delhi on 5 & 6 January, 1999. The Portuguese Secretary of State for Economy, Prof. Fernando Pacheco visited India from 6-9 January, 1999 for the CII Partnership Summit in Jaipur.

Normal interaction continued with Spain. Bilateral Foreign Office Consultations were held in Madrid on 3 & 4 December, 1998. The Indo-Spanish Joint Commission and joint Business Council was held in Delhi from 15-16 February, 1999. The President of Switzerland, Mr Flavio Cotti, was in India on a State Visit from 20-25 November, 1998. This was the first ever visit to India by a Swiss President. He was accompanied by a ten member 'business delegation. He called on President, Vice President and held discussions with PM. He also visited the cities of Mumbai and Bangalore and interacted with the business communities. Our relations with UK are important with a tangible and modern economic content, apart from the historical dimension. India's annual trade with the UK is of the order of Pounds Stg 3.3 billion. The UK is also the largest cumulative investor in India with a figure of Pounds Stg 3 billion. The presence of a large community of Indian origin, which has done well economically, strengthens the traditional links between the two countries.

The UK in its individual capacity and as the then EU Presidency had been initially critical of the nuclear tests conducted by India. Since then bilateral consultations at a high level have helped to place relations on a firmer footing. The Principal Secretary to PM visited UK on 4 & 5 June, 1998, as the Special Envoy of the Prime Minister and on 20 & 21 January, 1991. The visit of Mr Derek Fatchett, Minister of State for Foreign Affairs and Commonwealth to India in November 1998 was also beneficial. The External Affairs Minister visited UK from 2-7 February, 1999. During this visit, discussions were held on a wide range of issues, including, inter alia, bilateral cooperation, regional developments, nuclear disarmament and non-proliferation. These have proved to be useful in promoting greater mutual understanding.

Chief Emeka Anyaoku, the Commonwealth Secretary General (CSG), visited India from 13-18 February, 1999. The visit was part of the traditional round of consultations that the CSG undertakes with member

countries before a Cornmonwealth Heads of Governments Meeting, the next one being held in South Africa in November 1999. During the visit, the CSG called on the President, the Prime Minister and the Minister of External Affairs. The CSG's visit to India coincided with the Asia Trade and Investment Forum organised by the Commonwealth Business Council and the Confederation of Indian Industry, from 14-16 February, 1999.

Developments with far reaching impact are presently taking place at the EU level. The finalisation of the Economic and Monetary Union with the adoption of a single currency Euro by 11 member states of the EU from January 1999 has significance for the international financialsystem as also implications for the attempts to forge a "European identity" in internationalaffairs. The EU is working on plans for an eastward expansionand there is a serious discussion on the need for its internal financial reforms. There have been moves towards initiating a discussion on NATO's nuclear doctrine and the scope and mandate of its activities, even as it prepares to accept three new members from 1999, its 50th anniversaryyear. The forthcoming NATO Summit to be held in Washington in April 1999 is expected to consider a New Strategic Concept for the organization which may go beyond the defence of the territories of member countries. These developments impact on the evolving security architecture in Europe and have implications for the security around that region.

The EU, with its fifteen member countries is the largest economic entity in the world today. It is India's largest trade partner with anannual bilateral trade of over US \$ 21 billion in 1997. It is also India's second largest source of approved foreign investment (over Rs 300 billion during 1991-August 1998) and an important partner in technology cooperation.

The 11th Round of annual India-EU Ministerial level talks was held in New Delhi on 13 November, 1998. MOS (EA) led the Indian delegation at the talks. The delegations from the EU side consisted of the then Presidency (Austria), European Commission, Germany (next incumbent) and the UK (past incumbent). These were led by Dr (Mrs) Benita Ferrero-Waldner, Minister of State for Foreign Affairs of Austria, Mr Manuel Marin, Vice President of the EC, Mr Guenther Verheugen, Minister of State for Foreign Affairs of Germany and Mr Derek Fatchett, Minister of State, FCO, UK respectively. The discussion covered India-EU relations, new initiatives in this regard, regional developments, disarmament and non-proliferation, reform of the UN, international terrorism and other subjects of mutual interest. The first India-EU Senior Officials Meeting had earlier been held in London on 21 April, 1998. The first meeting of officials of the two sides dealing with Policy Planning was held in April 1998 in New Delhi. uu

RUSSIA INDIA USA PHILIPPINES UNITED KINGDOM ARMENIA GEORGIA UKRAINE COMMONWEALTH OF INDEPENDENT STATES(CIS) BELORUSSIA ESTONIA LATVIA BULGARIA CROATIA CZECH REPUBLIC HUNGARY POLAND OMAN ROMANIA SLOVAKIA SLOVENIA GERMANY PORTUGAL FRANCE SWITZERLAND BELGIUM THE NETHERLANDS DENMARK NORWAY SWEDEN AUSTRIA CYPRUS GREECE ITALY FINLAND IRELAND ICELAND SPAIN

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The Americas

USA

Relations with the United States during the year can be seen broadly in two phases. In the early part of the year, there was continuation of a broad based dialogue which both countries had agreed upon. In that context, US Permanent Representative to UN, Bill Richardson headed a delegation to India from April 14-15, 1998. The Indian and the US side had useful exchanges of views on a number of important international, bilateral and regional issues.

Following India's nuclear tests, the US reaction was extremely critical and negative. The reaction was made up of several elements including what the United States saw as a challenge to the non-proliferation regime which the United States and other nuclear-weapon states have south to put in place to preserve their monopoly of nuclear weapons. It also contained elements of frustration at US inability to detect the tests in advance. India look every opportunity to respond to such statements wherever necessary.

The US also took the initiative in meetings of the P-5 and G-8 to orchestrate condemnation of the nuclear tests. Many of these countries, however, did not go along with attempts to multilateralise the imposition of restrictive economic measures against India.

Since then, the reaction has toned down and, to some extent, moderated, This has been reflected in more balanced coverage in the US media. There have been a number of articles and statements from eminent US political personalities and strategic analysts which reflect a better understanding of India's security concerns. There has also been considerable debate in the United States regarding the effectiveness of the coercive economic measures called "sanctions".

Despite development of the strains in the bilateral relationship, the visits of prominent US political representative continued. US Senators Sam Brownback and Charles Robb, visited India from June 26-30. On their return to the US, these Senators introduced an Amendment to provide authority to the President to waive for up to one year some of the economic measures under Glenn Amendment. In July 1998, US Congress passed an amendment which was called "Agriculture Export Relief Act of 1998" which exempted finance and credit guarantees for agricultural commodities, medicine and fertilisers from the purview of 1994.

After the nuclear tests and the apprehensions expressed in several countries, it was decided to have a more intensive dialogue with the United States. Shri Jaswant Singh, then Deputy Chairman, Planning Commission and Mr Strobe Talbott, Deputy Secretary of State have been designated as Representatives to conduct this dialogue.

The talks are being conducted on the basis of the comprehensive proposals that India has put forward on disarmament and non-proliferation matters, our unilateral moratorium on explosive nuclear tests, willingness to discuss converting this moratorium into a de jure obligation, our offer to enter into constructive negotiations on the FMCT and reaffirming our policies on stringent control on export of sensitive technologies.

The talks have focussed on issues related to disarmament and non-proliferation. Both sides have agreed that these issues should be kept distinct from regional issues. After six rounds of discussions the talks have narrowed down four issues. These are the CTBT, the FMCT, Export Controls and Defence Posture. On Export Control Issues an expert level meeting was also held in New Delhi on 9-10 November, 1998.

The meeting was deemed helpful by both India and the US to the prospects of continuing cooperation in this area. Both sides have agreed to meet in 2nd half of January 1999 in New Delhi to carry forward this dialogue.

The US has recently announced a partial lifting of the restrictive measures imposed against India. These relate to EXIM, OPIC, TDA Financing and Military Training. The US has stated that these measures are being lifted in recognition of the progress made in the bilateral dialogue. It is however noted that non-basic human needs financing from multilateral financial institutions is still subject to US restrictions. India regards these coercive and restrictive measures as unjustified and counter-productive which should be lifted.

The US has also issued a list of Indian Government Organisations, Research Institutions, PSUs and Private Companies, which will be subject to export restrictions. This step is with clearly punitive intent. India has made it clear to the US that such measures will be regarded as adverse developments in our relations and will not be conducive to the ongoing dialogue. These aspects were reiterated strongly at the last round of discussions held on 19-20 November, 1998. So far there has been no change in the US position. India will continue to take up this matter in bilateral discussions and is also examining the feasibility of multilateral options, such as consistency with WTO provisions. US Deputy Secretary of State, Strobe Talbott visited India from January 29 to February 1, 1999 with an 8-member delegation including the Vice-Chairman of the US Joint Chiefs of Staff General Joseph Ralston for the 8th round of Indo-US talks. Discussions between the Indian and US delegations were held on January 29, 30 and 31. The Indian side was led by Shri Jaswant Singh, External Affairs Minister.

During the talks, the security perspectives of the two sides were further elaborated and clarified and proposals for harmonising these perspectives were explored. Both delegations were satisfied with the outcome of these talks and believed that progress was made in some of the subjects under discussions. Both sides are determined to create a positive atmosphere for advancing the bilateral relations. Indian and US expert level teams will meet in March for follow-up talks on export controls. The two sides have agreed to remain in close contact.

The next round of the dialogue is envisioned towards the middle of the year, the dates and the venue of the same would be determined in consultations between the two sides.

Canada The Governor General of Canada, Romeo LeBlanc and Mrs LeBlanc, accompanied by Canadian Revenue Minister, Herb Dhaliwal, paid a State visit to India from March 26 to April 1, 1998. It was the first ever visit by a Governor General of Canada to India specifically undertaken in the context of the 50th Anniversary celebrations of India's independence.

Canada reacted very adversely to India's nuclear tests in May 1998, and unilaterally restricted government contact. The Canadian position contained a number of elements which were totally unacceptable to India. Canada also placed restrictions on assistance under CIDA. Subsequently, Canada informed that all ongoing projects would continue to receive funding and that new projects of a basic needs nature could be taken up.

The Canadian Leader of the Opposition, Mr Preston Manning visited India in July- August, 1998. He observed that although Canada did not agree with India's nuclear tests, that was no reason for lack of dialogue, and that India and Canada should be able to talk over differences as friends. There is little change in the official Canadian position so far. Government of India will conduct its relations with

Canada in a reciprocal basis. Finance Minister visited Canada in September 1998, for the Commonwealth Finance Minister's meeting.

Trade between India and Canada continued to flourish. Last year, Indian exports to Canada registered an increase of nearly 23%. This year, during the period January-July, the Indian exports have reached C\$ 536.569 from 424.532 during the same period last year marking a growth of 26.38%. On the other hand, Indian imports from Canada during this period have declined to C\$ 182.614 from 287.695 showing a decrease of 36.52%.

Mr Jonathan T Fried, Assistant Deputy Minister for Trade and Economic Policy of Canada visited India from January 25-27, 1999. He had meetings ill the Ministries of Commerce, External Affairs and Finance. The discussions related to international trade, WTO, foreign investment in India. India's trade and economic relations with SAARC, ASEAN etc. The Speaker of Lok Sabha, Shri G M C Balayogi visited Canada from January 5-9 to participate in the meeting of the Standing Committee of Commonwealth Speakers held in Ottawa.

Latin America and the Caribbean India's relations with the countries of the Caribbean, Central America and South America have been traditionally warm and friendly. Presently India maintains 13 Resident Missions and 1 post in the region. India's interaction and collaboration with these countries is close both in the bilateral context and in multilateral fora. 11 countries from the region maintain Resident Diplomatic Missions in New Delhi, Uruguay being the latest to open their Mission in November 1998. Guyana is also considering opening of a Resident Mission in New Delhi.

Interaction with the countries of the region is conducted through bilateral consultative mechanisms. Presently we have such agreements with 9 countries. High level visits complemented by bilateral and official visits have further cemented our relations with the region. In the economic field, realising the potential of the region a concerted effort has been made to diversify and enhance bilateral cooperation. Similar economic reforms in most of the countries in the region have facilitated mutually beneficial cooperation. There have been an increased number of visits of official and private business delegations to and from the region. India has trade and economic agreements with 7 countries of the region and set up Joint Business Councils with some other countries. In continuation of the FOCUS LAC Programme, exclusive Indian exhibitions have helped the dissemination of information on the opportunities availablefor mutual beneficial economic interaction. Due to concerted efforts trade between India and the LAC region in 1997-98 has grown to over US \$ 1.3 billion.

In the field of culture India enjoys considerable goodwill in the LAC region. Some of the countries like Guyana, Suriname and Trinidad & Tobago have a substantial percentage of people of Indian origin. The region also has also more than 500 institutions, schools, libraries and streets named after Indian leaders. At the institutional level there are cultural agreements and Cultural Exchange Programmes with governments that provide the framework for meaningful interactions between artistes, academicians and scholars. In addition, India gives technical assistance under the ITEC programme to several countries of the region.

India also has been able to establish institutional relations with the regional organisations like the Organisation of American States (OAS), Association of Caribbean States (ACS) and the Andean Community where we have Observer Status. India participated in the meetings of the regional organisations in our capacity as Observers. A mechanism for dialogue with the Rio Group and MERCOSUR has also been established.

After the nuclear tests on 11 & 13 May, 1998, Brazil cancelled the Agreement with India on Cooperation in Peaceful Uses of Nuclear Energy. The OAS General Assembly held in Caracas, 1-3 June, 1998 through a resolution condemned Indian and Pakistani nuclear tests and urged them to refrain from further testing, missile deployment and weaponisation.

The President of India Shri K R Narayanan paid a State visit to Peru from 29 April - 3 May, 1998 and held discussions with President Fujimori. Two bilateral documents - (i) MoU on Cooperation in Space Technology between ISRO of India and its counterpart Peruvian agency CONIDA and (ii) A Work Plan for Cooperation in the field of Agriculture - were signed during the visit. The President had wide ranging discussions with President Fujimori on issues of mutual interest. Peru is the first country in Latin America with which India has signed a MOU for cooperation in space.

President Shri K R Narayanan also paid a State visit to Brazil from 3-8 May, 1998. During the visit, President had fruitful discussions with President Cardoso of Brazil in the presence of the two delegations. The Brazilian delegation included the Ministers of Foreign Affairs, Health, Science & Technology and Agriculture. The President of India was assisted by the Minister of Civil Aviation. An Implementing Arrangement for cooperation in the field of Health and Medicine under the Agreement on Cooperation in Science & Technology was signed for cooperation in areas like biotechnology, epidemology, Public Health Systems, Traditional Medicine, Pharmacology and Pharmaceuticals, Infectious Diseases, Maternal and Child Health care and Tropical Medicine. A MoU on Cooperation between Foreign Service Institute of India and the Rio Branco Institute of Brazil was also signed during the visit. A Festival of India was held in Brazil on the occasion of the President's visit. The Festival was inaugurated in Brasilia by the two Presidents.

Subsequent cultural events were held in Sao Paulo, Rio de Janeiro and other major cities in Brazil. The Minister of State for External Affairs Smt Vasundhara Raje led the Indian delegation to the Ministerial Meeting of the NAM Coordinating Bureau in Cartagena, Colombia 18-20 May, 1998. During the visit, the Minister interacted with her counterparts and briefed them on our foreign policy priorities and the context in which India undertook the nuclear tests. The Minister also called on the President of Colombia.

Utilising the opportunity provided at the 53rd Session of the UNGA, Prime Minister had a meeting with the President of Honduras and Minister of State for External Affairs met the Foreign Minister of Uruguay. During the XII NAM Summit at Durban, the Minister of State for External Affairs had bilateral meetings with the Foreign Ministers of Cuba, Grenada, Guyana, Jamaica and Suriname and discussed matters of bilateral and multilateral interest.

At the invitation of the Cuban Minister of Agriculture, Mr Alfredo Jordan Morales, the Minister of State for Agriculture Shri Som Pal visited Cuba 27-30 September, 1998. During the visit, areas of cooperation in agriculture and animal husbandry were identified.

The Minister of Power Shri R Kumarmanglam paid an official visit to Venezuela 17-20 September, 1998. He was accompanied by a group of select businessmen interested in the power sector. During his stay in Venezuela, the Minister called on President Caldera and held discussions with the Venezuelan Ministers for Energy and External Relations on matters of mutual interests. The visit was essentially to study and assess the commercial viability of the fuel ORIMULSION, a Venezuelan product which has been included by Government of India in the list of approved fuels for power generation. Invited by the Rural Society of Argentina, the Minister of State for Agriculture, Shri Som Pal visited Buenos Aires 8-10 August, 1998 to attend the inauguration of Argentina's most important trade fair -112th Agriculture Trade Fair.

Shri Nareshwar Dayal, Secretary in the Ministry of External Affairs visited Jamaica, Suriname and Venezuela for consultations in the context of the NAM Summit. Shri Kamlesh Sharma, India's Permanent Representative to the United Nations, visited Havana from 13-16 August, 1998 for discussions with his counterparts in Cuba.

Shri K M Chandershekher, Joint Secretary, Ministry of Commerce visited Cuba from 9-14 August, 1998 and held discussions with Cuban authorities on the question of revival of trade between India and Cuba. Shri Ramiah Rajagopalan presented his credentials on 9 September, 1998 as the Ambassador of India to Cuba to the Vice-President of the Council of State of Cuba Mr Juan Almeida Bosque, in the presence of the Cuban Foreign Minister. The first ever exclusive India Products Fair was held in Mexico City from 3-9 March, 1998. Simultaneously with the Fair, an Indian Food Festival and Cultural Festival were also held which received tremendous response from the Mexican business community as well as general public.

India received a tremendous response and cooperation from the countries of the LAC region for the celebrations of the 50th Anniversary of India's independence. A 2-member Venezuelan Parliamentary delegation consisting of Deputy Julio Castillo, Vice Chairman of the Chamber of Deputies and Deputy Gustavo Tarre Briceno, Chairman of the Permanent Commission on Finance of the Chamber of Deputies visited India from 5 to 12 July, 1998, at the invitation of the Lok Sabha. They had useful interactions with Members of Parliament in India. General elections were held in Belize on 27 August, 1998. The Opposition Peoples United Party (PUP) won a landslide victory capturing 26 out of total 29 seats. PUP leader Said Musa will be the next Prime Minister of Belize. Mr Raul Cubas Grau was sworn in as President of Paraguay on 15 August, 1998. Mr Jamil Mahuad witt was elected as the new President of Ecuador on 12 July, 1998 and was sworn in on 10 August, 1998.

Mr Andres Pastrana Arango, of the Conservative Party was declared President- elect of Colombia in the final round of elections on 21 June, 1998. He took over office on 8 August ,1998. A new Government with H.E. Mrs Sussy Camelia Romer of National Party (PNP) as Prime Minister assumed office in Netherlands Antilles. Though the general elections took place in December 1997 till now there was only an interim Government in power due to lack of agreement between the various parties. Sir James Fitz-Allen Mitchell was re-elected as the Prime Minister of St. Vincent & the Grenadines after his New Democratic Party won 8 of the 15 seats in Parliament in the general elections held on 15 June, 1998. This is his fourth consecutive term as PM of St. Vincent & the Grenadines. H.E. Mr Miguel Angel Rodriguez E assumed charge as President of the Republic of Costa Rica on 8 May, 1998.

On 26 October, 1998 Peru and Ecuador signed a Peace Agreement at Brasilia ending a border dispute which started in 1942 and led to a number of border clashes, the last one in 1995. This was the last explosive border dispute in Latin America. The impact of Asian currency crisis and the Russian crisis affected most of the Latin American economies, forcing the respective governments to adopt stringent austerity measures. Brazil was the worst affected. In view of the turbulent economic situation in the region, it is anticipated that trade between India and Latin America would receive a setback in the coming months. In Guyana, where there is a significant presence of people of Indian origin, tension prevailed following violence between the Indo-Guyanese and Afro- Guyanese, especially after the

disputed Presidential elections held in December 1997. All efforts, including that of a CARICOM Audit Committee, to find a solution have not succeeded.

Hurricane Georges hit Antigua & Barbuda, Dominican Republic, Haiti and St. Kitts & Nevis causing widespread damage to property and loss of life. The Government of India has sent token relief assistance in the form of medicines to these Caribbean countries affected by the hurricane. Central America in general and Honduras and Nicaragua in particular were badly hit by Hurricane Mitch causing devastation and enormous loss of human life and property. Infrastructure and crops were destroyed due to the resultant floods and landslides. Token assistance of medicines is being sent to Honduras, Nicaragua, El Salvador and Costa Rica.

The new Ambassador of Argentina, H.E. Mr Gerardo Manuel Biritos presented his credentials to the President of India on 20 March, 1998. H.E. Mr Vicente Enrique Anchordoqui Cannizzaro, Ambassador of Uruguay, presented his credentials to the President of India, on 12 November, 1998. Mr Hugo Chavez, a retired army Colonel, was elected as the next President of Venezuela. The new Government under Mr Chavez will officially be sworn in on 2 February, 1999.

Prime Minister of India Shri Atal Behari Vajpayee paid an official visit to Trinidad & Tobago on 8-9 February, 1999 and held discussions with Prime Basdeo Panday on a wide range of topics of mutual interests. An Agreement on Avoidance of Double Taxation and a Memorandum of Understanding on Low Cost Housing were signed during the visit. Prime Minister laid the foundation stone for the Mahatma Gandhi Institute of Cultural Cooperation in Port of Spain and also inaugurated a Low Cost Housing Support Centre in Trinidad city. Prime Minister led an Indian delegation to G-15 Summit held in Montego Bay, Jamaica 9-12 February 1999.

H.E. Mr Owen Arthur was re-elected as Prime Minister of Barbados in the election held on 20 January, 1999. H.E. Mr Fernando Henrique Cardoso assumed office of the President of the Federative Republic of Brazil on 1 January, 1999 for a second term. H.E. Mr Keith Mitchell who was re-elected in the general elections held in January 1999 was sworn in as the Prime Minister of Grenada. H.E. Mr Hugo Chavez was officially sworn in as the President of Venezuela on 2 February, 1999. uu

USA INDIA CENTRAL AFRICAN REPUBLIC CANADA ITALY URUGUAY GUYANA SURINAME BRAZIL VENEZUELA PAKISTAN PERU COLOMBIA HONDURAS CUBA GRENADA JAMAICA JORDAN ARGENTINA MEXICO BELIZE PARAGUAY ECUADOR COSTA!!RUSSIA ANTIGUA & BARBUDA DOMINICA HAITI NICARAGUA EL SALVADOR SPAIN

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abinet Secretariat to solicit the Cabinet approval. A formal foundation stone laying ceremony took place on 13 April at 5 p.m. by the Hon'ble Minister of State for External Affairs, Smt Vasundhara Raje. The Division participated in the Preparatory Committee (PREPCOM) negotiations held at New York on the Establishment of International Criminal Court (ICC). The Division also participated in the UN Plenipotentiary Diplomatic Conference on the Establishment of ICC held at Rome from 15 June to 17 July, 1998. At the Diplomatic Conference India made a proposal for the inclusion of terrorism within the jurisdiction of the ICC. India also proposed the inclusion of the use of nuclear weapons and the weapons of mass destruction in the category of war crimes.

The Legal & Treaties Division participated in negotiations, held at Paris, France from 1-3 April, 1998, and at Sofia, Bulgaria from 12-14 October, 1998 for concluding extradition treaties, respectively with France and Bulgaria. The Division also participated in negotiations with Norway, held at Delhi from 28-29 May, 1998, for the conclusion of agreements on mutual legal assistance in criminal matters and in civil matters. Draft texts of agreements were adopted in principle and initialled, are pending formal signing.

This Division examined various extradition requests and requests for mutual judicial assistance, received both from domestic as well as foreign jurisdictions and rendered legal advice therein. Various requests prepared by CBI, aimed to seek assistance from foreign countries in ongoing criminal investigations including those with which there exists no formal agreement in this area, were also examined by this Division. Legal advice was rendered in all extradition court cases pending in Indian and foreign courts. Draft extradition treaties and mutual judicial assistance agreements were prepared for proposing them to foreign countries for their consideration for concluding treaties/agreements on thee subject matters. Also examined draft treaties/agreements on these subjects proposed by foreign countries for the consideration of Indian authorities.

This Division also participated in an interministrial meeting convened by the Ministry of Defence at New Delhi on 17 June, 1998 for discussion on a proposal regarding the constitution of Maritime Tribunals. At the Initiative of the Austrian Government, 'European Convention on the transfer of sentenced persons' was examined in this Division, with a view for India's becoming a party to the Convention. On examination, the matter found several merits. Nevertheless, further process of the proposal would have to await the enactment of suitable domestic enabling legislation.

The Division participated in the Meeting of Senior Officials of Law Ministries held at London from 26-29 May, 1998. Various subjects were discussed in the meeting like computer and computer related crime; 50 years of Universal Declaration of Human Rights; Promoting and Implementing Human Rights; Advancing the Right to Information; criminal justice in the elimination of violence against women and mutual judicial assistance. A joint Meeting of Commonwealth Finance and Law Officials on Money Laundering was held at London from 1-2 June, 1998, for discussions on special problems of parallel economies and coordination of efforts in combating money laundering at the national level, where in the Ministry was represented by this Division. Also the Division participated in the Expert Group Meeting to negotiate the text of the SAARC Convention on Preventing and Combating Trafficking in Women and Children for Prostitution, held at New Delhi from 18-19 June, 1998.

The Division participated in the meeting of experts convened to review the general problems concerning the Fourth Geneva Convention relative to the Protection of civilian Persons in time of War from 27-29 October, 1998 at Geneva. The Meeting discussed the ways of implementing the IV Geneva Convention during armed conflict with a special focus on occupied territories specially in the context of the changing character of international and non-international armed conflict situations.

India has signed/ratified many bilateral agreements in various fields during the year. A list of treaties/agreements entered into by India with foreign countries during the year is given at Appendix-IX.

A list of instruments of full powers issued during 1998 for signing treaties/agreements on behalf of India is at Appendix-X and a list of instruments of ratification is at Appendix-XI Uu

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India's Dialogue Partnership with ASEAN saw many positive developments this year. The Second Meeting of the ASEAN-India Joint Cooperation Committee (AIJCC) was held at Singapore on April 28-29, 1998. India reaffirmed its solidarity with ASEAN in the wake of the financial crisis plaguing the region. Measures outlined by India in this context included Government-to-Government Credit, Exim Bank credit for trade finance, facilities for counter trade, EXIM Bank credit finance for outward and inward investment to and from South-East Asia, feasibility study and consultancy financing by EXIM Bank for infrastructure projects, guarantees and counter guarantees for trade finance, and enhancement of Indian Technical and Economic Cooperation Programmes for ASEAN countries.

As part of the on-going India-ASEAN Cooperation in academic and People-to-People Contacts, the India-ASEAN Lecture Series was initiated in December 1996. As many as five lectures by eminent persons from ASEAN countries were organised between May and August 1998. These included Dr Thaksin Shinawatra, former Deputy Prime Minister of Thailand, Mr Kavi Chongkittavorn, Executive Editor of "The Nation" (Bangkok), Dr J Soedradjad Djiwandono, former Governor of Central Bank of Indonesia, and Prof Tommy Koh, Ambassador-at-Large, Ministry of Foreign Affairs of Singapore. From the Indian side, eminent Space scientist Prof U R Rao delivered lectures in Malaysia and Dr R A Mashelkar, Director General of CSIR in Thailand.

A large contingent of scientists was deputed to participate in the Fifth ASEAN Science and Technology Week (FASTW) and Exhibition held at Hanoi, Vietnam from October 12-15, 1998. Besides taking part in the deliberations, the scientists made focussed presentations on the scientific and technological strides made by India. India also put up a stall at the Exhibition where its strengths in Information Technology, Remote Sensing, Advanced Materials, Biotechnology and India's vision 2020 were highlighted.

An India-ASEAN Small and Medium Enterprises (SMEs) Partenariat was organised by FICCI from November 10-11, 1998. The Partenariat was designed to facilitate business linkages amongst Indian and ASEAN SMEs by providing them an opportunity to interact closely and to apprise themselves of mutual strengths and complementarities. In all, 27 SME companies from ASEAN and nearly 200 representatives from Indian companies, participated in this event.

The nascent regional grouping called Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation (BIMST-EC), launched in June, 1997, registered commendable progress. India participated in the BIMST-EC Working Group meetings, to give shape to emerging initiatives for cooperation. The BIMST-EC Economic Ministers' Retreat held on 7 August 1998 at Bangkok. decided that lead countries would coordinate cooperation in the six priority sectors, viz., Trade and Investment (Bangladesh), Technology (India), Transport and Communications (Thailand), Energy (Myanmar), Tourism (Sri Lanka), and Fisheries (Sri Lanka).

With the Ministry's support and in collaboration with the Ministry of Tourism, the Confederation of Indian Industry organised a BIMST-EC Tourism Summit at Calcutta from October 30-31, 1998 which was attended by the Tourism Ministers, senior Tourism Officials and travel trade representatives from BIMST-EC countries. It adopted an Action Plan identifying short, medium and long term measures and policies covering areas such as infrastructure corridors, facilitation and promotion measures, declaration of the Year 2001 as 'Visit BIMST-EC Year', Buddhist Circuit and technical training.

India also participated in the Second BIMST-EC Ministerial Meeting held at Dhaka from December 17-19, 1998. The meeting emphasised the need to take practical initiatives to implement projects in agreed sectors of cooperation. It recommended establishment of multimodal transport linkages, regional cooperation in the energy sector, promotion of tourism and active participation by the private sector for intensifying existing linkages between members. The meeting approved admission of Nepal as an Observer besides evolving general guidelines for admission of new observers and guests. It also outlined future priorities including South-South cooperation, trade facilitation and development of a free trade arrangement enhancing regional complementarities and taking initiatives for making the international economic and trading system more favourable for developing countries.

As in the past, India adopted an active profile in the context of 'Group of 15'(G-15) activities during the year. It participated in the Eighth G-15 Summit held at Cairo from May 11-13, 1998. The high-level Indian delegation to the Summit was led by the Hon'ble Vice-President. The Summit focussed on two major themes, viz., developments in international financial markets; and developments in the Multilateral Trading System and enhancement of intra-G-15 Cooperation in trade and investment. The Summit examined different perspectives and called for comprehensive and urgent action on preventing the spread of the financial turmoil in East and South East Asia. On the issue of the multilateral trading system, the Summit focussed on evolving common (developing) country positions on various matters to be taken up at the Second WTO Ministerial Conference at Geneva in May 1998, as well as on facilitating a positive agenda for developing countries.

Apart from providing an Indian perspective to the two main themes of the Summit, the Indian delegation also played a major role in focussing Summit discussions on issues like terrorism and biodiversity. On WTO issues, India emphasized that the pursuit of liberalisation which has become WTO's raison d'etre, was not an end in itself and should meet the core objectives of rapid development, welfare gains and best returns for the extant and potential resources of developing countries. Towards this end, India submitted proposals outlining developing countries' concerns and possible ways of ensuring special and differential treatment to developing countries in all aspects of the WTO agenda and its implementation.

An MOU on Small Scale Industries Cooperation was concluded between India and Egypt under the framework of the SSI Cooperation Project. The business cooperation pursued in parallel with the Summit included the setting up of a G- 15 Federation of Chambers of Commerce and Industry. A composite Indian business delegation from the apex Chambers participated in the business workshop. India also exhibited a cross-section of its products under the theme "Modern India" at the G-15 Business Exhibition.

In pursuance of its commitment at the Cairo Summit, India hosted a G-15 Symposium on 'Special and Differential Provisions for Developing and Least Developed Countries in the Uruguay Round Agreements' in New Delhi from November 10-11, 1998. The Symposium reiterated that the commitments made in the Uruguay Round Agreements must be fulfilled. The deliberations revealed that there was a common approach with regard to strengthening of certain concessions inherent in the WTO Agreement in the areas of longer transition periods, larger threshold limits, reorientation of 'best endeavour' clauses, linking of S&D treatment to development parameters, improvement of market access for developing countries through S&D provisions, transfer of technology, technical assistance and cooperation.

India also participated in the Ninth G-15 Summit held at Montego Bay, Jamaica from 10-12 February 1999. Hon'ble Prime Minister led the Indian delegation to the Summit. The G-15 Summit Meetings deliberated extensively on issues of concern to developing countries. These included discussions on the current international economic situation including the need for an international consultative process in respect of capital flows, reaffirmation of the importance of a transparent, fair and equitable rules-based multilateral trading system under the World Trade Organisation, reform of the international financial architecture, South-South and intra G-15 cooperation and prospects of undertaking a G-15 - G-8 dialogue in these matters.

All such priorities were duly reflected in the Joint Communique issued at the end of the Ninth Summit. In order to be able to cope with challenges posed by globalisation and economic liberalisation and the ongoing financial crisis, members agreed to promote convergence of viewpoints on these issues. They also called for enhanced regional and international cooperation to combat the menace of terrorism. India's offer to host a G-15 meeting at an appropriate level in preparation for the Third WTO International Conference was welcomed by the participants at the Ninth G-15 Summit. They also endorsed India's proposal which suggested adoption of a strategic sectors approach towards South-South cooperation focussing on core areas like bio-technology, information technology and infrastructure development.

India also took active interest in the programmes of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). It participated in a major Indian Ocean Rim Trade Exhibition organised in Oman (Muscat) from October 10-14, 1998. India also participated in the First Meeting of Experts on Standards & Accreditation from November 9-11, 1998 in Colombo. A high-level delegation was deputed to participate in the First IOR-ARC Senior Trade Policy Officials Meeting held at Perth (Australia) from December 7-8, 1998. The Second Ministerial Meeting of IOR-ARC is scheduled to take place in Maputo (Mozambique) in March 1999. A high-level Indian delegation is expected to participate in the meeting. A Seminar on Trade and Investment in IOR-ARC countries, which will be coordinated by the IOR-ARC Chair in the University of Mauritius, is planned to be held alongside the meeting.

India is an active member of the 'Group of 77' and participated in the Annual Ministerial Meeting held at New York on 25 September, 1998 which was held against the backdrop of a global financial crisis and prospects of an economic recession. India has taken initiatives on (a) sensitisation and consciousness raising on the gravity of problems and on the systemic crises that need to be highlighted besides highlighting opportunities presented by the situation for developing countries (b) getting developing countries to focus on key issues that they need to stress and negotiate with the developed countries in the financial, monetary and trading system, (c) drawing attention of the North to the key concept of international public good rather than just market forces being an important determinant of international economic policy and order, (d) bringing back the focus on concessional financial flows, more favourable and relatively unhindered transfer of technology and special and differential treatment in trade to developing countries as part of development cooperation agenda, and (e) establishing synergy and connectivity between this agenda and the new liberalisation and globalisationagenda.

As a symbol of its solidarity with Africa, India participated in the Second Tokyo International Conference on African Development (TICAD-II) which was held in Tokyo fromOctober 19-21, 1998. About 80 countries and 40 international organisations and the UN Secretary General, participated in the event at which the developmental concerns and priorities of African countries received attention. The need to step up the level of developmental assistance and cooperation with African countries was duly recognised by developed countries.

India's intervention highlighted its special relationship with Africa and commitment to deeper economic cooperation as well as ongoing technical assistance projects in Africa. It recommended adoption of triangular cooperation involving developed countries or international organisations along with the technical expertise of a developing country for projects in Africa. In keeping with its commitment at the South-South Conference on Trade, Finance and Investment held in San Jose (Costa Rica) in January 1997, India hosted a "G- 77 Trade Fair and Trade Conference" in New Delhi in November 1998. The objective was to enhance South-South Cooperation by providing an opportunity for developing business contacts and networking amongst the G-77 countries, and also to create greater awareness for enhancing business opportunities by utilising the vast trade, economic and business potential existing in the South. A New Delhi Declaration setting the agenda for Trade and Investment cooperation for G- 77 was adopted.

With the developed world's think-tank and policy consultation body, Organisation for Economic Cooperation and Development (OECD), India continued to develop a policy dialogue relationship. It participated in OECD's outreach programmes for Dynamic Non-Member Economies (DNMEs) by deputing experts to attend the OECD Seminars/Workshops on Steel Trade Issues, Benefits of Trade and Investment Liberalisation, Practical Application of Tax Treaties, Agricultural Policies, etc.

Technical Cooperation The Technical Cooperation Division administers bilateral assistance on a Government to Government basis to 130 developing countries in Africa, Asia, Latin America and Eastern Europe. While most countries in the world either give or receive technical assistance, India is unique in both receiving and giving technical assistance in a major way, the latter through two programmes conducted by TC Division, the Indian Technical and Economic Cooperation (ITEC) and the Special Commonwealth African Assistance Plan (SCAAP) programme. In this Report, reference to ITEC will also include SCAAP as the two programmes are different only in the budget heads under which accounts are maintained.

The ITEC Programme has four major components:

(1)Training (both Civil and Military)

(2)Projects, including feasibility studies and consultancy services

(3)Deputation of Experts and

(4)Study Tours for foreign decision-makers to India. In regard to Civilian Training, 1485 slots were provided under ITEC during this year in 39 prestigious Training Institutions and Establishments (Appendix - XIII) of which 1326 slots were utilised (lists at Appendices - XIV-XV). These slots were for training in various types of courses such as Audit and Accounts, Banking, Diplomacy, Manpower Planning, Parliamentary Studies, Poultry, Rural Development, Small Scale Industries, Computers and Software, Maintenance of Biomedical Equipment, Food Processing Technology etc. During the year, a new subject "English Language for Professional Purposes" was introduced into the Programme and courses in various S&T fields were conducted for Vietnam and Cuba under special Agreements.

A special training course was conducted for 25 Zimbabwean Police Officers in computer software. The wife of the Prime Minister of Senegal Mrs Silvie Aicha Loum was trained at the Fragrance and Flavour Development Centre, Kannauj and KVIC, New Delhi on production of Agarbatti and Dhoop Batti to enable her to organize Dhoop production centres for unemployed women in Senegal, using locally grown raw materials. Training slot offers to Iraqi nationals under sanction-affected Iraq were increased from 35 to 50 in the current financial year. These offers cover many fields such as agriculture, water management, desert cropping, genetic engineering, tyre industry, telecommunications and several others.

The assistance offered under ITEC is a fully self-contained package inclusive of international air passages, boarding, lodging and training costs etc. Currently, India bears an average cost of Rs.1.25 lakhs on each foreign participant under the ITEC Programme which has benefited over 10,000 nominees of foreign Governments since its inception in 1964. Demands for our training programmes are growing as during 1998-99, 1326 nominees were trained which is the highest number as compared to 1995-96 (970 nominees), 1996-97 (1001 nominees) and 1997- 98 (1031 nominees).

Every year ITEC Day is celebrated by the Indian Missions abroad on 15th September. This year the event was also celebrated at Headquarters after a gap of 5 years. The event was attended by about 350 guests consisting of Heads of Diplomatic Missions/other Diplomats of more than 60 countries who are recipients of ITEC assistance, high-level Government officials, representatives of various Training Institutes, media personnel and about 100 trainees both civilian and military trainees who were at that time undergoing training at various Institutes located at New Delhi. The gathering was addressed by the Foreign Secretary who spoke about various activities being undertaken under ITEC Programme and its future orientation. This was followed by a cultural programme presented by candidates from Zimbabwe, Uzbekistan, Mauritius, Uganda.

On December 14-15, 1998, a Conference of the Training Institutes empanelled under ITEC was convened at New Delhi under the Chairmanship of Secretary (ER) Shri S T Devare and addressed by AS (FA) Shri B N Jha. The Conference was the first of its kind organized by the Ministry of External Affairs and was considered timely in view of the growing potential which training and capacity building activities for promoting India's bilateral relations with the developing countries. The Conference was also useful to discuss problems of coordination between our Diplomatic Missions, the Training Institutes and TC Division and many suggestions for procedural improvements emerged from it. There was a consensus that India can be more effectively projected through the ITEC programme as an important training destination for developing countries by streamlining the effectiveness of performance at these three levels. Training Institutes, appreciating the leverage which, having an international profile, can give them to generate important commercial spin-off benefits for themselves, and by extension for the country, were urged to improve their performance under ITEC accordingly.

Military Training is another important task undertaken under ITEC Programme. TC Division is a nodal point for organizing Military Training for nominees of friendly foreign Governments in some of the more prestigious Defence institutions of India such as Indian Military Academy, National Defence College, Defence Service Staff College etc. During this year approximately 198 slots for long and short term training courses were offered under ITEC and approximately 237 slots under Self-Financing Schemes. Some slots were also offered on a reciprocal basis. Appendices - XVI-XIX contain the lists of countries whose candidates were trained under ITEC Programme.

Another important aspect of the ITEC Programme is project cooperation with partner countries. Such cooperation, extended over many years since ITEC was established in 1964, has enhanced India's image as a country which is generous in sharing her experience and expertise acquired in the past fifty years of her independent existence, with other developing countries. In 1998-99 plans to establish a Plastic Technology Demonstration and Common Facility Centre in a backward region of Namibia by NSIC at a cost Rs. 3.40 crores were finalised, soon after a visit to that country by the Indian Prime Minister Shri Atal Behari Vajpayee. A major project to set up an Entrepreneur and Technical Development Centre (ETDC) at a cost of Rs.13 crores in Dakar (Senegal) launched last year in fulfillment of a G-15 commitment, was executed in considerable measure by HMT (I) despite initial setbacks. The Mini Dairy Plant supplied last year to Kyrghyzstan at a cost of Rs.1.75 crores has gone into production of milk and butter. Plans to send six farmers from Punjab to Burkina Faso for three years to demonstrate Indian agricultural techniques especially for growing rice, were carried further.

In addition to project assistance, the TC Division supplied equipment for upgradation of the Upadhyay Training Centre in Mauritius, irrigation pumps to Uganda, Ambulances and Incubators to the Indira Gandhi Maternity Clinic in Namibia, diesel pumps and sewing machines to Ivory Coast and textile machinery to Vietnam in 1998-99. A list of projects and project-related assistance extended this year to different countries may be seen at Appendix - XX. As of now, there are 23 experts on long term deputation (from 2 to 3 years) to various countries as advisors in fields ranging from agriculture to medicine, marine engineering, water management, accountancy, fish toxicity, teaching, legislative drafting and in military fields (list is at Appendix - XXI). Seven short-term experts have also been sent to a few countries this year. Over the years, Indian experts have been acknowledged by many developing countries to have done commendable work in building institutional frameworks for self-reliant growth with limited means.

On the recommendations of Indian Heads of Missions, Study Visits by senior level officers and decisionmakers are organized every year by the TC Division from various partner countries. Visits, generally in the areas of small scale industries, agriculture, health and education, trade and commerce etc. are an extremely popular method of introducing foreign visitors to different developmental sectors in the Indian economy and polity as they offer a first- hand exposure to Indian economic conditions. Nine study visits took place in the year under review. These include a visit by Prof Alberto Simao, Chairman, National Institute for Development of Local Industry, Mozambique to see the various industries and R&D centres engaged in improving the quality of products of the small-scale units under the supervision of the DCSSI. A four-member delegation from Nairobi University led by Prof D N Kariuku, Chairman, Department of Chemistry visited various Institutions and chemical industries to learn from Indian experience of the interface between academic training and commercial activity in the field of chemistry.

Also invited was a three-member delegation from Vietnam headed by Director, Cuu Long Rice Research Institute, Dr Nguyen Van Luat to visit some Agricultural Universities and see some items of agricultural machinery which are manufactured in India. Two more agricultural delegations were invited in response to interest expressed by them in knowing about our Green Revolution - (i) a four-member delegation from Mongolia headed by Mr Y A Balgansuren, Director, Department of Policy Coordination, Ministry of Industry & Agriculture, and (ii) a three-member delegation from Kyrghyzstan headed by Mr Tolobek E Omuraliev, Advisor to the President of the Kyrgyz Republic and Head of the Department of Local Self Government and Agricultural Policy under the Presidential Administration.

The visitors were taken to our Agricultural Research & Development Centres in Pusa, Karnal, Shimla, Ludhiana and for discussions with our authorities there. Mr A W Searle, Warden of the Zimbabwe Zoo

was invited to interact with the Wildlife Institute in Dehra Dun. Two senior officials from the Namibian Broadcasting Corporation visited India and were shown Doordarshan and AIR facilities with a view to long-term cooperation between India and Namibia in this important sector of information and communication technology. Mr Patrick Mandago, Namibian Chief of Protocol visited to study the functioning of the Protocol Division of the Ministry. Sometimes, a study visit is arranged to acquire expertise from the visitors as was the case when Mr J R Muller, General Manager of a South African Government- owned Company called Abakor came to India to advise the Municipal Corporation of Delhi on improvements in its abattoirs in Delhi and Aligarh, also during this year.

Under the Aid to Disaster Relief Programme (ADR), TC Division provides humanitarian aid for disaster relief to various countries, in the form of medicines, clothing, food etc. In the current financial year, medicines and foodgrain were sent to Bangladesh for victims of some of the worst floods that the country has known. Afghanistan's earthquake victims were assisted with medicine, blankets, tents and biscuits. Many other countries such as Comoros, Cambodia, Central African Republic, Sudan, Papua New Guinea, Kenya, Mozambique, Peru, Tajikistan and Kyrghyzstan received quantities of medicines and other forms of assistance depending upon their expressed requirements. Countries in Latin America and the Caribbean affected Hurricanes George and Mitch respectively were also assisted with small quantities of medicines and surgical instruments under the ADR programme. A complete list of the relief supplied by India under this programme in 1998-99 may be seen at Appendix - XXII. Uu

INDIA RUSSIA USA JAPAN CHINA CENTRAL AFRICAN REPUBLIC OMAN SOUTH AFRICA REPUBLIC OF SINGAPORE SRI LANKA THAILAND INDONESIA KOREA SWITZERLAND MALAYSIA VIETNAM BANGLADESH NEPAL EGYPT URUGUAY JAMAICA AUSTRALIA MOZAMBIQUE MAURITIUS COSTA!!COSTA RICA CUBA ZIMBABWE SENEGAL IRAQ UZBEKISTAN UGANDA NAMIBIA BURKINA FASO LATVIA KENYA UNITED KINGDOM MONGOLIA AFGHANISTAN COMOROS CAMBODIA GUINEA PAPUA NEW GUINEA SUDAN TAJIKISTAN PERU

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Trade and Investment Promotion

The Central Government and the State Governments took several initiatives and measures during the year aimed at encouraging foreign investment inflows, particularly the flow of Foreign Direct Investment (FDI) into India. Major thrust areas included infrastructure development, particularly energy, power, telecom and information technology. It was the task of the Investment Promotion and Publicity Division to actively undertake effective investment promotion and publicity efforts, particularly through the Indian Missions and Posts abroad for attracting foreign investment into the country. Quite often, Commercial Wings in the Missions are the first point of contact for the foreign investor.

It is, therefore, essential that the Missions are given full back-up support in their efforts in the form of providing up-to-date information about the economy, the liberalised policies and the procedures, the project and opportunities available in different sectors, the incentives offered by the Central Government and various State Governments etc. Missions are also approached by investors seeking

their intervention in case of delays in respect of clearances for their proposals or in respect of other hurdles faced in the implementation of projects. For all these and related matters the Investment Promotion and Publicity (IPP) Division in the Ministry has acted as a nodal point of contact and coordination to serve as an effective channel of communication between the Missions and the relevant Ministries/State Governments or other agencies, as the case may be.

Policy The Ministry provides inputs for policy formulations, whenever required, based on investment trends world-wide and based on the need to maintain harmony between foreign policy objectives and our economic policies. Regular feedback was received from the Missions on foreign investor perceptions about India's investment policies or about successful model/policies followed elsewhere for serving as inputs to the evolution of any new policies or to the review of an existing one, if the same was considered necessary in the national interest. The Ministry also actively participated in the meetings of the Foreign Investment Promotion Board (FIPB), where it was represented by Secretary (Economic Relations). Investments from NRIs were given particular attention. FIPB was also empowered to give a firm 'Yes' or 'No' answer to every proposal involving FDI within a deadline of 60 days.

Promotional Efforts and Initiatives The Ministry undertook several initiatives towards suitably projecting the various investment policies and announcements of the Government by co-ordinating with the Missions on the one hand and various economic Ministries of the Central Government and State Governments on the other. Economic news about India was regularly disseminated to all the Missions highlighting major policy decisions and new opportunities, thus keeping them abreast of developments. Missions were also encouraged to hold investment promotion seminars and workshops besides extending investment support services, for which suitable publicity material, speaking points etc. were regularly despatched. Such seminars were held by several of our Missions in identified target countries. Ministry also undertook special efforts to highlight the policies, procedures and opportunities available in the Information Technology sector.

The Missions also provided support to visiting Indian delegations including those sponsored by the State Governments by arranging suitable meetings with potential investors, local Government officials and the local Chamber of Commerce or Products Associations. The Ministry also assisted, based on information provided by the Missions, visiting foreign investor delegations/groups in having appropriate meetings with concerned Government Departments, the Apex Chambers of Commerce, the State Governments etc. The Ministry also participated in many bilateral or other meetings/conferences involving overseas investor groups. Among the many delegations was also a 30-member International Public Affairs's Centre (IPAC) delegation which visited India from 17-20 January, 1999. The IPAC is an association of Presidents of multinational corporations and currently has 150 leading business houses among its members.

The Ministry also actively assisted various organisations in the country such as the apex chambers, Exim Bank, Indian Investment Centre, in organising investment/trade promotion events in India including the Global Indian Entrepreneurs Conference (12-13 November, 1998), India Economic Summit (29 November-1 December, 1998), various joint business councils and other events. The Ministry actively participated in the efforts to mobilise good response for the Resurgent India Bond Scheme launched by the State Bank of India to which our Missions lent full support. Eventually, the scheme proved a success mobilising over US\$ 4.16 billion.

Publicity The following publications were brought out this year by the IPP Division for theuse of our Missions and Posts: a)The IPP Division brought out an illustrative brochure "India - Investment Related Websites" inAugust 1998. The brochure gives information regarding websitelocationand home page of several of the economic ministries of Government of India, the State Governments and a number of other investment related agencies.

b)IPP Division in association with World Link, which is the magazine of the World Economic Forum and Investor Access, a CD-ROM publisher in UK,brought out a CD-ROM on "India - Priorities for the 21st Century" in August 1998. This is a unique multimedia guide to India for Investors conveying a comprehensive picture about the evolving scene in India as the country moves towards the 21st Century. Industrial and investment policies of all the State and Union Territories have been featured along with analysis of 20 different sectors, each highlighting the potential for growth and the vast opportunities opening up. The CD also has a complete guide for foreigninvestors on policies and procedures for foreign investment. The hyperlinks given for important websites, the CD virtually acts as a gateway to the larger data base contained in most of the investment related websites of India.

As per the arrangement worked out with World Link, the CD was distributed by them to all the participants of the last Davos Summit of World Economic Forum. Copies of CD were also sent to all our missions abroad who sent copies to key local chambers of commerce or large corporate groups and are also using it as a presentational aide while addressing investment promotion seminars or other such speaking opportunities.

c)"Investment Avenues for Non-Resident Indians" - a new publication which gave information on investment opportunities including in portfolio investment, investments in debt securities and deposits and investment in real estate while also outlining options for returning NRIs and provided answers to some of the most frequently asked questions on NRI investment and related subjects. The brochure was also circulated to participants at the Global Indian Entrepreneurs Conference held in New Delhi from 12-13 November, 1998.

d)A revised edition of "India Means Business - Perspectives" in a user friendly format and design, giving the updated position about government's policies and initiatives in infrastructure and other sectors to attract foreign direct investment, was brought out in December 1998. e)IPP Division took the lead in sponsoring a special supplement on the IT industry in India which appeared in the 'Financial Times', London on 2 December, 1998. This helped to project the outcome of the work of the National Task Force on Information Technology and Software Development and also the IT policies announced by the various State governments.

Agreements The Ministry participated in the negotiations for drawing up of bilateral investment promotion and protection agreements that were held in respect of a number of countries. Such agreements were signed during the year with Turkey, Mauritius Bulgaria, Indonesia, Morocco and Zimbabwe. The Ministry also participated in the negotiations relating to bilateral Civil Aviation matters with other countries. The Ministry provided legal inputs, as required, and also tendered advice based on the need for increased civil aviation links particularly with our neighbouring regions to evolve in consonance with the initiatives being taken on the foreign policy front. Uu

INDIA USA UNITED KINGDOM TURKEY BULGARIA INDONESIA MAURITIUS MOROCCO ZIMBABWE

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Policy Planning and Research

The Policy Planning and Research Division of the Ministry continued to perform its role of preparing briefs and background papers on important topics and issues on the evolving international situation. These covered issues of longer term relevance to broad foreign policy objectives. The Division prepared analytical position papers for Ministry's interaction with other agencies. The Division continued to serve as a nodal point for interaction with Joint Intelligence Committee (JIC), the University Grants Commission (UGC) and its affiliates and the Area Study Centres (ASC) located in various universities and specialising in research on various regions of the world.

The Division extended financial assistance to various academic institutions/think tanks located in different parts of the country for holding conferences, seminars, preparation of research papers, exchange of scholars and support for Track-II programmes on issues related to India's external relations and security.

The subject of these seminars, conferences and research projects covered Nationalism in Russia and Central Asian Republics, Indo-China Workshop on Nation Building, Air Transport and Tourism, Indo-Japan Relations, Japan-South Asia Cooperation in the post Cold War Years, Vietnam Today and Indo-Vietnam Relations, 50 Years of Republic of Korea: Indo-Korea Relations. Support was also provided for Indian scholars and experts attending seminars, conferences in Turkey, China, Guyana and the CICA (Conference on Interaction and Confidence Building Measures in Asia) Colloquium in Almaty, Kazakhstan. The Centre for Advanced Study of India at the University of Pennsylvania, USA is also given an annual; recurring grant by the Division. As part of its interactive functions, the Division took the initiative in promoting exchanges with official and non-official visiting experts and projected India's views and perceptions on important issues.

The Division continued to edit and publish the Annual Report of the Ministry. The Report served as a compendium of India's interaction with the rest of the world in the political, economic and cultural fields, including the views of the government on various facets of international relations. The Division rendered all possible assistance to the territorial divisions as well as Indian Missions abroad whenever any specific information or document on international relations was required. The Research Wing examined the depiction of India's international boundaries in foreign publications. Cases of incorrect depiction were taken up with the concerned government or the publisher through Indian Missions abroad for necessary corrective measures. The Division also scrutinised foreign publications containing maps depicting India's external boundaries before these were imported into the county and offered its views to the Ministries dealing with such matters. It coordinated the supply of map- sheets to various Government and semi-Government agencies for use in their official work with the Survey of India and the Ministry of Defence. The Research Wing dealt with requests from research scholars for access to the records of the Ministry.

In support of research, the Ministry's Library has modern information technology equipment and rich resource materials, with over one hundred thousand books and a large collection of maps, microfilms and official documents. The Library receives and maintains 600 periodical titles. It has in-house

computer systems with fifteen terminals, two of which support data entry and retrieval in Hindi. It also has CD-ROM work station and has CD-ROM databases on foreign affairs and current affairs. The Library is also equipped with a Colour Scanner (with OCR capability as well as facility for storage and retrieval of images), a microfilm/fiche reader printer, a plain paper photocopier, as well as a VTR and colour monitor and a laser printer with Desk Top Publishing (DTP) software. This has enabled better presentation of publications and documents of the Division. The Library has internet and E-mail facilities. These are being gradually made available to visiting users who include former Foreign Service officers.

Documentation/bibliographic services as well as other library operations and services have been computerised, using an integrated library software package. Information on all books, maps, documents and selected periodical articles received in the Library since 1986, and pre-1986 publications in active use, are available on-line through each terminal in the Library as well as in the Ministry's headquarters in South Block and in Akbar Bhavan through network in operation in these buildings. Library information can also be accessed on-line through remote 'login' via dial-up mode by eligible users. All new documents received in the Library - books, maps, microfilms, selected articles from periodicals - are being fed into the in-house computer system to create a database on foreign affairs.

Using this database and CD-ROM Databases, the Library provides Current Awareness Service and Bibliographical and Reference Services. In addition, the Library regularly issues 'Foreign Affairs Documentation Bulletin' - monthly list of selected periodicals, articles many with abstracts, 'Recent Additions' - an annotated monthly list of publications added to the Library, and fortnightly 'Chronicle of Events'. Library users including research scholars are welcome to access the on-line computer-based information in the Library in different databases, including CD-ROM Databases, and the Foreign Affairs Information Retrieval System (FAIRS). Photocopying and computer Print-out facilities are also available to all Library users including research scholars. This year Library has also begun conversion of important publications in the Library on CD-ROMs - beginning with full texts of Ministry's Annual Report upto 1997-98 and Foreign Affairs Record from 1995 to 1996.

During 1998-99 the Division brought out the compilation of a Compendium of India's Bilateral Treaties and Agreements for the period 1981-90 in 4 volumes. This completed the first phase of the project of compiling a comprehensive compendium of India's Bilateral Treaties and Agreements since independence. Subsequent phase of the project envisages publication of annual volumes, the first volume of which covering 1991 has been issued during this year. There are about seven lakh files, both classified and unclassified, lying in the Record Management Section of the Ministry. We have been sending old files for reviewing regularly to the concerned officers for taking a decision regarding retention or otherwise of these files. About 4000 files which were no longer required have been destroyed by burning. About 499 files have been transferred to the National Archives of India. uu

USA INDIA CHINA RUSSIA JAPAN VIETNAM KOREA GUYANA TURKEY KAZAKHSTAN

Date : 1999 NIL Ministry of External Affairs Annual Report

1998 13

External Publicity

Projection of India abroad, including its foreign policy, is the essential function of the External Publicity (XP) Division. It involves the dissemination of news about developments pertaining to India and India's views and concerns on national and international issues. Opinion makers are kept informed about developments in India in the political, economic, social and cultural spheres with particular reference to issues having a bearing on India's external relations and foreign policy. Following the nuclear tests by India in May 1998, this function became dominant and was effectively handled.

The External Publicity Division and Missions/Posts abroad worked in unison to enlarge areas of positive perception about the country while attempting to build greater awareness and understanding of its policies and values. Some focus areas included: India's millennial history and its civilisation; its diverse and profound religious and philosophical traditions; its democratic and secular political culture and institutions, its pluralistic, tolerant and accommodative social ethos; its wide experience in nation building; its impressive economic, scientific and technological achievements, its colossal market potential and, its strategic perceptions including its evolving nuclear policy. Audio visual and print material was used to achieve these objectives.

In its key function as the office of the Official Spokesman of the Government of India on all matters pertaining to India's external affairs, the External Publicity Division strove to orient the domestic and international media on a day to day basis on India's foreign policy perspectives and on topical issues, particularly the nuclear policy through regular briefings and public relations efforts. Over 200 Press Releases and Statements were issued by the Division the year, upto November 1998, and distributed amongst Indian and foreign media, Indian missions abroad, foreign missions in India and also made available on the MEA internet website. The 'Foreign Affairs Record', a compilation of all press releases, visits, agreements and significant diplomatic developments, was brought out on a monthly basis. The Division's news dissemination function also included news bulletins sent out to India's Missions/Posts abroad on a twice - daily basis; a newspaper clipping service on external affairs coverage from the national media for Indian Missions and for senior officials of the Ministry; and, news on the Ministry's internet website.

Eight documentaries were aquired from Surabhi on Education, Art, Music, Dance, Handicrafts, Development and Culture for non-commercial publicity through our Missions/ Posts abroad. Copies of these films were sent to our Missions/ Posts abroad as part of our publicity exercise. Further, documentaries on Progressive Indian Women; India in Space; The North-East; The Changing Face of Indian Countryside; Flute; Confluences in North Indian Music; New Frontiers of Information Era; The Indian Experience; A Nation Celebrates; The Empire Writes Back; The Rooted Imagination; Dreaming Young Dreaming Global; Transition Times; Indian Achievements in Agricultural Sciences and Technology; Buddhist Heritage of Ladakh; The Nuclear Issue; Saarc- 10th Summit in Colombo; Fragrance of Love; Traditional Heritage of India; and, The Victoria Memorial were commissioned and are at various stages of completion. Many documentaries were telecast on local TV networks abroad including The Making of a Nation, A Nation Celebrates, India- Trysts with Destiny, Theatre of India, Magic in the Making, Nauka Caritramu, and 100 Years of Cinema through 40 Missions on the occasion of Independence Day and were well received. This was in addition to other documentaries aired from time to time by the local TV networks abroad. The Star TV and Asianet networks also aired our documentaries.

CD-ROMs on Desi Khana, Multimedia Journey, India Beckons, Hindi Guru, Mahabharta, India Mystica, India Festiva, Krishna were sent to each Mission/Post abroad. Copies of MEA's CD-ROM "India Timeless Civilisation-Vibrant Democracy" were also sent to all Missions/Posts abroad. 2400 gift sets of two video cassettes of film "Making of a Nation" a ten part series and VHS cassettes in gift packs were sent to all Missions/Posts abroad for presentation purposes. XP Division extended its support and cooperation for festivals organised abroad. These included, inter-alia, Film Festivals in Houston, Tokyo, St.Denis, Copenhagen, Tripoli, Malta, Damascus, and the Eager University Film Festival in Budapest. Indian Film Festivals in 23 other Missions were organised during the golden jubilee celebrations of India's Independence. Further, XP division contributed to 35 other film festivals organised by various missions/posts abroad. Apart from this, the division assisted the Directorate of Film Festivals in organising Film Festivals abroad under its aegis.

54 prints of eight feature films based on the Freedom Struggle namely: Gandhi, Sardar, Nehru, Garam Hawa, Tamas, 22nd June 1897, Making of the Mahatma and Train to Pakistan were acquired, sub-titled in English, French, Spanish and Arabic and sent to missions abroad for film festivals. 175 prints of various feature films in 16/35mm format were sub-titled in English, French, Spanish and Arabic languages through NFDC, Mumbai.

Activity on the Photo Publicity side also increased substantially. Collections of large size photographs were sent to Missions abroad for special photo exhibitions in connection with the 50th anniversary of Indians Independence. On the occasion of the Independence Day, 1500 prints were sent to various missions and posts abroad for special supplements in local newspapers. Cataloging, computerisation and inventor formation of the entire stock of feature films, documentary films, U-Matic/Betacam cassettes, video programmes, photographs and transparencies was completed during the year. Active assistance was provided to our Missions/Posts abroad in promoting their publicity effort by providing them with tourist literature, photographs and pamphlets.

The foreign media continued to show a keen interest in India through visits by media delegations and TV teams. The entry of India into the 'Nuclear Club' in May 1998, further stimulated incoming media visits. The XP Division provided assistance to them, including briefing them, as well as seeking appointments with senior Ministers, senior officials, academicians, representatives of business houses and chambers of commerce. This Division also invited foreign media persons to facilitate foreign journalists in gaining a first hand experience of India. In 1998, 120 journalists, individually or as part of media and TV delegations, visited India from the Phillipines, Thailand, Azerbaijan, Egypt, Nepal, Malaysia, Turkey, Pakistan , China, Kenya, Mexico, UAE, USA, Sri Lanka, Senegal, Cyprus, South Africa, Czechlovakia, Jordan, Algeria, Morocco, Kyrgyztan, Uzbekistan, Croatia, Mauritius, Saudi Arabia and Venezuela. These visits generated extensive coverage on India in the foreign media and in creating a better understanding of our country.

Another important job handled by this Division was making media arrangements for delegations accompanying the Heads of State or Government on visits to India. This assistance entailed facilitating media coverage, arranging press briefings and providing other logistical arrangements. During the year, VVIP visits were received from France, Canada, Maldives, Bangladesh, Mauritius, Bhutan, Bulgaria, Belarus, Belgium, Chile and Switzerland. Visits from South Africa, Russia, Thailand and Sri Lanka are expected by the end of the year. The XP Division also handled all logistical arrangements for Indian media persons accompanying the President, Vice President and the Prime Minister on their state visits abroad to Peru, Brazil, USA, Nepal, Germany, Luxembourg Portugal, Turkey, Cairo (G-15 Summit), Colombo (SAARC Summit), Durban (NAM Summit), Namibia, Oman, Mauritius, Jamaica (G-15), Trinidad and Tobago and Morocco. The division effectively contributed during these visits by setting up and operating media centres and looking after all logistical arrangements for the Indian media - locally based and travelling with the VVIPs. One of the important jobs entrusted to this Division is the clearance of documentary proposals received from documentary makers all over the world. Out of over 360 proposals received, 85 per cent were cleared, while others were awaiting approvals from central and state governments.

There are more than 300 foreign journalists of various foreign news agencies and organisations based in India. An important aspect of this Division's work has been to provide accreditation facilities and give clearances for renewal of visas to these journalists. With more and more news agencies setting up bureau offices in India, work related to this aspect increased this year, especially following the nuclear tests. A number of new Bureau were opened during the year.

The supply of books, magazines, journals and other periodicals on a wide range of issues for use in the Missions' libraries and for distribution to local dignitaries abroad, opinion makers and academic institutions continued during the year. Based on the feedback received from various targetted groups, the Division supplied material suitable to their requirements. More than fifty different books were purchased for distribution to our Missions/Posts, including the Booker Prize Winner, "God of Small Things", a highly valued photographic book by Lindsay Hebberd on the Cultural and Socio-economic spectrum of India- "Cultural Portraits", "Indian Experience" on the diverse aspects of India, a foreign publication on India, "India Unveiled", "India 2020: A Vision for new Millennium" by eminent scientist APJ Abdul Kalam, a collection of writings on India by a team of accomplished journalists of international news agencies titled 'Assignment India', and others including some specifically meant for children.

The two important publications of External Publicity Division in Coffee table book format, viz. "India Continuity in Change" and "India: A Dynamic Democracy", were distributed to our missions abroad. The reprinting of the revised publication "India A Dynamic Democracy" in English was completed and 6000 copies were distributed to our Missions/Posts abroad for publicity purposes. In view of the rising demand, their publication was commissioned in other languages like French, German, Russian, Arabic and Spanish. The Division continued to assist ICCR and UN/ITEC Divisions in the production of their publications.

Over Fifty five thousand copies of India Perspectives, a prestigious monthly magazine published by the XP Division in ten different languages, were distributed through Indian Missions and Posts abroad. The magazine was also made available on the MEA website to cover a wider audience. Besides highlighting India's historical and cultural heritage, the journal has been focussing on the impressive progress made by India in all facets of life, achievements in the area of Science and Technology and the steps taken to globalise the country's economy. A special issue of this magazine on Nuclear India was brought out in the month of September 1998 to supplement the efforts of projecting India's viewpoint on the nuclear issue.

The international media was monitored using inputs from Missions abroad. Negative and adverse reports in the international media on India's nuclear tests were rebutted by the Indian missions through interviews/letters in influential papers and appearances on TV channels as well as other engagements. Compilations of reportage in the international media, on the nuclear and other relevant issues were circulated in the Ministry; to the Indian media; and to Indian Missions abroad. The comments by foreign journalists, political leaders and intellectuals of international repute highlighting India's point of view were circulated widely and also put up on the MEA's internet website.

Special supplements were brought out in 'The New York Times' and 'The Washington Post' containing commissioned articles on India's nuclear policy by eminent personalities. Missions abroad also brought out supplements in the local papers throughout the world on Independence Day and Republic Day. India's nuclear policy, foreign policy issues, India's economy, culture, science and technology achievements were some of the focus areas. A section on India's nuclear policy was opened on MEA's website after the nuclear tests and this was appreciated by many international agencies and commended by 'The Los Angeles Times', BBC and many others. The fact that information on the Ministry's website at www.indiagov.org and www.meadev.gov.in was well received could be gauged from the 2.2 million hits received by the site per month. Action has been initiated to enhance the role of the website through its technical enhancement as well as substantive enrichment and updating.

1999 Protocol

State Visits by Heads of State / Government/ Vice Presidents/ Crown Prince to India

1.H. E. Mr Romano Prodi, Italian Prime Minister January 5-8, 1998

2.H. E. Mr Aleksander Kwasniewski, Polish President January 8-12, 1998

3.H. E. Mr Constantinos Stephanopoulos, Greek PresidentJanuary 12-18, 1998

4. H. E. Mr Jacques Chirac, French PresidentJanuary 24-26, 1998

5. H. E. Mr Romeo Le Blanc, Governor General of Canada March 26-April 3, 1998

6.H. E. Mr Kinza Cloduman, President of NauruMarch 31-April 5, 1998

7. H. E. Mrs Sheikh Hasina, Prime Minister of BangladeshJune 16-17, 19 98

8. H. E. Mr Maumoon Abdul Gayoom, President of Maldives June 30-July 1, 1998

9. H. E. Mr Ramgoolam, Prime Minister of Mauritius October 12-19, 1998

10.H. E. Mr Peter Stoyanov, Bulgarian PresidentOctober 25-28, 1998

11.H. E. Mr Flavio Cotti, Swiss PresidentNovember 20-24, 1998

12. H.R.H. Prince Phillipe, Crown Prince of Belgium November 22-28, 1998

13.H. E. Mr Y Primakov, Prime Minister of Russian FederationDecember 20- 22, 1998

14.H.R.H. Maha Vajiralongkorn, Crown Prince of Thailand December 23-29, 1998

15.H. E. Chandrika B. Kumaratunga, President of Sri LankaDecember 27- 30, 1998

16.H. E. Mr Jean Claude Juncker, Prime Minister of LuxembourgJanuary 10-13, 1999

17.H. M. King Birendra Bir Bikram Shah Dev, King of NepalJanuary 24-29, 1999

18.H. E. Mr Lennart Meri, President of EstoniaFebruary 3-20, 1999 Official Visits by Heads of State / Government, Vice Presidents/Crown Princes

1.H. M. Jigme S Wangchuk, King of BhutanOctober 5-7, 1998

2.H. E. Mr. Angadi Chettiar, Vice President of MauritiusJanuary 5-8, 1999

3.H. E. Sheikh Hasina, Prime Minister of Bangladesh (Calcutta) January 27-29, 1999

4.H. E. Mr Kim Jong Pil, Prime Minister of Rep. of KoreaFebruary 10- 12, 1999 Private Visits by Heads of State/Governments/ Vice Presidents / First Ladies

1. H. E. Mr Angadi Chettiar, Mauritian Vice President January 19-February 5, 1998

2. H. E. Mr Kamal Thapa, Nepalese Foreign Minister February 6-7, 1998

3.Mrs. A. Oyunbileg, Wife of President of Mongolia January 5-10, 1999

Transit visits by Heads of State / Governments and Vice Presidents / Crown Princes

1. President of Uganda (Mumbai) April 13-14, 1998

2. Crown Princess of Luxembourg (Delhi)April 18-20, 1998

- 3. FM of Bhutan (Delhi)May 21-23, 1998
- 4. Sri Lankan FM (Delhi)June 10, 1998
- 5. President of Djibouti (Chennai)August 1-3, 1998
- 6.President of Angola (Mumbai)October 10, 1998
- 7. Ethopian PM (Calcutta) October 28, 1998
- 8.Russian PM (Delhi)November 17, 1998

9.H. E. Mr E Rakhmanov, President of Tajikistan January 22-10, 1999

Official visits by Foreign Ministers or Equivalent Level

- 1.H. E. Mr Keti Walesbita, FM of ZambiaFebruary 7-8, 1998
- 2. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka March 21-23, 1998
- 3. H. E. Mr Abdus Samad Azad, FM of BangladeshApril 21-24, 1998

4. H. E. Mr Kamal Kharrazi, FM of IranJune 2-3, 1998

5. H. E. Mr Lakshman Kadirgamar, FM of Sri Lanka June 7-9, 1998

6. Mr Ivan Antonovich, FM of BelarusOctober 13-17, 1998

7.H. E. Mr Strobe Talbott, Seputy Secretary of State of USAJanuary 29- February 1, 1999

8.H. E. Mr Emeka Anyaoku, Secretary General, CommonwealthFebruary 13-18, 1999

9.H. E. Mr Kamal Kharrazi, Foreign Minister of the Islamic Republic of Iran February 23-26, 1999

Other Visits by Foreign Ministers or Equivalent and other Dignitaries

1.Sir Virsamy Ringadoo, Former President of Mauritius February 6-11, 1998

2. Mr Strobe Talbott, Deputy Secretary of State, USA July 19-21, 1998

3. H. E. Mr A Broujerdi, Special Envoy of Iranian PresidentSeptember 18-20, 1998

Foreign Tours of the President, Vice President and Prime Minister

1. PM (Shri I K Gujral) to DhakaJanuary 14-15, 1998

2. Vice President (Shri Krishan Kant) to Mauritius March 10-13, 1998

3. President (Shri K R Narayanan) to New York, Brazil, PeruApril 26-May 10, 1998

4. Vice President (Shri Krishan Kant) to Egypt for G-15 SummitMay 10-14, 1998

5.President (Shri K R Narayanan) to NepalMay 28-30, 1998 6. PM (Shri Atal Behari Vajpayee) to Colombo for SAARC SummitJuly 28-31, 1998

7. PM (Shri Atal Behari Vajpayee) to Salalah (Oman), Namibia, Durban August 29-September 5, 1998 for NAM and Mauritius

8. President (Shri K R Narayanan) to Germany, Portugal, Luxembourg and Turkey September 6-21, 1998

9. PM (Shri Atal Behari Vajpayee) to New York for UNGA and Paris September 22-October 1, 1998 10. Vice President (Shri Krish

an Kant) to TurkeyOctober 28-November 1, 1998

11. Vice President (Shri Krishan Kant) to Maldives November 10-12, 1998 12. Shri A B Vajpayee, Prime Minister to Trinidad & Tobago, February 7-14, 1999

Montego Bay (for G-15 Summit) and Morocco 13.Shri Krishan Kant, Vice President to Jordan (for the funeral of King Hussein II)February 8-9, 1999

Diplomatic Corps

The Heads of Missions of the following countries presented their credentials to the President of India during the period 1.4.98 to 10.12.98.

- 1. Thailand
- 2. Iran
- 3. Japan
- 4. Belarus
- 5.China
- 6. Laos
- 7. Spain
- 8. Ukraine
- 9.Bulgaria
- 10. Denmark
- 11. Bosnia Herzegovina
- 12. Bhutan
- 13. Egypt
- 14. Tunisia
- 15. Slovak Republic
- 16. Uruguay
- 17. Kazakhstan
- 18. Croatia
- 19. The Netherlands
- 20. Mongolia
- 21. Seychelles

The Heads of Missions of the following countries left India during the period

- 1.4.98 to 10.12.98.
- 1. Venezuela
- 2. Slovak Republic
- 3. Croatia
- 4. Denmark
- 5. Ukraine
- 6. Kuwait
- 7. Bulgaria
- 8. Tunisia
- 9. Brazil
- 10. Singapore
- 11. Bhutan
- 12. Kazakhstan
- 13. Iraq
- 14. Egypt
- 15. Trinidad & Tobago
- 16. Mongolia
- 17. The Netherlands
- 18. Oman uu

1999 Passport and Consular Services and Indians Overseas

The Passports and Consular services represent the principal domain of activity in which the Ministry of External Affairs has a direct interface with the general public. Apart from constituting a public service, the issue of a passport also has a bearing on a vital component of India's foreign policy viz., the export of Indian manpower, expertise and technology abroad. The large Indian community resident abroad constitutes a dynamic link between India and the rest of the world. In an era in which the international

scene has witnessed momentous changes, the people of Indian origin abroad have played a significant role in promoting India's interests and in contributing towards the strengthening of India's political and economic relations with their respective countries of adoption.

Passport Services Efforts to fulfil the Government's commitments under the Citizens' Charter were taken forward in 1998 through various measures aimed at providing efficient, prompt and transparent service at the 28 Passport Offices. A new Passport Office at Pune and three new Passport Collection Centres at Surat, Gangtok and Aurangabad were opened during the year. The Passport Rules were amended to allow for sixty page (Jumbo) passport booklets which is very convenient to frequent travellers in this increasingly globalising world. For less frequent travellers a passport with validity upto 20 years has been introduced.

Separate passports for minors were also introduced to bring the practice in India in line with that prevalent internationally. This has been done to eliminate the chances of inconvenience to the passport holder when they approach some foreign Missions for visas. Some of the countries which insist on a separate passport for children before giving them visa are USA, UK, Canada, Japan and almost all European countries.

Special efforts were made to reduce the pendency of applications in various Passport Offices for which standard monitoring procedures were devised and regular inspections of the Passport Offices institutionalised. The Annual Passport Officers Conference was held on 8 October, 1998 at which emphasis was placed on the need to effectively redress public grievances. A review of the Passports Act and Rules was initiated and Passport Officers asked to consider introducing the practice of periodical 'Passport Adalats'.

Extensive measures have been initiated to simplify and streamline various procedures for issuing passports and rendering other miscellaneous services promptly and efficiently in keeping with our commitment under the Citizens' Charter. Comprehensive instructions liberalizing grant of duplicate passports were issued to various Passport Issuing Authorities.

From the mid 80s when the Ministry had first launched a project to computerise a few passport offices in a phased manner, already 15 passport offices including those in the metropolitan cities have been comprehensively computerised. Other passport offices are also in the process of being computerised. A proposal for a comprehensive satellite based computer programming and connectivity as well as the creation of a central Processing Cell is being fromulated. MEA also went through a process of open tendering and bids for completely overhauling the existing system and to take advantage of the latest available technology.

However, due to certain technicalities the bids had to be returned in September 1998. It was decided thereafter to appoint Department of Electronics as a consultant for preparing a fresh tender document especially with regard to the technical specifications for the project. The report has been received and the tender documents are expected to be finalised and issued shortly. It has been the endeavour of the Government of India to house the Passport Offices in Government owned properties. MEA has acquired plots of land/built-up properties in various cities in India to this effect. We have 28 Passport Offices in India of which five Passport Offices at Delhi, Mumbai, Chennai, Cochin and Kozhikode are already operating from Government buildings.

Construction work is in progress at 6 places viz. Ahmedabad for office and residential complex; Cochin (residential complex), Hyderabad (Office complex), Patna (Office complex), Panaji and Kozhikode (residential complex). The process for construction of buildings for Passport Offices has been initiated at another nine places i.e. Banagalore, Chennai, Lucknow, Jaipur, Trivandram, Chandigarh, Trichy, Jammu and Calcutta.

The number of applications received during the year for grant of passports and other miscellaneous services like renewal, change of name, additional booklets, fresh passports for minors etc. continued to rise in keeping with the overall climate of liberalisation and increased travel of Indians overseas. A total number of 22,22,786 fresh passports were issued and 3,08,214 miscellaneous services rendered. Detailed figures of receipts of passports issued/various services rendered including the revenue and expenditure of Passport Offices are at Appendix IV.

PIO Card The six million Indian citizens and over twenty million People of Indian Origin (PIO) resident abroad have collectively evolved into a major instrument for the furtherance of India's foreign policy. Recognising their significant role in the shaping of the country's destiny, Government announced the introduction of a PIO Card for Persons of Indian Origin settled in countries to be specified by Government which would, besides introducing a visa free regime, also confer some special economic, educational, financial and cultural benefits. A user-friendly software has also been developed which will enable the Indian Missions abroad to compile and maintain a uniform database on the NRIs/PIOs.

Consular Services As part of the drive towards modernisation of consular services, new secure visa stickers were introduced at all the Indian diplomatic Missions and Posts abroad from 1 August, 1998. In keeping with ICAO recommendations, efforts are continuing to introduce more secure and machine readable passports and visas. There was renewed emphasis on the need to cater to the consular needs of Overseas Indians and to render them efficient and timely assistance through the Indian diplomatic Missions abroad. Problems encountered by Non-Resident Indians/workers especially in the Gulf countries, including disputes with their employers/sponsors were sought to be promptly redressed. Government maintained regular contact with the Governments of the Gulf countries, including through the Indian diplomatic mechanism of the Joint Commission, with the objective of resolving consular problems and ameliorating the condition of Indian workers in those countries.

In cases of deaths of Indians abroad immediate assistance was arranged by our Missions and Posts for completing the formalities for early despatch of the mortal remains while maintaining liaison with the local and Indian authorities as well as the relatives of the deceased. In several countries various amnesty schemes were announced for regularising the stay of illegal immigrants in those countries. Special drives were launched to cater to the specific requirements of affected Indian nationals by way of expeditious issue of Emergency Certificates/travel documents and other requisite assistance. During the year, 9383 Indians were arrested abroad and 4783 deaths of Indian abroad were reported to the Ministry. A summary of the consular data for the year 1998 is at Annexure 'B'.

Visas India's more than 150 Missions and Posts abroad provided visa services to over 1.64 million foreigners during 1998. The procedure for grant of visa by our Missions and Posts is user friendly, quick and efficient. Many Missions and Posts give visas either across the counter or the same day and most others grant visas within 48 hours. To keep pace with increasing automation, the Consular Wing in HCI London has been computerised which has reduced the time spent by applicants in the queues as well as at the counter. Computerisation has also speeded up the processing of application for visas. The

Ministry is actively considering computerisation of some other Consular Wings in North America where the volume of services rendered is high.

Bilateral Agreements As part of the global endeavour to counter terrorism, and acknowledging the growing international dimensions of crime, consular agreements and institutional mechanisms were negotiated with several countries. These negotiations included over two dozen Extradition Treaties, Mutual Legal Assistance Treaties in Criminal and Civil Matters as well as Consular Conventions. During the visit of Russian Prime Minister to India in December, 1998 an Extradition Treaty, Mutual Legal Assistance Treaty in Criminal Matters and Consular Convention were signed. Official and technical level consultations were held with Bulgaria and Tunisia for finalising bilateral Extradition Treaties. While certain issues still remained to be sorted out with Bulgaria, an Extradition Treaty draft has been finalised and initialled with Tunisia on February 9, 1999.

With France and UAE the Extradition Treaties were initialled. However, as subsequently some changes have been suggested by both sides the two treaties are being further negotiated. The Ministry is currently addressing several requests for extradition and other legal assistance from foreign Governments both for criminal and civil and commercial charges. The request for extradition emanates from our obligations under the Extradition Treaties or extradition arrangements entered into with various countries. During the year