

RIS

Annual Report 2004/05 and Work Programme 2005/06

— Policy research to shape the international development agenda



RIS

Research and Information System
for Developing Countries
New Delhi

RIS **A Think-Tank** **of Developing Countries**

RIS is a New Delhi-based autonomous policy think-tank supported by the Government of India and devoted to trade and development issues. Its work programme focuses on policy research and capacity building on multilateral trade and financial negotiations, regional economic cooperation in Asia, South-South cooperation, new technologies and development, and strategic policy responses of developing countries to globalization, among other issues. The work of RIS is published in the form of research reports, books, discussion papers, policy briefs and journals.

RIS has networked effectively with other prominent policy think-tanks, government agencies, industry bodies and international organizations in Asia and other parts of the world for collaborative research and joint activities. It has a consultative status with UNCTAD, and has been accredited to the Summit Meetings of NAM and WTO Ministerial Conferences. It has conducted policy research and other activities in collaboration with other agencies, including UN-ESCAP, UNCTAD, UNU, Group of 77, SAARC Secretariat, Asian Development Bank (ADB), the World Bank, and the South Centre.

For more information about RIS and its work programme, please visit its website: www.ris.org.in.

— Policy research to shape the international development agenda

Contents

<i>RIS Governing Council</i>	iv
<i>Chairman's Message</i>	v
<i>Introduction by Director-General</i>	vii
I Policy Research	1
II Policy Advisory Services	25
III Fostering Policy Dialogue: Conferences, Symposia and Workshops	28
IV Capacity Building and Training Programmes	47
V Outreach, Global Presence and Networking	50
VI Publication Programme	56
VII Documentation Centre	65
VIII Human Resources	67
IX Financial Statements	69
<i>Clip Board</i>	

RIS Governing Council

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Dr Nagesh Kumar
Director-General, RIS



DR. ARJUN K. SENGUPTA, M. P. (RAJYA SABHA)
Chairman



Chairman's Message

A striking trend of the past decades is the growing internationalization of economic policy making with the emergence of WTO and other intergovernmental bodies exercising an unprecedented role. Along side that, regional and bilateral free trade agreements have emerged as important factors shaping the global patterns of production, investment and trade. These trends pose an immense challenge for the economic policy makers in developing countries like India. They have to respond to the increasing pressure of implementation of various WTO commitments, preparing their position on the growing agenda of WTO negotiations to protect their interest, evolve bilateral and regional economic cooperation arrangements with other nations to promote their own interest, pursue economic reforms, and take other strategic interventions to exploit the emerging opportunities in the most optimal manner, while keeping in mind the basic objectives of economic development to remove poverty, expand employment and protect the vulnerable sections of our peoples engaged in agriculture and manufacturing.

This challenge has to be dealt with highly specialized analytical inputs. A country of India's size and international economic interests needs strong and effective think-tanks which can provide such analytical back-up for policy making. RIS was established by the Government of India, in response to a felt need for such capability to assist the policy-makers within the country and in other developing countries facing similar challenges.

It is gratifying to note that RIS has acquired a high-level of expertise on various issues of trade negotiations, regional economic integration, strategic responses to globalization, among other aspects of development to deliver its mandate. Besides its own policy research initiatives on international economic issues, RIS has been providing analytical inputs to various Ministries of the Government of India.

I am happy to note that the work of RIS in the past year has shaped the agenda of regional economic integration in Asia. The Prime Minister has proposed the vision of an Asian Economic Community built in a phased manner to his Asian counterparts. RIS has studied its implications in depth. This vision has received wide-ranging support from the Asian leaders. The India-Japan Joint Statement signed during the visit of Prime Minister Koizumi to India in April 2005, for instance, includes the resolve of the two countries to work together to realize the vision of the Asian Economic Community, among other areas of cooperation. India has also participated in the landmark East Asia Summit held

in Kuala Lumpur in December 2005 along with leaders of ASEAN-10, Japan, China, South Korea, Australia and New Zealand.

RIS also continued its work programme on the ongoing Doha Round of WTO negotiations especially in the context of the Hong Kong Ministerial and provided policy inputs to the Indian government. RIS also supported the sub-regional and bilateral trade negotiations or their feasibility studies that India has launched with a number of countries in Asia and other parts of the world through analytical studies and policy inputs.

I believe that institutional capacities of the type that RIS represents need to be strengthened in the coming years in the context of growing complexity of policy making process in the context of globalization.

A handwritten signature in black ink, reading 'Arjun K. Sengupta'.

Arjun K. Sengupta
Chairman, RIS
and National Commission for Enterprises
in the Unorganized Sector
Government of India

Introduction by Director-General



RIS work in the areas of policy oriented research, policy dialogue, outreach and networking, crossed new milestones in the year 2004/05. Major research programmes were completed in the four broad fields of its work, viz. World Trading and Financial System, Regional Economic Integration in Asia, South-South Cooperation and New Technologies, and Strategic Responses to Globalization.

RIS continued to provide analytical assistance to the government for ongoing trade negotiations and other economic relations in of multilateral, regional and bilateral contexts. The proposal of an Asian Economic Community developed by RIS in collaboration with major Asian think-tanks received attention from Asian statesmen and thinkers. RIS organized the Second High-Level Conference on Asian Economic Integration in collaboration with Chinese, Japanese and ASEAN think-tanks in Tokyo to further elaborate and promote Asian Economic Community proposal on the eve of the ASEAN Summit in Laos in November 2004. India has since been invited to participate in the East Asia Summit held in Kuala Lumpur in 2005.

RIS continued to support the ASEAN-India Partnership as well as the process of economic integration within the framework of SAARC and BIMSTEC with its analytical studies. RIS is represented on the Joint Study Groups set up by India to explore the feasibilities of comprehensive economic partnership arrangements with China, South Korea and Japan respectively and has undertaken studies to assist their work. New studies have been launched to assist the initiatives of South-South cooperation within the framework of India, Brazil, South Africa (IBSA) Trilateral Commission and Mekong-Ganga Cooperation. The Oxford University Press has accepted to publish a book based on RIS report on a strategic approach to strengthening international competitiveness in knowledge-based industries submitted to DSIR while Macmillan has published a book reporting findings of the food-safety regulations project. RIS has also been asked by the Ministry of Commerce and Industry to conduct a study on 'Employment-Oriented Export Strategy' to meet the challenge of employment generation that the country faces. The Work Programme for 2005/06, besides continuing the ongoing work, focuses on the agenda of the East Asia Summit, the SAARC Summit, the Hong Kong Ministerial Conference of WTO, among other events.

RIS continued to strengthen the institutional networking with think-tanks in other parts of the world with a focus on Asia. Joint studies and conferences were organized in Dhaka, Islamabad, and New Delhi, besides Tokyo, in collaboration with the network partners. RIS has been nominated to represent India on the ACD Network of Think-Tanks and was invited by UN-ESCAP to join the Institutional Advisory Board of the Asia-Pacific Research Network on Trade (ARTNET). The New Asia Forum

coordinated by RIS continued to grow stronger with more institutions and individual experts participating in its activities. The year also saw expansion of RIS activities in the field of training. RIS was approached by Foreign Service Institute to develop and deliver a training module to Indian Foreign Service Probationers. It has also been approached by the Ministry of Finance to organize a training workshop for senior members of Indian Economic Service serving as economic advisors in the different Departments of Government of India.

I am confident that we will be able to further strengthen the institutional capacities at RIS and live up to the high expectations that the society has from us, under the inspiring guidance and vision provided by our Chairman, Hon'ble Professor Arjun K. Sengupta, M.P. (Rajya Sabha) and other distinguished Members of the RIS Governing Council, with the continued support of the Ministry of External Affairs, Government of India and other agencies sponsoring RIS work, and with the dedicated work of the faculty and staff members.



Nagesh Kumar

I. Policy Research

Policy research is the core of RIS work programme. The areas of policy research at RIS fall into four broad categories, viz. World Trading and Financial System and Development; Regional Economic Integration in Asia; South-South Cooperation, New Technologies and Development; and Strategic Responses to Globalization. The major research programmes in each of these broad areas undertaken during 2004/05 and Plans for 2005/06 are summarized below.

A. World Trading and Financial System and Development

A.1. Work Programme on WTO Negotiations and Developing Countries: the Doha Development Round, the Agenda for Hong Kong Ministerial and Beyond

RIS work programme in this area aims to assist developing countries in WTO negotiations and in their preparations for the WTO Ministerial Conference with analytical studies and policy dialogue. The work programme covered overall process as well as the sectoral negotiations as summarized below.

A.1.1. Policy Dialogue and Policy Briefs on the Agenda of the Hong Kong Ministerial Conference of WTO

[2004/06]

RIS has been closely monitoring the developments in the ongoing Doha Round negotiations. After the collapse of the

Cancun Ministerial, the process was revived with the July Package adopted at the General Council Meeting concluded on 1 August 2004. RIS organized a brainstorming on 6 August 2004 to examine the implications of the Package for developing countries. Since then it has been following the developments in the run up to the Hong Kong Ministerial and a series of symposia have been organized in early 2005 and a major South Asian Regional Conference planned in August 2005 on the agenda of Hong Kong Ministerial. RIS is also planning to organize a series of seminars in Hong Kong on the sidelines of the Ministerial as it did in Cancun. A number of policy briefs and discussion papers on the agenda of the Ministerial are also being prepared for assisting in the preparations. RIS has also made presentations on the reform of the world trading system at the WTO Public Symposia organized by the WTO Secretariat in 2004 and 2005 at the



(From left): Dr. Kamal Malhotra, Senior Advisor, UNDP, New York; Professor Anwarul Hoda, Member, Planning Commission; Ambassador S.T. Devare, Vice-Chairman, RIS; Mr. S.N. Menon, then Special Secretary (TDP); and Dr. Nagesh Kumar, Director-General, RIS.



Participants at the Seminar on WTO Negotiations: Agenda for Hong Kong Ministerial, 11 February 2005.

invitations of the WTO Secretariat and the South Centre respectively.

A.1.2. World Trade and Development Report 2006

[2004/06]

RIS work on the Doha Round of WTO Negotiations included analytical support to negotiators of developing countries in select areas of negotiations, as summarized elsewhere in this Report. In addition, RIS takes a view of the broader picture of world trading system as emerging from these negotiations and its implications for development. In this direction, RIS had launched the *World Trade and Development Report (WTDR) 2003: Cancun and Beyond* in 2003 which was presented and discussed in New Delhi and in Cancun on the sidelines of the Ministerial Conference of WTO. It has received very favourable feedback from the policy makers and development-related international organizations. RIS started preparations for the next issue of the WTDR that would be launched in 2006. The preparation of *WTDR 06* has been financially supported by the UNDP, New York and the Commonwealth Secretariat, London. The Report will examine the emerging trends and patterns in the global trading system overall and in select important areas; highlight the growing asymmetries especially from a development perspective; and will put together an agenda for reform. RIS plans to issue an interim and shorter version of the Report in the run up to the Hong Kong Ministerial.

A.1.3. Market Access for Non-Agricultural Products in Doha Development Round Negotiations: A Research Advisory Project

[Phase I: 2002/05; Phase II: 2005/07]

Research Team: Dr. Rajesh Mehta and Pooja Agarwal

This project has been sponsored by the Ministry of Commerce and Industry. The main objective of this project is to understand the implications of negotiations to further liberalize trade of non-agriculture goods for developing countries like India to assist in the ongoing WTO negotiations on Non-Agriculture Market Access (NGMA) and take note of the concerns of India and other developing countries in its work. The project has involved RIS providing consultations and inputs to the NAMA negotiating team within the Ministry on a regular basis. A database created at RIS on the industrial tariffs is kept updated and is employed for simulations of implications of various proposals and modalities of tariff reduction that are being proposed in the WTO negotiations. As a part of the project, a series of analytical studies have been conducted to assist in formulation of India's position for the ongoing NGMA process. In addition, RIS has been regularly providing consultations and comments to the Ministry on the documents and proposals made at the NGMA. During the year under review, the first phase of the project was completed and the second one was proposed that would continue from June 2005 for two years.

A.1.4. Trade Facilitation in the Doha Round

[2005/06]

Research Team: Dr. Sachin Chaturvedi

Trade facilitation has been one of the four so-called Singapore Issues included in the Doha Declaration on which negotiations could be launched depending on the presence of 'explicit consensus'. In view of the resistance of developing countries, the other three issues except trade facilitation have been dropped out of the Round in the July Framework adopted by the General Council on 1 August 2004. The July Framework also proposed

modalities for the negotiations on the subject. RIS has undertaken a study on Trade Facilitation in the Context of WTO Negotiations which looks at the broader issues from a developing country perspective besides making a detailed country study of India, evaluating the need and the costs of selected trade facilitation measures in the country. The study is a part of the programme of the work launched for the preparation of the Hong Kong Ministerial Conference. The detailed case study for India is conducted in conjunction with the series of country studies launched under the framework of Asia-Pacific Research and Training Network on Trade (ARTNeT) of UN-ESCAP, Bangkok. RIS is a core institution of the ARTNeT and is also represented on its Institutional Advisory Board. The country study involves considerable field work and primary data collection from the industry and government agencies on estimation of costs of implementation of proposed commitments. The project is expected to be completed by end-2005.

A.1.5. Non-Tariff Barriers and Developing Countries

[2004/06]

Research Team: Dr. Rajesh Mehta

Countries use many mechanisms to restrict imports. Till the beginning of 1970s, tariffs (custom duties) were the principle mode of protectionism. But with the successive rounds of GATT negotiations, there was a large drop in the average tariff levels of manufactured goods in the developed country markets. When tariffs paled into insignificance, these countries resorted to a new form of administered protection known as Non-Tariff Measures (NTM) - Quantitative restrictions, tariff quota, voluntary export restraints, orderly marketing arrangements, export subsidy, export credit subsidy, government procurement, import licensing, antidumping/countervailing duties, technical barriers to trade, to name a few.

The main objective of the RIS study is to make an inventory of the different NTBs imposed by different countries; to quantify impact of NTB on global trade; and to analyse the impact of different WTO-

Trade and Investment in WTO: RIS Research Contributing to the Development Agenda in the Doha Round

RIS research has contributed to shaping of the ongoing agenda of the Doha Round besides providing analytical support to negotiations on the specific issues. Developed countries especially the EU, had pushed the inclusion of Investment among the four Singapore Issues in the Doha Round despite stiff resistance of developing countries. Therefore, the Doha Declaration provided for launch of negotiations on the subject if there was an 'explicit consensus' at the Fifth Ministerial Conference. However, the pressure was being mounted for the launch of negotiations on investment at various sessions of the Working Group on Trade and Investment (WGTI) at the WTO, putting developing countries into a defensive posture. In a study prepared on Investors' and Home Governments' Obligations RIS made a case for balancing of interests of host governments, investors and home governments by incorporating investors obligations and home government obligations in a proposed Multilateral Framework on Investment, as per the mandate of the Doha Declaration. This study formed the basis of a submission on the subject by India and co-sponsored by China, Cuba, Kenya, Pakistan and Zimbabwe, ('Investors' and Home Country Obligations', WT/WGTI/W/152, dated 19 November 2002) to the WGTI. This proactive submission proved to be a turning point in the debate at the WGTI. A stormy debate followed at the ensuing sessions and brought the developed countries on the defensive for once. They began resisting such expansion of the agenda saying that it did not belong to the WTO. The EU for the first time showed willingness to drop contentious Singapore Issues from the agenda at the Cancun Ministerial in September 2003, which, however, collapsed. Eventually, the Investment issue along with two other issues was dropped from the Doha Round in the July Package agreed on 1 August 2004.

NAMA proposals keeping in view the Doha mandate "... reduction and elimination of Non-Tariff Barriers, particularly on products of developing countries". Some results of the study in the context of India have been presented in a Discussion Paper issued in 2005. Further work is in progress.

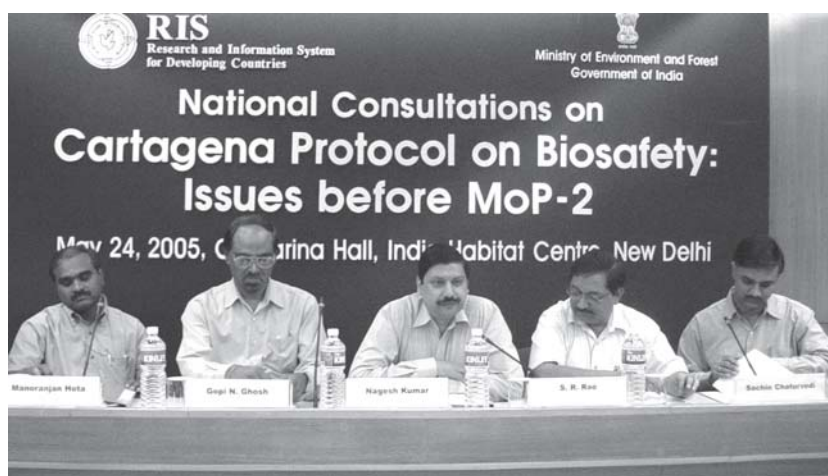
A.1.6. India's Trade in Audio-Visual Services under the GATS

[2004/06]

Research Team: Mr. Pawan Chopra, (former Secretary, Information and Broadcasting), and Dr. Ram Upendra Das

RIS is conducting this study at the request of the Department of Commerce, Govt. of India. The study analyzes the export potential in the audio visual services sector, particularly in films, televisions, radio, music, etc., where there is still uncertainty on the impact of the liberalization undertaken by India autonomously, so as to make suggestions on how we can move forward in our negotiations in the WTO and making binding commitments in the





(From left): Dr. Manoranjan Hota, Additional Director, Ministry of Environment and Forests (MoEF); Mr. Gopi N. Ghosh, Assistant FAO Representative in India; Dr. Nagesh Kumar, Director General, RIS; Dr S R Rao, Advisor to Minister of Science and Technology, Government of India, and Dr. Sachin Chaturvedi, Fellow, RIS at the National Consultations on Biosafety.

areas relating to audio-visual services. The study will explore the potential for India for enhancing trade in this sector through an in-depth analysis of India's trade with selected WTO member countries. It will also identify various barriers faced by Indian audio-visual services exporters and discriminatory treatments meted out to the Indian Service suppliers in these countries. The study would also suggest remedial measures that can be taken by the Government for their removal, through bilateral or multilateral negotiations. The study involves extensive consultations with the industry. A preliminary draft has been completed in late 2005 which will be revised in the light of consultations with the industry concerned government agencies and other stakeholders.

A.1.7. Trade and Environment: Consistent Interpretation of the Precautionary Principle/ Approach in Application to Different Agreements [2005/07]

Research Team: Dr. Nagesh Kumar, Prof. Bharat H. Desai (JNU), Prof. A. Damodaran (IIM, Bangalore), and Dr. Sachin Chaturvedi (RIS)

An Inter-Ministerial Consultative Group on Trade and Environment has been constituted by the Ministry of Environment and Forests and is co-chaired by the Secretary, Environment and Forests and the Commerce Secretary to identify the

interface of trade and environment in the context of multilateral/regional negotiations, and to organize consultations with stakeholders for the formulation of India's response and position on the emerging negotiations on these issues. The Consultative Group has set up four Expert Groups to make a detailed assessment of major issues. One of these four groups has been set up on 'a consistent interpretation of the precautionary principle in application to different Multilateral Environmental Agreements (MEAs)'. The Ministry of Environment and Forests has nominated RIS to be a Lead Institution for this Expert Group and has also appointed Director-General, RIS as the Convenor of the Expert Group. The Expert Group comprises well known experts such as Professor Bharat H. Desai, School of International Studies, JNU; Dr. A. Damodaran, Homi Bhabha Fellow, Centre for Public Policy, Indian Institute of Management, Bangalore; Dr. Veena Jha, Project Coordinator, UNCTAD; and has co-opted Dr. Sachin Chaturvedi, Fellow, RIS, besides officials of MoEF and the Department of Commerce. The Group will carry out studies relating to its terms of reference and will assist the Inter-Ministerial Consultative Group in its work.

The Group would look into the issues related to the multilateral environmental agreements (MEAs) and precautionary principle/ approach. There is a need to take an overview to distinguish between 'principle' and 'approach' apart from looking into specific MEAs to identify the available policy maneuvering spaces.

RIS organized the first Expert Group Meeting on 22 August 2005 to formally launch the work.

A.1.8. National Consultation on Biosafety Guidelines and Cartagena Biosafety Protocol: Bridging the Gap [2004/05]

Research Team: Dr. Sachin Chaturvedi, Dr. N. Lalitha, Dr. E. Haribabu, and Ms. Lian Chawii, Consultant

This project is sponsored by the Ministry of Environment and Forests (MoEF). Since the first Meeting of the Parties

(MoP-1) of Cartagena Biosafety Protocol the work agenda before developing countries, and for India in particular, has expanded immensely. The Conference of Parties (CoP) to the Convention on Biological Diversity (CBD) though discussed some of these issues earlier as well, still lot more needs to be addressed at the policy level. The RIS study led to the specific inputs for India's position paper for Members of Party (MoP-2) which was held in Montreal on 29 May -3 June, 2005. The study recommended that India should provide a lead to other developing countries not only in terms of articulating a position at the MoP-2 but also by adequately equipping the national legislation in this regard. The Report of the project is being processed for publication.

A.1.9 WTO-Agriculture Market Access

Research Team: Dr. Rajesh Mehta, Dr. J. George and Pooja Agarwal

The WTO Draft Cancun Ministerial Text leaned heavily on the joint EC-US "framework paper" on Agriculture. This bias complicated the negotiation process by mystifying the approach to agriculture market access pillar. The main objective of this RIS study is to compute some simulation results based on alternate formulae submitted to the WTO. Our results show that the developing countries are being squeezed to provide better market access to the developed countries' agricultural produce. For example, India will have to reduce her average bound tariff in agriculture anywhere in the range 45-83 per cent depending on the blended combination of the formula (suggested for core modality) and the chosen value of "B" coefficient (for the Swiss element) in the blended formula.

An early version of the paper was presented at the Conference on WTO, organized by the Centre for SAARC Studies, Andhra University and RIS at Visakhapatnam in March 2004. Further work is in progress and will be reported in a Discussion Paper.

A.2. International Monetary and Financial System

The focus of this work programme is to constantly monitor the trends and develop proposals for necessary reforms at the international forums to be taken up by developing countries. The work done during the period under review is summarized below.

A.2.1. Monitoring of the World Economy and the International Financial System

[ongoing]

RIS keeps track of the emerging developments in the world economy especially from the perspective of developing countries and come up with recommendations for any possible adjustment/ reform that may be required on their part. In the past, policy briefs have been issued on the reform of international financial architecture. In the year 2004/05, a Policy Brief was issued on the Oil Shock and Cyclical Upturn in the US Interest Rates: Implications for Asia. Further work on the global imbalances and their implications is underway.

A.2.2. UNCTAD XI and the Development Dialogue for the 21st Century

The Eleventh Session of the United Nations Conference on Trade and Development (UNCTAD XI) took place in Sao Paulo on 13-18 June 2004. RIS has a consultative status with UNCTAD. RIS participated in the preparatory process of UNCTAD XI and made a presentation at the Hearings organized by the UNCTAD Secretary-General in Geneva. RIS also took the initiative to prepare a study on the UNCTAD XI's agenda to assist the developing country policy makers in their preparations. A shorter version of the study was issued in the form of a RIS Policy Brief "UNCTAD XI and the Development Dialogue for the 21st Century" for circulation at the Conference. The RIS study began by highlighting the growing asymmetries in the world trading and





(From left): Prof. Shujiro Urata; Dr. Djisman Simandjuntak, CSIS; Prof. Yao Chao Cheng; Prof. M. Ariff; Dr. Tiziana Bonapace; Dr. Rahul Khullar; and Dr. Chan-Hyun Sohn at a Session of the Second-High Level Conference on Asian Economic Integration, organized by RIS in Tokyo on 18-19 November 2004.

financial system and presented various issues for the agenda for UNCTAD XI including revival of the spirit of global interdependence and need for resurrecting UNCTAD as a forum of analytical underpinning for promoting development. In the context of the one of the key themes of UNCTAD XI on Assuring Development Gains from the International Trading System, RIS report offered several proposals for the consideration of the world body. RIS emphasized the importance of policy space in making FDI work for building competitive productive capacities in developing countries. Finally, the study offered several proposals for promotion of South-South Cooperation including the importance of a new and more ambitious round of GSTP trade negotiations, mechanisms of South-South trade facilitation, promotion of South-South FDI and technology transfers and South-South cooperation in addressing the digital divide. It develops a proposal for an e-South Framework to promote intra-South cooperation in the area of ICTs.

The copies of this RIS Policy Brief were made available to the country delegations through Indian delegation and were also circulated at the civil society forum that was held in conjunction with the Conference.

B. Regional Economic Integration in Asia

B.1 Regional Trading Arrangements in the World and Asia: Implications for India

[2004/06]

Research Team: Dr. Nagesh Kumar

The objective of this study was to examine motivation for the rapid proliferation of regional trading arrangements in different parts of the world, particularly among developing countries. The broad ambit of the study covers certain critical issues including choice of appropriate approach for making the regional process enduring and meaningful for developing countries. The study also examines whether South-South or North-South RTA is appropriate in serving the interest of these countries. The issue of unintended risks of RTAs among such countries is discussed in the light of experiences of certain regional groupings. The performance of selected RTAs in different continents is evaluated to examine the efficacy of second wave of regionalism for developing countries, and bringing out lessons for developing countries in general and for India in particular. RIS provided Policy Notes to the MEA, the Economic Advisory Council to the Prime Minister, and the Planning Commission in the second half of 2004 and 2005 to assist in policy formulation with respect to regional economic cooperation. Subsequently, a revised version of the study was issued as an RIS Policy Brief. The Commonwealth Secretariat, London has also sponsored a study on the subject. RIS plans to prepare a more detailed document on the subject.

B.2. Towards An Asian Economic Community: The New Asia Research Programme

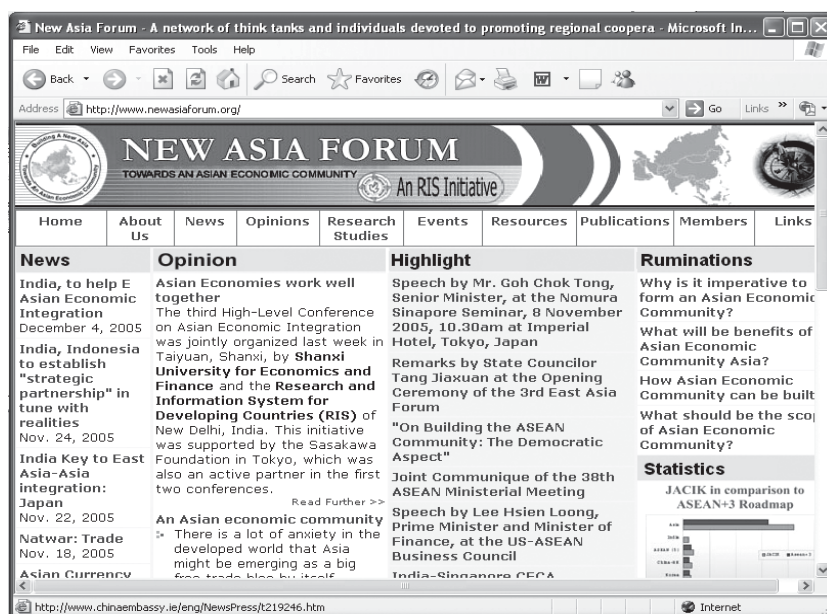
[2003/06]

Since 2001 RIS has been engaged in a major research programme developing a proposal and the way forward for an Asian Economic Community that is broader than the ongoing subregional and bilateral



approaches for regional economic integration in Southeast and South Asia and would enable the region to exploit full potential of synergies. The proposed Asian Economic Community could be built in a phased manner with Japan, ASEAN, China, India, and Korea (JACIK) providing the initial core. This research programme is supported by the Sasakawa Peace Foundation (SPF), Tokyo and is conducted in collaboration with major policy think-tanks in Asia. In the first phase of the programme conducted during 2001/03, a major international conference on Building a New Asia: Towards an Asian Economic Community was organized by RIS in New Delhi on 10-11 March 2003 in collaboration with the Malaysian Institute of Economic Research, and the Centre for Strategic and International Studies, Jakarta. The New Delhi Conference had found a compelling case for the proposed Asian Economic Community and mandated RIS to keep active the network of think-tanks evolved at the conference and continue the work to promote the concept. In the Second Phase of the Programme (2003/06), a number of activities are being undertaken as mandated by the New Delhi Conference. This includes the launch of a network of policy think-tanks, a quarterly journal, a volume based on the presentations of 2003 conference, organization of New Asia Conferences in 2004 and 2005 besides preparation of a number of studies on specific aspects of cooperation.

As part of this programme, the Second High-level Conference on Asian Economic Integration was organized by RIS in Tokyo on 18-19 November 2004 in collaboration with a number of influential policy-thinks and the Sasakawa Peace Foundation, Tokyo. A volume entitled *Towards an Asian Economic Community: Vision of a New Asia*, published jointly by RIS and the Institute of Southeast Asian Studies, Singapore was also launched during the Tokyo Conference. A number of RIS Discussion Papers have also been issued on the subject. In order to keep up the momentum generated by this series of activities, the Third Session of the High Level



International Conference on Asian Economic Community would be organized jointly with Shanxi University of Finance and Economic Research in Taiyuan China in September 2005 and the Fourth High-Level Conference in New Delhi in November 2005, jointly with the Institute of Southeast Asian Studies, Singapore. In addition, RIS regularly organizes seminars and brainstorming on the subject as reported elsewhere in this report besides setting up a network of think-tanks, New Asia Forum.

B.2.1. New Asia Forum

Research Team: Dr. Nagesh Kumar, Dr. Beena Pandey, Ms. Arti Shukla

RIS has set up the New Asia Forum as a dedicated network of think-tanks in Asia devoted to assist the process of regional integration and thus help in building a New Asia with ideas. The *New Asia Monitor*, a quarterly journal of the Forum, was launched in March 2004 to disseminate the news, viewpoints and analysis on the economic outlook and developments in the region, among the policy circles and think-tanks to promote the cause of regional economic integration. *New Asia Monitor* has been received well. The Forum has also set up a dedicated website www.newasiaforum.org as a melting pot for all the relevant information and resources on the subject. This site is being linked up with those of the think-tanks connected with the Forum.



RIS contributing to the Asian Policy Agenda

The RIS proposal of broader regional cooperation in Asia by forming an Asian Economic Community in a phased manner with Japan, ASEAN countries, China, India and South Korea (JACIK) as its core was first presented and discussed at the High-Level Conference on Asian Economic Community organized by RIS in New Delhi in March 2003 in collaboration with the Malaysian Institute of Economic Research and the Centre for Strategic and International Studies, Jakarta. Since then a number of Asian Statesmen and leaders have spoken on the relevance of an Asian Economic Community as an inclusive grouping of JACIK among other countries as a way forward for regional economic cooperation in Asia. Subsequently India was invited to participate in the first East Asia Summit to be held in December 2005 in Kuala Lumpur making it a forum covering all the JACIK countries.

“If the 14 of us (viz. ASEAN, India, Japan, China and South Korea) combine into a broader Asian Economic Community, it can promote our overall competitiveness and create a new engine of growth for the entire region.”

— Prime Minister Shri A.B Vajpayee at the ASEAN-India Summit, Bali, October, 2003.

“It is only inevitable that we seek to take the existing India-ASEAN relationship to a higher level, where we envision an Asian Economic Community, which encompasses ASEAN, China, Japan, Korea and India. Such a community would release enormous creative energies of our people. One cannot but be captivated by the vision of an integrated market, spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient road, rail, air and shipping services. This community of nations would constitute an “arc of advantage”, across which there would be large-scale movement of people, capital, ideas, and creativity.This is an idea whose time is fast approaching, and we must be prepared for it collectively.”

— Prime Minister Dr. Manmohan Singh at the Third India-ASEAN Business Summit, 21 October 2004.

‘In time, [India-Singapore Comprehensive Economic Cooperation Agreement] CECA can eventually lead to an Asian Economic Community linking South Asia, Southeast Asia and Northeast Asia. Such a Community, will result in a strong and prosperous Asia, with India as one of the key pillars.’

—Prime Minister Goh Chok Tong of Singapore while accepting the Jawaharlal Nehru Award for International Understanding in New Delhi, July 2004

“There is the emerging ASEAN +3+India, and that will be a formidable regional grouping that can negotiate then with the European Union, the Americas, Africa and such regional economic groupings.”

— President Gloria Macapagal Arroyo, Republic of the Philippines
(Quoted from the speech delivered at the ASEAN Business Summit, Vientiane, Laos, 28 November 2004)

‘India should join in [East Asian Community], asit will expand the market, force more specialization, division of labour, and India has some thing to contribute in economic, political, diplomatic as well as the security fields. So I believe it is to the advantage of the ASEAN countries that any such East Asian Community should include India’.

— Singapore’s Mentor Minister Lee Kuan Yew’s address to the Foreign Correspondents Association of Singapore, reported in The Straits Times, 22 December 2004.

“Recognising the need for concerted efforts among Asian countries to translate the positive developments into an ‘Arc of Advantage and Prosperity’ involving growth, prosperity, stability and closer integration in Asia, the two leaders acknowledged the responsibility that the two countries have in this new emerging Asian era and thus committed to work together to promote the vision of an Asian Economic Community.”

—India-Japan Joint Statement issued during the visit of Prime Minister Koizumi to India during April 2005.

B.2.2. Pan-Asian Economic Integration: the Way Forward [2004/06]

Research Team: Dr. Nagesh Kumar and Other members of faculty

Building on the work done in the First Phase of the programme, RIS research explores the relative merits of alternative proposals floated for evolving a pan-Asian framework for regional economic integration to find a way forward. The work includes examination of the welfare gains arising from alternative approaches such as the East Asian Economic Community (EAEC) proposal developed by the East Asia Vision Group essentially combining ASEAN+3 (Japan, China and Korea) countries vis-à-vis the JACIK (Japan, ASEAN, China, India and Korea) roadmap developed by RIS as a initial building block of a broader Asian Economic Community. The welfare gains are computed within a computable general equilibrium (CGE) framework. This analysis is complemented by analysis exploring the complementarities and intensity of linkages between India and East Asia. The study also identifies the broad areas of regional economic cooperation, elements of such cooperation and the sequencing. An early version of the study was presented at the High-level Conference on Economic Cooperation organized by the Asian Development Bank in Manila on 1-2 July 2004. A revised version was presented at the Tokyo conference in November 2004. The study will be further expanded in the 2005/06 keeping in mind the emerging agenda of the first East Asia Summit, scheduled to be held in Kuala Lumpur in December 2005 and would be presented at the proposed High-level Conferences in China and India in 2005.

B.2.3 Towards Broader Regional Cooperation in Asia: Agenda for the East Asia Summit [2005/06]

A decision was taken at the Vientien Summit of ASEAN in November 2004 to organize an East Asia Summit (EAS) in Kuala Lumpur in December 2005.



(From left): Prof. T. Ide, Dr. Rajiv Kumar, Ambassador Shashank, Dr Rodolfo Severino, and Mr. R. Komiya at a Session of the Second High-Level Conference on Asian Economic Integration organized by RIS in Tokyo in November 2004.

Subsequently, it was decided to invite leaders from ASEAN countries, China, Japan, South Korea, India and even Australia and New Zealand to participate in the EAS. The presence of leaders of all the JACIK countries along with those of Australia and New Zealand at EAS makes it a valuable forum to launch broader regional cooperation in Asia such as an East Asia Community which could be expanded further into an Asian Economic Community eventually. The policy research community in Asia has to debate on the agenda of the EAS forum and provide a road-map. RIS has launched a study on the agenda of the EAS in 2005 and beyond. This work is also partially supported by UNDP Regional Centre in Colombo besides the Sasakawa Peace Foundation, Tokyo as a part of the ongoing programme. The Fourth High-Level Conference on Asian Economic Community proposed to be organized in November 2005 in New Delhi will also focus on the agenda of EAS and the outcome of the study will be fed into preparatory process of the summit.

B.2.4. Regional Cooperation for Energy Security in Asia [2004/06]

Research Team: Dr. Barnali Nag, Dr Samir Ranjan Pradhan et al.

Energy consumption of developing Asian economies like India, China, South Korea,



(From left) Dr. Ben Peczon, Coalition of Biotechnology, The Philippines; Dr. Balakrishna Pisupati, Head, Regional Biodiversity Programme, IUCN, Asia; Dr. Nagesh Kumar, Director-General, RIS; Dr. M.K. Bhan, Secretary, Department of Biotechnology, Government of India, New Delhi; Dr. Nares Damrongchai, APEC Center for Technology Foresight, Thailand; and Dr. Sachin Chaturvedi, Fellow, RIS in the valedictory session of the Second Conference on Biotechnology for Asian Development, held on 7-8 April 2004 in New Delhi.

Indonesia and Thailand are increasing rapidly. To meet this increasing demand for energy, these emerging economies will have to increase and diversify their domestic supplies and sources of energy—both conventional as well as non-conventional. In this regard, regional cooperation can play an important role. For instance, it could cover cooperation in exploration in the new economies of Central Asian countries, besides some BIMSTEC and ASEAN countries that have abundant oil and natural gas and renewable energy resources. Cooperation between India, China, Japan and Korea could also cover management of strategic oil reserves, development of a natural gas market in Asia and improvement of energy efficiency and renewable energy. Besides exploring the role for regional cooperation in energy security in Asia, the RIS study explores into India's energy cooperation possibilities with other countries. A background paper on the broad framework of Asian regional cooperation for energy security has been prepared and was presented at the Tokyo Conference in November 2004. Further work has been planned in this direction in the South Asian as well as broader Asian context.



B.2.5. Regional Cooperation in Transport Infrastructure in Asia [2003/05]

Research Team: Prabir De

Benefits of geographical proximity in Asia are often lost due to inadequate transport linkages. Against that backdrop, studies on development of transport connectivity have been undertaken in conjunction with RIS work on various approaches to regional cooperation in Asia. In the past year the issue of transport infrastructure has been studied in South Asia (as reported in *South Asia Development and Cooperation Report 2004*). Subsequently transport infrastructure and connectivity was examined in the context of BIMSTEC as reflected in RIS report for BIMSTEC Summit and also issued as a Discussion Paper. The importance of the development of infrastructure development's importance is being studied in the context of the ongoing programme on Asian Economic Community. A paper has been completed on the importance of transport connectivity for regional economic integration which was presented at an ADB conference in July 2004 (RIS Discussion Paper #77). Work is currently on for estimating the financing requirements for infrastructure development in Asia.

B.2.6. Biotechnology and Asian Development [2004-2007]

Research Team: Dr. Sachin Chaturvedi

This is the second phase of the RIS work programme on biotechnology and Asian development launched in 2001 with support from the Department of Biotechnology, Government of India. As a part of this programme, RIS initiated studies on strategies of various national governments in Asia in the area of biotechnology. This programme also facilitated the publication of the journal *Asian Biotechnology and Development Review* (ABDR) which now appears thrice a year. This programme has also supported developing an informal network of policy makers, researchers and practitioners working on different aspects of biotechnology. In this

context, RIS has started a series of Asia level policy dialogues, organized every two years called Conferences on Biotechnology for Asian Development to facilitate exchange of experiences within the region. The second conference in this series was organized by RIS in April 2004 in collaboration with CII and IUCN and with the support of the DBT and UNESCO. The April conference further strengthened the informal network. RIS is in touch with these institutions for follow-up of the recommendations. IUCN Regional Office has entered into an MoU with RIS for institutional collaboration on these issues. Preparations are currently on for organizing the Third Conference in the series in Manila in July 2006 in collaboration with the University of Philippines-Los Banos and the Philippines Bioindustry Association with very high-level participation.

B.2.7. Emerging Regional Production Networks in Asia: Case of India

[2006/07]

Research Team: Dr. Nagesh Kumar

The past decade has seen a strong rise in intra-regional trade in Asia driven by emergence of regional production networks. This trend has been facilitated by liberalization of trade and investment regimes in the multilateral and subregional context. Although the Asian production networks are generally confined to East Asia, India is increasingly getting integrated with these networks as the region's enterprises discover the locational advantages of the country. The Indian participation in the regional networks is not only driven by Japanese, South Korean or Chinese companies, but Indian companies are also evolving their own regional production networks in Asia to exploit the synergies. This study would take a stock of India's increasing participation in the regional production networks, its characteristics and potential. This study would be conducted in conjunction with Asia Cooperative Strategy project undertaken by the institute of the World Economics and Politics of Chinese Academy of Social Sciences, Beijing within



(From left) Dr. A.R. Kemal, Director, Pakistan Institute of Development Economics (PIDE); Mr. Zafar Altaf, former Federal Secretary; and Dr. Nagesh Kumar, Director-General, RIS at the seminar in Islamabad organized by PIDE to launch the RIS' South Asia Development and Cooperation Report 2004.

the framework of Asia-Pacific Trade Initiative of UNDP Regional Centre in Colombo.

B.3. Research Programme on South Asian Economic Integration

South Asian economic integration has been a major area of research at RIS since the early 1990s. RIS studies and analysis have shaped the policy agenda and debates on economic integration in the region. In the period under review, a number of initiatives have been taken in policy research and dialogue to promote the process of regional cooperation.

B.3.1. South Asia Development and Cooperation Report 2006

[2005/06]

The *South Asia Development and Cooperation Report 2006* will be the fourth in the series of Reports launched by RIS to provide an analysis of the macro-economic performance of South Asian economies against the background of global trends and the policy challenges being faced by them with a special focus on the role that regional economic integration could play. The previous Reports have been received very well and have established themselves as authoritative documents on the economic prospects of the sub-region. The *SADCR 2004* was launched in New



(From left): Dr. Abhijit Sen, Member, Planning Commission; Dr. Godfrey Gunatilleke, Marga Institute; Dr. Sridhar Khatri, Director, RCSS; Dr. Kamal Hossain, Former Foreign Minister of Bangladesh; Dr. (Ms.) Maxine Olson, Resident Coordinator, UNDP, New Delhi; and Dr. Rohini Nayyar, Adviser, Planning Commission at the third session on Regional Conference on SAARC: Post-Islamabad Challenges, held in New Delhi on 31 August 2004.

Delhi, Dhaka and Islamabad at special seminars and presented to key policy makers in the respective capitals. The *SADCR 06* will continue in the same tradition and cover the development outlook and regional cooperation in South Asia. In particular, it will cover issues concerning SAFTA and the prospects and challenges for making it operational and effective and the vision beyond SAFTA towards a South Asian Union.

B.3.2. Towards A Free Trade Area in South Asia

[2001/04]

Research Team: Prof. I.N. Mukherji

This study has been conducted within the framework of the SAARC Network of Researchers. The study attempts to examine the impact of SAPTA on bilateral preferential trade flows on conceded products both from the point of view of India's imports as well as exports since SAPTA negotiations were implemented by the end of 1995. The study shows that import liberalization by India has stimulated preferential imports from Bangladesh both in value and share terms. A revised draft of the study was presented at the RIS/SACEPS Regional Conference on SAARC in August 2004. The study has since been finalized and brought out in the RIS Discussion Paper Series [#86].

B.3.3. Regional Economic Integration in South Asia: SAFTA and Beyond

[2005/06]

Research Team: Dr. Nagesh Kumar, Dr. Saman Kelegama, Dr. S.K. Mohanty, Dr. Ram Upendra Das, et. al.

The signing of the SAFTA Treaty in Islamabad in 2004 was a turning point in the history of SAARC as a regional grouping. At long last the SAARC region seems to be heading towards a regional trade arrangement (RTA) that is the first step in the evolution of SAARC as an economic union. Although SAFTA is a desirable step, it needs to be expanded in scope and coverage to fully exploit the potential of the regional economic cooperation in South Asia. Against that background, this study will critically examine the various provisions of the SAFTA Treaty and will come up with a set of recommendations for making the Treaty more effective in exploiting its potential. The study is being conducted in collaboration with the Institute of Policy Studies of Sri Lanka and in conjunction with the South Asia Centre for Policy Studies (SACEPS). The Report of the study will be presented to the SAARC member governments for their consideration.

B.3.4. India-Pakistan Trade and Economic Relations: Prospects and Challenges

[2005/06]

Research Team: Dr. Ram Upendra Das

The study is being conducted on behalf of the Department of Commerce, Government of India. It would discuss the historical economic linkages; the macroeconomic context; major economic reforms; bilateral aggregate trade and investment linkages; existing institutional mechanisms of economic cooperation; and relevance of the study: a vision for closer economic cooperation. Apart from these, the study would address the following specific issues: trade in goods; trade barriers and trade facilitation; investment policy regimes in India and Pakistan; trade in services; and transport linkages. It

would draw upon extensive consultations held periodically with the private sectors in different locations so that the views of stakeholders are incorporated in the study right from the beginning.

B.3.5. Regional Cooperation in Trade in Services in SAARC [2005/07]

This study will be launched as a part of the work programme of the SAARC Network of Researchers on Global Financial and Economic Issues. The Network at its seventh meeting held in Kathmandu in May 2005 decided to undertake the above study with RIS as its coordinator. RIS has been asked to prepare a proposal and submit it to the SAARC Secretariat. RIS as the national focal point for India on the SAARC Network has regularly participated in its activities. The study will be conducted by RIS in consultation with the other national focal points of the other SAARC countries in the SAARC Network and will be submitted to the SAARC Secretariat.

B.4. Future Directions of BIMSTEC: Towards A Bay of Bengal Economic Community [2003/04]

Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation (BIMSTEC) is a sub-regional grouping combining some geographically contiguous South Asian and ASEAN countries in the Bay of Bengal. RIS, in consultation with the Institute for Policy Studies, Colombo; International Institute for Trade and Development, Bangkok; and Centre for Policy Dialogue, Dhaka, prepared the study *Future Directions of BIMSTEC: Towards a Bay of Bengal Economic Community (BoBEC)*, as per the mandate provided by the Fourth BIMSTEC Ministerial Meeting held in Yangon on 21 December 2001. RIS study presents some thoughts on the future directions of the Grouping. It recommends that the grouping should set its goal to form a Bay of Bengal Economic Community by the year 2020.

A BIMSTEC Fund for Regional Projects should also be established for further strengthening of business links. The study makes a number of other recommendations for promoting mutual cooperation in transport infrastructure. The energy demand-supply sectors in BIMSTEC countries offer a potential for regional resource cooperation, which could go beyond export-import trade relations and link the region in a Bay of Bengal Energy Community. There could also be fruitful cooperation between the BIMSTEC countries in technology management and capability building, in dealing with the digital divide, among other areas. Cooperation should also be promoted in tourism, fisheries, auto, SMEs and other sectors.

An early version of the study was circulated at the BIMSTEC Ministerial Meetings held in Phuket, Thailand on 7-8 February 2004. A Policy Brief (#12) was also issued based on the study. A revised version was presented at the first Summit of the grouping and has been subsequently published as a monograph.

B.5. Fostering ASEAN-India Economic Partnership

RIS has been supporting the ASEAN-India Partnership with policy research and promoting dialogue and networking of think-tanks. The work accomplished during the period is summarized below.

B.5.1. India-ASEAN Partnership: Think-tank Interactions and Policy Dialogue [ongoing]

RIS has regularly supported India-ASEAN partnership with studies and analysis. In particular, RIS prepared the ASEAN-India Vision 2020 on Shared Prosperity in consultation with the think-tanks of 10 ASEAN countries. After finalization by the Consultative Meeting of the ASEAN and Indian think-tanks, held in New Delhi in March 2004, this document was later published as a monograph. After further work at the Track-I level, this document was adopted



H.E. Mr. Ong Keng Yong, Secretary-General, ASEAN delivering the India-ASEAN Eminent Persons Lecture.





(From left): Dr. Arjun Sengupta, Chairman, RIS; Dr. Mohan Man Sainju, Chairman, IIDS, Kathmandu; Hon'ble Shri Mani Shankar Aiyar, Minister of Petroleum & Natural Gas; Mr. Farooq Sobhan, President, Bangladesh Enterprise Institute; and Dr. Leena Srivastava, Executive Director, TERI, New Delhi at a session on energy cooperation at the Regional Conference on SAARC: Post-Islamabad Challenges held in New Delhi on 31 August 2004.

at the Laos Summit of India-ASEAN in November 2004 as a Partnership Document. RIS is keeping the ASEAN-India Network of Think-tanks (AINTT) active to continue the policy dialogue. RIS is also publishing a volume on India-ASEAN Economic Cooperation in collaboration with ISEAS, Singapore based on the First ASEAN-India Forum held in Singapore in February 2004. This volume presents studies on sectoral cooperation between India and ASEAN. RIS also provided Policy Notes to the Ministry of External Affairs and the PMO in preparation of the ASEAN-India Summit and the India-ASEAN Business Summit.

B.5.2. India-ASEAN Eminent Persons Lecture Series [ongoing]

This Lecture Series has been coordinated by RIS since 1998 to promote people-to-people contacts and generate ideas for taking the ASEAN-India partnership forward. The Lecture Series has involved many distinguished personalities such as Prime Minister Mahathir, Prime Minister Thaksin, Dr C. Rangarajan and Shri Narayana N.R. Murthy from India. RIS has also published a volume based on the texts of lectures delivered upto 2002. During the period under review, ASEAN

Secretary-General H.E. Ong Keng Yong was invited to deliver an Eminent Persons Lecture in New Delhi on 18 October 2004. The Lecture programme turned out to be a well-attended event, chaired by Hon'ble Minister of State for External Affairs, Shri Rao Inderjit Singh (see Box on page 38 for more details). The text of the lecture has subsequently been brought out as a Discussion Paper. RIS is in touch with MEA for organizing more lectures in the series.

B. 5.3. India-Malaysia Comprehensive Economic Cooperation Agreement [2005/06]

Research Team: Dr. Ram Upendra Das

The Department of Commerce has entrusted RIS to undertake a study on India-Malaysia Comprehensive Economic Cooperation Agreement (CECA). RIS study would review the existing bilateral trade between the two countries; identify the areas of bilateral trade interest and mutual cooperation, highlighting the areas of future trade potential and collaboration; identify existing barriers and suggest reform measures for the removal/reduction of such barriers through the proposed comprehensive economic cooperation agreement; and identify the likely impact (both positive and negative) of such a bilateral agreement. The study is to provide inputs to the work of the Joint Study Group set up to examine the feasibility of CECA between the two countries.

B.5.4. Exploring Mekong-Ganga Partnership [2004/05]

Research Team: Prof. K.J. Joseph, Prabir De et al.

The broad objective of the project is to analyse the present status and future prospects for trade and investment between India and the three countries in the GMS, viz. Cambodia, Lao PDR and Vietnam. Apart from identifying certain areas of mutually beneficial cooperation, the proposed study intends to come up with an advocacy document for public

education on the relevance of mutual cooperation. As the countries under study are the less developed among the ASEAN, the proposed initiative has to be seen against the backdrop of India's commitment towards helping ASEAN bridging the development divide between Old and New ASEAN member countries. India's commitment to bridging the ASEAN divide has been stated in the Framework Agreement between India and the ASEAN on the one hand and the India-ASEAN Vision 2020 as proposed by RIS and ASEAN-India Network of Think Tanks. This project was undertaken by RIS in partnership with CUTS, Jaipur and involves collaboration with institutes in the concerned countries, viz. Cambodian Legal Resources Development Centre (CLDRC), National University of Laos (NUL) and the Institute of World Economics and Politics (IWEP), Vietnam. An inception meeting with stakeholders was organized in October 2004. The project involved fieldwork especially gathering material and consultations from the industry bodies. Subsequently the presentations have been made at consultations organized in the Mekong countries. A final report will be submitted in autumn 2005.

B.5.5. Rules of Origin Issues in India's Economic Partnership Agreements with ASEAN and Other Countries

[2004/05]

Research Team: Dr. Ram Upendra Das

Rules of Origin (RoO) have emerged as one of the many important issues of inter-governmental negotiations under various trading arrangements, in general and between India and other countries/regions, in particular. Given the complexity of issues on the subject, RIS is conducting a study on "Rules of Origin Issues in India's Economic Partnership Agreements with Other Countries: An Approach Paper on Change in Tariff Heading Criterion", sponsored by the Ministry of Commerce and Industry, Government of India. The study

specifically focuses on the analytics of the change in tariff classification criterion and on identification of items at HS 6-digit level that do not qualify for stipulations of tariff shifts at HS 4-digit level of trade classification. For this a detailed analysis for all the tariff lines was attempted with the help of customs officials and other information. The study also forms a part of the agenda of the Expert Group on Preferential Rules of Origin, set up by the Government of India, 2004. RIS is represented on this Group. A preliminary draft of the study was presented in the Third Meeting of the Expert Group on 16 July 2004 at New Delhi. Subsequently, the Report of the project has been submitted.

B.5.6. Rules of Origin under ASEAN India FTA: Further Refinements and Product Specific Rules

[2005/06]

Research Team: Dr. Ram Upendra Das

RIS has undertaken this study on behalf of the Department of Commerce and it builds on the work done earlier. It aims at dwelling upon the dimensions specified below in order to contribute to the understanding of General Rules of Origin as well as Product-Specific Rules (PSRs): (i) the analytical context; (ii) identification of products (HS 6-digit) requiring (CTH + 40 per cent domestic content because CTH alone does not ensure 40 per cent value addition); (iii) identification of products (HS 6-digit) where CTSH + 40 per cent domestic content required because CTSH alone does not ensure 40 per cent value addition; (iv) identification of products (HS 6-digit) in (ii) and (iii) where value addition could be less than or greater than 40 per cent domestic content; (v) identification of products (HS 6-digit) where only 40 per cent domestic content is sufficient; and (vi) exploring into some new modalities of determining origin. RIS is working closely with the Indian team involved in the negotiations with ASEAN on the RoO. The project involves extensive consultations with the industry.



The High-Level Conference on Asian Economic Integration in Tokyo was participated by four young members of Indian Parliament representing different political parties, namely — Shri Sachin Pilot, Shri B.J. Panda, Shri A. Yadav, and Shri V.P. Singh Badnore. In the picture, Shri B.J. Panda, Hon'ble Member of Indian Parliament addressing the Conference.

B.6 India-Northeast Asia Economic Cooperation

B.6.1. India-China Economic Relations: Some Explorations [2004/05]

Research Team: Dr. Nagesh Kumar, Dr. S.K. Mohanty, Prabir De

India-China bilateral trade has expanded rapidly over the past five-six years suggesting strong synergies between the two economies that could be exploited for mutual benefit. A Joint Study Group has been set up following the visit of the PM to China in June 2003 to explore the feasibility of the two countries moving towards a comprehensive economic partnership agreement and draw up a programme for development of India-China trade, investment and other economic exchanges over the next five years. Director-General, RIS was appointed as a member of the JSG. The study was launched to provide inputs for the work of JSG at the request of the Ministry of External Affairs. The study examined the patterns of trade and investment linkages between India and China and examine the case for a preferential or free trade arrangement or a comprehensive economic cooperation agreement to exploit the synergies between the two countries. In particular, the study covered the following themes: the context of China-India economic cooperation; foreign direct investment flows between India and China; welfare gains from India-China FTA/CECA; and other areas of economic cooperation. The output of the study were submitted to the MEA and the JSG in the form of Indian inputs of the draft chapters of the JSG Report. The study has been completed and the JSG Report was submitted at the India-China Summit during the visit of Chinese Premier to New Delhi in April 2005.

B.6.2. India-China Policy Dialogue [ongoing]

RIS has established contacts with a number of Chinese think-tanks to facilitate policy dialogue and exchange of views on development issues of mutual interest. Following the visit of DG-RIS to the

Development Research Centre (DRC) of the State Council of China in April 2003 and subsequent discussions, a high-level delegation of DRC led by Dr Sun Xiaou, Vice-President and Vice-Minister visited RIS in March 2004 when a Joint Policy Dialogue on certain issues concerning economic reforms and macroeconomic performance, trade and WTO related issues took place. Subsequently DRC proposed an MoU to be signed between the two institutions to continue such dialogue and invited RIS to visit DRC. DRC has also collaborated in organizing the Second High-Level Conference on Asian Economic Community in Tokyo in November 2004. RIS is planning to send a delegation to DRC in 2005/06.

B.6.3. India-Republic of Korea (ROK) Economic Cooperation [2004/06]

Research Team: Dr. Nagesh Kumar and Prabir De

A Joint Study Group (JSG) has been set up by the Governments of India and South Korea to study the feasibility of a comprehensive economic cooperation arrangement between the two countries following the visit of Korean President to India in late 2004. DG, RIS is a member of the JSG. To prepare inputs for the work of JSG, the Department of Commerce has assigned to RIS a study on economic cooperation between India and South Korea especially on trade in services. The study aims to review the existing bilateral trade in services between the two countries; identify the service sectors of bilateral trade interest and mutual cooperation, highlighting the areas of future trade potential and collaboration; assess the degree of openness/unilateral liberalization in identified service sectors and mode of service delivery, the extent of multilateral binding of this openness under GATS, and the prospects of further binding under the ongoing Doha Round of negotiations; identify existing barriers to trade in services and suggest reform measures for the removal/reduction of such barriers through the proposed comprehensive economic cooperation agreement; identify the areas of trade and

economic cooperation between India and Korea in the service sector in the context of a possible Indo-Korea comprehensive economic cooperation agreement; identify the likely impact (both positive and negative) of such a bilateral agreement; etc. The inputs have been provided to the Department of Commerce for different meetings of the JSG.

B.6.4. India-Japan Economic Cooperation: Potential and Prospects

[2005/06]

Research Team: Dr. Nagesh Kumar, Dr. S.K. Mohanty and Prabir De

An India-Japan Joint Study Group (JSG) has been set up following the visit of Prime Minister Koizumi to India in April 2005 to examine the feasibility of a comprehensive economic cooperation arrangement/ economic partnership agreement between the two countries. DG, RIS has been nominated as a member of the JSG by the Prime Minister of India. The Ministry of External Affairs has assigned to RIS analytical work on a number of issues to prepare inputs for the work of JSG. In particular, RIS will be assisting the JSG with preparations on the context of economic cooperation, trade in goods, investment, cooperation in other areas, and feasibility of a CECA/ EPA between the two countries. RIS has been providing inputs to the JSG as per the mandate from time to time.

C. South-South Cooperation, New Technologies and Development

C.1. Building New Bridges in South-South Cooperation: A Study of India-Brazil-South Africa (IBSA) Economic Cooperation

[2004/06]

Research Team: Dr Nagesh Kumar, Prof. K. J. Joseph, Dr. S. K. Mohanty, Prabir De, Dr. Mirza Allim Baig

The Ministerial meeting of IBSA held in March, 2004 in New Delhi, in tune with



(From left): Prof. Fabio Villares De Oliveria; Smt. Suryakanthi Tripathi; Ambassador Shashank; and Dr. Nagesh Kumar at a seminar on IBSA organized by RIS.

Brasilia Declaration, emphasized the importance of concrete trilateral cooperation in civil aviation, infrastructure, job creation and small, medium and micro enterprises, science and technology, information technology, tourism, energy, defence, social sectors covering health, education, etc. The Ministers agreed that the IBSA countries can reinforce the economic strength of each other by synergizing their complementarities in area of industry, services, business and technology which in turn could create a market of 1.2 billion people, 1.2 trillion dollars of GDP and foreign trade of 300 billion dollars. It was also decided that each country could conduct studies to examine the potential for economic and commercial partnership and the ways and means for increasing trade and investment flows among the three countries. Against this background the present study, supported by the Ministry of Commerce and Industry, explores the possibilities of strengthening trade (goods and services) and investment relations between these countries. The study has involved analysis of secondary data and industry consultations. Consultations have been held with the Department of Commerce, other government agencies, industry and other stakeholders. Interim reports and policy notes of the study have been provided to the Department of Commerce in November 2004, in March 2005 and in September 2005 to serve as inputs for

preparations for the forthcoming meetings of the Trilateral Commission. A final report will be submitted in early 2006.

C.2. Relevance of Investment in India-GCC Partnership

[2004/05]

Research Team: Dr. Ram Upendra Das, Dr. Samir Ranjan Pradhan, Dr. Mirza Allim Baig

India and Gulf Cooperation Council (GCC) are entering into a free trade arrangement in order to facilitate exploitation of their complementarities for mutual development. RIS has been commissioned by the Department of Commerce to examine the relevance of investment forming a part of such an arrangement. The study assessed the feasibility and potential of including investment in the FTA with the economies in question. First, it analysed the existing investment flows by looking at the trends, patterns, as well as the potential for two way flows between the countries. This assessment provides a background to the second issue that will examine the policy regime for investment in the countries. The objective behind this is to identify the barriers to investment that exist at present and the constraints that affect the realization of the potential. It also identified areas in which investment could be encouraged in the future. The third aspect that the study deals with is the potential negotiating issues that would encourage bilateral investment. The study involved fieldwork to gather information and consultations with industry and diplomatic missions. The draft Report of the study has been prepared and was submitted to the Department of Commerce in late 2005. It will be finalized in the light of comments received.

C.3. Relevance and Potential of an India-GCC Preferential Trade Arrangement

[2005/07]

Research Team: Dr. Ram Upendra Das, and Dr. Samir Ranjan Pradhan

Further to the India-GCC investment study, the Department of Commerce has asked

RIS to undertake a detailed study on feasibility of India-GCC trading arrangement. This study will undertake a detailed analysis of the trends and patterns of bilateral trade between India and GCC countries and examine the potential of a preferential arrangement in promoting mutual trade and make recommendations to the Department on the scope and coverage of a possible arrangement. The Terms of Reference are being discussed with the Department of Commerce. The study will be launched in early 2006.

C.4. Global System of Trade Preferences: Towards the Third Round

[2005/6]

Research Team: Dr. S.K. Mohanty

The Agreement establishing the Global System of Trade Preferences (GSTP) among developing countries entered into force on 19 April 1989. To date 44 countries, including India, have ratified the agreement. The agreement provides for exchanging tariff preferences on products of mutual interest. The Third Round of negotiations under the GSTP was launched in June, 2004 at the UNCTAD XI. The negotiations are to be concluded by November 2006. The negotiations are to be held on request and offer basis and will be multilateralised among the participants. China and other members of G-77, who have not acceded to the Agreement, have also been invited to accede to the agreement. In order to identify member countries with whom India should engage in market access negotiations and draw out request lists to these countries, the Department of Commerce has requested RIS undertake this study. RIS study aims to identify items on which India should seek tariff concessions under GSTP. The study has also to identify country-wise products (6 digit HS level) on which India should seek and negotiate preferential market access from the negotiating GSTP member countries by taking into account the current trends of trade with them in the bilateral as well as global context. RIS has

been providing inputs to the Department on the negotiations as and when required.

C.5. IOR-ARC: Institutional Mechanisms for Trade and Investment Facilitation in Strategic Sectors

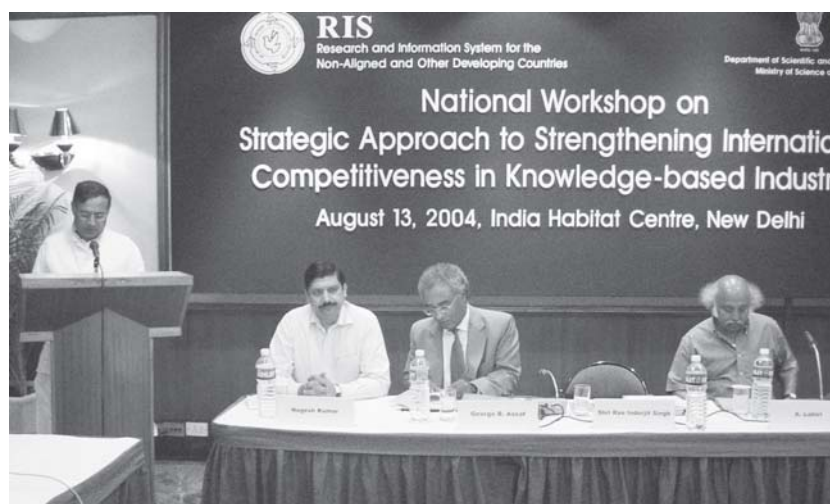
[2003/05]

This study proposed as a part of the work programme of the Indian Ocean Rim Academic Group in collaboration with the Institute for Policy Studies of Sri Lanka aims to prepare a policy paper on ways and means of exploiting the synergies between Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) in select strategic sectors such as infrastructure, energy, high technology. A concept paper had been prepared. However, the project has not been completed due to resources problems faced by both RIS and IPS. RIS will be exploring possibilities of completing it in consultation with IPS for presentation at the next IOR-ARC Ministerial Meetings in Iran.

C.6 India-Mercosur FTA: Sensitivity Analysis of Indian Industrial Products

Research Team: Dr. Rajesh Mehta

This study was conducted on request of the Ministry of Commerce and Industry. It mainly aims at analyzing domestic sensitivity of Indian products to competition from imports. As a first step we have categorised all the industrial commodities (at 8-digit HS level of 1996 classification) into different groups listed on the basis of import policies. Later, they were categorised into two broad groups: (i) list of commodities, which are not sensitive to import prices (or tariffs), and (ii) list of commodities which are not much sensitive (insensitive) to import prices (tariff). A report entitled “Sensitivity Analysis of Indian Industrial Products on MFN Basis: An Input for Indo-Mercosur PTA” to Department of Commerce on 24 May 2004.



(From left) Shri Rao Inderjit Singh, Hon'ble Minister of State for External Affairs; Dr. Nagesh Kumar, Director-General, RIS; Dr. George B. Assaf, Regional Director, UNIDO; and Dr. A. Lahiri, Adviser, DSIR at the inaugural session of the National Workshop on Strategic Approach to Strengthening the International Competitiveness in Knowledge-based Industries.

C.7. Biotechnology and Development

[ongoing]

Research Team: Dr. Sachin Chaturvedi

RIS continued to lead biotechnology and development work through various initiatives on different forums at national and regional level. This year the work programme was focused on two broad themes, viz. development and identification of relevant indicators for evolving socio-economically relevant biotechnology policy especially in the agriculture sector in the developing countries and the impact of emerging IPR regime on the technology access related issues.

In this context a detailed project on access and benefit sharing is planned to cull out the internationally available instruments to implement the Article 8(j) of CBD and explore possibilities for South-South cooperation at different fora. One of the areas of concern in this respect is the tightening regime of intellectual property protection. In particular, the patent protection on research tools necessary for further development such as expressed sequence tags (ESTs), restriction enzymes, etc. can adversely affect accessibility of these technologies by developing countries. In the earlier technology revolutions such generic tools used to be in public domain available to researchers everywhere. The

research project would look into the implications of such trends and draw the attention of the international community to respond to them.

D. Strategic Responses to Globalization

The process of globalization of the world economy has thrown many policy challenges that require to be supported by analytical inputs. RIS work in this area deals, with some of the important emerging challenges for the policy as summarized below.

D.1. A Strategic Approach to Strengthening the International Competitiveness in Knowledge-based Industries

[2002/05]

Project Team: Dr. Nagesh Kumar, Prof. K.J. Joseph, Dr. Neelam Singh, Dr. V.K. Kaul, Dr. Aradhna Agarwal and Dr. Padma Suresh

This project seeks to analyze the relative roles of affiliation with MNEs and FDI, own technological effort and outward investments of national enterprises in promotion of knowledge intensive exports in India with a view to draw strategic policy lessons. This two-year project was launched with the financial support of the Department of Scientific and Industrial Research (DSIR), Government of India. A quantitative analysis of the factors affecting enterprise-level export performance for a panel data set, covering about 4000 Indian enterprises classified in 30 broad industry groups over the 1989-2000, was reported in RIS Discussion Papers # 42-44 and submitted to the DSIR. This was followed by the launch of field studies for five industries to refine the findings of quantitative analysis in the light of observations from the field and to prepare a set of policy recommendations. The fieldwork is being conducted in collaboration with Professor K.J. Joseph (RIS): IT hardware; Dr Aradhana Agarwal (KMC, DU):

pharmaceutical; Dr Padma Suresh (DU): non-electrical machinery industry; Dr V.K. Kaul (DU): chemical industry; and Dr Neelam Singh (LSRC, DU): automotive industry. The findings of research were presented and discussed with industry representatives and policy makers at a National Workshop on 13 August 2004. Subsequently, the Report of the project was finalized in the light of the discussions at the National Workshop and submitted to the DSIR in December 2004. The Report has also been accepted for publication by the Oxford University Press in a book form.

D.2. International Food Safety Regulation and Processed Food Exports from Developing Countries: A Comparative Study of India and Thailand

[2002/05]

Research Team: Dr. Rajesh Mehta, Dr. R.G. Nambiar, Dr. J. George

This is an ongoing study being conducted in collaboration with Australian National University; La Trobe University, Melbourne; Thammasat University, Bangkok; and International Food Policy Research Institute (IFPRI), USA under the sponsorship of the Australian Centre for International Agricultural Research (ACIAR). Trade conflicts relating to food safety standards, and the effectiveness of the Sanitary and Phytosanitary (SPS) Agreement and the related WTO dispute settlement procedures in resolving these disputes have become a major focus of world trade negotiations. These issues are of particular importance for developing countries trying to exploit their potential for expanding processed food exports. This study aims to examine the policy, institutional and technical problems faced by processed food exporters in developing countries in meeting these requirements, and to identify appropriate policy measures to address them while recognizing the legitimate concerns in importing countries about safety and quality. The project teams have conducted

field surveys of exporters for canvassing of questionnaire in Hyderabad and Mumbai. A monograph based on papers presented at the international workshop organized within the framework of the project has been published as a book by Macmillan India.

As a part of this project, Australian Centre for International Agricultural Research (ACIAR) and Division of Economics, Research School of Pacific and Asian Studies, Australian National University (ANU) in collaboration with University of Melbourne, Thammasat University and RIS organized an International Workshop in 29 June 2005 at ANU. The study team also made presentations at the final workshops held in New Delhi and Bangkok during August 2005. The project will be completed with the submission of final report in early 2006.

D.3. Strategy for Export Oriented Manufacturing [2004/06]

Research Team: Dr. S.K. Mohanty and Dr. Robert Arockiasamy

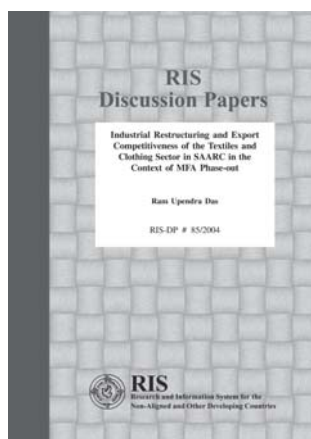
This research study sponsored by the Ministry of Commerce and Industry seeks to develop a comprehensive export strategy to improve India's share in the global economy. For achieving this objective, the study is to identify the required restructuring of the domestic manufacturing sector to meet the specific requirements of importing countries. Keeping in view the Post-Cancun situation in the global economy, the study is to explore the possibilities of venturing in to new markets for exports apart from maintaining linkages with traditional trade partners. Export competitiveness of India is to be examined for selected number of products in the light of 'Medium term export strategy' of India. Taking into account the changing global standards of exports in important export destinations of India, and persistently evolving WTO rules, the study is also to examine the possibility of extending certain state-sponsored WTO-compatible incentives/schemes to domestic industries

to enable them to manufacture export-oriented products for specific export markets. The study involves extensive fieldwork for interviews with industry in different states. The analysis of the secondary data has been completed during 2005 and the field work is being undertaken. The study team hopes to submit an interim report in early 2006.

D.4. Towards an Employment-Oriented Export Strategy: Some Preliminary Explorations [2004/05]

Research Team: Dr. Nagesh Kumar, Prof. K.J. Joseph, Dr. S.K. Mohanty, Dr. Saikat Sinha Roy

India currently faces a major challenge of employment generation for its millions of unskilled and semi-skilled unemployed workers. The employment in organized sector has shrunk in the recent years despite acceleration in GDP growth. Although India has emerged as a leading global hub for the knowledge based service industry over the past decade, the services revolution could not absorb these unskilled and the semi-skilled millions. India needs an industrial revolution to complement the booming services to meet the challenge of employment creation. Some countries like China, Malaysia, Thailand among others have built export-oriented manufacturing industries and have created millions of job opportunities, while generating output and foreign exchange. This RIS study undertaken at the request of the Ministry of Commerce and Industry explores into the role that exports can play in employment generation. It also attempted to estimate the employment resulting from exporting activity and projections on to 2010. These estimates were quoted by the Minister of Commerce and Industry in his speech on the National Foreign Trade Policy announced on 8 April 2005. The study also explores into a policy framework that could strengthen the role of exports in employment generation. A Report of the study was submitted to the Ministry in June 2005. A revised version is being published.



D.5. Industrial Restructuring and Export Competitiveness of the Textiles and Clothing Sector in South Asia in the Context of MFA Phase-out [2001/04]

Research Team: Dr. Ram Upendra Das

This project forms part of the research agenda of the SAARC Network of Researchers on Global, Financial and Economic Issues assigned to the National Focal Point for India, that is RIS, for implementation. The phase-out of the MFA quotas by first January 2005 under the Agreement on Textiles and Clothing (ATC) of WTO presents both challenges and opportunities for the SAARC countries. The textile and clothing sector has emerged as the most important source of foreign exchange for almost all the SAARC countries. Hence, challenges for maintaining export competitiveness and industrial restructuring need to be analyzed on an urgent basis. This study explores the issues related to the sustainability of textile and apparel export growth of the SAARC member countries. The data on patterns of textiles and garments exports from South Asian countries have been analyzed to examine the trends in their international competitiveness. This has been followed up by a field survey to gather insights into the potential of restructuring at the regional level in strengthening international competitiveness and draw policy implications. The final report of the study was issued as an RIS Discussion Paper #85 in late 2004.

D.6. WTO Negotiations and Indian Small Scale Industry

Research Team: Dr. Rajesh Mehta and Pooja Agarwal

A large section of Indian small-scale industrial sector has been protected from the plundering rivalry of the large-scale industries. The ongoing trade liberalization and globalization talks can put these industries in problem. The main aim of this study is to assess the implications of present round of the World Trade

Organization (WTO) negotiations on Indian products, which are for exclusive manufacture by small-scale sector.

The study finds some interesting results. At present around 66 per cent items of Indian small-scale industry are bound, which is higher than all India level. India cannot *a priori* exclude any item from negotiation in the present round. Some of our preliminary results based on alternate scenarios prove that the WTO-NGMA formula would cause the 53 per cent reduction in the current bindings of the products reserved for the exclusive production of small-scale industry in India.

D.7. Implications of the WTO Tariff Proposals on Indian Paper and Newsprint Industry [2004/06]

Research Team: Dr. Rajesh Mehta, Pooja Agarwal and Oindrila De

The process of non-agriculture market access negotiations is being conducted within the Negotiating Group of Market Access (NGMA) at WTO. In this direction NGMA has been proposing different approaches for negotiations with the main emphasis on non-linear formula. The main objective of this study is to send early signals to Indian paper industry regarding the progress of negotiations. In other words, RIS study analyses the impact of WTO/NGMA approaches on the Indian paper industry as and when the new proposals are unleashed. We have already prepared a position paper. The Central Pulp and Paper Research Institute (CPPRI) has approached RIS to undertake a more detailed analysis of the subject for the benefit of the industry. A Memorandum of Understanding was signed with CPPRI on 23 December 2004. Project has been launched in January 2005. The study team made a presentation of select results at CESS Committee Meeting, at the Department of Industrial Promotion and Policy (DIPP) on 21 July 2005. An interim report will be submitted by the end of 2005.

D.8. Short-term Forecasting of India's Exports

[2002/05]

Research Team: Dr. Rajesh Mehta, Ms. Sushma Bhat, Sujit Kumar Ray and Ms. Parul Mathur

This is an ongoing study supported by the Ministry of Commerce and Industry to develop an econometric model of India's export sector that is able to provide short-term forecasts and to provide forecasts in March and September updated on the basis of taking note of the changing external/domestic factors for the Department of Commerce. The need for such kind of a forecasts arises primarily because currently the existing econometric forecasts available for different sectors of Indian economy do not take into consideration the details of India's export sector by commodities and their destinations. In order to capture the varying demand conditions and degree of sensitiveness of price competitiveness (and exchange rate) at the disaggregated level, the study is based on individual country/commodity analysis taking into account their respective characteristics. The forecasts are used in formulating export-import policies of India. RIS research team has been regularly submitting the forecasts of Indian exports to the Ministry. The final Report of the study has been submitted. It is now being revised for possible publication as a monograph.

D.9. Impact of Trade Liberalisation on India's Imports

Research Team: Dr. Rajesh Mehta and Prof. Ashok Parikh

The objectives of this study are to examine the impact of liberalisation on price competitiveness of imports at a commodity level for broad commodity groups and at an aggregate level for the Indian economy. Liberalisation is implemented by reducing tariff and non-tariff barriers and relaxing exchange controls. The impact of tariffs and market based exchange rate is introduced in the import price of the



(From right): Dr. Nagesh Kumar, Director-General, Prof. K.L. Krishna; and Dr. Rajesh Mehta; RIS at the Technical Seminar on Short-term Forecasting of India's Exports: Methodological Issues.

commodity. Relative price (import/domestic) elasticities for each commodity group using panel data of six countries over five years are estimated. For the Indian economy, relative price elasticities for each of the years at an aggregate level using data for twenty commodity groups as observations are obtained and they show that the price elasticity tends to rise with the increase in liberalisation when tariff rates are reduced. The study is being conducted in collaboration with Prof. Ashok Parikh of University of East Anglia.

D.10. State, FDI and Export of Software and BPO Services from India

[2004/05]

Research Team: Dr. Nagesh Kumar and Prof. K. J. Joseph

While the developing countries are known for their comparative advantage in the production of services primarily on account of low labour cost, the restrictions on the mobility of labour across national boundaries prevented them from reaping the benefits of this cost advantage. However, the emergence of information and communication technology and the innovations therein have made possible the "splintering off" of the services from its provider and thus leading to the offshoring of various services which hitherto remained untraded. India with its large pool

of skilled manpower at lower cost has recently emerged as a major provider of software and other services and also a major location for the offshoring of services. Against this background, this study examines various policy measures and institutional interventions made by both the central government and different regional governments in facilitating India's emergence as a major player in the world market for software and services. The study also examines the relative role played by foreign direct investment in making India a success story in IT and software. The study was commissioned by UNCTAD as a background paper for the *World Investment Report 2004*. A revised version of the study has been published in the inaugural issue of the *Asia-Pacific Trade and Investment Review*, a journal launched by UN-ESCAP in April 2005.

D.11. Study on Trends, Structure and Competitiveness of Indian Seed Industry [2004/06]

Research Team: Dr. Sachin Chaturvedi

International Food Policy Research Institute (IFPRI), Washington D.C. has approached RIS to carry out a study on Indian seed industry to analyse the structure, progress and degree of competitiveness of the seed industry since the introduction of New Seed Policy in 1988. The study is also designed to look into the implications of the new IPR regime (after January 2005) for the seed sector and consequent changes following the Seeds Act 2001. Apart from this, the study also looks into other issues like magnitude and nature of FDI in the Seed Industry. The study involves extensive field work. The study was launched in October 2004 and is likely to be completed by March 2006.

D.12. Special Economic Zones and FDI in China: Lessons for India [2004/06]

Research Team: Dr. A.K. Kundra

This study has been launched to understand the reasons behind the success of China in attracting large magnitudes of export-oriented FDI which now account for nearly 55 per cent of its manufactured exports and 80 per cent of high technology exports. This study will involve field work in China to gather first-hand insights and draw policy lessons for India. This study is being conducted with the support of the ICSSR. Dr Kundra will be visiting China to collect data and information on SEZs in the country towards the end of 2005. The study will be completed in 2006.

D.13. Outward FDI from India: Trends, Patterns and Determinants [2005/2006]

Research Team: Dr. Nagesh Kumar

Outward investment could be an important aspect of the corporate strategy of enterprises in developing countries such as India to strengthen their international competitiveness especially in knowledge-based industries. Outward investment by Indian enterprises has grown rapidly over the past decade and has undergone a change compared to earlier investments. This study takes a stock of the patterns, trends, motivations and determinants of outward investment by Indian enterprises. It will also undertake case studies of select industries and companies that have emerged as important players. The outcome of the study will be published in the RIS Discussion Paper series as well as a book by Routledge, (London and New York).

II. Policy Advisory Services

RIS continued its efforts of fulfilling the mandate of rendering policy advisory services to the Government of India and others. Given below is a selective list of the inputs provided to the Ministries and other governmental and non-governmental bodies:

- ◆ **India-ASEAN Summit and Related Events:** RIS had prepared a document on ASEAN-India Vision 2020 in consultation with ASEAN think-tanks which formed the basis of the Partnership Agreement signed at the Vientien Summit held in November 2004. RIS provided inputs to MEA and PMO in preparations of the Summit including notes on Asian Economic Community. Inputs were also provided to PMO in preparation for the India-ASEAN Business Summit held in New Delhi in October 2004. Also a Note on Relevance of India's Economic Integration with East Asia: Some Points was prepared for the Ministry of External Affairs on 17 December 2004.
- ◆ **Asian Economic Community:** Note on Towards an Asian Economic Community: Some Proposals was prepared for the Ministry of External Affairs and sent on 25 November 2004.
- ◆ **SAARC Ministerial Meeting:** A Note on "SAFTA and Beyond: An Agenda for SAARC" was sent to Hon'ble External Affairs Minister on 17 July 2004 following a briefing meeting called by him.
- ◆ **Preparations for the Dhaka Summit of SAARC:** RIS prepared two policy notes on the future directions of SAARC and submitted to the MEA. In addition, a note has been submitted to the PMO in preparation of the Summit.
- ◆ **SAFTA Negotiations:** Submitted inputs on SAFTA Rules of Origin, for Ministry of Commerce and Industry, July 2004.
- ◆ **BIMSTEC Summit:** Revised Report on Future Directions of BIMSTEC: Towards a Bay of Bengal Economic Community was provided to the MEA.
- ◆ **Regional Trading Arrangements:** Note on Regional Trading Arrangements: Options for India was prepared for the Ministry of External Affairs and sent on 19 July 2004. The same was also made available to the Ministry of Commerce and Industry. RIS research material dealing with issues related on Regional Economic Integration in Global Framework was

made available to Department of Economic Affairs, Ministry of Finance on 10 September 2004.

- ◆ **India-China Joint Study Group:** As a member of the group, DG-RIS participated in the Meetings of the JSG held in Delhi (July 2004) and Beijing (December 2004). RIS assisted in drafting a number of chapters of the JSG draft Report besides preparing draft Indian inputs on behalf of the MEA.
- ◆ **India-Korea Joint Study Group:** DG-RIS has been appointed a member of the JSG and participated in the first meeting of the Group held in New Delhi in January 2005. RIS is also assisting in preparation of draft chapters of the Report.
- ◆ **India-Thailand FTA:** RIS participated in a number of panel discussions for the Government of India-UNCTAD study on identification of sensitive items.
- ◆ **India-Mercosur PTA:** RIS assisted the ongoing negotiations on India-Mercosur PTA with inputs on sensitivity analysis of Indian products and on rules of origin provided to the Ministry of Commerce and Industry.
- ◆ **Expert Group on Preferential Rules of Origin:** RIS is represented on the Expert Group set up by the Government of India, 2004 and was assigned by the Department of Commerce the task of preparing a study to identify products that do not qualify change of industrial classification. RIS has submitted inputs in the context of different RTAs being negotiated by India and presentations have been made at the meetings of the Group on the subject.
- ◆ **WTO/NAMA Negotiations:** RIS has been assisting the Ministry of Commerce and Industry in preparations for the ongoing WTO negotiations especially Non-Agricultural Market Access (NAMA) negotiations with notes and analytical inputs. RIS has regularly provided simulations and sensitivity analysis of different proposals during the period under review.
- ◆ **Foreign Trade Policy:** A presentation of the preliminary findings of the study on employment generation through exports was made by the DG, RIS to the Commerce Secretary, in the Department of Commerce, Ministry of Commerce and Industry on 21 February 2005. Subsequently a Preliminary Report of the study was submitted to the Ministry of Commerce as inputs in preparation of the Foreign Trade Policy announced on 8 April 2005.
- ◆ **Inter-Ministerial Consultative Group on 'Trade and Environment':** RIS has been appointed as the Lead Institute for an Expert Group of the Consultative Group constituted jointly by the Ministry of Environment and Forests and Ministry of Commerce and Industry.
- ◆ **NAM Ministerial Meeting Durban, South Africa, 17-19 August 2004:** RIS participated in the discussion meetings organized by the Ministry of External Affairs in New Delhi, respectively on 6 August 2004 and 11 August 2004, for inputs for the mid-term Ministerial Meeting of NAM. Subsequently a Note on Economic Agenda for NAM, was sent on 12 August 2004.
- ◆ **UNCTAD XI:** RIS prepared a policy brief on the agenda of UNCTAD XI to assist the preparation for the event in India and other developing countries. This policy brief was circulated among the member country delegations and among the NGOs.
- ◆ **India-Brazil-South Africa (IBSA) Trilateral Commission:** RIS

prepared Notes the Potential Economic Partnership between India, Brazil and South Africa at the request of MEA and the Ministry of Commerce and Industry.

- ◆ **National Position Paper for MoP-2, Montreal:** RIS provided inputs to the Ministry of Environment and Forests' efforts for preparation of the national position paper on "National Biosafety Guidelines and Cartagena Protocol on Biosafety – Bridging the Gap" for the Meeting of Parties (MoP-2), a forum of signatories to the Cartagena Protocol on Biosafety held in Montreal from 29 May-3 June, 2005.

Other inputs to the Government of India

- ◆ A Note on "US-India Economic Partnership" was made available to

the office of Foreign Secretary, Ministry of External Affairs, Government of India on 5 April 2004.

- ◆ A paper was submitted to the Ministry of Commerce for Inter-Ministerial Meeting on International Trade Issues in Biotechnology on 23 March 2005.
- ◆ A Policy Note on "Relevance of Engaging South Korea: Options for India" to the Ministry of External Affairs on 30 July 2004.
- ◆ Note on Some Points on Indian Reforms and Investment Climate was prepared and sent to the Ministry of External Affairs on 14 August 2004.
- ◆ RIS research material on trade barriers faced by developing country exports made available to the Ministry of External Affairs on 3 September 2004.



RIS contributed to the High-Level Conference on Asia's Economic Cooperation and Integration organized by the Asian Development Bank in Manila in July 2004. Dr. Nagesh Kumar, Dr. Ramgopal Agarwala (first row, second and third from left respectively) and Mr. Prabir De (last row, fifth from left) from RIS were invited to participate and present key papers at the Conference.

III. Fostering Policy Dialogue: Conferences, Symposia and Workshops



(From left): Hon'ble Mr. Koichi Kato; Mr. Anup Thakur (Minister, Embassy of India in Tokyo); Prof. Ito Kenichi; Ambassador S.T. Devare; and Dr. Nagesh Kumar at the Inaugural Session of the Tokyo Conference on Asian Economic Integration.

Second High-Level Conference on Asian Economic Integration: Vision of a New Asia, Tokyo, 18-19 November 2004

RIS in collaboration with the Council on East Asian Community, Tokyo; Development Research Centre for the State Council of China, Beijing (Research Department of Foreign Economic Relations); Global Security Research Institute, Keio University, Tokyo; Malaysian Institute of Economic Research, Kuala Lumpur; and with the support of Sasakawa Peace Foundation,

Tokyo, organized the Second High-Level Conference on Asian Economic Integration: Vision of a New Asia in Tokyo on 18-19 November 2004.

Hon'ble Mr Koichi Kato, Member of Japanese Diet delivered the inaugural address. The inaugural session was chaired by Ambassador Sudhir Devare, Vice-Chairman, RIS. Professor Ito Kenichi, President, Council on East Asian Community, Tokyo; Mr M.L. Tripathi, Ambassador of India in Japan; and Hon'ble Shri B.J. Panda, Member of Indian Parliament also addressed the inaugural session. Hon'ble Mr Koichi Kato also released the book *Towards and Asian Economic Community: Vision of A New Asia* during the session. Dr. Nagesh Kumar, Director-General, RIS extended the vote of thanks.

The theme of the first session was Relevance of an Asian Economic Community and Possible Approaches. It was chaired by Professor Eisuke Sakakibara, Keio University and former Vice-Minister of Finance, Japan. The session had a presentation of the theme paper by Dr Nagesh Kumar, DG-RIS. The distinguished panelists were: Dr Rodolfo C. Severino, former Secretary-General, ASEAN; Prof. Zhang Xiaoji, Director-General, Research Department of the Foreign Economic Relations, DRC of the State Council, Beijing; Professor Toshihiko Kinoshita, Waseda University and formerly Head of Research, Japan Bank

of International Cooperation, Tokyo; Professor Fukunari Kimura, Keio University, Tokyo and Dr Eric Teo, Council Secretary, SIIA.

The second session was devoted to Regional Trade and Investment Liberalization: Trends and Potential. It was chaired by Professor M. Ariff, Executive Director, Malaysian Institute of Economic Research. Key presentations were made by Professor Shujiro Urata, Waseda University and RIETI, Japan; Dr Djisman Simandjuntak, Chairman, CSIS, Jakarta; Prof. Yao Chao Cheng, Academic Dean, Faculty of International Trade, Shanxi University FE, Taiyuan, China; Dr Rahul Khullar, Ministry of Commerce and Industry, India; Dr Chan-Hyun Sohn, Senior Fellow, KIEP, Seoul, Korea; and Dr Tiziana Bonapace, Chief, Trade Policy, TTD, UN-ESCAP, Regional.

The theme of the third session was Monetary and Financial Integration in Asia. Professor Toshihiko Kinoshita, chaired. It had presentations on Prospects for Monetary Cooperation in Asia by Dr Masahiro Kawai, Tokyo University; Approaches to Asian Bond Market Development by Ambassador Manaspas Xuto, Executive Director, International Institute for Trade and Development, Bangkok; and Chiang-Mai Initiative and Beyond by Dr Sharad Bhandari, Regional Economic Monetary Unit, ADB, Manila.

On second day of the Conference, the first session addressed the theme of Prospects for Regional Cooperation for Energy Security and was co-chaired by Ambassador Shashank, former Foreign Secretary, India and Dr Rodolfo C. Severino, Former Secretary-General, ASEAN. It had the following key presentations: Asian Energy Outlook and Its Implications by Dr. Ryouichi Komiyama, Institute of Energy Economics of Japan, Tokyo; Role of Regional Cooperation for Energy Security in Asia by Professor Tsugio Ide, G-SEC, Keio University and former Vice-Minister, EPA, Japan; and Prospects of an Asian Energy Community by Dr Rajiv Kumar, Chief Economist, Confederation of Indian Industry, New Delhi.



(From left): Dr. Eric Teo (Council Secretary, SIIA), Dr Rodolfo Severino (former Secretary-General, ASEAN), Prof. F. Kimura (Keio University), Prof. Zhang Xizoji (Director-General, Foreign Economic Relations, DRC of the State Council of China), Prof. E. Sakakibara (former Vice-Minister of Finance, Japan), Dr. Nagesh Kumar at a Session of the Tokyo Conference on Asian Economic Integration.

In the next session a panel discussion on Strategic Relevance of Asian Economic Integration took place. It was co-chaired by Ambassador Aftab Seth, former Indian Ambassador in Japan and currently President, Global Security Research Institute, Keio University, Tokyo and Prof. Zhang Xiaoji, Director-General, Research Department of the Foreign Economic Relations, DRC of the State Council, Beijing. It had key presentations by Dr Eric Teo, Council Secretary, Singapore Institute of International Affairs; Professor Mukul Asher, National University of Singapore; and Professor Brij Tankha, Delhi University.

The Concluding Session on A Roundtable Discussion on the Way Forward was chaired by Ambassador Sudhir Devare. The key panelists were Professor E. Sakakibara, former Vice Minister of Finance, Japan; Professor M. Ariff; Ambassador Shashank; Ambassador Aftab Seth; Dr Isabelle Saint-Mezard, Centre for Asian Studies, University of Hong Kong; and Dr C. Rammanohar Reddy, Editor, *Economic and Political Weekly*, India.

Based on the presentations and discussions, the conference came out with a Tokyo Consensus. The Tokyo Conference was a follow-up of the New Delhi Conference on "Building a New Asia: Towards an Asian Economic Community held on 10-11 March 2003.



Mr M Morshed Khan, Hon'ble Minister for Foreign Affairs, Government of Bangladesh (second from right). Also seen in the picture (from left) are Dr Nagesh Kumar, Director-General, RIS; Mr Reaz Rahman, Hon'ble Advisor to the Ministry of Foreign Affairs; Professor Rehman Sobhan, Chairman, CPD and Executive Director, SACEPS; and Dr. Debapria Bhattacharya, Executive Director, CPD at the Dhaka Seminar on Follow-up of SAARC Summit.

Seminar on Follow-up of SAARC Summit Decisions and Launch of the South Asia Development and Cooperation Report 2004, Dhaka, 18 May 2004

The South Asia Centre for Policy Studies (SACEPS), Dhaka; Centre for Policy Dialogue (CPD), Dhaka; and RIS jointly organized a Seminar on the Follow-up of SAARC Summit Decisions concerning SAFTA and Energy Cooperation and the Launching of the *RIS South Asia Development and Cooperation Report 2004* in Dhaka, Bangladesh on 18 May 2004. Mr M Morshed Khan, Hon'ble Minister for Foreign Affairs, Government of Bangladesh was the Chief Guest and Mr Reaz Rahman, Hon'ble Advisor to the Ministry of Foreign Affairs was the Special Guest. Professor Rehman Sobhan, Chairman, CPD and Executive Director, SACEPS chaired the inaugural session.

In the inaugural session, Dr Nagesh Kumar, Director-General, RIS made a presentation on the *South Asia Development and Cooperation Report 2004*. This was followed by open discussion and the speech by the Chief Guest. The Chief Guest and participants paid rich compliments to RIS for producing the Report that has over time become one

of the most authoritative sources of analysis on development and cooperation in South Asia. Dr Rehman Sobhan made the concluding remarks.

The second session addressed theme of Implications of Building a South Asian Free Trade Area (SAFTA). Mr Tofail Ahmed, former Minister of Commerce and Industry, Government of Bangladesh was the Chief Guest and Mr M. Syeduzzaman, former Finance Minister chaired the session. Dr Dushni Weerakoon, Research Fellow, Institute of Policy Studies, Colombo and Professor Mustafizur Rahman, Research Director, CPD made presentations on the theme of the session. Dr Nagesh Kumar, Director-General, RIS, New Delhi; Dr Mustafa Abid Khan, Deputy Chief, Bangladesh Tariff Commission; and Major General (Retd) Amjad Khan Chowdhury, Chief Executive Officer, Pran Group, Dhaka were the main discussants.

The theme of the third session was Discussion on Energy Cooperation in South Asia. Mr Iqbal Hasan Mahmud, Hon'ble State Minister for Power, Government of Bangladesh was the Chief Guest and Mr Syed Manzur Elahi, former Member, Advisory Council of the Caretaker Government chaired the session. Professor M P Lama, Centre for South Asian Studies, JNU, New Delhi made the thematic presentation on Energy Cooperation in Asia. The main discussants were Mr Nuruddin Mahmud Kamal, former Chairman, Power Development Board; and Mr Md Aziz Khan, Chairman, Summit Group of Companies and Khulna Power Company Ltd.

Regional Conference on SAARC: Post-Islamabad Challenges, New Delhi, 31 August 2004

RIS jointly with South Asia Centre for Policy Studies (SACEPS) organized the Regional Conference on SAARC – Post Islamabad Challenges on 31 August 2004 in New Delhi. In this conference senior experts from Bangladesh, Pakistan, Nepal, Sri Lanka, Maldives and India were

invited to discuss the issues concerning challenges to the implementation of SAFTA, potential for cooperation in energy issues as well as evolving a regional approach to poverty and social issues.

Shri J.N. Dixit, National Security Adviser, Prime Minister's Office delivered the inaugural address. Professor Arjun Sengupta, Chairman, RIS and SACEPS chaired the inaugural session. Professor Rehman Sobhan, Executive Director, SACEPS made the introductory remarks. Dr. Nagesh Kumar, Director-General, RIS extended the vote of thanks.

The first session dealt with SAFTA: Prospects and Challenges. Professor Muchkund Dubey, President, CSD chaired. The panelists in the session were: Dr. Saman Kelegama, Executive Director, Institute for Policy Studies, Colombo; Dr. Akmal Hussain, Member, Economic Advisory Board to the President of Pakistan; Professor I.N. Mukherji, School of International Studies, Jawaharlal Nehru University and RIS; Dr. Sudipto Mundle, Deputy Country Director and Chief Economist for India, ADB; and Dr. Nagesh Kumar, Director-General, RIS.

The second session had the theme Energy Cooperation in South Asia. Hon'ble Shri Mani Shankar Aiyar, Minister of Petroleum & Natural Gas and Minister of Panchayati Raj chaired it. Dr. Mohan Man Sainju, Chairman, IIDS, Kathmandu, co-chaired the session. Mr. Farooq Sobhan, President, Bangladesh Enterprise Institute; Dr. Leena Srivastava, Executive Director, IRADe, New Delhi; and Professor Mahendra Lama, School of International Studies, Jawaharlal Nehru University were the panelists for this session.

The third session was on Social Charter and Poverty Alleviation: The Tasks Ahead which was co-chaired by Dr. Kamal Hossain, Former Foreign Minister of Bangladesh and Dr. Abhijit Sen, Member, Planning Commission. The panelists in this session included Dr. Godfrey Gunatilleke, Marga Institute: SAARC Social Charter; Dr. (Ms.) Maxine Olson, Resident Coordinator, UNDP, New Delhi; Dr. Sridhar Khatri, Director, RCSS and Dr.



(From left): Dr. Nagesh Kumar, Director-General, RIS; Dr. Saman Kelegama, Executive Director, Institute for Policy Studies, Colombo; Professor Muchkund Dubey, President, CSD; Dr. Arjun Sengupta, Chairman, RIS; Dr. Akmal Hussain, Member, Economic Advisory Board to the President of Pakistan; Professor I.N. Mukherji, School of International Studies, Jawaharlal Nehru University and RIS; and Dr. Sudipto Mundle, Deputy Country Director and Chief Economist for India, ADB at the first session on SAFTA: Prospects and Challenges of the Regional Conference on SAARC: Post-Islamabad Challenges.

Rohini Nayyar, Adviser, Planning Commission. It was followed by the concluding session.

International Conference on Biotechnology for Asian Development, New Delhi, 7-8 April 2004

RIS in collaboration with CII and IUCN (Regional Biodiversity Programme-Asia) organized the Second Conference on Biotechnology for Asian Development: Regional Cooperation for Ensuring Access and Capacity Building, on 7-8 April 2004 in New Delhi. The Conference was supported by UNESCO and the Department of Biotechnology, Government of India. Shri K.C. Pant, Deputy Chairman, Planning Commission and Chairman, RIS inaugurated the Conference.

Dr. Nagesh Kumar, Director General, RIS; Mr. Mohsen Tawfik, Director, UNESCO, New Delhi, Dr. Balakrishna Pisupati, Head, Regional Biodiversity Programme, IUCN, Asia; and Mr. Raju B. Barwale, Member CII, National Committee on Biotechnology and Managing Director, Maharashtra Hybrid Seeds Company Limited also addressed the inaugural session.

The Conference began with a session on Biotechnology and Food Security in Asia: Priorities and Challenges, chaired by



Shri K.C. Pant, Deputy Chairman, the then Planning Commission and Chairman, RIS; Dr. Nagesh Kumar, Director General, RIS; Mr. Mohsen Tawfik, Director, UNESCO, Dr. Balakrishna Pisupati, Head, Regional Biodiversity Programme, IUCN, Asia; and Mr. Raju B. Barwale, Member CII, National Committee on Biotechnology and Managing Director, Maharashtra Hybrid Seeds Company Limited in the inaugural session of the Second Conference on Biotechnology for Asian Development.

Prof. Naiyyum Choudhury, Bangladesh Academy of Sciences (BAS), Bangladesh. The panelists included Dr Gerard Barry, International Rice Research Institute (IRRI), Philippines; Dr Daniel Gustafson, FAO, New Delhi; Dr. Ajay Parida, M.S. Swaminathan Foundation, Chennai; and Dr. Kiran K. Sharma, ICRIASAT, Hyderabad.

Dr. Suman Sahai, Gene Campaign, New Delhi chaired the second session on Biotechnology and IPR Regime: International Developments and Policy Options. Dr. Jayashree Watal, WTO, Geneva; Dr. Mikyung Yun, Korea Institute for International Economic Policy, South Korea; Dr Balakrishna Pisupati, IUCN Regional Biodiversity Programme Asia, Sri Lanka; Mr. Praveen Anand, Anand and Anand, New Delhi; and Dr K. K. Tripathi, Advisor, Department of Biotechnology,

Government of India were the main panelists.

The third session on Trade, Labelling, Traceability and Issues in Biosafety Management was chaired by Dr. Balakrishna Pisupati. The panelists were: Dr. Heike Baumuller, ICTSD, Geneva; Dr. Suman Sahai, Gene Campaign, New Delhi; Dr. S. R. Rao, Department of Biotechnology, India; Mrs. Gothami Indikadahena, Department of Commerce, Sri Lanka; Prof. Liu Yan, Nanjing Institute of Environmental Sciences China; and Dr. Pares Verma, Shriram Bioseed Genetics (I) Ltd., Hyderabad.

Dr. S. R. Rao chaired the Special Panel discussion on Agricultural Biotechnology in India. The main panelists in the session were: Mr. Vivek Singhal, President, All India Biotech Association (AIBA), New Delhi; Dr Vibha Dhawan, Tata Energy Research Institute, New Delhi; Dr. A. R. Sadananda, E. G. Technologies & Service Pvt. Ltd., Hyderabad; Dr. Sandhya Tewari, Confederation of Indian Industry (CII), New Delhi; Ms. Sonu Jain, *Indian Express*, New Delhi; and Dr. Sivramiah Shanthu Shantharam, Biologistics International, USA.

Dr. Nagesh Kumar, Director-General, RIS chaired the session on Socio-Economic Analysis and Studies on Biotechnology. The main panelists in the session were: Dr. Halla Thorsteinsdottir, University of Toronto, Canada; Dr. Brigitte van Beuzekom, OECD, France; Dr. José B. Falck-Zepeda, ISNAR/IBS, the Netherlands; Dr. Derek Russell, National



Participants of the Second Conference on Biotechnology for Asian Development: Regional Cooperation for Ensuring Access and Capacity Building.

Resource Institute, Australia; Prof. Bharat Ramaswami, Indian Statistical Institute, New Delhi and Dr. Raju B Barwale, Maharashtra Hybrid Seeds Company Limited.

The session on Public-Private Partnerships in Biotechnology: Issues, Modalities and Lessons was chaired by Dr. S. R. Nair, Managing Director, Biotech Consortium India Ltd. Dr. Ben Peczon, Coalition of Biotechnology, The Philippines; Dr. Sachin Chaturvedi, RIS; Dr. Lakshmi V. Venkatesan, Oppoutunia, New Delhi; and Dr Rajeswari Raina, NISTADS, New Delhi were the panelists.

Dr A.P. Kulshreshtha, Director, Centre for Science Technology of the Non-Aligned and Other Developing Countries chaired the session on Country Specific Experiences and Options for Asian Regional Cooperation in Biotechnology. The panelists in this session were: Dr. Nares Damrongchai, APEC Center for Technology Foresight, Thailand; Prof. Naiyyum Choudhury, Bangladesh Academy of Sciences (BAS), Bangladesh; Mr. Rana Nazir Mehmood, WWF, Pakistan; Prof. Bui Chi Buu, Director, CLRRRI, Vietnam; and Dr. Manoranjan Hota, Ministry of Environment and Forests, Government of India.

The session on Perspectives from International Agencies was chaired by Mr. Mohsen Tawfik, Director, UNESCO, New Delhi. Dr. José B. Falck-Zepeda, and Dr Joel Cohen, ISNAR/IBS, IFPRI/ISNAR the Netherlands; Dr. Eija Pehu, World Bank, Washington D.C.; Dr. Paul Sidhu Singh, Senior Agricultural Specialist, World Bank, New Delhi; Dr. Peter H. Chase, US State Department, Washington D.C.; Ms. Liz Fajber, International Development Research Centre, New Delhi; and Capt. K. Vishwanathan, Swiss Agency for Development & Cooperation, New Delhi were the panelists.

In the Concluding Session: Future Agenda, Dr. M.K. Bhan, Secretary, Department of Biotechnology, Government of India, New Delhi delivered the valedictory address. Dr. Nagesh Kumar, Director-General, RIS; Dr.



(From left) Dr. Nagesh Kumar, Director-General, RIS; Prof N.S. Siddharthan, Institute of Economic Growth; and Dr Rishikesh T Krishnan, IIM, Bangalore at the first session of the National Workshop on Strategic Approach to Strengthening International Competitiveness in Knowledge-based Industry.

Balakrishna Pisupati, Head, Regional Biodiversity Programme, IUCN Asia; Dr. Ben Peczon, President, Coalition of Biotechnology, The Philippines; Dr. Nares Damrongchai, APEC Center for Technology Foresight, Thailand; and Dr. Sandhya Tewari, CII, New Delhi also addressed the concluding session.

National Workshop on Strategic Approach to Strengthening International Competitiveness in Knowledge-based Industries, New Delhi, 13 August 2004

RIS, jointly with the Department of Scientific and Industrial Research, Ministry of Science and Technology, organized a National Workshop on National Workshop on Strategic Approach to Strengthening International Competitiveness in Knowledge-based Industries on 13 August 2004. Shri Rao Inderjit Singh, Hon'ble Minister of State for External Affairs inaugurated the Workshop and addressed the participants. Dr. Nagesh Kumar, Director-General, RIS; Dr. A. Lahiri, Adviser, DSIR; and Dr. George B. Assaf, Director, UNIDO, New Delhi also addressed the inaugural session. Prof. K.J Joseph, Visiting Senior Fellow, RIS extended the vote of thanks.



(From left): Dr. Bach Tan Sinh; Dr Se-Jun Yoon; Prof. Ashok Parthasarathi; Dr. Patrapong Intarakumnerd; and Dr. Nagesh Kumar at the seminar on National Innovation System.

The first session on Determinants of Export Performance in an Era of Globalization: A Broader Perspective was chaired by Prof N.S. Siddharthan, Institute of Economic Growth. He along with Dr Rishiksha T Krishnan, IIM, Bangalore were the key speakers for the session. The Case Studies in Export Competitiveness: Electronics Industry was the theme of the second session. Prof Ashok Parthasarathi, CSSP, JNU chaired the session. The key speakers were Prof. K J Joseph, Visiting Senior Fellow, RIS; Wing. Comdr. S K Khanna, Executive Director, CETMA; and Mr. Vinnie Mehta, Executive Director, MAIT.

The third session focussed on Chemical Industry, which was chaired by Mr. S.N. Singh, President, ICMA. Dr. V.K. Kaul, Associate Professor, University of Delhi; and Mr. Ravi Sinha, Ex-CEO, SRF Ltd. were the key speakers. The theme of the fourth session was the Drugs and Pharmaceuticals Industry. Mr. Prabir Sengupta, DG, IIFT chaired the session. The key speakers were: Dr. Aradhana Agarwal, Associate Professor, K.M.College, Delhi University; Mr. G. Wakankar, Executive Director, IDMA; Dr. S. K. Arya Joint Director IDMA; and Mr Bimal K. Raizada, Ex Vice President Ranbaxy.

The fifth session addressed the Case of Automobile Industry. It was chaired by Dr. Rajiv Kumar, Chief Economist, CII. Dr. Neelam Singh, Associate Professor, Lady Shri Ram College; Mr. R.R. Rao,

Joint MD, ICRA; Mr. Indranil Dasgupta, AGM, ICRA Advisory Services; and Mr. Dilip Chenoy, Director General, SIAM were the key speakers of the session. The sixth session dealt with Case Studies in Export Competitiveness: Non-Electrical Machinery and was chaired by Mr Jagdish Singh, Advisor, DSIR. The key speakers were Dr. Padma Suresh, Associate Professor, Sri Venkateswara College; Mr. V S Goindi, President, IMTMA; and Mr. V.K. Mathur, CMD, INAPEX Limited. It was followed by the concluding session.

The Workshop presented and discussed the analysis on determinants of export competitiveness of the Indian enterprises in Indian manufacturing overall as well as in select knowledge intensive sectors to draw policy lessons. It brought at one platform the industry, government and academia to reflect on the issues relating to India's export competitiveness. The industries selected for detailed discussion included automobiles, electronics, drugs and pharmaceuticals, machine tools, and specialty chemicals.

Seminar on National Innovation System: Experiences of Select Asian Countries, New Delhi, 14 January 2005

Given the important role of innovative activity in enhancing competitiveness in the current era of globalization, Asian countries are attaching considerable emphasis on strengthening their National Innovation Systems. Different countries have evolved their own paths for their innovation systems and building capabilities in tune with their development priorities and resources. They can also benefit by sharing their experiences.

To facilitate a mutual learning of experiences, RIS organized a seminar to reflect on the experience of Asian countries on 14 January 2005. Professor Ashok Parthasarathi of the Centre for Study of Science Policy, Jawaharlal Nehru University, chaired the seminar. Dr. Nagesh Kumar, Director-General, RIS made the introductory

remarks. A keynote presentation on National Innovation Systems in Asia was made by Dr. Se-Jun Yoon, Director, Asia and Pacific Centre for Transfer of Technology (APCTT), New Delhi. Subsequently, four country case studies were presented as follows: The Case of Thailand by Dr. Patarapong Intarakumnerd, Project Leader, National Science and Technology Development Agency (NSTDA) Thailand; The Case of Vietnam by Dr. Bach Tan Sinh, Acting Director, National Institute for Science and Technology Policy and Strategy Studies (NISTPSS), Vietnam; The Case of Singapore by Sachin Chaturvedi, Fellow, RIS; and The Case of India by Professor K.J. Joseph, Visiting Senior Fellow, RIS. A large number of participants from business and industry circles, government departments, and research centres participated in the discussion.

Seminar on WTO's July Framework, New Delhi, 6 August 2004

An attempt has been made to break the deadlock in the trade talks at WTO since the collapse of the Cancun Ministerial by the WTO Director-General and the Chairman, General Council by putting up a July Framework which was discussed in Geneva. In order to take stock of the progress made at the Geneva talks and the prospects for developing countries, RIS organized a Seminar on WTO July Framework on 6 August 2004. Ambassador S.T. Devare, Vice-Chairman, RIS chaired the seminar.

A distinguished panel of eminent experts discussed the issues involved in the subject. They included Professor Anwarul Hoda, Member, Planning Commission; Mr. S.N. Menon, the then Special Secretary (TDP), Ministry of Commerce and Industry; and Dr. Kamal Malhotra, Senior Advisor, UNDP, New York. A large number of participants from government departments, academia, research institutions, business and industry circles, and media took part in the discussion.

The Meeting felt that the July package or framework agreement was a positive development having broken the impasse



Participants at the Seminar on WTO's July Framework.

in trade talks. However, it was premature to read a victory in it as most of the details remained to be worked out. Developing countries like India need to remain vigilant for protecting their interests in the WTO negotiations.

Seminar on South Asia Development Report, Islamabad, 18 August 2004

The Pakistan Institute of Development Economics (PIDE) organized a seminar in Islamabad on 18 August 2004 for launching *RIS South Asia Development and Cooperation Report 2004*. Engr Dr M. Akram Sheikh, Deputy Chairman, Planning Commission, Government of Pakistan chaired the seminar. After the welcome address by Dr. A.R. Kemal, Director, PIDE, Dr. Nagesh Kumar, Director-General, RIS made a presentation on the findings of the RIS Report. Engr Dr M. Akram Sheikh addressed the concluding session. More than 80 participants from academia, research institutions, government departments, and media took part in the event.

Brainstorming on India-Brazil-South Africa (IBSA) Economic Cooperation, New Delhi, 8 September 2004

RIS has undertaken a study on the Potential for Economic Partnership between India, Brazil and South Africa at the request of the Ministry of Commerce



(From left): Ambassador M.P.M. Menon; Mr. R. Gopalan, Joint Secretary; Mr. Shashank, Former Foreign Secretary; and Dr. Nagesh Kumar at the Seminar on Potential of Economic Cooperation in IBSA.

and Industry. It is widely recognized that India's partnership with Brazil and South Africa could be of immense economic and strategic value in view of the dynamism and strengths of these economies.

As a part of gathering inputs for the study, RIS organized a Brainstorming on India-Brazil-South Africa (IBSA) Economic Cooperation on 8 September 2004 with different stakeholders from trade, industry, services and also from the Government. Shri Shashank, former Foreign Secretary, chaired the Meeting. After welcome remarks by Dr. Nagesh Kumar, Director General, RIS, Shri R. Gopalan, Joint Secretary, Ministry of Commerce, addressed the participants. Thereafter Prof. K.J. Joseph, Visiting Senior Fellow, RIS made the presentation on the topic of the Meeting. This was followed by open discussion by stakeholders from business and industry circles, government departments, etc.

Seminar on the Potential of Economic Cooperation in IBSA, New Delhi, 24 March 2005

It is widely recognized that partnership of India, Brazil and South Africa within the framework of India-Brazil-South Africa (IBSA) Trilateral Dialogue could be of immense economic and strategic value in view of the dynamism and complementary strengths of these economies. As stated, RIS has undertaken a study on the Potential

for Economic Partnership in IBSA at the request of the Ministry of Commerce.

In order to brainstorm on the potential of the IBSA Partnership, RIS organized a Seminar on the Potential of Economic Cooperation in IBSA on 24 March 2005.

Dr. Nagesh Kumar, Director-General, RIS made the initial remarks. Professor Fabio Villares De Oliveira, Institute of International Economic Studies (IEEI), Sao Paulo, Brazil and Prof. K.J. Joseph, Visiting Senior Fellow, RIS made the key presentations.

Smt. Suryakanthi Tripathi, Additional Secretary (ER), Ministry of External Affairs, Govt. of India chaired the Seminar. Ambassador Shashank, former Foreign Secretary, also addressed the participants.

A large number of representatives from the concerned government departments, business organization, etc. took part in the discussion.

Technical Seminar on Short-term Forecasting of India's Exports: Methodological Issues, New Delhi, 6 July 2004

RIS has set up a short-term econometric forecasting model for India's exports in collaboration with the Ministry of Commerce and Industry, Government of India to assist the policy and decision-making process

A Seminar to discuss the methodological issues involved in the exercise was organized by RIS on 6 July 2004. Prof. K.L. Krishna, former Director of Delhi School of Economics chaired the seminar. Dr. Rajesh Mehta, Senior Fellow, RIS made a presentation of the RIS Model. Experts from the Delhi University, Ministry of Commerce and other agencies participated in the discussion.

Seminar on 'From Bali to Vientiane': Road Map for India-ASEAN Partnership, New Delhi, 24 November 2004

The Indian Council of World Affairs (ICWA) jointly with RIS and the Council

for Security Cooperation in the Asia Pacific (CSCAP) organized a seminar on “From Bali to Vientiane: Road Map for India-ASEAN Partnership in New Delhi on 24 November 2004. Ambassador A N Ram, Chairman, CSCAP-India, presided over the event. The main speakers at this well attended seminar were Prof S D Muni, Jawaharlal Nehru University; Prof C. Raja Mohan, Jawaharlal Nehru University; and Dr Nagesh Kumar, Director-General. The presentations were followed by an intensive discussion on the agenda of the ASEAN-India Summit.

Seminar on Emerging East Asian Regionalism: Options for India, New Delhi, 10 February 2005

The recent ASEAN Summit has given an impetus to broader regionalism in Asia with the proposed launch of an East Asian Community at a East Asian Summit to be held in December 2005 in Malaysia. This is an important development of potential major significance for India and needs an urgent policy response. Prime Minister Dr Manmohan Singh has indicated the importance India attaches to her integration with East Asia by calling at Laos Summit for an Asian Economic Community combining Japan, ASEAN, China, India and Korea (JACIK). In order to brainstorm on the topic, a seminar on Emerging East Asian Regionalism: Options for India was organized in RIS on 10 February 2005. Dr. Mukul Asher, Professor, LKY School of Public Policy, National University of Singapore made the key presentation. It was followed by an open discussion. Ambassador A. N. Ram, former Secretary (ER), Ministry of External Affairs chaired the Seminar. The seminar was attended by a large number of participants.

Seminar on the Agenda of UNCTAD XI, New Delhi, 4 June 2004

RIS organized a seminar on 4 June 2004 to discuss the agenda the Eleventh Session of UNCTAD, which was held in Sao Paulo, Brazil from 13-18 June 2004. As reported



(From left): Professor Mukul Asher; Ambassador A.N. Ram; Dr. Nagesh Kumar; and Dr. Charan D. Wadhwa at the Seminar on Emerging Asian Regionalism.

earlier in this issue, RIS has prepared a study to contribute to the agenda of UNCTAD XI. A brief version of the RIS study was issued as an RIS Policy Brief.

The seminar was chaired by Prof. Muchkund Dubey, President, Council for Social Development (CSD), who has taken keen interest in the development of UNCTAD since his tenure as a Permanent Representative of India to UN. The panelists were Dr Charan Wadhwa, President, Centre for Policy Research (CPR); Mr T K Bhaumik, Senior Advisor, CII; Prof. Ashok Parthasarathi, Centre for Studies in Science Policy, School of Social Sciences, JNU; and Mr Rajan Sudesh Ratna, Director (RMTR), Ministry of Commerce, Government of India.

UNCTAD is the focal point within the United Nations System for integrated treatment of trade and development, finance, technology, investment, among other issues. It is credited for a number of initiatives in the area of trade and development such as in evolving the generalized system of preferences (GSP) given by developed countries to developing countries, taming the international commodity markets, evolving the law of the sea, and a set of multilaterally agreed principles for control of restrictive business practices; although its attempts to bring about codes of conduct on multinational corporations did not succeed. The relevance of the organization is, if at all, more critical in the current era of globalization than in the 1960s when the organization was set up.



(From left): Dr Nagesh Kumar, Director-General, RIS; Dr Charan Wadhwa, President, CPR; Professor Muchkund Dubey, President, CSD; Mr T K Bhaumik, Senior Advisor, CII; and Prof. Ashok Parthasarathi, JNU at the seminar on the Agenda of UNCTAD XI.

Prof. Dubey highlighted the important work of UNCTAD in the earlier years of its establishment and raised concerns about the erosion of its effectiveness in the recent period owing to pursuit of globalization by developed countries.

Dr Nagesh Kumar, Director-General, RIS introduced the contents of the RIS study on the subject. The copies of the *RIS Policy Brief* were circulated among the participants who represented academia, research institutes, business and industry circles, government departments and media.

Seminar on WTO Negotiations: Towards Hong Kong Ministerial, New Delhi, 11 February 2005

The Sixth Ministerial Conference of WTO to be held in Hong Kong in December 2005 is widely seen as a penultimate Ministerial Conference before the conclusion of Doha Development Round of WTO. In order to take stock of the progress made in the Doha Round and the prospects and challenges for

India-ASEAN Eminent Persons Lecture by ASEAN Secretary-General

RIS jointly with the Ministry of External Affairs organized the India-ASEAN Eminent Persons Lecture by H.E. Mr. Ong Keng Yong, Secretary-General, ASEAN on 18 October 2004 in New Delhi. H.E. Mr. Ong Keng Yong spoke on Forging ASEAN-India, Partnership for the 21st Century. Shri Rao Inderjit Singh, Hon'ble Minister of State for External Affairs, chaired the event. Dr. Nagesh Kumar, Director-General, RIS delivered the welcome address. Shri Rajiv Sikri, Secretary (East), Ministry of External Affairs, extended the vote of thanks. In his lecture on "Advancing the ASEAN-India Partnership in the New Millennium H.E. Mr. Ong Keng Yong suggested a ten-point agenda for advancing ASEAN-India People-to-People Partnership. He called for:

1. Introducing more segments of people's sector into ASEAN-India dialogue partnership to broaden and deepen the foundation of this relationship;
2. Increasing knowledge of ASEAN and India at all levels of society through more information exposure in mass media;
3. Identifying 10 Indian cities for twinning with 10 ASEAN cities (sister cities' concept);
4. Intensifying efforts to connect relevant non-governmental bodies in ASEAN and India dealing with development and welfare of women;
5. Innovating cultural exchange programmes/projects to extend coverage and reach to target audience;
6. Initiating dialogue among civil society organizations on promoting public health, environment protection and inter-civilisation relations;
7. Improving e-linkages among the national organizations responsible for youth affairs in ASEAN and India;
8. Instituting exchange programmes for 10 Indian universities and 10 counterpart universities in ASEAN;
9. Inspiring more intellectual interactions between ASEAN and India through more conferences, lectures and seminars; and
10. Implementing agreed plan of actions for grassroots cooperation between ASEAN and India.

The lecture was followed by question-answer session. This Lecture Series, coordinated by RIS on behalf of the Government of India, is a prestigious programme and has involved lectures delivered by Prime Minister Mahthir of Malaysia and Prime Minister Thakshin of Thailand, among others.



From right: Mr. Rajiv Sikri; H.E. Mr. Ong Keng Yong; Hon'ble Mr. Rao Inderjit Singh; and Dr. Nagesh Kumar at the India-ASEAN Eminent Persons Lecture.

developing countries in run up to Hong Kong Ministerial, RIS organized a Seminar on 11 February 2005.

Dr. Martin Khor Kok Peng, Director, Third World Network, Penang (Malaysia) and Geneva, initiated the discussion and briefed about the latest developments. Mr. B.L. Das, formerly Secretary, Government of India and India's Permanent Representative to GATT in Geneva and a leading expert on the subject chaired the seminar. The participants to the seminar included representatives from government departments, research institutes, business and industry circles.

Initiating the discussion Dr. Khor said that in the Uruguay Round countries were free to choose formula for cutting down their tariffs. A good option would be to agree to a Uruguay Round status quo and set targets for developing and developed countries. If this is a development round, then there should be flexibility for the developing countries. If the developing countries are going to give in to the developed countries' argument, of giving access to their industry in lieu of their concessions in agriculture, then they are going to lose a lot. If the developing countries give in a lot in this Round then they would be in a very difficult situation in the next round. There is no coalition of developing countries for NAMA negotiations, such as the G-20 for agriculture. India should take the lead as no other country has such extensive research and knowledge of these issues. The government in India also has sophisticated machinery for negotiations and can certainly do a lot in getting all the developing countries together. So far the Doha Round has little to show as a development round and especially with regard to the damaging effects that the NAMA negotiations may have. There is a possibility of a fair outcome in agriculture if the subsidies are really reduced. There also has not been much improvement in the process of negotiations as well.

Summing up the observations made at the Seminar Mr. B.L. Das said that the



(From left): Mr. Creon Butler, Chief Economist of the Foreign and Commonwealth Office, London; Mr. Shashank, former Foreign Secretary; and Dr. Nagesh Kumar at the Seminar on Agenda of G-8.

negotiations at the WTO are different from normal international negotiations. At these negotiations countries have to be unpopular if they wish to get the best from the negotiations. The role of the government is very important in this regard. The government has to adopt a clear and transparent national position. The government cannot give in to all kinds of pressure groups.

To conclude the Seminar, Dr. Nagesh Kumar gave a vote of thanks to Dr. Martin Khor, Mr B.L Das and all the distinguished participants for their participation and contribution to the enriching discussion at the Seminar.

Seminar on Agenda for G-8 under British Presidency, New Delhi, 23 September 2004

The annual G-8 Summits have become important events from the point of view of the process of global governance including North-South economic relations and attract a lot of attention of the media and the civil society. The UK after assuming the presidency of G-8 and would host the 2005 Summit at Gleneagles, Perthshire, Scotland in July 2005. Besides conventional, global economic, financial, trade and political issues, the Perthshire Summit would focus on climate change and related issues.



(From right): Dr. Nagesh Kumar, Dr. Satya Paul, Professor of Economics, School of Economics and Finance, University of Western Sydney, Australia, and Dr. Rajesh Mehta at the seminar on the Effects of Trade Openness.

RIS organized a seminar to reflect on the main issues on the Agenda of the G-8 under the British Presidency on 23 September 2004 at RIS Conference Hall. Mr. Creon Butler, Chief Economist of the Foreign and Commonwealth Office, London, initiated the discussion on the subject. The Seminar was chaired by Ambassador Shashank, former Foreign Secretary, India. Among those who addressed it included Dr. S.P. Shukla, former Finance Secretary; Dr. Jyoti Parikh, Executive Director, IRADe; Mr. T.K. Bhaumik, Senior Advisor, CII; Dr. Rajiv Kumar, Chief Economist, CII; and Dr. Madhu Kishwar.

Seminar on TRIPs Regime and Access to Essential Medicines, 3 December, 2004

RIS organized a Seminar on TRIPs Regime and Access to Essential Medicines on 3 December 2004. Dr. Ellen T. Hoen, Head, and Dr. Pascale Boulet, Legal Adviser of Access to Essential Medicines Campaign, Medecins Sans Frontieres (MSF), an international humanitarian aid organization initiated the discussions. Dr. S.P. Shukla, former Member of Planning Commission chaired the Seminar. Participants to the Seminar included representatives from government departments, business and industry circles.

Seminar on the Effects of Trade Openness on Productivity in Manufacturing Industries, New Delhi, 7 July, 2004

Dr. Satya Paul, Professor of Economics, School of Economics and Finance, University of Western Sydney, Australia made a presentation on the Effects of Trade Openness on Productivity in Manufacturing Industries: A Cost Function Approach on 7 July 2004 at a seminar organized in RIS.

Outside Presentations by Members of RIS Faculty

Dr. Nagesh Kumar, Director-General

- Made a presentation on Building an Asian Community at Second Indo-Japan Dialogue on Ocean Security, organized in New Delhi on 5-7 April 2004.
- Made a presentation at the Afro-Asia Civil Society Seminar, organized by CUTS Centre for International Trade, Economic & Environment in New Delhi on 13-15 April 2004.
- Released to the Press ESCAP's *Economic and Social Survey of Asia and the Pacific – 2004* in New Delhi on 16 April 2004.
- Participated in the Meeting of Experts on Asian Regional Currency Bond Fund, organized by the Planning Commission, New Delhi on 19 April 2004.
- Made a presentation on The State of Research in India on South East Asia and Suggestions for the Future, at the Seminar on Perspectives on South East Asia, organized by the Indian Institute of Advanced Studies, Shimla and co-sponsored by the School of International Studies JNU; and the Asia Project, India International Centre, in New Delhi on 3 May 2004.
- Chaired the seminar presentation on Impact of Globalization on South Asian Economic Development at Centre for Policy Research, New Delhi on 3 May 2004.
- Participated in the Seminar to discuss the draft of the *World Investment Report 2004*, organized by UNCTAD in Geneva on 24-25 May 2004.

- Addressed the session on Developing Countries in a Changing Trading System – Issues and Challenges at the WTO Public Symposium on ‘Doha Development Agenda: Multilateralism at a Crossroads’ at the WTO Headquarters, Geneva on 25-27 May 2004. Also made a presentation on South-South Cooperation at a Panel organized by CUTS-Centre for International Trade, Economics & Environment in Geneva on 26 May 2004 during the WTO’s Public Symposium.
- Addressed the Discussion Meeting on Economic Development in India with Special Focus on Employment Generation, organized by the Bharatiya Jnanpith, New Delhi on 31 May 2004.
- Participated in the Informal Meeting of the Asia-Pacific Research Network on Trade (ARTNET) Core Institutions, organized by UN-ESCAP in Bangkok on 24-25 June 2004.
- Made a key presentation on Asian Economic Community: Towards a Vision of a Pan-Asian Economic Integration at the High-Level Conference on Asia’s Economic Cooperation and Integration, organized by the Asian Development Bank in Manila on 1-2 July 2004.
- Participated in the Meeting of the India-China Joint Study Group, organized by the Ministry of External Affairs, in New Delhi on 1 July 2004.
- Chaired the Talk on Can India become a Super Power in the 21st Century? by Dr George B. Assaf, Representative and Regional Director, UNIDO, organized by the India Habitat Centre, New Delhi on 22 July 2004.
- Guest Speaker at the National Seminar on Historical Perspective of SAARC and Prospects of South Asian Economic Union, organized by the Foundation for Peace and Sustainable Development and the Rajiv Gandhi Institute for Contemporary Studies, in New Delhi on 23 July 2004.
- Participated in the Meetings of the India-China Joint Study Group, organized by the Ministry of External Affairs, in New Delhi on 26-28 July 2004.
- Keynote Speaker in the session on RTAs and South Asia: Options before the Region at the seminar on WTO Post-Cancun Developments: Options for South Asia, organized jointly by the Sustainable Development Policy Institute (SDPI), Islamabad; CUTS, New Delhi; and Oxfam GB Pakistan Programme, Islamabad under the auspices of the South Asia Civil Society Network on International Trade Issues (SACSNITI), in Islamabad, Pakistan on 17-19 August 2004.
- Made a presentation on Trade Liberalisation and WTO at the SAARC Economic Cooperation Conference, organized jointly by the SAARC Chamber of Commerce & Industry and FICCI in New Delhi on 20 August 2004.
- Participated in the Meetings of the India-China Joint Study Group, held in New Delhi on 26 August and 14 September 2004.
- Made a presentation on Enlargement of EU and the Developing Economies at the Seminar on European Union Enlargement and Its Impact on India’s External Sector by IIFT, New Delhi on 16 September 2004.
- Launched UNCTAD’s *World Investment Report 2004: Shift Towards Services* at the UN Information Centre, New Delhi on 22 September 2004.
- Participated in the First Meeting of the Consultative Group on Industry, constituted by the Planning Commission, Government of India on 22 September 2004.
- Made a presentation on SAFTA and Industrial Restructuring in South Asia at 762 Wilton Park Conference on South Asia: What Are the Benefits of Regional Economic Cooperation? organized in cooperation with SACEPS, Dhaka, in London, UK on 11-12 October 2004.
- Participated in the Meetings of the Board of Governors and the Annual General Body of the Institute for Studies in Industrial Development (ISID) held in New Delhi on 15 October 2004.
- Made a presentation on Trade and Investment: A Post-Cancun Perspective at the Seminar on WTO Negotiations: India’s Post-Cancun Concerns, organized by the International Trade and Development Division, CSDILE, School of International Studies, JNU and sponsored by the Planning Commission and the ICSSR in New Delhi on 18-19 October 2004.
- Chaired the session on Potential Areas of Conflict at the Seminar on Future of Trade Talks, organized jointly by the Rajiv Gandhi Institute of Contemporary Studies and Liberty Institute, in New Delhi on 20 October 2004.
- Panelist in the session on bilateral/regional trade agreements and the



Dr. Rajesh Mehta, Senior Fellow, RIS (second from right) at the Interactive Session on India-Thailand Free Trade Agreement, Ahmedabad on 16 December 2004.

multilateral trading system at ICC India-FICCI Conference on Doha Development Agenda: Issues and Options, held in New Delhi on 28 October 2004.

- Participated in the Third Meeting of the India-China Joint Study Group, in Beijing, China on 1-3 December 2004.
- Made a presentation in the session on Global Change and Sustainability of SAARC at the Regional Dialogue on Global Change and the Future of SAARC: Challenges and Prospects, organized by FES, India in New Delhi on 8-10 December 2004.
- Key Presenter in the session on Overcoming Barriers to Trade and Investment at the Commonwealth Business Council SAFTA Roundtable on Achieving the South Asia Free Trade Agreement (SAFTA): A Public Private Partnership organized in association with the Council for Social Development, New Delhi and DFID, UK on 15 December 2004 in New Delhi.
- Made a keynote presentation on Towards an Asian Economic Community at the Indian Congress of Asian & Pacific Studies (ICPAS) Seventh Conference, organized under the auspices of the Institute of Chinese Studies, Centre for Study of Developing Societies in New Delhi on 22 December 2004.
- Participated in the first meeting of the India-Republic of Korea Joint Study Group on 27-28 January 2005, organized by the Department of Commerce, Ministry of Commerce and Industry in New Delhi.
- Made a key presentation on Prospects of Regional Economic Integration in Asia at the 7th Asian Security Conference,

organized by the Institute of Defence Study and Analyses (IDSA) in New Delhi on 28 January 2005.

- Participated in the introductory meeting of the Expert Groups II and III on the issues relating to trade and environment, organized by the Policy and Law Division, Ministry of Environment & Forests, Govt. of India on 31 January 2005.
- Participated in the Meeting of the Governing Board of the South Centre, Geneva with scholars and intellectuals in New Delhi on 10 February 2005.
- Made a presentation in the Ministry of Commerce on Employment Generation through Exports on 21 February 2005.
- Participated in the Meetings of the India-China Joint Study Group on 7 March, 10 March, and 22 March 2005.
- Speaker at the Panel Discussion on Chinese Premier Wen Jiabao's visit to India, organized by the Institute of Chinese Studies in New Delhi on 31 March 2005.

Dr. Rajesh Mehta, Senior Fellow

- Presented a paper on WTO Non-agriculture Market Access Modalities: The Post Cancun Issues and Implications for Indian Industrial Tariffs at the Workshop on Major Issues in the WTO and Implications for India, held on 30 April and 1 May 2004 at ASCI Hyderabad.
- Made a presentation on Non-Agriculture Market Access: Implications for Indian Tariffs organized by CII on 17 May 2004.
- Submitted a paper on Regionalism and South-South Trade: India – Mercosur Trade Cooperation in Assorted Manufactured Goods at the Pre-UNCTAD-XI: Forum on Regionalism and South-South Cooperation: The Case of India and Mercosur, Rio De Janeiro, 9 June 2004.
- Submitted a presentation on India: Regional Trading Arrangements for UNDP-ATI (Asia Trade Initiative) - Consultative Meeting on Regional and Bilateral Trade Agreements in Asia, on Bilateral and Regional Free Trade Agreements from a Human Development Perspectives, ITD, Bangkok, 25-26 June 2004.
- Made a presentation on International Food Safety Standards Regulations: How Restrict Are These For Indian Processed Food Exports at 3rd International Food Tec India 2004 and Concurrent Workshop in

Indian Food Processing Industry: Policy Initiatives & Market Access Requirements, 10-13 September 2004, Hyderabad.

- Made a presentation on Post-MFA Regime and the Chinese Aggression at a seminar organized by FICCI, Delhi and SAARC Chamber of Commerce & Industry (SCCI)-Islamabad on Trade in Textiles & Clothing in the Post-Quota Regime on 14 September 2004 in Mumbai.
- Submitted a presentation on Economic Impact of Avian Influenza Control at the Workshop on Social and Economic Impact of Avian Influenza Control, organized by FAO, UN Office, Bangkok on 8-9 December 2004.
- Made a presentation on NAMA and Sectoral Elimination of Seven Sectors: An Analysis based on India's Wish and Offer Lists at the Consultation on the Framework WTO Agreement of July 2004: The Way Forward at UNCTAD, New Delhi on 26-28 October 2004.
- Presented a paper on Non-Tariff Barriers Affecting India's Exports at the First Technical Workshop of ADB Policy Networking Project, of ICRIER, New Delhi on 25-26 October 2004.
- Presented a paper and made a presentation on International Food Safety Regulations and Processed Food Exports a Case of Indian Poultry (co-author) at the seminar on WTO Negotiations: India's Post-Cancun Concerns, jointly organized by the Planning Commission and the School of International Studies, Jawaharlal Nehru University on 18-19 October 2004, New Delhi.
- Was a panelist at the consultative meetings for India-Thailand FTA on specific industries: Transport Equipments and Auto Parts and Machinery and Machine Equipments, 16 November 2004 at New Delhi; Leather and Footwear, Processed Food and Plastic and Rubber on 2-3 December 2004 at Chennai, Auto-components on 3 December 2004; Chemicals and Plastics and Textiles on 16 December 2004 at Ahmedabad; Textiles by Textiles Committee, Mumbai; Electronic Appliances on 17 December 2004 at Mumbai; and Transport and Auto-equipment on 20 December 2004 at Pune.
- Discussed the presentation by Automobile Component Manufacturers Association (ACMA) on Indo-Thai FTA: Implication for Auto-Component Industry



Prof. K.J. Joseph (standing) at a session of the Tokyo Conference on Asian Economic Integration.

at UNCTAD Office, New Delhi on 10 December 2004, on identification of sensitive items.

- Presented a paper on Non-Tariff Barriers Affecting India's Exports at the Second Technical Workshop of ADB Policy Networking Project of ICRIER, Bangalore, 24-25 January 2005.

Dr. K.J. Joseph, Sr. Visiting Fellow

- Presented a paper on the National Innovation System that made India's IT Success Possible: Are There Any Lessons for New ASEAN Member Countries? in the First Asialics International Conference on Innovation Systems and Clusters in Asia: Challenges and Regional Integration, organized by NISTDA, JICA & Globalics, in Bangkok on 1-2 April 2004.
- Made presentations on GPTs and Innovation Systems in Developing Countries: A Comparative Analysis of ICT Experiences in India and Thailand, and As the Elephant Follows the Dragon: India's Economic Performance in the last Two Decades, and chaired a session on Sectoral Innovation Systems at the Second Globelics Conference, held in Beijing on 16-19 October 2004.
- Presented a paper on India: Policy Reforms, Performance and the Way Forward in the Indo-Japan Dialogue on Ocean Security, Tokyo on 25-26 November 2004.
- Chaired the Concluding Session and made a presentation on Towards an Asian Economic Community: Relevance, Approaches and a Way Forward, at the ACD Think Tanks Symposium on 15-17 December 2004 Bangkok, Thailand.



Dr. Nagesh Kumar addressing a Panel at the Geneva Public Symposium organized by the WTO Secretariat in Geneva.

Dr. S. K. Mohanty, Fellow

- Made a presentation on the prospects of India's export in the context of changing global situation, particularly in the Post-Cancun period, in the Ministry of Commerce on 2 April 2004.
- Made a presentation on the implications of different provisions of the Marrakesh Agreement on the export prospects of India's handicraft exports in the Department of Handicraft, Ministry of Textile on 12 April 2004.
- Made a presentation on RTAs in Asia at the UNDP and NSI Conference on Trade, held in Penang, Malaysia on 22-24 November 2004.

Dr. Sachin Chaturvedi, Fellow

- Presented a paper on The Role of Intellectual Property Rights in the equitable sharing of benefits IPR-related provisions of the CBD at External Advisory Board (EAB) meeting on Genomics and Benefit Sharing with Developing Countries, organized by the European Commission in Cairo on 26 April 2004.
- Presented a paper on Trade Related Environment Issues and WTO: Options before Developing Countries at the Department of Environmental Science, C. C. S. University, Meerut on 15 May 2004.
- Panel Discussant at the workshop on Economic Impacts of Biotechnology, organized by OECD, Paris on 26 May 2004.
- Presented a paper on Status of Biotechnology in India and Emerging Asian Cooperation in Biotechnology Statistics at the Fifth Ad Hoc Meeting on Biotechnology Statistics, organized by OECD, Paris on 24-25 May 2004.

- Presented a paper on Development of Biotechnology in India: Challenges and Policy Options at a symposium on The Future of India's Biotechnology and Chemical Sectors under the Indo-US High Technology Cooperation Programme, organized by the Asia Society in New York on 10 June 2004.
- Attended IUCN-Regional Biodiversity Programme, Asia and IDRC; and organized Workshop on Setting a Research Agenda on Agricultural Biotechnology and Biosafety in Asia on 12-14 October 2004 at Colombo, Sri Lanka.
- Presented papers on Trade Facilitation: WTO Negotiations and Beyond, and Special and Differential Treatment: Issues for Research in the First Consultative Meeting of Asia-Pacific Research and Training Network on Trade (ARTNET) launching meeting at UNESCAP, Bangkok on 27-29 October 2004.
- Presented a paper on Analytical Framework and Statistics for Biotechnology: Drawing from ICT Experience at the Conference on Biotechnology and India's Development, organized by the Institute for Social and Economic Change, Bangalore on 22-24 November 2004.
- Presented a paper on Implementing SPS/TBT and South Asian Experience: A Primer for Policy Makers and Researchers at the Workshop of the Standards and Rules of Trade (START) Network, organized by Danish Institute for International Studies (DIIS), Denmark on 13-14 December 2004.
- Participated in the workshop on Private Finance, Innovation and Pro-poor Health Care, organized by the Open University, Milton Keynes, UK on 15-17 December 2004.
- Presented a paper on Trade-related Aspects of Intellectual Property Rights (TRIPs) and India: Implementation Issues at the National Seminar on India and the WTO Regime: The First Decade and Beyond, organized by JNU, New Delhi on 27-28 January 2005.
- Presented a paper on Public Perception and Consumer view of Bt-transgenic vegetables at the Public-Private Partnership in the Use of Agribiotech for Sustainable Solutions to Brassica Pest Problems, organized by APAARI and AVRDC on 10 February 2005.

- Presented a paper on Biotechnology Regulations and Implications at the Interdisciplinary Dialogue on New Biotechnology: Implication on Food, Health and Nutrition, organized by M S Swaminathan Research Foundation, Chennai on 11-13 March 2005.
- Presented a paper on Application of Biotechnology for Food Quality Enhancement: Key Issues and Options at the Strategic Food Quality Management (SFQM), organized by the Indian Institute of Management, Ahmedabad on 22 February 2005.
- Presented a paper on Evolving a National System of Biotechnology Innovation: Identifying New Dimensions of Public-Private Partnership at the Public-Private Partnership in Agricultural Biotechnology, organized by the Asia-Pacific Consortium on Agricultural Biotechnology and APAARI on 14 March 2005.
- Presented a paper on Plants and IPRs at the India-China Conference on Agriculture: Tradition, Modern Technology and Globalization, organized by NISTADS, New Delhi on 23 March 2005.
- Presented a paper on Biosafety and International Trade Issues at the Workshop on Capacity Building on Biosafety, organized by the MoEF, New Delhi on 24 March 2005.

Dr. Ram Upendra Das, Fellow

- Discussant in a conference on Development in Open Economies, organized by Jamia Millia Islamia and UNCTAD at India International Centre, New Delhi on 1-3 April 2004.
- Made a presentation on Different Dimensions of SAFTA Treaty and Negotiations: A Way Ahead, at Roundtable on SAFTA: Agenda for Trade Liberalization, organized by SCCI in cooperation with FNSI and AUS Aid, 28 April 2004 in Lahore.
- Participated in the meetings of the Expert Group on Preferential Rules of Origin, set up by Government of India, held on 11 May and 21 May 2004.
- Participated in the Third Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, held on 16 July 2004.
- Made a presentation on Rules of Origin Issues in India's Economic Partnership
- Participated in the Consultation Meetings with Stakeholders for Rules of Origin under India-Singapore FTA, organized by FICCI and CII with the support of Ministry of Commerce, Government of India, in New Delhi, Mumbai and Chennai, in October 2004.
- Made a presentation on India's Look East Policy and the Prospects for Regional Economic Integration at British High Commission on 18 November 2004 in New Delhi.
- Guest Speaker in a Seminar on Implications of India-Thailand FTA for SMEs, organized by the Department of Export Promotion, Ministry of Commerce, Government of Thailand on 26 November 2004 in Bangkok.
- Presented a paper in a Workshop on Technological Development, Labour Productivity and Their Implications on Manufacturing Sector Labour in India and Other South & South East Asian Economies, organized by the University of Kalyani, Department of Economics, West Bengal and Jamia Millia Islamia University, Academy of Third World Studies, New Delhi on 21-23 December 2004 in Kolkata.
- Made presentations at the Meetings of the Expert Group on Preferential Rules of Origin, in the Ministry of Commerce and Industry on 10 January 2005 and 7 February 2005, New Delhi.



Dr. Ram Upendra Das, Fellow, RIS, receiving a Certificate of Appreciation from the Minister of Planning and Development, Government of Maldives on 6 January 2005 in Male for conducting a Training Programme (sponsored by the Commonwealth Secretariat) for the Maldivian Government Officers.

Agreements with Other Countries: An Approach Paper on Change in Tariff Heading Criterion, for the Fourth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, on 24 August 2004.

- Made a presentation on South Asian Economic Cooperation at 7th Joint Convention, organized by Pakistan-India People's Forum for Peace and Democracy in New Delhi on 27 February 2005.
- Participated in Technical Committee Meeting on Comprehensive Economic Partnership Agreement (CEPA) between India and Sri Lanka, organized by NIEPA on 14 March 2005, New Delhi.
- Imperatives for Asian Economic Cooperation, at the Institute of Developing Economies (IDE-JETRO), Japan on 30 April 2004.
- Paper on Economic Growth and Regional Divergence in India: 1970-2000, at the Kyoto University, Japan, on 14 May 2004, presented by the co-author, Dr. Buddhadeb Ghosh.
- Presented a paper on How Do Transaction Costs Affect International Integration: Empirical Evidence from Asian Economic Community, at the High Level Conference on Asia's Economic Cooperation and Integration, organized by Asian Development Bank, at Manila on 1-2 July 2004.
- Paper on India's Look East Policy: Implications of India's Northeast, for the National Conference on Promotion of Border Trade between India's North East and Myanmar: Problems and Prospects, organized by the Indian Council of Social Science Research (North Eastern Regional Centre, Shillong) at Manipur on 8-9 November 2004.
- Participated in the ARTNeT Capacity Building Workshop on Trade Research, organized by UNESCAP at Bangkok on 22-25 March 2005.

Prabir De, Associate Fellow

- Paper on Investigating the Linkage between Infrastructure and Regional Development in India: Era of Planning to Globalisation, at the South Asia Studies Centre, Institute of Developing Economies (JETRO), Japan on 22 April 2004, presented by the co-author, Dr. Buddhadeb Ghosh.
- Presented a paper on International Container Port System Concentration: How Does It Look Like, at the First Northeast Asia Logistics Conference, organized by the Inha University, South Korea held at Incheon, South Korea on 27-29 April 2004.
- Presented a paper on Trade, Infrastructure and Transaction Costs:



Participants at the National Workshop on Strategic Approach to Strengthening International Competitiveness in Knowledge-based Industry.

Capacity Building and Training Programmes

Visiting Fellowship Programme on International Economic Issues and Development Policy

Under this programme RIS receives research scholars or senior officials from developing countries for four months each. During this period the Visiting Fellows receive an orientation in contemporary international economic policy issues and work on a research project jointly with RIS faculty. This programme is conducted in conjunction with the ITEC programme of the Ministry of External Affairs, Government of India.

Two Visiting Fellows, Mr. Le Chi Hieu, Expert, International Relation Office, Hanoi University of Education, Hanoi, Vietnam and Ms. Yaritza Barbosa Cardenas, First Secretary, Ministry of Foreign Affairs, Venezuela joined RIS from 24 January 2005 for a period of four months under this programme.

Training Module on International Economic Issues for IFS Officers

RIS conducted a five-day Training Module on International Economic Issues at RIS for Indian Foreign Service Officer Trainees of 2003 Batch at the request of the Foreign Service Institute, Ministry of External Affairs during 23-27 August 2004.



Prof. Muchkund Dubey, former Foreign Secretary (centre), Dr. Nagesh Kumar, Director-General, RIS, and Dr. Ram Upendra Das, Fellow, RIS at the Valedictory Session of the Training Programme for IFS Officer Trainees at RIS.

The training module included the inaugural-cum-orientation session on World Trading System and Development by Dr. Nagesh Kumar, Director-General, RIS and concluded with a valedictory address by Prof. Muchkund Dubey, President, Council for Social Development.

The module covered topics of contemporary relevance concerning multilateral and regional trade negotiations. The faculty for the course comprised senior member of RIS faculty and some invited experts from academic and policy circles. The programme was coordinated by Dr. Ram Upendra Das, Fellow, RIS.

Programme on International Economic Issues and Development Policy

RIS has been conducting a Programme on International Economic Issues and Development Policy (IEIDP) for participants from developing countries with a view to inculcate an enhanced understanding on challenges and opportunities associated with the processes of globalization, regionalization and liberalization. The Programme is designed to expose the participants to the growing complexities of global economic issues and negotiations and build their analytical skills on them. This is a part of the overall capacity-building exercise of RIS.

The Programme covers modules of intensive instructions on global economic issues and negotiations of contemporary relevance, interspersed with study trips and workshops. Participants are expected to prepare and make presentations on select issues in consultation with the Programme Faculty.

The Programme draws upon the in-house research team of RIS as well as noted experts on specific topics from other organizations to provide to the participants a comprehensive treatment and perspective on the subject.

As a response to the growing popularity and positive feedback for the RIS Programme on International Economic Issues and Development Policy, the programme will now be offered to 10-12 Fellows in a compact format of 4 weeks from 2005/06. The Programme will begin on 20 February 2006.

Training Programme for Tariff Commission Officers on Regional and Bilateral Trade Agreements

RIS conducted a Training Programme for the Senior Officers of the Tariff Commission on various aspects of Regional and Bilateral Trade Agreements on 1-7 March 2005. This Programme was designed to introduce the participants to the growing importance of RTAs in the trade policy worldwide and the challenges it poses before India. The topics covered during the training programme were: Regionalism vs. Multilateralism; Global Trends and Implications for India; Lessons from NAFTA, EU, ASEAN and Other International Experiences; WTO Rules for RTAs: Conceptual Issues; WTO Rules for RTAs: Conceptual Issues; Impact of RTAs/FTAs on Indian Economy, Industry and Consumers: CGE Modelling; Safeguards through Rules of Origin: Conceptual Issues; India's Experience with and Approach to RTAs/FTAs; Safeguards through Rules of Origin: Issues of Negotiations and Enforcement; Features of India's Bilateral FTAs :India-Thailand/India-Singapore/India-ASEAN; Sensitive List, Tariff-rate Quota and Other Safeguards: Policy Implications; Impact of RTAs/FTAs on Indian Economy,

Industry and Consumers: Methodologies and Experiences; India-Sri Lanka FTA, SAPTA, SAFTA, and BIMSTEC; and Sensitive List, Tariff-rate Quota and Other Safeguards in RTAs /FTAs: Conceptual Issues and Experiences. The Valedictory Session on An Approach to Broader Regional Economic Integration in Asia: Towards an Asian Economic Community was addressed by Prof. Nagesh Kumar, Director-General, RIS.

Interaction with IES Probationers

A group of ten IES Probationers, led by Prof N.S. Sidharathan of the Institute of Economic Growth, Delhi, visited RIS on 4 August 2004 for interaction with Dr. Nagesh Kumar, Director-General.

Contributions to Other Training Programmes

Dr. Nagesh Kumar, Director-General

- Delivered a talk on "WTO-Doha/Cancun Beyond" for the participants of the Second Advanced Course on Asia for Foreign Diplomats (ACAFD), organized by the Foreign Service Institute, Ministry of External Affairs, New Delhi on 5 May 2004.

- Delivered a lecture on India's Relations with ASEAN to the participants of the 44th Course on National Security and Strategic Studies, organized by the National Defence College, Ministry of Defence, New Delhi on 3 August 2004.
- Made a presentation on WTO: Doha/ Cancun and Beyond at the 36th Professional Course for Foreign Diplomats, conducted by the Foreign Service Institute, Ministry of External Affairs, New Delhi on 17 September 2004.
- Delivered a lecture on Regional Trading Arrangements (RTA) – Evaluation of SAARC at the training programme on International Relations and Indian Foreign Policy, organized by the Foreign Service Institute, Ministry of External Affairs in New Delhi on 1 February 2005.



IFS officer trainees batch 2003 with Dr. Nagesh Kumar and Dr. Ram Upendra Das.

Dr. Rajesh Mehta, Senior Fellow

- Delivered a lecture on Short-term Forecasting of India's Export, for IES probationers at the Institute of Economic Growth on 24 September 2004, Delhi.
- Presented background notes on Standards and Market Access: A Case Study of Select Processed Food Product at a training session on Capacity Building, trade and Sustainable Development, for senior officers organized by the Integrated Research and Action for Development (IRADe), New Delhi.
- Delivered a lecture on SPS and Food Safety Standards: Fishery Trade at the Training Programme for IES Probationers of Batch XXVI at the Institute of Economic Growth on 3 March 2005.

Dr. K.J. Joseph, Visiting Senior Fellow

- Delivered a lecture on the Role of ICT in Transforming Indian Economy for the In-service Training Programme for IAS officers (17-20 years of seniority) at the Lal Bahadur Shastri National Academy of Administration, Mussoorie on 30 June 2004.
- Addressed sessions on Information Technology and the Indian Economy at the Academic Staff College on 28 July 2004.
- Delivered a lecture on New Technology and Labour, in the research methodology course held in National Labour Institute, 6 December 2004.

Dr. Ram Upendra Das, Fellow

- Delivered a Lecture on Trading Blocks with Emphasis on the Recent FTA's, for the Executive Masters Programme, at IIFT, New Delhi on 22 August 2004.
- Made a Presentation on Regional Economic Integration: Theory & SAARC at the Professional Course for Foreign Diplomats conducted by the Foreign Service Institute, Ministry of External Affairs, Government of India, New Delhi on 14 September 2004.
- Delivered Lecture on Regional Trading Agreement for the Officers of the Indian Administrative Service (IAS) and allied Services from Central and State Government of India, held at IIFT, New Delhi on 27 September-1 October 2004.
- Made a presentation on India-Thailand FTA and India-ASEAN Comprehensive Cooperation Agreement, for MBA Programme, organized by IIFT on 9 November 2004 in New Delhi.
- Resource Person in a Training Workshop on Macroeconomic Forecasting, organized by the Ministry of Planning and National Development, Government of Maldives and supported by Commonwealth Secretariat on 26 December 2004 - 8 January 2005 in Male.
- Delivered Lecture on India-Thailand FTA and India-ASEAN Comprehensive Cooperation Agreement, for the Executive Masters in International Business, organized by IIFT on 14 February 2005, New Delhi.

V. Outreach, Global Presence and Networking

In order to increase international visibility and outreach, an attempt has been made to participate in major international events relevant to the work of RIS. As a part of this RIS has obtained a Consultative Status with UNCTAD, WTO and NAM and has participated in the preparatory processes for the high level meetings to influence the international development agenda. The growing international recognition of RIS work on multilateral trade negotiations led to an invitation by the WTO Secretariat to address a key panel at the WTO Public Symposium held in Geneva in May 2004.

RIS has also taken steps to strengthen networking with other policy think-tanks for collaborative activities. An MoU has been signed with the Development Research Centre (DRC) of the State Council of China for a regular policy dialogue following the first dialogue conducted in New Delhi in March 2004. DRC, Malaysian Institute of Economic Research, and the Council of East Asian Community, Japan also collaborated with RIS in organization of the High-level Conference in Tokyo. RIS also received delegations from Shanxi University of Finance and Economic in China and from the Institute of World Economics and Politics in Hanoi, Vietnam to establish institutional links. Relationship with the

Institute for Southeast Asian Studies (ISEAS), Singapore was further strengthened during the year with joint publication of three books and with the proposal of jointly organizing the Fourth High-Level Conference on Asian Economic Community in India in 2005. Relationship with IPS, Sri Lanka; ITD, Bangkok and Centre for Policy Dialogue, Dhaka have continued to grow stronger with BIMSTEC report being produced in collaboration with them. RIS has also strengthened links with Pakistan Institute for Development Economics (PIDE) which hosted a seminar to launch RIS' *South Asia Development and Cooperation Report 2004* in Islamabad at the Pakistan Planning Commission Auditorium in August 2004. RIS has also collaborated with the South Asia Centre for Policy Studies (SACEPS), presently headquartered at Dhaka, in co-hosting a number of seminars including a joint conference in Dhaka in May 2004 on SAARC economic integration issues and in August 2004 in New Delhi.

RIS had launched the New Asia Forum as a network of institutions and experts to promote regional economic integration in Asia. This network has developed with its own dedicated website www.newasiaforum.org and launched a quarterly journal *New Asia Monitor* which

have been received well. The Forum website is fast becoming a rich repository of news, analysis and documentation on Asia's development prospects and regional cooperation and the journal, a forum for exchange of information, resources and analysis on regional economic cooperation and analysis on regional economic cooperation in Asia.

UN-ESCAP has invited RIS to be a member of the Institutional Advisory Board (IAB) for its Asia-Research Network on Trade (ARTNET) representing India and to participate in its meetings. RIS collaborated with the Asian Development Bank (Manila) for its High-Level Conference on Asian Economic Cooperation, besides discussions on possible funding of two research projects. UNCTAD, Geneva consulted RIS in connection with its *World Investment Report 2004* and International Food Policy Research Institute (Washington) has commissioned a study on seed industry besides ongoing collaboration in food safety project along with Universities of Melbourne, ANU and Thammasat University in Bangkok. IUCN-Asia Region based in Colombo has signed an MoU with RIS for research collaboration besides jointly organizing a conference on biotechnology in Asia. Commonwealth Secretariat, London has also commissioned a study at RIS. RIS has been designated as the Academic Arm Unit from India for the Asian Cooperation Dialogue (ACD) and participated at the ACD Think-Tanks Symposium held at Bangkok on 15-17 December 2004.

RIS continues to represent India on the SAARC Network of Researchers on Global Financial and Economic Issues as the National Focal Point and participates in its work programme. RIS brings out the *South Asia Economic Journal* jointly with IPS, Sri Lanka on behalf of the SAARC Network.

Over the years contacts have been established with a number of international, regional and national policy think-tanks and civil society organizations. A selecting list is as follows:



(From left): Ambassador M. Xuto, Executive Director, International Institute of Trade and Development, Bangkok; Professor M. Kawai, Tokyo University; Prof. T. Kinoshita, Waseda University; and Dr. S. Bhandari, Asian Development Bank, Manila at a session of the Second High-Level Conference on Asian Economic Integration organized by RIS in Tokyo, November 2004.

International Organizations

UNCTAD, Geneva
 UNESCO, Paris
 UNDP, New Delhi
 World Bank, Washington D.C.
 OECD Secretariat, Paris, France
 South Centre, Geneva
 International Centre for Trade and Sustainable Development, Geneva
 International Institute for Sustainable Development, Canada
 International Food Policy Research Institute (IFPRI), Washington DC
 Commonwealth Secretariat, London

Regional Organizations

UN ESCAP, Bangkok
 Asian Development Bank, Manila
 Asia-Pacific Research and Training Network on Trade (ARTNet)
 South Asia Centre for Policy Studies, (SACEPS) Dhaka and Kathmandu
 IUCN-Asia Region, Colombo, Sri Lanka
 UNDP Regional Centre, Colombo
 FAO, Regional Office for Asia and Pacific, Bangkok
 Third World Network, Malaysia
 NAM Centre for South-South Technical Cooperation (NAM-CSSTC), Indonesia
 Asia and Pacific Centre for Transfer of Technology (APCTT), New Delhi



(From right): Ambassador Farook Sobhan, President, Bangladesh Enterprise Institute, Dr. Akmal Hussain, Senior Fellow, PIDE, Islamabad; Professor Rehman Sobhan, Executive Director, SACEPS; Late Shri J. N. Dixit, National Security Advisor, Prime Minister's Office; Dr. Saman Kelegama, Executive Director, Institute of Policy Studies of Sri Lanka, among other participants of the Regional Conference on SAARC organized jointly by RIS and SACEPS in New Delhi on 31 August 2004 sharing a light moment.

National Institutions in Other Countries

Development Research Centre for the State Council of China, Beijing

Global Security Research Institute, Keio University, Tokyo

Waseda University, Tokyo

Institute of Energy Economics of Japan, Tokyo

National University of Singapore

Centre for Asian Studies, University of Hong Kong

Bangladesh Enterprise Institute, Bangladesh

Bangladesh Academy of Science (BAS), Bangladesh

Nanjing Institute of Environmental Sciences China

National Resource Institute, Australia

Coalition of Biotechnology, The Philippines CLRRI, Vietnam

ISNAR/IBS/IFPRI the Netherlands

National Science and Technology Development Agency (NSTDA), Thailand

National Institute for Science and Technology Policy and Strategy Studies (NISTPSS), Vietnam

Danish Institute for International Studies (DIIS), Denmark

Inha University, South Korea

Kyoto University, Japan

Council on East Asian Ecommunity, Tokyo

International Institute for Trade and Development (ITD), Bangkok

Thammasat University, Bangkok

Australian National University, Australia

University of Melbourne, Australia

Brunei Darussalam Institute for Policy Studies, Brunei

University Brunei Darussalam, Brunei

Institute of Foreign Affairs, Lao PDR

Asia Centre, University of the Philippines

Institute of International Relations, Vietnam

Institute of Security and International Studies, Bangkok

Institute of Developing Economies of JETRO (IDE/JETRO), Chiba, Japan.

Institute for South East Asian Studies, Singapore

Singapore Institute for International Affairs, Singapore

Malaysian Institute of Economic Research, Malaysia

Centre for Strategic and International Studies, Indonesia

Sasakawa Peace Foundation, Japan

Royal Institute for International Affairs, London

Institute of International Economic Studies (IEEI), Brazil

Academy of Social Sciences, Vietnam

Institute for Development Studies, Sussex, Brighton, UK

Institute of Policy Studies, Sri Lanka

Pakistan Institute for Development Economics, Islamabad

Korea Institute for International Economic Policy (KIEP), Korea

Ethiopian Development Research Institute, Ethiopia

China Centre for Contemporary World Studies, China

Chinese Academy of International Trade and Economic Cooperation, China

Chinese Academy of Social Sciences, China

Chulalongkorn University, Bangkok

Centre for Economic Development and Administration, Kathmandu

University of World Economy and Diplomacy, Uzbekistan
 Asia Pacific Foundation, Canada
 University of Buenos Aires, Argentina
 Centre for Policy Dialogue, Dhaka
 Shanxi University of Finance and Economic, China

Institutions within India

Confederation of Indian Industry (CII)
 Federation of Indian Chambers of Commerce and Industry (FICCI)
 The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
 PHD Chamber of Commerce and Industry
 Federation of Indian Small and Medium Enterprises (FISME)
 Indian Institute of Foreign Trade (IIFT)
 Jawaharlal Nehru University, New Delhi
 Indian Council of Social Science Research (ICSSR)

Centre for Research in Rural and Industrial Development (CRRID), Chandigarh
 Central Pulp and Paper Research Institute (CPPRI), Saharanpur, Uttar Pradesh
 Centre for SAARC Studies, Andhra University, Visakhapatnam
 Centre for Indian Ocean Studies (CIOS), Osmania University, Hyderabad
 Asia Centre, Kolkata

Institute for Studies in Industrial Development (ISID), New Delhi
 Centre for Northeast India, South and Southeast Asia Studies, OKD Institute of Social Change and Development, Guwahati
 CUTS Centre for International Trade, Economics and Environment, Jaipur

RIS has been visited by a large number of delegations and visitors from across the world (a select list is at Annex I below).

Annex I

Select Foreign Visitors/Delegations received

- ❖ Mr Kipkorir Ali Rana, Deputy Director General, WTO and Mr Shishir Priyadarshi, Counsellor, WTO Secretariat on 14 April 2004.
- ❖ Mrs Adiyatwidi Adiwoso, Executive Director and Mr Achmad Rofie, Adviser, NAM Centre for South-South Technical Cooperation (NAM CSSTC), Indonesia on 26 April 2004.
- ❖ Prof Sun Jian Zhong, Vice President; Prof Dong Ji Bin, Vice President, Academy of Social Science; and Prof Yao Chao Cheng, Academic Dean, Faculty of International Trade; and Mr Ye Bing Xun, Director, International Cultural Exchange and Consulting Centre, Shanxi University of Finance and Economics, China on 23 April 2004 for interaction with RIS faculty members.
- ❖ Mr. Akiyama, Chairman Ship Ocean Foundation; Amb. Aftab Seth, former Ambassador of India to Japan; Vice Admiral Mihir Roy, and others for discussion regarding the India-Japan Dialogue in Tokyo on 3 June 2004.
- ❖ Mr Raymond Z. Renfro, Director, Capacity Building and Training, Asian Development Bank Institute, Tokyo on 20 April 2004.
- ❖ Mr Peter O'Brien, Team Leader, European Union/SAARC Trade and Investment Report, Belgium on 7 June 2004.
- ❖ Mr Peter Mumford, South/SE Asia Economist, Economic Policy Department, Foreign & Commonwealth Office, London and Ms Cordelia Fernandez, Economic Adviser, British High Commission, New Delhi on 8 June 2004.
- ❖ Prof Mukul Asher, Professor, Public Policy Programme, National University of Singapore on 1 April 2004.
- ❖ Dr. Tamsyn Barton, DFID and Prof. Bibek Debroy (RGF) on 12 May 2004.
- ❖ Dr Mikyung Yun, Korea Institute for International Economic Policy (KIEP), Seoul on 6 April 2004.
- ❖ Ms Heike Baumuller of ICTSD, Geneva on 13 April 2004.
- ❖ Mr Kyu-Ock Park, Counsellor and Arnab Kumar Hazara, Economic Advisor, Embassy of the Republic of Korea, New Delhi on 13 April 2004.
- ❖ Ms. Cao Jing, Second Secretary, Embassy of China on 10 May 2004.

- ❖ Ms Tashi Kaul, Director WTO Affairs, White & Case LLP, Washington on 3 June 2004.
- ❖ Dr Aseema Sinha, Assistant Professor, Political Science, University of Wisconsin, Madison, USA on 9 June 2004.
- ❖ Ms. Prema Gera, Programme Advisor, UNDP on 9 June 2004.
- ❖ Dr Pratima Dayal, Senior Economist, Asian Development Bank Indian Resident Mission, New Delhi on 3 June, 16 July and 4 August 2004.
- ❖ Miss Saria, Faculty, Department of Defence Studies and Strategic Studies, Quaid-E-Azam University, Islamabad, Pakistan on 21 July 2004.
- ❖ Dr Kamal Malhotra, UNDP on 22 July 2004.
- ❖ Dr Zhang Xiaoji, Director-General and Dr Long Guoqiang, Senior Fellow and Deputy Director General, Development Research Centre (DRC) of State Council of China on 27 July 2004.
- ❖ Dr Ajit Singh, Professor of Economics, University of Cambridge visited RIS on 30 August 2004.
- ❖ Dr (Ms) Isabelle Saint-Mezard, Post-doctoral Fellow, China-India Project, Centre of Asian Studies, The University of Hong Kong on 9 August 2004.
- ❖ Ms Nguyen Thi Hanh, Research Associate; Dr Lau Sim Yee, Programme Adviser; and Ms Eriko Tada, Associate Programme Officer, Sasakawa Peace Foundation, Tokyo, Japan on 20 August 2004.
- ❖ A four-member delegation of senior researchers from the Institute of World Economics and Politics of the Vietnam Social Science Academy visited RIS on 20 September 2004 led by Professor Le Bo Linh, Deputy Director-General of IWEP/VSSA. The other members of the delegation were: Mr. Uong Tran Quang, Senior Researcher; Mrs. Luu Anh Tuyet, Senior Researcher; and Mrs. Le Thu Ha, Senior Researcher.
- ❖ Mr Edmund Hosker, Director of Trade Policy and Ms Nicola Robinson; Senior Policy Advisor, Department of Trade and Industry, London; Ms Dianna Melrose, Director, Department for International Development, London; Mr Daniel Shepherd, First Secretary (Economic, Trade Policy and Environment), British High Commission, New Delhi on 8 December 2004.
- ❖ A delegation consisting of Dr James Walker, Senior Economic Advisor, USAID Asia and Near East Bureau; Dr Brinton Bohling, Senior Trade Advisor, USAID Bureau for Economic Growth, Agriculture & Trade; and Dr Sahid Javed Burki, Economist (Consultant), Washington and Miss Poornima Kamath, Economic Section, Embassy of US, New Delhi on 16 December 2004.
- ❖ Ms Anu Bajaj, Regional Trade Advisor, Department for International Development (DFID), London; and Mr Mahesh Mishra, Economic Advisor, DFID India, British High Commission, New Delhi on 13 December 2004.
- ❖ Ambassador Jukka Leino, Special Envoy of the Minister for Foreign Affairs, Finland accompanied by the Ambassador of Finland, on 21 October 2004.
- ❖ Mr Jean-Joseph Boillot, Financial Consular, Embassy of France, New Delhi on 6 October 2004.
- ❖ Mrs Michelle Marginson, Dy High Commissioner, Australian High Commission on 7 October 2004.
- ❖ Dr Kathya Mahadevan, Research Scientist, Battelle Memorial Institute, Columbus, OH and Mr. Hiroshi Kojo, Chief Engineer, Strategic Planning, Honda Motor Co. Ltd. on 9 December 2004.
- ❖ Dr Mukul Asher, Singapore on 9 November 2004.
- ❖ Dr Rehman Sobhan, Chairman Centre for Policy Dialogue, Dhaka on 22 November 2004.
- ❖ Dr Sailendra Narain, Chairman, Centre for SME Growth & Development Finance on 22 November 2004.
- ❖ Dr Ashok Gulati, IFPRI, Washington D.C. on 23 November 2004.
- ❖ Dr S.M. Naseem, formerly of ESCAP, Pakistan on 17 December 2004.
- ❖ Mr Ray Marcelo, New Delhi Correspondent, *Financial Times* on 21 December 2004.
- ❖ H.E. Mr. Mun Song Mo, Ambassador of DPR Korea on 6 January 2005.
- ❖ Dr. Philippe Cullet, Lecturer in Law, School of Oriental and African Studies (SOAS), University of London on 6 January 2005.
- ❖ Dr. Balakrishna Pisupati, IUCN, Sri Lanka and Dr. S. R. Rao, OSD to Minister of Science and Technology, Government of India on 13 January 2005.
- ❖ Dr. Eija Pehu, The World Bank, Washington D.C. on 13 January 2005.

SAARC Secretary General Visits RIS



(From left): H.E. Chenkyab Dorji, Secretary-General, SAARC; Dr. Arjun Sengupta, Chairman, RIS; and Dr. Nagesh Kumar, Director-General, RIS.

H.E. Mr. Chenkyab Dorji, Secretary General of SAARC visited RIS on 18 March 2005. The Secretary-General called on Chairman RIS Dr. Arjun Sengupta and interacted with Director-General, RIS and RIS faculty members. He was briefed about the work programmes and activities of RIS. In particular he expressed keen interest in the pioneering work of RIS on South Asian Economic Integration and hoped that RIS would continue to provide inputs for the policy making process on the subjects. RIS is India's National Focal Point on the SAARC Network of Researchers on Global, Financial and Economic Issues. RIS has been bringing out *South Asia Economic Journal* jointly with Policy Studies, Colombo since 2000 under the framework of the Network's activities. RIS also prepares the biennial *South Asia Development and Cooperation Reports* besides other research studies under the mandate of the Network.

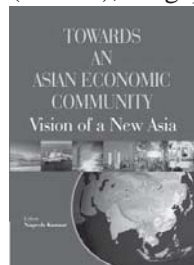
- ❖ Japanese Delegation consisting of Dr Hideki Esho, Professor, Housei University, Japan; Dr Masanori Kondo, Associate Professor, International Christian University; and Mr Satoru Fujimoto, Senior Consultant, Global Strategy Consulting Cluster, Research and Consultancy Division, The Japan Research Institute, Limited on 11 January 2005.
- ❖ Dr Miltos Ladikas, Centre for Professional Ethics, University of Central Lancashire, Preston, UK on 12 January 2005.
- ❖ Mr P. Viswa Nathan, Contributing Writer, *Business World*, Manila, Philippines on 19 January 2005.
- ❖ Miss Tang Lu, Senior Editor, Xin Hua News Agency and Director of Asian-Pacific Sector, Xin Hua Centre for World Affairs Studies, Beijing, China on 20 January 2005.
- ❖ Ms. Marites Tiongco, Research Analyst, Markets, Trade, and Institutions, IFPRI, Washington, 27 January 2005
- ❖ Miss Firoza Khan, research scholar, Uzbekistan on 28 February 2005.
- ❖ Dr. Guido Ruivenkamp, Senior Lecturer (Universitair Hoofddocent), The Netherlands on 8 March 2005.
- ❖ Mr. Christopher Delgado, Senior Research Fellow, Markets, Trade, and Institutions, IFPRI-ILRI (International Livestock Research Institute), Washington D.C. on 9 March 2005.
- ❖ Prof. John McDermott, Deputy Director General, International Livestock Research Institute, Ethiopia on 9 March 2005.
- ❖ Mr Koichi Mochizuki, Correspondent, *The Yomiuri News*, Japan on 17 March 2005.
- ❖ Ambassador K. Kesavapany, Director, ISEAS, Singapore on 31 March 2005.
- ❖ Ms. Astuko Kamiike, Japan on 20 April 2004.
- ❖ Dr Rajiv Kumar, Principal Economist, East and Central Asia Department, Asian Development Bank, Manila on 14 May and 9 June 2004.
- ❖ Dr Raj Chikara, World Bank on 28 May 2004.
- ❖ Amb. C V Ranganathan, former Indian Ambassador to China on 3 June 2004.
- ❖ Professor V.N. Balasubramanyam, Professor of Development Economics, School of Management, Lancaster University, UK on 4 March 2005.

VI. Publication Programme

RIS publication programme covers Reports and Books, Discussion Papers, Journals, and Policy Briefs to communicate results of RIS research specific policy issues to the policy makers and researchers. During the year under review the following publications were brought out by RIS.

Books and Reports

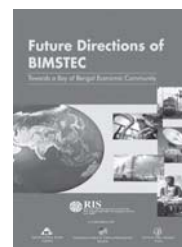
Towards An Asian Economic Community: Vision of a New Asia, 2004 by Nagesh Kumar (ed.). Published jointly with Institute of Southeast Asian Studies (ISEAS), Singapore.



The book makes a case for an Asian Economic Community that would be broader in coverage than the current programmes for economic cooperation in the region. It argues that the community is evolving in a phased manner with Japan, ASEAN, China, India and Korea (JACIK) providing the initial core group that can be expanded to cover other parts of Asia subsequently, as in Europe. The analysis presented in the book shows that regional economic integration could act as a new engine of growth and generate hundreds of billions of additional output and assist Asia regain its place in the world economy that it had until the eighteenth century. The book also examines the emerging patterns of regional integration in JACIK region and presents an analysis of the potential and prospects of cooperation in the areas of trade, money and finance, technology and investments.

ASEAN-India Vision 2020: Working Together for a Shared Prosperity, 2004.

The Vision 2020 of ASEAN-India Partnership proposes a long-term strategic roadmap that will enable them to exploit the synergies to foster a comity of nations firmly integrated at commercial, cultural, political and social spheres and to achieve their respective long-term developmental goals. Given the complementarities between ASEAN and India, a greater integration will help them join the ranks of developed



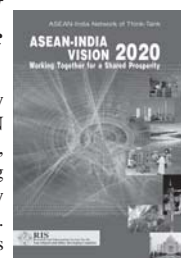
economies. It will also enable them to address the common challenges to comprehensive security. The eventual vision of the ASEAN-India Partnership is to promote Asian economic integration as a new engine of growth along with other East Asian countries (Japan, China and Korea).

This document has been prepared as per the mandate of the Second ASEAN-India Summit held in Bali in October 2003 which called for preparation of a long-term road-map for the growing ASEAN-India partnership prepared by the think-tanks of the region. It represents the outcome of a wide ranging consultations within India and between RIS and ASEAN-ISIS and other think-tanks in ASEAN.

Future Directions of BIMSTEC: Towards a Bay of Bengal Economic Community, 2004.

Combining seven geographically contiguous South Asian and ASEAN countries in the Bay of Bengal, BIMSTEC is a regional grouping with immense potential of mutually beneficial economic cooperation. BIMSTEC received a major impetus in 2004 with the signing of a Framework Agreement for an FTA, entry of Bhutan and Nepal as Members and the First Summit held in Bangkok.

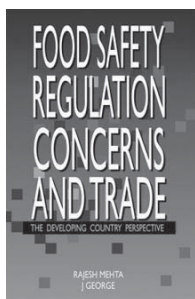
This Report, prepared by RIS as mandated by the BIMSTEC Ministerial Meeting, puts forward a road map for the future of BIMSTEC as a regional grouping. Prepared in consultation with the Think Tanks of Bangladesh, Sri Lanka and Thailand, this Report makes a case for formation of Bay Bengal Economic Community by 2020 for exploiting the full potential of economic integration in the region. It also makes a case for setting up an Energy Community and also presents several proposals for promoting mutual cooperation in transport infrastructure, tourism, food processing, fisheries, among other sectors and for dealing with the digital divide.



Food Safety Regulation Concerns and Trade: The Developing Countries Perspectives, 2005 by Rajesh Mehta and J. George (eds.). Published by Macmillan India

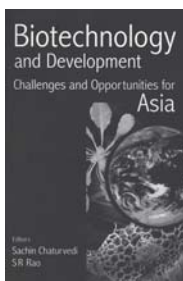
Ltd., New Delhi.

International food safety regulation issues have become a major source of friction in international trade. The procedures for settlement of dispute have been identified as key items on the World Trade Organization (WTO) agenda for future multilateral trade talks. This reflects the growing importance of the processed food trade as well as concerns among importing countries about its impact. For agricultural products, in particular processed food, non-tariff barriers to international trade emerge predominantly from Sanitary and Phytosanitary (SPS) Regulations related to trade flow. As the demand for food safety rises, there is an increased need for higher SPS standards. This monograph on Food Safety Regulation Concerns and Trade: A Developing Country Perspective addresses various issues related to food safety standards, like the theoretical constructs for developing countries to participate in the food safety driven international trade, the institutional support mechanism available to stakeholders globally from producers to consumers, various strategies and the preparedness among developing countries. These and many more issues are discussed in this volume.



Biotechnology and Development: Challenges and Opportunities for Asia by Sachin Chaturvedi and S. R. Rao (eds.). Published jointly with Institute of Southeast Asian Studies, Singapore in association with Academic Foundation, New Delhi.

Biotechnology along with the other core technology viz. Information technology, is at the heart of technology revolution in Asia. Asian countries have adopted strategies for harnessing the potential of biotechnology for their industrial development. The areas of applications both in pharmaceutical and agriculture sector have widened, finding new vistas of economic growth.



Policy challenges, however, are arising among other, concerning trade in GMOs, impact of genetic engineering on environment and human health, biosafety management, and ethical aspects that are yet to be addressed at any collective forum in Asia. One of the missing links is a dialogue between natural and social scientists so as to identify socio-economic requirements and policy priorities in the realm of biotechnology and development in the region.

This book brings together perceptions on some of these issues by eminent experts from the Asian region. As a sequel to the pioneering *Biotechnology Revolution and the Third world: Challenges and Policy Options* (RIS 1988), this volume draws lessons from the experiences of Asian developing countries and revisits some of the concerns raised earlier.

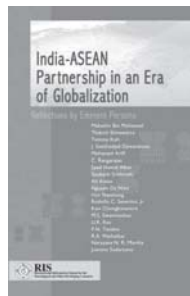
The Contributors to the volume draw policy lessons from country experiences in capability building in Asia, in particular on the role of regional cooperation. It is clear that the Asian countries need not only technical assistance for capacity building, but also financial support to upgrade their facilities to meet challenges emerging from the introduction of new organisms. As most of the Asian economies face common challenges including the management of biodiversity resources, cooperative efforts may prove fruitful. An examination of regional cooperation

in Europe and ASEAN may help in identifying a roadmap. Volume Editors present a synthesis of key lessons emanating from different contributions.

Biotechnology and development: Challenges and Opportunities for Asia is a valuable resource for governments, multilateral institutions, academics and practitioners in the field of economic development and technology policy management.

India-ASEAN Partnership in An Era of Globalization: Reflections by Eminent Persons (Second imprint). Published jointly with Institute of Southeast Asian Studies, Singapore.

ASEAN-India Partnership has steadily evolved from India becoming a sectoral dialogue partner of ASEAN in 1992 to annual summit level interaction in 2002. The India-ASEAN Eminent Persons Lecture Series was launched in December 1996 with the objective to promote awareness about the reality and potential of the India-ASEAN partnership into the 21st century.

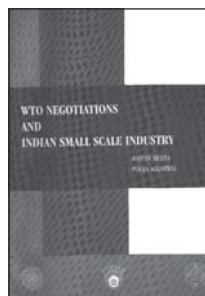


Since its launch, the Lecture Series, coordinated by the RIS, has established itself as an institution of influence and standing. Lectures have been delivered under the Series by very distinguished statesmen and experts from the ASEAN countries in India and by noted Indian experts in ASEAN countries. These Lectures provide valuable reflections on a number of themes concerning the ASEAN-India partnership in the current context of globalization.

This volume puts together these reflections to aid their further dissemination and discussion. These reflections present visionary perspectives and a body of current thinking in the region on many issues of current development concerns in this part of the world that will be found useful by policy makers and scholars in addressing them in the coming years.

WTO Negotiations and Indian Small Scale Industry by Rajesh Mehta and Pooja Agarwal. Published jointly with RIS, Federation of Indian Micro and Small & Medium Enterprises (FISM), and Office of Development commissioner (SSI), 2004.

A large section of Indian small-scale industrial sector had been protected from the plundering rivalry of the large-scale industries. The ongoing trade liberalization and globalization talks can put these industries in problem. This book tries to assess the implications of present round of World Trade organization (WTO) negotiations on Indian products, which are for exclusive manufacture by small-scale sector.



The study finds some interesting results. At present around 66 per cent items of Indian small-scale industry are bound, which is higher than all India level. India cannot a priori exclude any item from negotiation in the present round. Our some preliminary results based on alternate scenarios proves that the WTO-NGMA formula would cause the 53 per cent reduction in the current bindings of the products reserved for the exclusive production of small-scale industry in India.



Unpublished Reports

Report of the High-Level Conference on Asian Economic Integration: Vision of a New Asia, Tokyo, November 2004.

Strategic Approach to Strengthening the International Competitiveness in Knowledge-Based Industries. Submitted to Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

India-Brazil-South Africa (IBSA) Economic Cooperation: Towards an Action Programme (Interim Report). Submitted to the Department of Commerce, Ministry of Commerce and Industry, Government of India.

Sensitivity Analysis of Indian Industrial Products on MFN Basis: An Inputs for Indo-Mercosur PTA. Submitted to the Ministry of Commerce, Government of India.

2004-05 Forecasts of India's Exports: A Disaggregated Analysis by Countries and Commodities. Paper IV of the Research Project: Modelling of Export Sector for Short-term Forecast. Submitted to the Department of Commerce, Ministry of Commerce and Industry, Government of India.

2004-05 Revised Forecasts of India's Exports: A Disaggregated Analysis by Countries and Commodities. Paper V of the Research Project: Modelling of Export Sector for Short-term Forecast. Submitted to the Department of Commerce, Ministry of Commerce and Industry, Government of India.

Policy Briefs

- #13 *UNCTAD XI and the Development Dialogue for the 21st Century*
- #14 *Oil Shock and Cyclical Upturn in US Interest Rates: Implications for Asia*
- #15 *Regional Cooperation for Poverty Alleviation and Food Security in Asia*

#16 *High Risks of Global Imbalances: Role of Infrastructure Investments in Asia*

#17 *Regional Trading Arrangements (RTAs) in the World and Asia: Options for India*

Discussion Papers

#70 *India-ASEAN Cooperation in Information and Communication Technologies: Issues and Prospects* by K.J. Joseph & Govindan Parayil

Against the backdrop of India-ASEAN cooperation since the early 1990s, and the recent initiatives towards taking the partnership to new heights, the present paper examines India-ASEAN cooperation in IT during the recent past and highlights the prospects for the future. It has been argued that India-ASEAN cooperation could be instrumental in addressing the ASEAN divide – the development gap between old and new ASEAN countries. For India, it could help diversifying its software export markets on the one hand and facilitate reviving its lagging hardware sector. Also, an exploitation of the synergies between India's software capability and the hardware capability of old ASEAN could facilitate enhancing the IT capability in Asia as a whole – a prerequisite for making 21st century Asia's century. While, a good beginning has been made at the instance of Governments and private sector, the paper calls for hastening the process and highlights certain specific areas for focused actions.

#71 *Monetary Cooperation in South Asia: Potential and Prospects* by Sweta Chaman Saxena and Mirza Allim Baig

This paper examines the potential and prospects of monetary cooperation in South Asia. A close appraisal of optimum currency area criteria, macroeconomic convergence criteria, and geo-political factors suggests that there are huge potential and growing prospects for monetary cooperation in the region. The study recognizes that monetary cooperation is essential for growth and prosperity in the region, but a lot more needs to be done to achieve the goal of monetary and economic union. The paper suggests road map on the way to the full form of monetary cooperation in the region.

#72 *National Innovation Systems and India's IT Capability: Are there any lessons for ASEAN Newcomers?* by Nagesh Kumar and K J Joseph

This paper traces the factors that have led to the build-up of substantial IT capability by India. It is shown that the National System of Innovation evolved overtime as an outcome of the policies initiated by the government, has been instrumental in facilitating India's IT success. These included, but not limited to, development of a system of higher education in engineering and technical disciplines, creation of an institutional infrastructure for S&T policy making and implementation, building centres of excellence and numerous other institutions for technology development. In addition, the institutional interventions like the setting up of the software technology parks were highly helpful for IT exports. The paper then draws lessons from the Indian experience for the new members of ASEAN, viz.



Cambodia, Laos, Myanmar and Vietnam in their attempt in harnessing the potential of ICTs. The paper argues that though the road ahead is long as well as rocky, much could be learned from India in to facilitate their leapfrogging. The paper also underscores the need for cooperating with India in developing their IT capabilities.

#73 ASEAN-India Economic Relations: Current Status and Future Prospects by Rahul Sen, Mukul G. Asher and Ramkishan S. Rajan

This paper analyzes recent trends in merchandise trade, services, investments, and manpower flows between India and ASEAN, and assesses future prospects for economic cooperation. Since India's Look-East policy initiated in the early 1990s, there has been steady progress in economic cooperation and supporting institutional structures between India and ASEAN. There has also been a welcome diversification of India's trade with ASEAN both in terms of the share of individual members in total trade, and goods and services being traded. The analysis in the paper is consistent with the view that India's economic structure is largely complementary to ASEAN economies, and therefore there are significant opportunities for mutual gain. In Indian policy and business circles, ASEAN continues to be regarded as an economically important region. The paper however argues that a mindset change is needed among ASEAN policy makers and businesses before potential for mutual gains can be fully tapped. The paper concludes with specific suggestions for expanding cooperation between India and ASEAN countries.

#74 WTO Market Access Negotiations and Indian Small Scale Industry by Rajesh Mehta and Pooja Agarwal

A large section of Indian small-scale industrial sector had been protected from the plundering rivalry of the large-scale industries. The ongoing trade liberalization and globalization talks can put these industries in problem. This paper assesses the implications of present round of WTO negotiations on Indian products, which are for exclusive manufacture by small-scale sector. As a first step the analyses of the Uruguay Round Commitments, Doha declaration and member countries' proposals, with special emphasis on the developing countries taking India as the case study, has been conducted. Further the structure and levels of bindings, base rates from where negotiations would start and tariff incidence for the products reserved for the exclusive manufacture of Indian small-scale industries has been studied. Finally the likely post negotiations scenarios for Indian small-scale industries have been presented. The study finds some interesting results. At present around 66 per cent items of Indian small-scale industry are bound, which is higher than all India level. India cannot a priori exclude any item from negotiation in the present round. Our preliminary results based on alternate scenarios proves that the WTO-NGMA formula would cause the 53 per cent reduction in the current bindings of the products reserved for the exclusive production of small-scale industry in India.

#75 Transport Cooperation in BIMSTEC: Issues and Way Forward by Prabir De

The major contributing factor to rising regional integration across many parts of the world has been improved integrated transport systems which has facilitated nesting of regional and/or sub-regional markets. This paper finds that the scale of intra-regional

infrastructure disparity in BIMSTEC is quite significant resulting in wider scope for stronger economic interdependence in the region. The paper concludes that although at present there is limited interdependence among BIMSTEC members in terms of intra-regional trade, a stronger and desirable intra-regional trade is contingent upon improved transport network among BIMSTEC countries. This is not a difficult task as these countries not only belong to the same geographical rim but also they have a strong historical and cultural bond.

#76 Transforming Digital Divide into Digital Dividend: The Role of South-South Cooperation in ICTs by K.J. Joseph

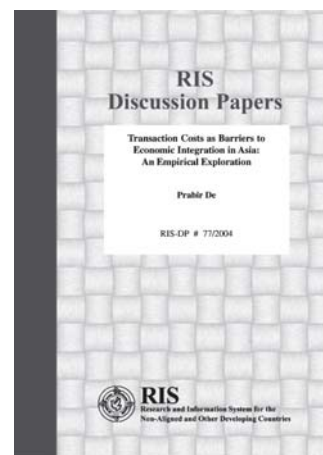
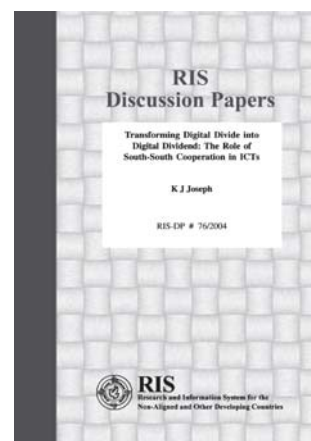
This paper argues that, the present approach, which aims at proliferating the use of ICTs in developing countries, by neglecting its production, is likely to perpetuate technological dependence of the South. Hence the e-strategies and policies in the South need to integrate both production and use. In this process much could be gained by South-South cooperation because, unlike the earlier general-purpose technologies, in case of ICTs substantial capabilities exist in the South. While there are certain initiatives at the regional and bilateral level to foster cooperation, the paper calls for an e-South Framework Agreement to facilitate a broad based approach to pool the resources such that economies of scale and scope are achieved and risks minimised.

#77 Transaction Costs as Barriers to Economic Integration in Asia: Empirical Exploration by Prabir De

Recent literature has emphasised the importance of transaction costs and infrastructure in explaining trade, access to markets, and regional cooperation under globalisation. For most Asian countries, transaction cost works as a strong barrier to trade integration than import tariff. By estimating a structural model of economic geography using cross-country data on income, infrastructure, transaction costs and trade of selected Asian economies, this paper provides evidence that transaction cost is statistically significant and important in explaining variation in trade in Asia. In addition, the study also finds that port efficiency and infrastructure quality are two important determinants of transaction costs.

#78 Towards Formation of Close Economic Cooperation among Asian Countries by S K Mohanty, Sanjib Pohit, and Saikat Sinha Roy

There have been several attempts in the past for the formation of an Asian Economic Community (AEC) with a view to enhance continental welfare within stipulated timeframe. The formation of a Close Economic Relation (CER) among some of the vibrant economies of the region, particularly JACIK Member countries (ASEAN plus three plus one) would be of immense importance in attaining such a goal. Three alternative forms of comprehensive economic liberalisation schemes may be envisaged. In this paper an effort has been made to examine the implication of CER on the region using monopolistic version of Computable General Equilibrium (CGE) for the JACIK countries. The model has been used to examine the implications of complete liberalisation of trade, investment and movement of natural persons. The results show that the proposed CER may enhance global welfare as well as welfare for individual countries





in the caucus. Following formation of the proposed CER, the absolute increase in regional welfare may go beyond US\$ 210 billion per annum amounting to more than 3 per cent of the region's GNP. The implications of the CER on the regional economy would be favourable in improving production efficiency, expanding exports apart from increasing returns on capital and labour.

#79 Complementarities and Potentials of Intra-regional Transfers of Investments, Technology and Skills in Asia by Saikat Sinha Roy

This paper examines complementarities in merchandise trade and potentials for intra-regional transfers of investments, technology and skills in Asia. The analysis shows that intra-regional trade was substantial and growing, but trade complementarities were limited. Asian countries have also emerged as sources of as well as destinations for investment, technology and skills. In the event of a formal regional integration arrangement in Asia, there is potential for intra-regional trade, investments, technology transfers and skill movements. Substantial gains in regional welfare are also expected.

#80 Strategic Approach to Strengthening the International Competitiveness in Knowledge Based Industries: The Indian Pharmaceutical Industry by Aradhna Aggarwal

This paper identifies the factors that determine the export competitiveness of firms in the Indian pharmaceutical industry. The analysis is based on the primary survey data as well as the PROWESS database. Our findings suggest that the competitiveness of firms depends not only on firm specific advantages but also on government fiscal incentives. Among the firm specific factors own R&D efforts emerged as one of the prime factors influencing export competitiveness. Technology imports on the other hand did not play a significant export-enhancing role. Brand promotion and lower costs were other important determinants of the export competitiveness. The study also finds that the determinants of export-competitiveness differ across firms of different size and ownership. High transaction and production costs are found to be major constraints faced by Indian exporters. Based on the quantitative and qualitative analysis, the study draws useful policy implications to strengthen the export competitiveness of the industry.

#81 Strategic Approach to Strengthening International Competitiveness in Knowledge Based Industries: Non-electrical Machinery Industry by M. Padma Suresh

This study examines some major issues regarding competitiveness in one of the medium-high technology industries namely non-electrical machinery industry. Besides a review of the evolution and structure of the industry, the growth performance of the component industries is examined at the three-digit ASI level. A detailed analysis of exports as well as imports at the four-digit ITC classification is undertaken to examine the impact of liberalisation on specific machinery categories. The study indicates the inward orientation of the industry. Low tariffs and liberal imports including imports of second hand machinery have affected some industries like textile

machinery and machine tools. The study considers two specific issues that are important for establishing export competitiveness namely developing technological capability and FDI in the industry. A case study of machine tool industry is incorporated for a better understanding of these issues. The report concludes with suggestions for strengthening competitiveness in the industry.

#82 Strategic Approach to Strengthening International Competitiveness in Knowledge Based Industries: The Case of Indian Auto Industry by Neelam Singh

This study examines the export performance and prospects of the Indian automotive industry. The technology factor being critical, the in-house, collaborative and sponsored R&D needs greater encouragement. We also recommend an early upgradation of testing facilities, and move towards uniform standards; establishment of auto compo zones/parks, and window showcasing centers; the industry-government partnership in manpower training; institutional provision of marketing information, market development funds and branding assistance; and FTAs with more prosperous regions. Fixed investment abroad should be promoted, say through tax credit, with a geographical focus and in a coordinated fashion for vehicle and auto component producers.

#83 Strategic Approach to Strengthening International Competitiveness in Knowledge Based Industries: Indian Chemical Industry by Vijay Kumar Kaul

Indian chemical industry, traditionally insulated from rest of the world, of late has been exposed to global competition. The paper examines its coping strategies and sectoral innovation system: industry's evolution, major characteristics, policy and institutional framework, and its competitive edge in the global chemical industry. It prescribes some policy guidelines both for the business enterprises and the policy makers. Enterprises need to develop a strategic intent, choose a right business model to operate, develop technological competence to innovate, and focus on economies of scale, quality and environmental norms. Further, it emphasizes the need for strengthening chemical innovation system, availability of institutional finance for modernisation, exports and investment, rationalisation of the tariffs on import of strategic inputs, and promoting knowledge and chemical parks.

#84 India's Export by Countries and Commodities: On the Estimation of a Forecasting Model Using Panel Data by Rajesh Mehta and Parul Mathur

The main objective of this paper is to develop a framework for forecasting of India's annual exports at regular intervals, which would be carried out for principal trading partners and their principal commodities. Individual country/commodity analysis takes into account the country/commodity wise characteristics such as non-tariff barriers, language differences, locational/distance differences, preferential and other trading arrangements, etc. The general framework of the econometric model for forecasting of India's export by selected destinations and its selected commodities at the 6-digit HS classification level is also developed in the paper.



#85 Industrial Restructuring and Export Competitiveness of the Textiles and Clothing Sector in SAARC in the Context of MFA Phase-Out by Ram Upendra Das

Traditionally, the textiles and clothing industry has been considered as one of the relatively more labour-intensive manufacturing industries in which developing countries have had comparative advantage mainly on account of cheap labour. Through econometric explorations the present paper observes a situation characterized as factor intensity reversal in South Asian countries necessitated by structural transformation within the industry due to increasing use of their scarce factor. The paper argues that implementing such a change in the production process in these countries would not be easy, especially in the post-MFA regime and thus regional cooperation in this sector could be one of the ways of meeting the post-MFA challenges. In this context, the paper explores the prospects for horizontal specialization with the help of strengthening trade-investment linkages in this sector in the SAARC region.

#86 Towards a Free Trade Area in South Asia: Charting A Feasible Course for Trade Liberalisation with Reference to India's Role by Indra Nath Mukherji

Initiated since December 1995, negotiations under SAPTA have been based on Positive List approach. A large number of products have however been offered concessions exclusively to Least Developed Countries (LDCs). India has offered the largest number of concessions, particularly favouring LDCs with tariff preferences ranging from 50-100 per cent. This paper examines the impact of tariff concessions on India's preferential trade in the first three rounds of SAPTA negotiations in relation to its total bilateral trade with Bangladesh, Maldives, Pakistan and Sri Lanka covering the period 1996-97 to 2002-03. The paper also suggests a few modalities to meet the required prerequisites for a smooth transition from SAPTA to SAFTA.

#87 Regional Cooperation for Poverty Alleviation and Food Security in South Asia by Sachin Chaturvedi

This paper explores the various options available within the framework of regional cooperation for addressing issues like poverty alleviation and food security in the Asian region. This becomes important in the context of Doha Development Agenda (DDA) which has called for linking up trade with poverty reduction efforts. The paper suggests joint marketing of various products from Asian developing countries for increasing the market profile, apart from collectively addressing issues like introduction of new technologies for enhancing productivity.

#88 Strategic Approach to Strengthening the International Competitiveness in Knowledge Based Industries: Electronics Industry by K.J. Joseph

It is generally understood that while the IT software and service sector in India recorded unprecedented growth rate in a sustained manner for more than a decade and established credibility in the international market, the hardware sector, both computer hardware and other electronics equipment and components, has shown a decelerating trend. At the same time, being a signatory to Information Technology Agreement of

WTO, India is committed to reduce the tariff rates on a wide range of IT goods to zero level by 2005 leading to unprecedented import competition. Hence it is important that the industry equip itself to meet the import competition and enhance its export competitiveness. Against this background the present paper analyzed performance (both export and production) of electronics industry and comes out with the broad contours of a strategic approach towards promoting the international competitiveness of India's electronics industry.

#89 China's Role in the Asian Economic Unification Process by Yao Chao Cheng

Abstract: The 21st century, as being said the world over, will belong to Asia. The regional economic cooperation in Asia is developing fast and well with the ASEAN as a centre and with the positive participation of major Asian nations such as China, India and Japan. The cooperation has shown that the Asian economic unification is in process. We believe that the economic unification process shall result in an Asian economic community. The integrated cooperation is the best way for Asian nations to make common development and the "fault lines" as proposed in Samuel Huntington's paradigm1 can be repaired and transcended in the unification process.

#90 Strategic Relevance of Asian Economic Integration by Eric Teo Chu Cheow

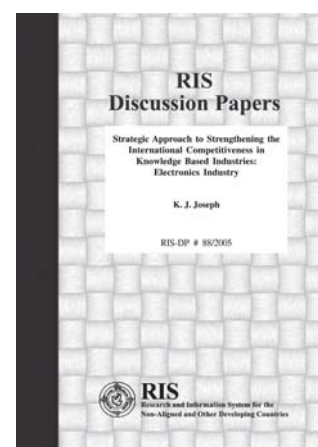
Abstract: As the spread of SARS had shown last year, the longer-term goal of an East Asian Community (ASEAN, China, Japan and South Korea) may already be crystallizing much faster than was initially thought, thanks to increasing people-to-people contacts and the freer movement of goods, services, tourists and expatriates across the whole region. India appears poised to be joining this Asian movement too.

#91 India-East Asia Integration: A Win-Win for Asia by Mukul G. Asher and Rahul Sen

Abstract: This paper argues that India's unilateral liberalization policies since the early 1990s, and purposeful and strategic pursuit of its Look East Policy has resulted in considerably greater integration with the rest of Asia than is commonly realized or acknowledged. Moreover, the enabling conditions for greater economic integration among major Asian economies have been laid. If Asia is to increase its economic and political weight in the world affairs, India's involvement would have to be an integral part of the Asia-wide cooperation. It is in this context that closer cooperation among Japan, ASEAN, South Korea, India, and China would provide considerable win-win opportunities and will have far ranging implications for the world.

#92 Regional Trade and Investment Architecture in Asia-Pacific: Emerging Trends and Imperatives by Tiziana Bonapace

Abstract: Regionalism has become a key component of the new international order. It offers to the governments of developed and developing countries a new and attractive complementary strategy to multilateralism. Most countries of the world today belong to one or more regional trading arrangements of some kind covering more than two-thirds of the trade conducted. The Asia Pacific region is no





exception to this trend. This paper examines the evolving regional trading panorama in the Asia Pacific region with its recent surge in bilateralism and its implications for evolving a regional trade and investment architecture. It argues that by facilitating the development of a seamless, region-wide zone of trade and investment, the region will enhance its prospects for becoming world's centre of economic growth and prosperity by 2020.

Journals

● *South Asia Economic Journal* (Vol. 5 No. 1) January-June 2004.

Articles: *What Type of Competition Policy and Law Should a Developing Country Have?* by Ratnakar Adhikari and Malathy Knight-John; *India's Informal Trade with Sri Lanka and Nepal: An Estimation* by Nisha Taneja, Muttukrishna Sarvananthan, Binod K. Karmacharya and Sanjib Pohit; *The Impact of Policy Reforms on Labour Productivity, Price Cost Margin and Total Factor Productivity: The Nepalese Experience* by Kishor Sharma; *Institutions, Economic Structure and Poverty in Pakistan* by Akmal Hussain; *Agricultural Growth and Welfare: A Study on Indian States* by Atanu Sengupta, Jadab Chandra Bhattacharya and Manabendu Chattopadhyay. Notes, Book Reviews, and Documents.

● *South Asia Economic Journal* (Vol. 5 No. 2) July-December 2004

Contents: *Assessing the Impact of Financial and Capital Market Reforms on Firms' Corporate Financing Patterns in India* by Sayuri Shirai; *Stock Market and Foreign Exchange Market in India: Are They Related?* by Alok Kumar Mishra; *Competing for Global FDI: Opportunities and Challenges for the Indian Economy* by Sadhana Srivastava and Rahul Sen; *Capital Mobility and Informal Wage in a Small Economy—Two Examples* by Sugata Marjit, Saibal Kar and Punyabrata Sarkar; *Liberalization Measures in India's Coffee Sector: Analytical Implications for Market Structure and Consumer Welfare Analyses in Developing Countries* by M.R. Narayana; *Economic Value of Conservation: The Case of the Asian Elephant* by Ranjith Bandara; Notes; Review Article; Book Reviews; and Document.

● *Asian Biotechnology and Development Review* (Vol. 6 No. 3) July 2004.

Contents: *Harnessing Biotechnology for Development* by K. C. Pant; *Asia and Bioeconomy: Growing Synergies* by M. Tawfik; *Biotechnology and International Trade Regime: Options before Developing Countries* by Sachin Chaturvedi and S. R. Rao; *Domestic Import Regulations for Genetically Modified Organisms and Their Compatibility with WTO Rules* by Heike Baumüller; *Policy and Development of Biotechnology: Bangladesh Perspective* by N. Choudhury; *Recommendations of the Second Conference on Biotechnology for Asian Development*; Bio News; Document; Bio Web; and Bio Stats.

● *Asian Biotechnology and Development Review*, Vol. 7 No. 1, November 2004 **Special Issue on Rice Research in Asia** Guest Editor, Balakrishna Pisupati

Contents: *A Letter from the Editor; Guest Editorial; Some Imperatives and Challenges for Rice Biotechnology in Asian National Agricultural Research and Extension Systems* by Edilberto D. Redoña and Lou Franz G. Mula; *Biotechnology and*

Rice: The Challenges Ahead by Devinder Sharma; *Emerging Trends in Managing and Using Rice Genetic Resources* by R. S. Rana; *Biosafety Considerations for Genetically Engineered Rice* by Lim Li Ching; *Rice Research in India and the Asian Perspective* by R. C. Saxena and R. K. Singh; *Current Status of Molecular Rice Breeding in Vietnam* by, Bui Chi Buu; *Biotechnological Options for Enhancing Water Use Efficiency of Rice* by Anil Kumar Singh and Viswanathan Chinnusamy; Bio News; Document; *International Year of Rice Follow-Up*; Bio Web; and Bio Stats.

● *Asian Biotechnology and Development Review*, Vol. 7 No. 2, March 2005

Contents: *Biotechnology and IPR Regime: In the Context of India and Developing Countries* by K.K. Tripathi; *Patenting of Biotechnological Innovations* by Malathi Lakshmikumaran and Prashant Phillips; *Bt Cotton and India's Policy on IPRs* by Anitha Ramanna; *The Question of Patentability of Biotechnological Subject Matter: Issues and Options before the Policymakers* by Dinesh Abrol; *Biotechnology, Cartagena Protocol and the WTO Rules* by Balakrishna Pisupati; *Challenges of Agro-Biotechnologies, Intellectual Property Rights and Globalization* by Pranav N. Desai; Bio News; Document; Bio Web; New Arrival; Bio Stats.

New Asia Monitor

The quarterly *New Asia Monitor* is the mouthpiece of the New Asia Forum set up by RIS. The following issues appeared in 2004/05:

- ✿ *New Asian Monitor*, Vol. 1 No. 2, July 2004.
- ✿ *New Asian Monitor*, Vol. 1 No. 3, October 2004.
- ✿ *New Asian Monitor*, Vol. 2 No. 1, January 2005.
- ✿ *New Asian Monitor*, Vol. 2 No. 2, April 2005.

Newsletter

- ✿ *RIS Diary*, Vol. 2 No. 3, July 2004.
- ✿ *RIS Diary*, Vol. 2 No. 4, October 2004.
- ✿ *RIS Diary*, Vol. 3 No. 1, January 2005.
- ✿ *RIS Diary*, Vol. 3 No. 2, April 2005.

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VII. Documentation Centre

RIS Documentation Centre serves as a well stocked-up-to-date library on literature related to issues like world economy, international trade, world trading system, international monetary and financial system, South-South economic cooperation including regional economic cooperation schemes like SAARC, ASEAN, IORARC, North-South cooperation, capital flows, FDI, technology transfers and MNCs, technological capacity building, agriculture and food security, new technologies such as IT and biotechnology, environment and sustainable development, etc.

It caters to not only the research staff of the RIS but also to researchers, policy makers, etc. from the government, academic, business and industry circles.

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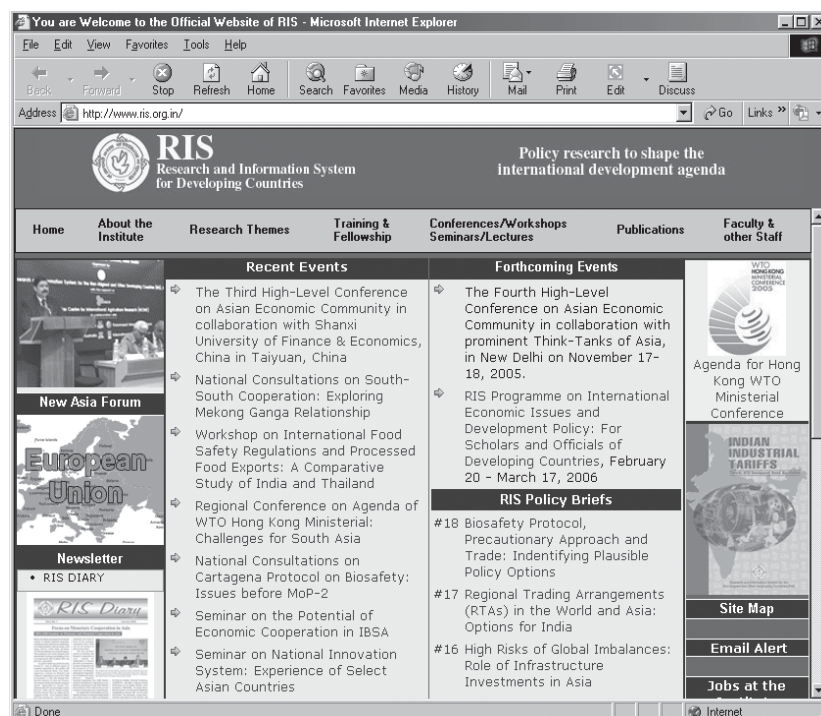
references and ascertaining availability of the documents and journals in Delhi libraries.

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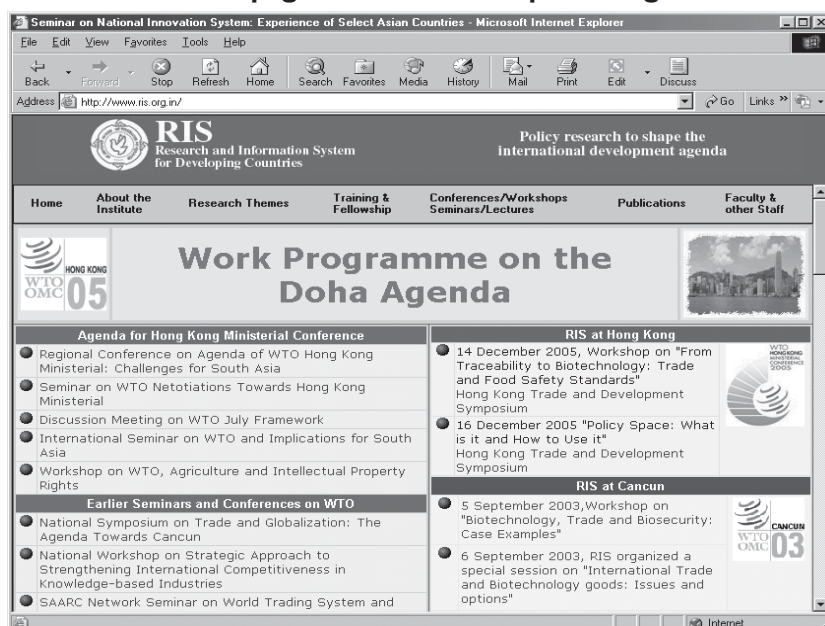
[www.ris.org.in /](http://www.ris.org.in/)

www.newasiaforum.org

In order to facilitate dissemination RIS publications, online RIS website has been renovated completely. Most of the output



RIS Webpage on Doha Development Agenda



of RIS, viz. Research Reports, Policy Briefs, Discussion Papers, conference reports, journals and newsletters can now be downloaded by users anytime. The site is also registered with various search engines.

RIS had also set up a special webpage on Doha Development Agenda in preparation of Cancun Ministerial at its website polling together all the RIS resources on the subjects.

In addition, RIS also hosts another website www.newasiaforum.org as a dedicated website for promoting regional economic cooperation in Asia. This website pools together resources and links from all over the world on the subject besides RIS work.



A view of the RIS Documentation Centre.

VIII. Human Resources



Dr Nagesh Kumar, Director General

M.A., M.Phil, Ph.D.

Specialisation: FDI and technology transfers, industrial and technology development policies, world trading system, regional economic integration, economic reforms and development, knowledge-based industries and development.

Faculty



Dr Rajesh Mehta, Senior Fellow

M.A., Ph.D.

Specialisation: WTO, trade policy reforms, regional trading blocs, patterns and determinants of trade flows, forecasting, trade and development, tariff and non-tariff barriers.



Shri Prabir De, Associate Fellow

M.Sc. in Economics

Specialisation: Trade and transport, regional economics, and regional economic cooperation.



Prof. K.J. Joseph, Senior Visiting Fellow (till March 2005)

M.A., M. Phil, Ph.D.

Specialisation: International trade and finance with particular emphasis on issues arising in the WTO, Agreement on Agriculture, TRIPS, TRIMS, biodiversity.



Dr. Mirza Allim Baig, Research Associate

M.A., M.Phil, Ph.D. (till June 2005)

Specialisation: Open economy, macroeconomic issues.



Dr. S.K. Mohanty, Fellow

M.A., M.Phil., Ph.D.

Specialisation: WTO issues, regional trading arrangements, human development and social sector issues, economic reforms, food security and productivity analysis, services sector.



Dr. Beena Pandey, Research Associate

M.A., Ph.D.

Specialisation: Social sector, gender empowerment and development issues.



Dr Ram Upendra Das, Fellow

M.A., M.Phil., Ph.D.

Specialisation: Regional economic cooperation; rules of origin; trade, growth and technology; labour market implications of economic reforms and the WTO Agreement on Textiles and Clothing.



Mr. Sujit Kumar Ray, Visiting Research Associate (till October 31, 2005)

M.A., M. Phil.

Specialisation: International trade.



Dr Sachin Chaturvedi, Fellow

M.A., Ph.D.

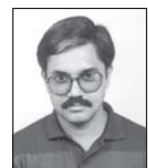
Specialisation: National innovation system and biotechnology, biodiversity conservation, intellectual property regime and indigenous knowledge system, food security, trade and standards.



Dr. Samir Ranjan Pradhan, Visiting Research Associate

M.A., M.Phil., Ph.D.

Specialisation: Energy cooperation in Asia and India's international economic relations.



Dr. Saikat Sinha Roy, Fellow

M.Sc., M.Phil, Ph.D. (till August 2005)

Specialisation: Applied trade and development, and economic statistics.



Mr. Abinash Das, Visiting Research Associate

M.A., M.Phil.

Specialisation: FDI, Indian industry and trade and development.



Dr. Robert Arockiasamy, Visiting Fellow

M.A., M. Phil, Ph.D.

Specialisation: Trade in food processing and quantitative analysis.



Mr. U.S. Rana, Research Analyst

M.A., Economics

Specialisation: International trade and development, and regional trading blocs.

Other Affiliated Scholars

Visiting Fellows

Dr. A.K. Kundra, (formerly Secretary, Department of Mines, Government of India), ICSSR Senior Fellow (part time) (since February 2004)

Other Faculty

Dr. J. George, Senior Consultant (upto May 2004)
Ms. Parul Mathur, Research Assistant (upto July 2004)
Ms. Sunayana Mehra, Research Assistant (upto August 2004)
Ms. Lian Chawii, Consultant

Visiting Fellows under RIS Visiting Fellowship Programme on International Economic Issues and Development Policy Research (24 January 2005 to May, 2005)

Mr. Le Chi Hieu
Expert, International Relation Office,
Hanoi, University of Education, Hanoi, Vietnam
Ms. Yaritza Barbosa Cardenas
First Secretary,
Ministry of Foreign Affairs, Venezuela

External Research Advisors/Consultants/ Collaborators (Part time)

Mr. Pawan Chopra, formerly Secretary, Information and Broadcasting
Dr Ramgopal Agarwala, formerly of the World Bank
Prof. Mukul Asher, Professor, Lee Kuan Yew School of Public Policy, National University of Singapore
Prof. Ramkishan S. Rajan, Associate Professor, School of Public Policy, George Mason University, Washington D.C.
Dr. Edgar J. DaSilva, former Director, Life Science Division, UNESCO, Paris and Honorary Professor University of Vrystaat, South Africa.
Dr. R. G. Nambiar, Director, Sardar Patel Institute of Economic and Social Research
Dr. I.N. Mukherji, Jawaharlal Nehru University
Dr. K. Harilal, Centre for Development Studies
Dr. Neelam Singh, Lady Sri Ram College, University of Delhi
Dr. Aradhna Aggarwal, K.M. College, University of Delhi
Dr. M. Padma Suresh, Sri Venkateswara College, University of Delhi
Dr. V.K. Kaul, University of Delhi, South Campus
Dr. Sanjeeb Pohit, National Council of Applied Economic Research
Mr Mohammed Saqib, Rajiv Gandhi Foundation
Dr. Sunil Ashra, Associate Professor, Management Development Institute
Dr. S.R. Rao, Director, Department of Biotechnology (DBT), Govt. of India
Dr. N. Lalitha, Associate Professor, GIDR, Ahmedabad
Dr. E. Haribabu, Department of Sociology, University of Hyderabad

Research Assistants



Mrs. Pooja Agarwal
M.A., Economics



Ms. Arti Shukla
M.Sc., International Relations
(till June 2005)



Ms. Oindrila De
M.A., Economics
(till August 2005)



Mr. Bijaya K. Sahu
M.Sc. M.Phil.

Other Staff Members

Shri Ganapati Bhat (till March 2005)
Finance & Administrative Officer

Publications & Documentation Centre

Shri Tish Kumar Malhotra, Publications Officer
Mrs. Sarita Kapoor, Documentation Officer

Computer/Databases Unit

Mrs. Sushma Bhat, Research Associate/Computer Programmer
Shri C.S. Puri, Computer Programmer

Finance & Administration

Shri V. Krishnamani, Accounts Officer
Shri D.P. Kala, Desk Officer
Shri N.N. Krishnan, Private Secretary to DG
Mrs. Sheela Malhotra, Pers. Assistant
Shri Ramesh Chand, Administrative Assistant (Programmes)
Shri Harkesh, Dispatch Clerk
Mrs. Anu Bisht, Receptionist

Research Support

Ms. Kiran Wagh, Private Secretary
Mrs. Sujata Taneja, Pers. Assistant
Shri Phool Singh, Jr. Pers. Assistant
Shri Sanjeev Sharma, Jr. Pers. Assistant
Shri Surender Kumar, Jr. Pers. Assistant
Mrs. Poonam Khurana, Jr. Pers. Assistant

Project Support

Mrs. Poonam Malhotra, Data Entry Operator
Ms. Ritu Taneja, Jr. Project Assistant
Shri Vivek Kumar, Jr. Project Assistant
Shri Pradeep Kumar, Publication Assistant
Ms. Sushila, Jr. Library Assistant
Ms. Jyoti Goel, Jr. Library Assistant

Support Staff: Shri Satyavir Singh (Staff Car Driver), Shri Balwan, Shri Pradeep, Shri J.B. Thakuri and Shri Raju.



IX Financial Statements

THAKUR, VAIDYANATHAIYAR & CO.
Chartered Accountants
New Delhi, Kolkata, Mumbai, Chennai
Patna, Chandigarh and Hyderabad

221-223, Deen Dayal Marg, New Delhi – 110002
Phones: 23236958-60, 23237772
Fax: 23230831 Gram: AUDIT
E-mail: tvand@vsnl.com

Auditor's Report

We have audited the attached Financial Statements comprising the Balance Sheet of Research and Information System for Developing Countries, New Delhi as at 31st March 2005, and also the annexed Income and Expenditure Account of the Society for the year ended on that date.

The Financial Statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit. We conduct our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statements. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

- i) We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
- ii) The said accounts are in agreement with the books of accounts maintained by the Society.
- iii) In our opinion, proper books of account have been kept by the Society as far as appears from our examination of books.
- iv) In our opinion and to the best of our information and according to explanations given to us, the said accounts subject to accounting policies and notes to the accounts given in Schedule 9 and our separate report dated 19th September, 2005 addressed to the Members of Governing Council, give a true and fair view:
 - 1) in the case of the Balance Sheet, of the state of affairs of the Society as at 31st March 2005.
 - 2) in the case of the Income and Expenditure Account, of the surplus for the year ended 31st March 2005.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

Sd/-
(K.N. Gupta)
Partner

Place: New Delhi

Date: September 19, 2005

Research and Information System for Developing Countries, New Delhi
(Society Registered under the Societies Registration Act of 1860)
Balance Sheet as at 31st March 2005

Particulars	Schedule	As At 31.3.2005	As At 31.3.2004
LIABILITIES			
Research And Development Fund Non-FCRA Rs. 13541037 FCRA Rs. 7226511	1	20767548	11750489
Asset Fund (Assets Created Out of Grant-in-Aid from GOI)	2	29213905	30305368
Asset Fund (Assets Created Out of Various Sponsored Projects)		1789307	1949519
UNSPENT BALANCES			
A. Sponsored Projects as per Schedule Attached (Non-FCRA)	3	3232292	1765017
B. Sponsored Projects as per Schedule Attached (FCRA)	4	4248732	7400955
Current Liabilities And Provisions		2076444	363916
Total		61328228	53535264
ASSETS			
Fixed Assets (Assets Created Out of Grant-in-Aid from GOI)	5	29213905	30305368
Fixed Assets (Assets Created Out of Various Sponsored Projects)		1789307	1949519
AMOUNT RECOVERABLE			
A. Sponsored Projects as per Schedule Attached (Non-FCRA)	3	964763	1467319
B. Sponsored Projects as per Schedule Attached (FCRA)	6	-	-
Current Assets, Loans, and Advances, etc. (Non-FCRA)		17885010	12412103
Current Assets, Loans, and Advances, etc. (FCRA)		11475243	7400955
Total		61328228	53535264
Significant Accounting Policies and Notes on Accounts	9		

Schedules 1 to 11 form an integral part of Accounts.

Subject to our report of even date.
Examined and found correct.

New Delhi

Sd/-
Chartered Accountants

Sd/-
Accounts Officer

Sd/-
Director General

Dated: September 19, 2005

Research and Information System for Developing Countries, New Delhi
(Society Registered Under the Societies Registration Act of 1860)
Income and Expenditure Account for the Year Ended 31st March, 2005

INCOME	Schedule	Current Year Amount Rs.	Previous Year Amount Rs.
Grant-in-aid received from Ministry of External Affairs		13700000.00	13700000.00
Amount Transferred from Sponsored Projects (Excess amount transferred on completion of projects)	3	7849036	1302049
Income from Royalty, Publications etc.		261338	46636
INTEREST EARNED			
On Term Deposits		367519	232367
On Savings Account		247332	164695
On Loans Employees/Staff		9115	13320
Other Miscellaneous Income		12855	73410
Transfer to Assets Fund (Depreciation on Fixed Assets acquired out of Grant-in-Aid from Government of India/Sponsored Projects)	2	1843564	2002392
Total		24560749	17534869
EXPENDITURE			
Establishment Expenses	7	8712613	7784734
Other Administrative Expenses	8	4569824	5545004
Expenses Incurred on Purchase of Fixed Assets Out of Grants Received from Government of India, transferred to Assets Fund	5	417689	599299
Depreciation on Fixed Assets acquired out of Grant-in-Aid from Government of India/Sponsored Projects	5	1843564	2002392
Surplus transferred to Research and Development Fund	1	9017059	1603440
Total		24560749	17534869
Significant Accounting Policies and Notes on Accounts	9		

Schedule 1 to 11 form an integral part of Accounts.

Subject to our report of even date.
Examined and found correct.

New Delhi

Sd/-
Chartered Accountants

Sd/-
Accounts Officer

Sd/-
Director General

Dated: September 19, 2005

**Research and Information System for Developing Countries
Sources and Utilization of Funds for the Year Ended 31st March 2005**

Sources	Amount (Rs.)	Current Year Amount (Rs.)	Amount (Rs.)	Previous Year Amount (Rs.)
Grant-in-Aid received from Ministry of External Affairs		13700000		13700000
Grants/fees received from various sponsored projects (Non-FCRA)	6453581		5091506	
Grants/fees received from various sponsored projects (FCRA)	6350403	12803984	6478866	11570372
Interest earned:				
On Term Deposits	179804		232367	
On Savings Account	247322		164695	
On loans: employees/staff	9115	436241	13320	410382
Income from royalty, publications etc. and other misc. income		274193		120046
Adjustment of opening/closing balances of unspent/recoverable grants from non-FCRA including interest on FDRs (Term Deposit)		1640108		
Total		28854526		25800800
Utilization				
Expenses incurred out of core grant received from Ministry of External Affairs to meet:				
1. Recurring expenditure	13282437		13329737	
2. Non-recurring expenditure	417689	13700126	599299	13929037
Expenses incurred on sponsored projects (Non-FCRA)	3001743		3259406	
Amount refunded to the sponsoring agency	401767		171138	
Expenses incurred on sponsored projects (FCRA)	2733831	6137341	2471134	5901678
Total Expenditure		19837467		19830715
Surplus transferred to the Research and Development Fund				
Non-FCRA	1790548		1603440	1603440
FCRA	7226511	9017059		4366645
Adjustment of opening/closing balances of unspent/recoverable grants from non-FCRA and FCRA)				
Total		28854526		25800800

Subject to our report of even date Examined and found correct.

New Delhi

Sd/-
Chartered Accountants

Dated: September 19, 2005

Sd/-
Accounts Officer

Sd/-
Director General

Pant Pitches For Asian Collective Approach On GM Food

OUR ECONOMIC BUREAU
New Delhi, April 7

Experts have urged the governments of Asian countries to

completely legalised. Various WTO committees like committees for sanitary and phytosanitary (SPS) measures and technical barriers to trade

These countries can fruitfully cooperate in various ways to exploit their synergies and expertise for mutual benefit."

Mr Pant cited that already ne initiatives for regional operation are in the framework of Asian Cooperation

safety management."

He said the seventh conference of parties (COP-7) to the UN Convention on Biological Diversity (CBD) held in Kuala Lumpur in February this year has advanced the agenda for meeting the objectives of CBD

Increasing intra-regional flow of investment stressed for dev in S Asia

STAFF REPORTER

Uninterrupted continuation of policies and raising intra-regional flow of investment to expedite development in South Asia were stressed at a seminar held in the city yesterday.

Foreign Minister M. Morshed Khan

regional cooperation, Morshed Khan said the leaders of the member states will have to talk in unison and break the mental barrier, and mistrust to reap the benefits of the initiatives.

Advisor to the Ministry of Foreign Affairs Reza Rahman, Head of

development of infrastructure. Trade and transportation are the key aspects of regional trade, he said. She stressed the need for sharing the expertise among the SAARC members.

SD President Isha said funds should be diverted for development works trimming defence budgets of the SAU nations and there should be a regime security framework.

The EU Ambassador said a delegation from Brussels will visit Dhaka soon in June to assess the regional trade potentials among the SAARC countries

Rules Of Origin Need Proper Perspective Under Trade Pacts

RAMPENDRA DAS

Rules of origin (RoO) are emerging as one of the most important issues in the context of preferential trading relations of a country. They are a set of instruments, a lack of consensus on which have, delayed the progress on trade. They have delayed the progress on trade.

ment of the final product is different from the tariff-headings of its inputs. Second, a percentage of total value added to which a minimum percentage of total value added should be achieved with the help of domestic inputs.

Our Bureau

New Delhi, April 7

THE Government on Wednesday said there was a need for consensus and cooperation among Asian nations to address issues related to genetically-modified (GM) crops in Asia.

Inaugurating an RIS seminar on 'Biotechnology for Asian Development', the Planning Commission Chairman, Mr K.C. Pant, said:

Collective efforts

are needed to

make these economies

independent, which in turn

prevents them from meeting

the local content requirements

of the RoO systems. These policy

conflicts can be resolved if the

role of origin rules is clearly

understood.

He said the

ward linkages

adhering to the

prevented from

more trading

requirements

to assembly pre

activities. How

Mhe designed

of the system functions

text of the WTO as, at present, production and

import of GM crops are legal only in a few coun-

tries, he said.

Considering a possible diffusion of GM crops

across developing countries, Mr Pant said the

focus should be on capacity building in terms of

handling GM crops in the fields. He said that a

genetic literacy drive to ensure popular partici-

pation in the biotechnology revolution and en-

hanced public and private investment in R&D

is needed.

AMITI SEN

New Delhi, June

G-20 provided it addressed

sensitivities.

Developed countries like

the EU, US and Japan, while

maintaining low average tar-

iffs for agriculture, have tariffs

as high as 900 per cent for cer-

tain items. The G-20 plan,

which states that flexibility

should be allowed on the most

sensitive products on condi-

tions that the countries

observed lower tariffs and

establish minimum import

duties for such products,

could suit their demands.

A breakthrough in the farm

talks, which reached a stale-

mate during the Cancun mini-

meeting last September due

differences between the EU

and the G-20, is

essential if the current negotia-

tions are to move forward.

According to former WTO

deputy director general

Hoda, the G-20 plan

remains to be developed to the EC-

added that the G-20's demand

that developed countries

should offer market access

excluding tariffs and quotas to

a certain percentage of prod-

ucts from the developing coun-

tries sounded very vague. Prof

Hoda said perhaps it was deliber-

ately kept vague to build in

some bargaining space.

It is a bit surprising that the

G-20 seems to have agreed to

a EU-US demand for special

dispensation for sensitive

items, said Rajesh Mehta from

the Research & Information

System (RIS) for non-aligned

and other developing coun-

tries. "Perhaps they want to use

it to bargain for lowering of

subsidies by the developed

countries," he said.

According to Dr Mehta, giv-

ing special treatment to sensi-

tive products would hamper

market access for developing

countries. The tariff reduction

formula was proposed by the

blended formula proposed

by the EU and the US which

was rejected

countries.

As per the

tariff rule

should ensure

tariff reduction

deeper cuts in

While allowing

certain prod-

ucts to cap in

the exception

of a limited

number of

conditions

to

Distinguish

countries that

developing an-

oped, the pla-

while the dev-

should exclud-

tas to a certain

products from

countries, the

could cut tari

and enjoy a lo

LDGs show

from tariff re-

by exploiting popular

fears of tainted food and by

ultra-sensitive testing

policy. Importing

tries are able to bypass

rational free trade

events, said Professor

supong Nidhiprabha, of

manasa University's fac-

of economics, and a

member of the team study-

safety standards in the

of food.

More disturbing than

Asian officials is the way

that, for example, the EU

banned prawn and chicken

imports after detecting

traces of nitrofurans and

chloramphenicol, the pro-

hibited veterinary drugs.

That scares damaged sales,

particularly from Thailand,

the world's biggest exporter of

shrimp.

Asian officials claim that

extremely sensitive

machines developed in

Europe can detect antibiotics

at lower levels than some-

times found in European

food and even sometimes in

nature.

"Our food industry is

facing a critical situation.

Food is now tested for chem-

ical parts per billion - we're

getting to the point where

they'll find something unde-

erable about everything if they

use means for Western

countries.

Indian High Commissioner

said, adding that

intra-regional trade to \$10 billion and record

70-80 per cent GDP growth by moving

towards a common currency.

Quoting recent suggestions by RIS, a New

Delhi-based think-tank for the non-aligned

countries, Sikri said South Asia could adopt

a parallel currency in the first phase as it would

require no surrender of sovereignty.

"Individual countries will retain control of

their currencies."

AMITI SEN

New Delhi, May

Even as negotiations for modalities

for non-agricultural market

access (NAMA) agreement remain to be

sewed up, a new study has found that

Asia's current binding for most lines

of commodities, does not even

reflect the sensitivity of competitiveness from

imports.

"There exists a large scope for a

widespread binding of Indian industrial

tariffs," the study says.

System (HS) of commodity classifica-

tion chapters such as Chapter 16 (pre-

parations of meat), chapter 25 (salt,

sulphur, earth), chapter 26 (ores, slag

and ash), chapter 30 (pharmaceutical

products), chapter 36 (explosives),

chapter 44 (wood and articles of wood,

wood charcoal), chapter 49 (printed

books, newspapers), chapter 69 (ceram-

ic products), chapter 72 (iron and steel)

and chapter 75 (nickel and articles

thereof), it can i-

dentifying maximum in

the 70 per cent figure at the Uruguay

Round to around 99 per cent in the

forthcoming round," it added.

The study advocates India to offer

tariff cuts on a large number of tariff

lines. An analysis of 8,467 tariff lines

reveals that India could offer signifi-

cant tariff cuts on as many as 8,643

lines (including 2,583 unbound tariff

lines). Out of the remaining 167 unbound

tariff lines, India could think of binding

these at relatively higher tariff

rates.

Now the growing in

after China

The rise of the

global has

all the

in the

growth

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Despite

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Bangladesh

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India should be proactive, not reactive at WTO

Nagesh Kumar

The framework agreement for trade negotiations in the World Trade Organisation (WTO) was approved last week after considerable and protracted negotiations. But what does it imply for India? Did developing countries really score a victory as they claim? What does it mean for the developed countries? Nagesh Kumar, director, Research Information Systems (RIS), explains these key questions and

Q&A

country export subsidies will be eliminated and domestic support will be reduced. The support given by developed countries to their resource-poor farmers will not be subject to reduction commitments. Although tariff on agriculture

According to the agreed draft, the EU will eliminate agricultural export subsidies valued at about euro 2 billion, and the US will curb its food aid and export credit programmes. The timeframe for this phase-out still has to be agreed upon. Developed countries have also agreed to cut trade-distorting domestic support given to agriculture by 20 per cent in the first year. However, at the instance of the US, country-specific payments made to

For a country like India, where 320 million people suffer from hunger and malnutrition and approximately 70 per cent of the population is directly or indirectly engaged in agriculture, there could not have been a more realistic stance and line of negotiation than the one adopted by the Indian delegation led by Commerce and Industry Minister Kamal Nath. Major contentious issues tariff, domestic support, export subsidy and the provisions of this special safeguard — have remained unresolved since the Uruguay round. The failed negotiations until now have proved disadvantageous to developing countries.

Developed countries have twisted distortions in the Agreement on Agriculture (AoA) in their own favour to boost the export of their agricultural commodities and to substantially enhance domestic support to increase production for export. At the same time, the provisions of the "green box" (non-trade

India, China To Strengthen Textile Ties

OUR POLICY BUREAU
New Delhi, Aug 6

India and China's cooperation at the World Trade Organisation (WTO) negotiations is strengthening with the two working closely in a number of areas including textile.

Addressing a seminar on the WTO framework agreement signed recently by members to

ach a living. India will drift there at its own will if it does not put a tough face on the World Trade Organisation (WTO). Heavily subsidised in private and commodities of developed countries and the novel of quantitative restrictions have turned India into a small dumping ground of wasted imports. For a predominantly agricultural country like India, policies, grammar and projections should be focused on providing security to the people. There, there should be greater emphasis on making agriculture economically rewarding and globally competitive. Post-WTO, this effort saves the unambiguous success of India's position at WTO.

The developed countries are using the green and amber (highly trade-distorting domestic support) subsidies and

WTO deal a mirage, say trade experts

NEW DELHI, 6 August

Warning that the WTO framework agreement could be a "mirage", trade experts today said it allowed flexibilities to developed nations on agriculture subsidies.

Kamal Malhotra, senior adviser, UNCTAD, said it was a step backward from what had been achieved at the Cancun ministerial conference by heavily de-

cal level in development economics is finding expertise in negotiating with the WTO. The need of the hour is to develop a special approach towards solving complex diverse economic problems in international economic forums. The WTO. The need of the hour is to develop a special approach towards solving complex diverse economic problems in international economic forums. The WTO. The need of the hour is to develop a special approach towards solving complex diverse economic problems in international economic forums.

Kashmir should not hold us hostage: Dixit

By Our Special Correspondent

NEW DELHI, AUG. 31 By the India-Pakistan Foreign Minister talks coming up soon, the National Security Adviser, J.N. Dixit, said today that resolution of the Kashmir issue should not hold the people of the sub-continent hostage and that the two countries should proceed with furthering the economic relations.

He, however, declined to comment on the upcoming talks between the External Affairs Minister, Natwar Singh, and his Pakistani counterpart, K. Mehmood Kausi, in New Delhi, on August 31.

"Prejudices, a hurt Earlier, inaugurating long conference being by delegates from Pak other South Asian As for Regional Co-operation. Mr. Dixit said it was a hurdle towards at government 1. "Time has come to forward with conviction sense of clarity on this for us."

India had a greater stability, he said and at this could be managing there was a response. "By just saying y



NAGESH KUMAR D-G, RESEARCH & INFORMATION SYSTEM

By a detailed analysis of complementarity of the possible partners, potential of industrial restructuring and welfare gains, among other parameters, FTAs and FTAs can also be used as experiments in trade liberalisation to prepare the domestic industry for eventual free trade as a part of the multi-stage negotiations. Sensitive sectors that need to be protected for employment on domestic industry can be identified in each participant and put on the negative list. Rules of origin can

by a detailed analysis of complementarity of the possible partners, potential of industrial restructuring and welfare gains, among other parameters, FTAs and FTAs can also be used as experiments in trade liberalisation to prepare the domestic industry for eventual free trade as a part of the multi-stage negotiations. Sensitive sectors that need to be protected for employment on domestic industry can be identified in each participant and put on the negative list. Rules of origin can

AMIT MITT SECRETARY, FICCI

is de not self, way ge nt

A Businessworld COUNTRY REPORT A two-way passage

What lessons do our FTAs hold for the future?

The free trade or regional trade pacts, which began with the European common market and Nafta, have seized India's imagination. But have India's FTAs with some of its Asian neighbours been a cakewalk all the way? Three experts delve into the matter.

CHINA Daily to success in their new

Opinion World

December 22, 2004

Bigger steps towards Asian integration

Eric Teo Chu Cheow Updated: 2004-12-21 09:06

The recent Association of Southeast Asian Nations (ASEAN) Summit held in Vientiane, Laos on November 28-30, could have broken new ground in Asian integration and community-building. Optimism was high following the conclusion of the 10th ASEAN Summit, as well as the back-to-back summit meetings between ASEAN and its Asian-Pacific partners, China, Japan, the Republic of Korea (ROK), India, Australia and New Zealand. India's increasing role in Asian integration was of particular significance.

Equally significant was the holding of the second High-Level Conference on Asian Economic Integration, held in Tokyo in mid-November 2004, organized by the New Delhi-based Research Information System (RIS) of Non-Aligned Countries. The RIS-organized and Sasakawa Peace Foundation-sponsored meeting was the second in a series, which began in New Delhi last autumn. The third conference is scheduled to be held in Beijing next year. The Chinese partner in this series of conferences is the Development Research Centre of the State Council.

This series of conferences, actively pioneered by New Delhi-based RIS, clearly involves India in East Asian integration. India wants to be part of the first stage of this integration, which could be officially launched as early as next November in Kuala Lumpur, Malaysia. India has pledged to fully contribute to Asia's economic co-operation and integration, ranging from energy and financial co-operation to IT and trade. It has insisted on how Asia's tremendous financial assets (in terms of forex reserves) could be effectively used to

Exports surge despite pressure from rising Re

MONICA GUPTA
New Delhi, 28 December

It was a year of revival for Indian exports. Though exports started the year with 8.7 per cent growth in January, a steady rise of over 20 per cent was maintained for the rest of the year. During March, exports jumped to a record 42 per cent.

The surge resulted in the government reworking export targets and targeting to double India's percentage

Trade with Lanka nosedives to 4.85% in Apr-Sept 2004-05

RAVI KRISHNAN
New Delhi, March 27

After the initial euphoria following the free trade (FTA), India's Lanka is showing a sharp decline in bilateral trade.

THE IMPACT
Petroleum products (20% share) export dip
Increase FDI could mean lower exports
Lankan market may have hit saturation point
CEPA to increase trade in services

total exports to Sri Lanka fell 20% to Rs 618.44 crore from Rs 782.2 crore in the comparable period last fiscal. "There is a feeling that saturation levels might have been reached for Indian exports. After all, Sri Lanka is a small market," online another economist.

After the FTA was made operational in March 2000, Indian exports have been

Melting times: talks soon on trade pact with Pak

AMIT SEN & HUMNA SIDDIQUI
New Delhi, Feb

Signalling a thaw in bilateral relations, India and Pakistan will start work on a comprehensive economic co-operation agreement early next week.

Pakistan's commerce secretary Humayun Akhtar Khan will visit New Delhi on February 22-23 with an official delegation to initiate discussions with his Indian counterpart S. Menon. The joint study group on economic co-operation headed by the two commerce secretaries was set up following a meeting

well-established. "Since Pakistan has not given India MFN status, exports from India are mostly routed through third countries. If an economic agreement is struck, it will give a major boost to

Highlighting the insecurities that Pakistan has in its trade with India, officials from the Pakistani High Commission in New Delhi pointed out that the two sides would also look into causes of the failure in trade between the countries.

"Although Pakistan enjoys MFN status, its exports to India are a fraction of India's exports," a Pakistani official told FE. The two countries have to identify and find solutions to the existing problems, he said.

While India's exports to Pakistan stood at Rs 1,310 crore in 2003-04, its imports

After the initial euphoria following the free trade (FTA), India's Lanka is showing a sharp decline in bilateral trade.

Expert panel to identify and develop core projects nee

First, by creating employment and income in rural areas. It is likely to increase demand for industrial goods. Second, development of infrastructure in rural areas will help in attracting investment and facilities, and is in

perhaps there is need for a constant supply of viable projects. While there are glaring gaps in the supply and quality of infrastructure available in the country, there is need for creation of a body of professionals to identify and develop viable infrastructure projects that could be taken up for implementation by public or private sector.

In the absence of such a body, infrastructure development is not taking off in a big manner. May be a projects group could be set up in the ministry of finance itself to ensure that all the funds earmarked for infrastructure development go to the most deserving projects.

While addressing the challenges of rural economy and co-development, the finance minister has also paid attention to carrying forward the revival

India pressing hard for Asean membership

Japan is lobbying for India; China & Malaysia are creating hurdles

AMIT SEN & HUMNA SIDDIQUI
New Delhi, March 8

India is making last-ditch efforts to become a part of the Asean+3 (China, Japan, Korea) trading bloc, which would formally come into

seeking support of Asean countries that are open to the idea of making India a part of the economic community," an official said.

The idea behind the Asean community is to establish a modified EU-style group of east Asian countries by 2020. Since India is not a part of

search and Information System for non-aligned and other developing countries.

According to Dr Kumar, In-

gaged in bilateral and multilateral dialogues with the US, Russia, China, the EU and other countries in the Asia-

na is the most influential country in the Asean+3, it does not want another powerful country like India in the bloc," Dr Kumar said.

Malaysia is another country which is creating problems for India. Its stand is that it would support India only if Pakistan, too, is included in the group. It

Since India is not a part of any major trading bloc and east Asia is its largest trading partner, being a part of the Asean economic

There are many proposals to strengthen the compact new scheme for SSI competitiveness, enhanced aid for textile industry upgradation fund, cluster development, meat of sugar incentives designed to make India a world leader in ph and biotechnology with port for innovative public-private efforts for development, among others. Lowered corporate tax also hopefully further the investment climate. Only controversial proposal of withdrawing subsidies to be counter-productive. In short, it is a good and ancient budget and gen needs the expectations.

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