

RIS

Annual Report 2005 / 06 and Work Programme 2006 / 07

— Policy research to shape the international development agenda



RIS

Research and Information System
for Developing Countries

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

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DR. ARJUN K. SENGUPTA, M. P. (RAJYA SABHA)
Chairman, RIS
and National Commission for Enterprises
in the Unorganized Sector, Government of India



Chairman's Message

The last decade has seen a trend of increasing global economic integration. This process has been facilitated by the framework for international trade emerging from multilateral trade negotiations and a number of regional and bilateral free trade arrangements. Developing countries like India need to respond to the challenges of implementation of various WTO commitments, preparing their position on the growing agenda of WTO negotiations to protect their interests. We need to evolve own bilateral and regional economic cooperation arrangements with other nations to promote own interest, as well as pursue economic reforms, and take other strategic interventions to exploit the emerging opportunities in the most optimal manner. While doing so the basic objectives of economic development have to be kept in mind, namely to remove poverty, expand employment opportunities and protect the vulnerable sections of our peoples engaged in agriculture, manufacturing and services.

In handling these challenges, policy makers need highly specialized analytical inputs. It is here that the need of policy think-tanks with adequate analytical capacity comes into picture. 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 substantial expertise on various issues of trade negotiations, regional economic integration, South-South cooperation, and 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 assisted in policy formulation with respect to a number of initiatives of regional economic integration in Asia. It has also been involved in proactive track-II dialogue with its network partners in promoting broader regional economic integration and

the process of community building in Asia. RIS also conducted important studies in preparation of the Hong Kong Ministerial of WTO, among other issues.

It is my firm belief that institutional capacities of the type that RIS represents would be strengthened in the coming years in the context of increasing globalization and growing complexity of policy making process.

A handwritten signature in black ink, appearing to read 'Arjun Sengupta', with a stylized flourish at the end.

Arjun K. Sengupta

Director-General's Report



RIS' work in the areas of policy research and consultations, policy dialogue, outreach and networking and capacity building crossed new milestones in the year 2005/06. Major research programmes, policy dialogues, and advisory assignments 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 provided assistance to the government for ongoing trade negotiations and other economic engagements in multilateral, regional and bilateral contexts. In preparation of the first East Asia Summit held in December 2005 in Kuala Lumpur, RIS organized two High-Level Conferences on Asian Economic Integration in Taiyuan, China (September 2005) and New Delhi (November 2005), besides providing inputs to the Government of India. A major South Asia Regional Conference on the agenda of the Hong Kong Ministerial Conference of WTO was organized in New Delhi on August 2005, besides preparation of studies and policy briefs. RIS also organized seminars on the sidelines of WTO Ministerial in Hong Kong. RIS assisted the process of negotiations of ASEAN-India FTA with studies conducted on rules of origin on the basis of stakeholders consultations and contributed to the work of Joint Study Groups set up to evaluate the feasibility of India's comprehensive economic partnership arrangements with Japan and South Korea respectively. Studies were also conducted on the potential of IBSA economic cooperation, India-GCC partnership, GSTP's third round, Mekong-Ganga Cooperation and an employment-oriented export strategy, among other topics.

A highlight of the outgoing year was the launch of RIS Programme of International Economic Issues and Development Policy in a new compact format conducted during February-March 2006, in conjunction with the Indian government's ITEC Programme, as a major capacity building initiative of RIS, involving participants from six developing countries. The positive feed-back

from the programme has led to a heavy rush for nominations for the 2006/07 batch. Shorter courses were organized for senior officials of the Indian Economic Service and the Cabinet Secretariat, besides IFS Probationers. The networking links were strengthened with partner institutions through joint studies, activities and publications as summarized in the Report. RIS actively participated in the networks of think-tanks in Asia and contributed to their work.

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, and the newly set up Research Advisory Council under the Chairmanship of Professor Muchkund Dubey, 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

The core of the RIS work programme is aimed at policy research in four broad areas, 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 2005/06 and plans for 2006/07 are summarized below.

A. World Trading and Financial System and Development

A.1. Work Programme on WTO's Doha Development Round and Developing Countries

RIS work programme in this area aims to assist developing countries in the WTO negotiations which includes preparations for the WTO Ministerial Conferences with analytical studies and policy dialogues. The work programme covers overall process as well as the sectoral negotiations, as summarized below.

A.1.1. Policy Dialogue and Policy Briefs on the Agenda of the WTO Hong Kong Ministerial Conference [2004/06]

RIS has been closely monitoring developments in the ongoing Doha Round negotiations. In preparation for the Hong Kong WTO Ministerial Conference, RIS organized a major Regional Conference on the Agenda for

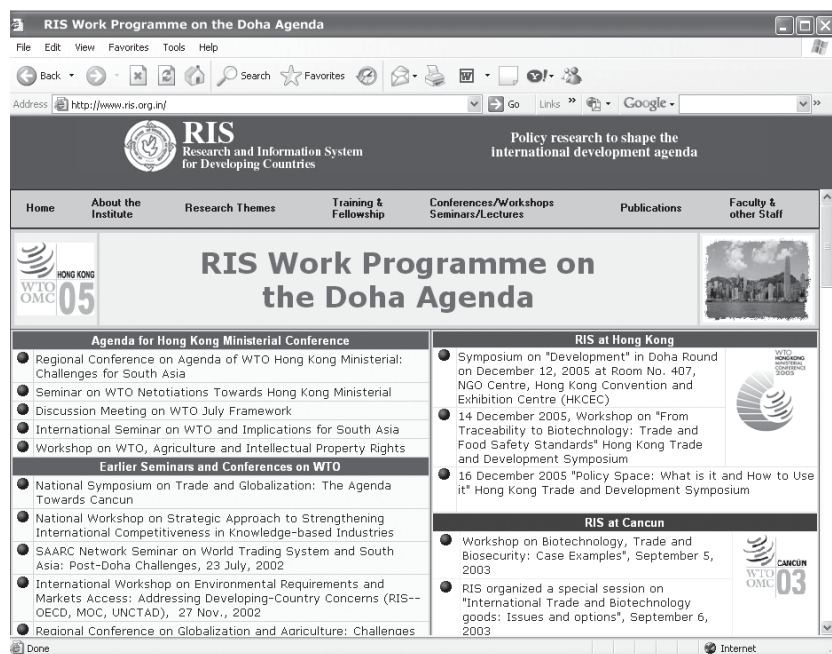
WTO Hong Kong Ministerial: Challenges for South Asia jointly with Global Biodiversity Forum, IUCN, Asia, and FICCI on 11-12 August 2005 in New Delhi.

Apart from studies on specific issues as listed elsewhere, RIS prepared and issued a set of three Policy Briefs on the agenda of the Hong Kong Ministerial, namely: *Doha Round's Development Impacts: Shrinking Gains and Real Costs*; *Making Doha a Really Development Round*; and *Trade Facilitation: Need to Strike a Balance between Pragmatism and Caution*. These Policy Briefs were also circulated among the participants through the NGO Centre at the Hong Kong Ministerial.

RIS has participated in the WTO Ministerial Conferences as an NGO



(From left) Dr. Nagesh Kumar, Director-General, RIS; Prof. Arjun Sengupta, Chairman, RIS; Mr. S.N. Menon, Commerce Secretary, Ministry of Commerce and Industry; Mr. Onkar S. Kanwar, President, FICCI; and Dr. Balakrishna Pisupati, IUCN, Asia at the Inaugural Session of the Regional Conference on the Agenda of Hong Kong Ministerial.



RIS Webpage on the Doha Development Agenda.

accredited to the WTO Secretariat. RIS participated in the Cancun Ministerial and organized some events on the sidelines of the Ministerial. On the sidelines of the Hong Kong Ministerial, RIS also organized the following events: (a) a Symposium on “Development” in the WTO’s Doha Round, Hong Kong, on 12 December 2005 at the NGO Centre; (b) a Panel Discussion on Putting Development First: The Need for Policy Space in the WTO, jointly with GDAE, Tufts University, USA and ICTSD Geneva on 16 December 2005 at the Hong Kong Trade and Development Symposium (HKTDS); and, (c) a Panel Discussion on From Traceability to Biotechnology: Trade and Food Safety Standards, on 14 December 2005 (HKTDS jointly with Danish Institute for International Studies, and START Network). Further details of these events are given elsewhere in the Report.

Among the policy dialogues organized on the Doha Agenda there was also a discussion on NAMA with a delegation led by Ms. Meredith Broadbent, Assistant US Trade Representative (AUSTR) and Members of her delegation on 10 May 2005 at RIS.

A.1.2. World Trade and Development Report 2006/07 [2005/07]

Research Team: Dr. Nagesh Kumar, Dr. Rajesh Mehta, Dr. Sachin Chaturvedi, Dr. Pooja Sharma, Dr. Somesh Mathur, Mr. Abinash Dash et al.

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 in 2003 the *World Trade and Development Report (WTDR) 2003: Cancun and Beyond* which was presented and discussed in New Delhi and in Cancun on the sidelines of the WTO Ministerial Conference. It has received very favourable feedback from the policy makers and international development organizations. RIS launched preparations for the next issue of the WTDR which was thematically centred on making Doha a really development round. An interim executive summary of the Report was issued as a Policy Brief #20 at the occasion of the Hong Kong Ministerial. An advance version of the main report was launched at the WTO Public Forum held in Geneva in September 2006. The preparation of *WTDR 06/07* has been financially supported by the UNDP, New York and the Commonwealth Secretariat, London. The Report examines the emerging trends and patterns in the global trading system overall and in select important areas; highlights the growing asymmetries especially from a development perspective; and puts together an agenda for reform.

A.1.3. Non-Agricultural Market Access (NAMA) in Doha Development Round Negotiations: A Research and Advisory Project

[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. It also aims 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. The project included consultations and inputs by RIS to the NAMA negotiating team within the Ministry on a regular basis. A database, created at RIS on 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 this project, a series of analytical studies have been conducted to assist in the formulation of India's position in the ongoing NGMA process. In addition, RIS has on an ongoing basis provided 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 that was launched would run 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 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 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 was a part of the programme of the work launched for the preparation of the Hong Kong Ministerial Conference. The detailed case study for India was 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. The country study involved considerable field work and primary data collection from the industry and government agencies on estimation of costs of implementation of proposed commitments. Field work for the study was conducted in collaboration with FICCI. The Report of the RIS studies was presented at a Workshop organized by UN-ESCAP/ARTNeT at Macau in October 2005 and submitted to UN-ESCAP. A revised version has also been issued as a Discussion Paper. The project was completed by the end of 2005.

A.1.5. 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 has undertaken this study at the request of the Department of Commerce, Govt. of India. The study analyses the export potential in the audio visual services sector, particularly for films, television, radio, music, etc. There still exists some uncertainty regarding the impact of liberalization undertaken by India autonomously, therefore suggestions on how the negotiations can move forward in the WTO and in undertaking binding commitments in the areas relating to audio-visual services are explored. The study uncovers the potential in India for enhancing trade in this sector through an in-depth analysis of India's trade with selected WTO member countries. It also identifies various barriers faced by Indian audio-visual services exporters and the discriminatory treatment meted out to Indian service suppliers in these countries. The study suggests remedial measures that





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

can be taken by the government to address the constraints through bilateral or multilateral negotiations. A preliminary draft was submitted to the Department of Commerce and the Ministry of Information and Broadcasting in late 2005. This draft is being revised in the light of comments received. RIS also proposes to organize consultations with industry on the draft before its finalization.

A.1.6. National Consultations on Biosafety Guidelines and Cartagena Biosafety Protocol: Bridging the Gap [2004/06]

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

The Cartagena Protocol on Biosafety that came into force in 2003 has assumed importance in the context of trade in genetically modified (GM) products especially in view of the fact that some of the provisions are in direct conflict with those of the WTO. The Ministry of Environment and Forests (MoEF) approached RIS for identifying the existing gaps in the National Biosafety Guidelines, which were adopted in 1989, *vis-a-vis* the emerging international framework, viz. Cartagena Protocol.

At present, national guidelines on biosafety are governed by the Environment Protection Act, 1986. The objective of this

Act is to protect the environment, nature and health in connection with the application of genetic engineering in producing GMOs. The 1989 Rules for the 'manufacture, use import, export and storage of hazardous micro organisms, genetically engineered organisms or cells' issued by the Ministry of Environment and Forests constitute the legally binding framework for GMOs in India. The 1989 Rules call for the development of biosafety guidelines, which were issued by the Department of Biotechnology in 1990. These Rules mandate the creation of three competent authorities with specific functions assigned to each of them. These are the Institutional Biosafety Committee (ISBC), Review Committee on Genetic Manipulation (RCGM), and the Genetic Engineering Approval Committee (GEAC).

As a part of the project, RIS organized a National Consultation on the Cartagena Protocol on Biosafety : Issues before MoP-2 on 24 May 2005 and a National Consultation on Trade in GM Products: Issues Concerning the Cartagena Protocol on 1 March 2006. Subsequently, the report of the RIS study was submitted to the MoEF. The RIS study provided specific inputs for India's position paper for Meeting of Parties (MoP-2) held in Montreal from 29 May-3 June, 2005 and for the Committee of Parties (CoP-3) held in March 2006 in Brazil. The study recommended that India should provide a lead to other developing countries not only in terms of articulating a position at the MoP but also by adequately equipping the national legislation in this regard. The study recommended further research on the inclusion of socio-economic issues apart from working out various contours for an effective liability regime.

RIS has also been involved in the Expert Group on a consistent interpretation of the Precautionary Principles in application to different multilateral environmental agreements (MEAs) set up by the MoEF and the Deptt. of Commerce. It also hosted the Group during 2005/06.

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 to be taken up by developing countries at the international forums. The work done during the period under review is summarized below.

A.2.1. Monitoring of the World Economy and the International Financial System: Addressing the Global Imbalances

[ongoing]

RIS keeps track of emerging developments in the world economy especially from the perspective of developing countries. This is dovetailed 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 the international financial architecture. In the year 2005/06, the focus of the work has been on the implications of global imbalances resulting from widening twin deficits in the US for the world economy and the developing proposals for addressing these through regional cooperation in Asia in the infrastructure sector. RIS assessed the potential of regional cooperation in the infrastructure sector for creating alternate sources of demand to enable a soft landing of the world economy. A paper prepared on the subject was presented at the November 2005 High-Level Conference on Asian Economic Integration. A Policy Brief was also issued on this subject.

B. Regional Economic Integration in Asia

B.1 Research Programme on an Asian Economic Community

[Phase II: 2003/06, Phase III: 2006/09]

2005/06 was the last year of the three year research programme on the Asian Economic Community, launched in April 2003. This programme was a follow-up



(From L-R): Prof. Osamu Nariai, Reitaku University, Japan; Prof. Soogil Young, President, NSI Forum, Seoul; Ambassador Rajiv Sikri, Secretary, Ministry of Extern Affairs; Prof. Mohammed Ariff, Executive Director, MIER, Kuala Lumpur; Mr. Kavi Chongkittavorun, Editor, Nation, Bangkok; Prof. Mukul Asher, National University of Singapore; and Dr. Lay Vannak, Research Fellow, Cambodia Institute for Cooperation at a session of the Fourth High-Level Conference on Asian Economic Community held in New Delhi.

of the first High-Level Conference on the Asian Economic Community, organized by the RIS in New Delhi in March 2003. The programme covered policy research on the way forward for broader regional cooperation in Asia and the development of proposals for the specific areas of cooperation, policy dialogue and advocacy in the form of an institutional network covering prominent policy think-tanks in Asia and a series of high-level policy dialogues among other activities. The programme has been supported by the Sasakawa Peace Foundation, Tokyo and has involved participation of a number of think-tanks and researchers from all across Asia. In the outgoing year, RIS organized the Third High Level International Conference on the Asian Economic Community in Taiyuan, China jointly with the Shanxi University of Finance and Economic Research, China in September 2005. The Fourth High-Level Conference on the Asian Economic Integration: Towards an Asian Economic Community was organized by RIS on 18-19 November 2005 in New Delhi in collaboration with the Institute of Southeast Asian Studies (ISEAS), Singapore. Apart from the Sasakawa Peace Foundation, Japan, the Conference was also supported by the UNDP Regional Centre, Colombo. The other work done



(From left): Dr. Arjun Sengupta; Dr. Nagesh Kumar; Hon'ble Shri K. Natwar Singh; Prof. Akinori Seki; and Ambassador K. Kesavapany at the inaugural session of Fourth High-Level Conference on Asian Economic Integration: Towards an Asian Economic Community in New Delhi.

as a part of the programme in the year 2005/06 is summarized below.

In the first two phases of the Research Programme on the Asian Economic Community, i.e. 2001/03 and 2003/06, the proposal of an Asian Economic Community was developed, and its relevance and potential was established and discussed with the policy think-tanks of the region. As a result, a new forum on Asian Cooperation, viz. East Asia Summit combining all the major Asian economies has been born. The focus of the third phase during 2006/09 will be on supporting the EAS process. Studies will be conducted on the road-map for the community-building process and for delineating the contours and key features of the programme of regional cooperation in Asia. The think-tank network will be further strengthened. The policy dialogue will be extended to cover the politicians and businessmen of the region.

B.1.1. New Asia Forum [ongoing]

Research Team: Dr. Nagesh Kumar and Dr. Beena Pandey

New Asia Forum is 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. It has been set up by RIS as a part

of the Asian Economic Community programme. 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 kept up-to-date and is being linked up with those of the think-tanks connected with the Forum.

B.1.2. Pan-Asian Economic Integration: the Way Forward [2004/07]

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

RIS research has been evaluating the relative merits of the 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 the initial building block of a broader Asian Economic Community. The welfare gains are computed within a computable general equilibrium (CGE) framework. This is complemented by an 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. The study was further expanded keeping in mind the emerging agenda of the first East Asia Summit, held in Kuala Lumpur in December 2005 and was presented at the High-level Conferences in China and India in 2005.

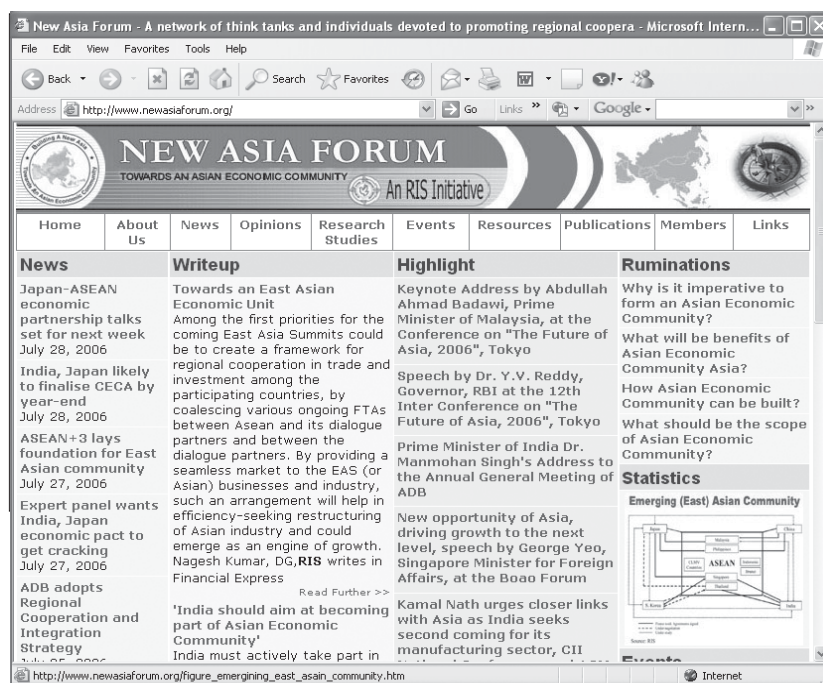


A study paper 'Towards an East Asian Community: An Agenda for the East Asia Summit' was brought out as an RIS Discussion Paper on the eve of the East Asia Summit. In the post-Kuala Lumpur Summit scenario, RIS is also preparing a paper on the future agenda of EAS and the vision of a possible East Asia Comprehensive Economic Partnership Arrangement as a building bloc of an Asian Economic Community. In addition to the Sasakawa Peace Foundation, the UNDP Regional Centre in Colombo has also supported this work programme.

B.1.3. Regional Cooperation for Energy Security in Asia [2004/07]

Research Team: Dr. Ramgopal Aggarwala and Dr. Samir Ranjan Pradhan

Energy consumption of developing Asian economies such as India, China, South Korea, Indonesia and Thailand is increasing rapidly. These emerging economies will have to increase and diversify their domestic supplies and sources of energy - both conventional as well as non-conventional. To achieve this regional cooperation can play an important role. For instance, it could cover exploration in the new economies of the Central Asian countries, as well as in 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 be in the management of strategic oil reserves, development of a natural gas market in Asia and improvement of energy efficiency and renewable energy. The RIS study explores into India's energy cooperation possibilities with other countries apart from India's neighbours. A background paper on the broad framework of Asian regional cooperation for energy security has been prepared and was presented at the New Delhi Conference in November 2005. Further work has been planned in this direction in the South Asian as well as broader Asian context.



B.1.4. Monetary and Financial Cooperation in Asia

Research Team: Dr. Ramkishan S. Rajan

Ever since the currency crisis of 1997-98 a great deal of interest has been generated in enhancing the regional economic cooperation in Asia. It is important to keep in mind that economic regionalism is multidimensional in nature. The focus of this paper is on policy initiatives underway in Asia to enhance monetary and financial regionalism and the analytical bases for these initiatives, rather than on examining the *de facto* level of the financial and monetary links that already exist (which may or may not have been facilitated via the regional policy mechanisms). There are many gradations in monetary and financial regional cooperation, ranging from the weak form involving regional policy dialogue and surveillance, on the one hand, to exchange rate and monetary coordination, on the other. To maintain focus, this paper concentrates more specifically on "medium forms" of monetary and financial regionalism, broadly defined as the development of regional liquidity arrangements and regional financial markets.

This paper was presented at the Taiyuan Conference on Asian Economic

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, as excerpted below. Subsequently the East Asia Summit (EAS) was launched as a forum for dialogue on Asian cooperation in December 2005 in Kuala Lumpur covering all the JACIK countries, and Australia and New Zealand.

Asian Leaders on the Asian Economic Community

“If the 14 of us (viz. ASEAN-10, 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 at the ASEAN Business Summit, Vientiane, Laos, 28 November 2004

‘India should join in [East Asian Community], as ... it 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 Minister Mentor 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.

“We feel confident that in the next few years, we may see the rise of a Pan-Asian Free Trade Area covering all major Asian economies, including India, Korea, China, Japan, ASEAN and possibly extending to Australia and New Zealand. This could be the third pole of the world economy after the European Union and the North-American Free Trade Area and will open up new growth avenues for all our own economies.”

—President Dr. A.P.J. Abdul Kalam of India addressing the Major Business Chambers of Korea, Seoul, 7 February 2006.

“An East Asia Summit (EAS) FTA by 2020 can be envisaged... and the region is likely to become a major driver of the global economy sometime in the first half of this century.”

—Singapore's Minister for Foreign Affairs, Mr. George Yeo at Boao Forum for Asia Annual Meeting, 22 April 2006.

“The proposed Asian trade zone (consisting of the 10-member ASEAN, plus Australia, China, India, Japan, New Zealand and South Korea) would benefit from having a population of three billion people and current economic activity of nine trillion dollars.... We are certain it will be to the benefit of all the countries of the region.”

— Mr. Toshihiro Nikai, Minister of Economy Trade and Industry, Japan, after Meeting with ASEAN Trade Ministers in Kuala Lumpur, as reported in the International Herald Tribune, 24 August 2006.

Community and has also been issued as a Discussion Paper.

B.1.5. Regional Financial Cooperation for Infrastructure Development in Asia

[2005/07]

Research Team: Dr Ramgopal Agarwala and Dr Prabir De

Benefits of geographical proximity in Asia are often lost due to inadequate transport linkages. Studies on development of transport connectivity therefore have been undertaken in conjunction with RIS work on various approaches to regional cooperation in Asia. Transport infrastructure and connectivity has earlier been examined in the context of SAARC and BIMSTEC. The importance of the development of infrastructure is being studied in the context of the ongoing programme on Asian Economic Community. The focus of the current work has been on the role of regional financial cooperation for meeting these requirements. A paper was prepared and presented at the High-Level Conference on Asian Economic Integration held in November 2005. More detailed work on the subject working out the modalities and institutional infrastructure for giving effect to such cooperation will be undertaken during 2006/07, as a part of a study sponsored by the Department of Commerce to assist the UN-ESCAP in its policy dialogue on the subject.

B.1.6. 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 the 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 has also facilitated publication of the journal *Asian Biotechnology and Development Review (ABDR)* which appears thrice a

year. This programme has also supported development of an informal network of policy makers, researchers and practitioners working on different aspects of biotechnology. As a part of this programme, RIS has started a series of Asia level policy dialogues, organized every two years and called Conferences on Biotechnology for Asian Development to facilitate exchange of experiences within the region. The first two conferences in this series were held in 2002 and 2004 in New Delhi. The third Conference in the series will be organized in Manila in November 2006 in collaboration with the University of Philippines-Los Banos and the Philippines Bioindustry Association with very high-level participation.

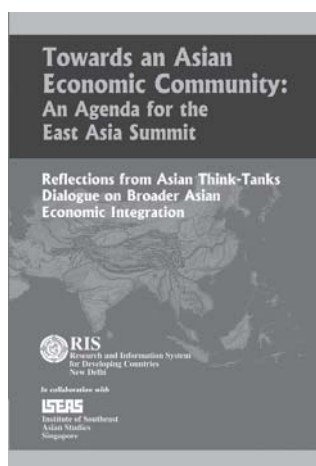
B.1.8. Economic Cooperation between East and South Asia

[2006/07]

Research Team: Dr Nagesh Kumar and Dr Pooja Sharma

In the context of the intensification of efforts in regional economic cooperation and integration between East and South Asian economies in recent years, the Asian Development Bank has assigned country study of India to RIS as a part of a major policy research study on the subject. The study seeks to identify gains from closer economic cooperation between East and South Asian economies and to inform public and private sector stakeholders of the policy steps required for effective economic cooperation and integration between the two sub-regions. The study of India will assess the evolution of India's pattern of economic cooperation and integration with East and South Asian countries; assess the degree of economic cooperation and integration in each of the three areas of merchandise trade and investment, services trade, and infrastructure and trade facilitation; and discuss policy recommendations at the country level to enhance effective cooperation and integration and their sequence. The outline of the RIS study was presented at the inception workshop held in Manila in May 2006.





B.1.9. Regional Trading Arrangements and 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 the emergence of regional production networks. This trend has been facilitated by liberalization of trade and investment regimes in the multilateral, regional and subregional contexts. 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 RIS study would take stock of India's increasing participation in the regional production networks, its characteristics and potential. This study is being conducted in conjunction with the Asian Cooperative Strategy project undertaken by the Institute of the World Economics and Politics of Chinese Academy of Social Sciences (CASS), Beijing within the framework of Asia-Pacific Trade Initiative of UNDP Regional Centre in Colombo. A preliminary draft was presented at a workshop organized by CASS in March 2006.

B.1.10. Relevance of APEC for India [2006/07]

Research Team: Dr Nagesh Kumar and Dr Prabir De

India's "Look East" policy has made impressive strides, both in terms of growing actual (*de facto*) linkages with East Asia (trade, investment and financial), as well as in terms of deepening institutional linkages with East Asia (FTAs, EAS, ARF, etc). India has also participated in the East Asia Summit (EAS) along with ASEAN plus three

(APT) countries, Australia and New Zealand. India hopes to use the EAS platform to advance the vision of the Prime Minister to build an Asian Economic Community, as an inclusive pan-Asian grouping in Asia. Most of the APT countries except for India (and Cambodia, Laos and Myanmar) are also APEC member countries. Inclusion of India in APEC may possibly increase coherence between the APT and EAS groups. The moratorium on the APEC membership is likely to be lifted in 2007. India has to examine the pros and cons of joining APEC and evolve its approach towards a possible membership when it opens its doors for new members. To assist this process, RIS launched a study in early 2006 to examine the different aspects of APEC functioning, the pros and cons of joining it and a possible approach towards it. This study was submitted to the Ministry of External Affairs in April 2006 as an input in formulating a national strategy on the subject.

B.2. 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.2.1. South Asia Development and Cooperation Report 2007 [2005/07]

The South Asia Development and Cooperation Report 2007 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 last issue of SADCR was launched in New Delhi, Dhaka and Islamabad at special seminars and presented to key policy makers in the respective capitals. The SADCR 07 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 besides a special section on infrastructure and services. It will be launched in early 2007 to serve as a background document for the fourteenth SAARC Summit to be hosted by India in April 2007.

B.2.2. Economic Integration in SAARC: Challenges for SAFTA and Beyond [2005/07]

Research Team: Dr. Nagesh Kumar, Dr. Saman Kelegama, Dr. Ram Upendra Das and Ms. Sejuti Jha

The signing of the Framework Agreement on South Asian Free Trade Area (SAFTA) at the Islamabad Summit of SAARC was a landmark in the evolution of SAARC as a regional grouping. At long last the SAARC region seems to be heading towards a regional trade arrangement (RTA), the first step in the evolution of SAARC as a regional trade bloc and an economic union. The limited experiences with trade liberalization that South Asia has had so far in the framework of SAPTA or bilateral FTAs in the region, provide useful pointers for the gains from regionalism in terms of efficiency-seeking industrial restructuring. However, a look at the text on SAFTA clearly suggests that it is a case of “too little, too late.” Given the emergence of competing regional trading arrangements such as BIMSTEC FTAs and various bilateral FTAs as also the ongoing trade liberalization at the multilateral level, a slow track move by SAFTA for attaining a free trade area would make the arrangement largely irrelevant. This calls for efforts to considerably enhance the pace of regional



Speakers at the inaugural session at the Third High-Level Conference on Building a New Asia: Towards an Asian Economic Community organized by RIS jointly with Shanxi University of Finance and Economics in Taiyuan, China.

trade liberalization as well to expand its scope. This study attempts to provide a policy agenda for increasing the effectiveness of SAFTA and suggest other measures for fully exploiting the potential of regional economic integration in South Asia. This study is being conducted by RIS in collaboration with the Institute of Policy Studies of Sri Lanka, Colombo within the framework of South Asia Centre for Policy Studies (SACEPS), Kathmandu and supported by resources obtained by SACEPS from the ADB.

B.2.3. India-Pakistan Trade and Economic Relations: Prospects and Challenges [2005/07]

Research Team: Dr. Ram Upendra Das

The study has been requested by the Department of Commerce, Government of India. The relevance of a vision of closer economic cooperation is discussed along with the historical economic linkages; the macroeconomic context; major economic reforms; bilateral aggregate trade and investment linkages; and existing institutional mechanisms of economic cooperation. It will address the ways and means for enhancing cooperation in trade in goods, trade barriers and trade facilitation, investment policy regimes in India and Pakistan, trade in services, and transport linkages. It will draw upon the extensive consultations held periodically with the private sectors in different



(From left): Ambassador Shashank, former Foreign Secretary; Hon'ble Shri Ajay Maken, Member of Parliament; Hon'ble Professor Chung Duck-Koo, Hon'ble Member of Parliament and former Minister of Commerce, Industry and Energy, Republic of Korea; and Dr. Nagesh Kumar, DG, RIS at the Eminent Persons Lecture on the Asian Century.

locations so that the views of stakeholders are incorporated in the study right from the beginning.

B.2.4. Trade Facilitation, Customs Valuation and Regional Integration in South Asia [2006/07]

Research Team: Dr Sachin Chaturvedi

Building on the work done during 2005/06 on trade facilitation, RIS has undertaken a more detailed examination of customs valuation as an aspect of trade facilitation in the context of regional integration in South Asia. Benefits associated with trade facilitation in a regional context will be investigated, along with issues related to the implementation of the WTO Customs Valuation Agreement and liberalization in trade logistics services.

Possible implications for the WTO negotiations on trade facilitation would also be assessed, and recommendations will be made on how to address trade facilitation issues through preferential trade agreements. The objective of the study is to review regional and bilateral trade agreements and the related trade facilitation initiatives taken in South Asian countries. Their experience in customs valuation reform is examined. The study analyses the impact of these initiatives and reforms on trade, selected national governments, and the private sector, and attempts to derive policy implications for

the WTO negotiations on trade facilitation. This also results in detailed recommendations on how SAFTA could enhance trade facilitation at the regional level. The study has been undertaken in conjunction with the ARTNeT of UN-ESCAP. The preliminary findings will be presented at an ARTNeT Workshop in Bangkok in August 2006.

B.2.5. Regional Cooperation in Trade in Services and Investments in SAARC [2006/07]

This RIS 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. The SAARC Summit in Dhaka in November 2005 asked for studies to explore the relevance of extending SAFTA to trade in services and investments. 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 think-tanks and the other national focal points of the other SAARC countries in the SAARC Network and will be submitted to the SAARC Secretariat. The SAARC Secretariat is arranging financial support for the study from the Asian Development Bank, Manila.

B.3. 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.3.1. India-ASEAN Partnership: Think-tank Interactions and Policy Dialogue

RIS has regularly supported the India-ASEAN partnership with studies and analysis. In particular, the 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 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. In 2005/06 RIS published a volume on the India-ASEAN Economic Cooperation in collaboration with ISEAS, Singapore. The volume was based on the First ASEAN-India Forum held in Singapore in February 2004. This volume presents studies on the 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.3.2. India-Malaysia Comprehensive Economic Cooperation Agreement [2005/06]

Research Team: Dr. Ram Upendra Das

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

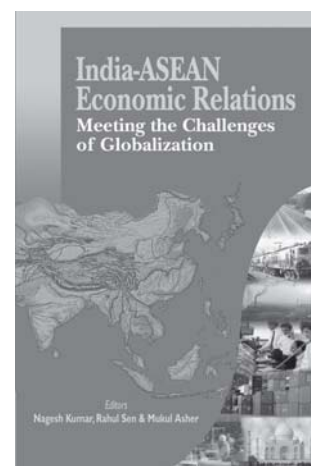


(From left): Dr. Nagesh Kumar; Mr. S.K. Verma; Ambassador A.N. Ram; and Prof. K.J. Joseph at National Consultation on South-South Economic Cooperation: Exploring Mekong Ganga Relationship held in New Delhi.

B.3.3. Exploring Mekong-Ganga Partnership [2004/06]

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

The broad objective of the project was to analyse the present status and future prospects for trade and investment between India and the three countries in the Mekong region, viz. Cambodia, Lao PDR and Vietnam. The study identifies areas of mutually beneficial cooperation. As the countries under study were the less developed among the ASEAN, the proposed initiative constituted India's commitment towards helping ASEAN bridge the development divide between the Old and New ASEAN member countries. India's commitment to bridge 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 the RIS and ASEAN-India Network of Think Tanks. This project was undertaken by RIS in partnership with CUTS, Jaipur and involved collaboration with institutes in the concerned countries, viz. Cambodian Legal Resources Development Centre (CLRDC), National University of Laos (NUL), and the Institute of World Economics and Politics (IWEP), Vietnam. A National Consultation Meeting with stakeholders was organized in September 2005 to





(From R-L): Mr. Anant Swarup, Department of Commerce; Dr. Ram Upendra Das; Dr. Nagesh Kumar; Mr. P.K. Dash, Joint Secretary Department of Commerce; and Ms. Gitu Siddu, Department of Commerce at the Industry Consultation on Rules of Origin for ASEAN India FTA.

discuss the findings of the study. The project involved fieldwork especially gathering material and consultations from the industry bodies. Subsequently, the presentations were made at consultations organized in the Mekong countries. A final report was presented at consultations organized in Mekong countries and has been submitted in autumn 2005.

B.3.4. Rules of Origin under ASEAN-India FTA

[2005/07]

Research Team: Dr. Ram Upendra Das

Building on earlier work on the subject undertaken during 2004/05 RIS has undertaken this study at the request of the Department of Commerce. It aims at dwelling upon the dimensions specified below in order to contribute to the understanding of the 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. As a part of the study, RIS has organized a number of sectoral consultations with industry. Field work has also been undertaken at the World Customs Organization, Brussels to gather data and information. RIS has provided inputs for preparations for different meetings of the trade negotiating Committee of ASEAN-India FTA.

B.4. India-Northeast Asia Economic Cooperation

B.4.1. India-China Policy Dialogue

As reported earlier, 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 High-Level Conferences on the Asian Economic Community, held in Tokyo and participated in the New Delhi Conference in November 2005. A delegation from the Socio-economy Department of DRC visited RIS in December 2005. DG-RIS visited DRC in March 2006 to continue the dialogue. RIS is planning to send a delegation to DRC in 2006/07 and organize a policy-dialogue on China-India and Asian Economic Integration.

B.4.2. India's Economic Relationship and Prospects of Trade and Investment with China [2006/07]

Research Team: Dr. Ramgopal Agarwala and Mr. Abinash Dash

The Department of Commerce, Ministry of Commerce and Industry has assigned to RIS the preparation of a report on India's economic relationship and prospects of trade and investment with China. Apart from providing an overview of the state of the economy of China and its implications for India, the RIS study will focus on and examine the following: recent developments in the trade relationship of China and their economic significance for India; China's bilateral trade relationships with other major trading partners; and regional agreements; developments in WTO relating to China that will impact India and issues such as the disputes/position in multilateral trade negotiations, etc.; China's policy on Overseas Development Assistance and its impact on India in terms of projects/sectors. The Report will be completed in later part of 2006 and will be presented to the Trade and Economic Relations Committee (TERC) of the Prime Minister.

B.4.3. India-Republic of Korea (ROK) Economic Cooperation [2004/06]

Research Team: Dr. Nagesh Kumar and Dr. Prabir De

A Joint Study Group (JSG) was 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 served as a member of the JSG. To prepare inputs for the work of JSG, the Department of Commerce assigned to RIS a study on economic cooperation between India and South Korea especially on trade in services. The study reviewed the existing bilateral trade in services between the two countries; identified the service sectors of bilateral

trade interest and mutual cooperation, highlighting the areas of future trade potential and collaboration; assessed 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; and identified existing barriers to trade in services and suggested reform measures for the removal/reduction of such barriers through the proposed comprehensive economic cooperation agreement. Inputs were provided to the Department of Commerce for different meetings of the JSG. The JSG report has since been finalized and has been accepted by the two governments leading to negotiations for a Comprehensive Economic Cooperation Agreement (CECA) between India and South Korea.

B.4.4. India-Japan Economic Cooperation: Potential and Prospects [2005/06]

Research Team: Dr. Nagesh Kumar and Dr. Prabir De

An India-Japan Joint Study Group (JSG) was 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 was nominated as a member of the JSG by the Prime Minister of India. The Ministry of External Affairs assigned to RIS to do analytical work on a number of issues to prepare inputs for the work of JSG. In particular, the RIS has assisted the JSG with preparations in the context of economic cooperation, trade in goods, investment, cooperation in other areas, and feasibility of a CECA/ EPA between the two countries. RIS provided inputs to the JSG as per the mandate from time to time and participated in the preparatory as well as meetings of the full JSG held in India and Japan. The JSG concluded its work at the final meeting held in Tokyo in early June 2006.



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

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, Dr. Prabir De, Dr. Mirza Allim Baig

The Ministerial Meeting of IBSA held in March, 2004 in New Delhi, in tune with 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 the 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 500 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 RIS study, supported by the Ministry of Commerce and Industry, explored 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. These were held with the Department of Commerce, other government agencies, industry and other stakeholders. Interim reports and policy notes of the study were provided to the Department of Commerce in March 2005 and in September 2005 to serve as inputs for preparations for the meetings of the Trilateral Commission. RIS also provided key inputs for the Meeting of the Working Group on Trade and Investment held in New Delhi on 27-28 January 2006 and participated in it as a member of Indian delegation. A key finding of the study was that an IBSA trilateral FTA was not feasible due to involvement of Brazil and South Africa in MERCOSUR and the SACU customs unions. Hence, this study recommended that a comprehensive economic partnership arrangement (CEPA) between SACU-India-MERCOSUR (SIM) be explored to provide a framework for economic cooperation between IBSA countries. The final Report was submitted in March 2006.

C.2. Feasibility of SACU-India-Mercosur Economic Partnership

[2006/07]

This study is a follow-up of the RIS study on IBSA economic cooperation (C.1) which recommended that the three countries explore a comprehensive economic partnership arrangement between SACU-India-MERCOSUR for the technical reason that Brazil and South Africa are members of two different custom unions, namely MERCOSUR and SACU and are bound to

maintain a common external tariff with other partners. Therefore, IBSA has agreed to explore the possibility of trade negotiations between India, MERCOSUR and SACU member countries. To frame India's position and understand the issues involved, the Department of Commerce, has entrusted RIS to conduct a study on trade in industrial goods and investment as part of exploring the possibility of trade arrangement with MERCOSUR and SACU. Apart from conducting the study on trade in industrial goods and investment, the RIS will also prepare a synthesis report incorporating inputs prepared by other think-tanks on agricultural goods, and trade in services.

C.3. Building Capabilities in Information Technologies: Exchange of Experiences between Developing Countries

[2006/07]

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

Exchange of development experiences between developing countries is an important aspect of the South-South cooperation. In that context, the emergence of India as an important player on the global scene in the area of IT software has attracted attention from the development community on taking lessons from the Indian success for other developing countries. The earlier RIS studies documented the factors especially public policy measures that led to India's success in the sector and the possible lessons for other developing countries especially in the context of lesser developed ASEAN (CLMV) countries. Building on the earlier work, the present study will put India's achievement in a national and international perspective, detail the implications and externalities of the rise of IT software industry for different parameters of national development, the role of policies and institution-building in building capabilities and draw lessons for other developing countries. The study is being conducted in conjunction with the Southern Development Solutions programme launched by the UNDP, New York (South-South Cooperation Unit).

C.4. Relevance of Investment in India-GCC Partnership

[2004/06]

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

India and the Gulf Cooperation Council (GCC) are entering into a preferential 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 RIS 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 the comments received.

C.5. Relevance and Potential of an India-GCC Preferential Trade Arrangement

[2006/07]

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 the feasibility of an India-GCC trading arrangement. This study will undertake a

detailed analysis of the trends and patterns of bilateral trade between India and the 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 also draw upon consultations with the relevant stakeholders. Meanwhile, the work on the study was launched in early 2006.

C.6. Global System of Trade Preferences: Towards the Third Round

[2005/7]

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. 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 Round 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 will engage in market access negotiations and draw out request lists to these countries, the Department of Commerce has requested RIS to undertake this study.

RIS study has identified items on which India should seek tariff concessions under the GSTP. The study has also identified 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. The inputs based on analysis were submitted to the Department of Commerce for their preparations for the negotiations.

C.7. Seizing New Opportunities for South-South Cooperation by Non-Aligned Movement

[2006/07]

Research Team: Dr Nagesh Kumar, Dr Ramgopal Agarwala et. al.

In 1990 when the South Commission Report was released, the developing countries were described as existing on the periphery of the North, mostly weak and powerless in the world arena. However, things have changed over time and the South has now emerged as an important player on the world economic stage. Development patterns of the past decades suggest that the South is no longer one 'backward' group. Different countries and even sub-regions within the countries are at vastly different 'stages of development'. Thus the complementarities within the group have increased tremendously. The South working as a bloc can help each other in vital areas such as trade, finance, investment, energy, environment, labour mobility, technology, designing of development strategy, and correcting a global imbalances in an orderly fashion.

A number of initiatives have been taken in the past to promote SSC in the regional and global contexts. Some of these initiatives need to be expanded in scope and new ones need to be taken. The study was undertaken to provide a background and inputs for the Havana Summit of the Non-Aligned Movement held in September 2006. RIS also contributed to the work of the Special Committee on the Economic and Social Issues on the NAM Agenda appointed by the Government of India to identify some of the proposals that NAM can consider for seizing these new opportunities for SSC.

C.8. Emergence of Large Developing Countries: Implications for Co-Developing Countries

[2006/08]

The last decade has seen a continued growth in the South-South trade and investment linkages. The share of South-South trade in global trade increased from

34 per cent in 1990 to around 43 per cent by the end of the decade and it is growing at a rate of 10 per cent per year, which is more than twice that of the recorded rate of growth in global trade. Such unprecedented growth in South-South trade may be seen against the fact that during the last few decades the developing countries have built up substantial industrial-technological capabilities which in turn provided scope for exploiting synergies among themselves by sharing of knowledge and technologies on the one hand and investment on the other. In particular, emergence of large countries in the developing world such as China, India, Brazil and South Africa (henceforth emerging economies) has created new avenues for South-South Cooperation while also creating some apprehensions. There are concerns, for instance, that Chinese exports of mass production items have caused serious concern; and some studies have predicted the possibility of cropping up of recession in the African economies in the event of continued onslaught of China, especially in sectors such as garments, etc. Some other studies identify the integration process of these emerging developing countries as great opportunity for fellow developing and least developed countries, especially from African region provided they tap the complementarities for maximizing the growth and prosperity. Against that backdrop, this study will map out the role of emerging countries in development of developing countries with special reference to Africa. In particular, the study will begin by documenting the rise of emerging economies and their growing importance in terms of various parameters of the global economy and integration. Then we will examine the importance of emerging economies as markets for African countries, followed by these countries emerging as sources of investments and technology. Finally, the study will discuss the role that emerging economies are playing and may play in shaping the

global economic architecture and make it more development friendly including the world trading system. The study will be concluded with some broad lessons for international development policy that could facilitate a fuller exploitation of the potential of such cooperation between emerging economies and other developing countries especially in Africa. The study will be undertaken with the support of the Commonwealth Secretariat, London. The Secretariat plans to also organize a consultative meeting on the study report.

C.9. Traditional Knowledge and Benefit Sharing with Developing Countries

[2006/09]

Research Team: Dr Sachin Chaturvedi

In the context of commercial exploitation of biodiversity and traditional knowledge by corporations, benefit sharing is an area of increasing international debate at the different levels of policy making including at WHO, WTO and WIPO. RIS is participating in an international project launched by the University of Central Lancashire and supported by the European Commission on "Sharing with Developing Countries – from Biodiversity to Human Genomics". The other partner institutions are University of Preston, United Kingdom; University of the Witwatersrand; University of South Africa; Centre d’Ethique, France, Vilnius University (VU), Vilnius, Lithuania; and University of the Philippines (UP), Manila, Philippines. Despite the central significance of this especially in the context of economic implications for the indigenous community, these have hardly been discussed or researched in depth. Benefit sharing occurs mainly in two areas: human genetic banking for the purpose of pharmacogenomics or population genomics research (human genetic resources), and use of traditional knowledge from indigenous communities mainly by the pharmaceutical industry



(From left) Dr. Rajesh Mehta; Prof. Prema-Chandra Athukorala; Shri Subodh Kant Sahai, Hon'ble Minister of State for Food Processing Industries; Dr. Arjun Sengupta, Chairman, RIS; and Dr. Nagesh Kumar at the inaugural session of the Workshop on International Food Safety Regulations.

to develop new products (non-human genetic resources).

This project seeks to establish an interdisciplinary team of economists, ethicists, lawyers, medical doctors, specialists in gender studies, representatives of indigenous communities and policy-advisors from the five continents. The teams will study four paradigmatic international case studies (from India, South Africa, Iceland, and Kenya) to provide a profound state-of-the-art analysis for benefit sharing in the context of human and non-human resources. Based on this comparative research, the main aim of this project is to promote policy developments by developing an “economies/ethics health check” for benefit sharing agreements involving vulnerable groups and communities in the area of human genetics.

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 policy as summarized below.

D.1. International Food Safety Regulation and Processed Food Exports from Developing Countries: A Comparative Study of India and Thailand [2002/06]

Research Team: Dr. Rajesh Mehta and Dr. R.G. Nambiar

RIS has undertaken a research study on ‘International Food Safety Regulation and Processed Food Exports from Developing Countries: A Comparative Study of India and Thailand’. The project is funded by the Australian Centre for International Agricultural Research (ACIAR). The core research team consists of P. Athukorala, Project co-coordinator, RSPAS, Australian National University (ANU); S. Jayasuriya, Project co-coordinator, University of Melbourne; R. Mehta, Leader, Indian research team from RIS; and B. Nidhiprabha, leader, Thai research team, Thammasat University, Bangkok.

Main objectives of this study were: (a) to understand more precisely how the food safety regulations applied by the industrialized countries affect India’s exports of processed food to these markets (i.e. the relationship between India’s exports to these markets and the prevailing FSS regulations in these countries), (b) to identify the technical, institutional and policy constraints faced by the firms in meeting SPS requirements, (c) to prepare a comprehensive inventory of existing SPS standards and actual practices, and (d) compare them with international standards like Codex in order to demonstrate how the former deviate from the latter.

As a part of this project, the ACIAR and the 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 on International Food Safety Standards and Processed Foods Exports from Developing Countries:

A Comparative Study of India and Thailand on 29 June 2005 at ANU.

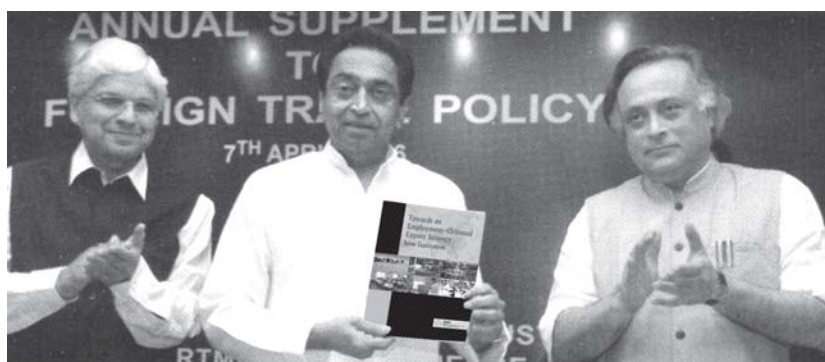
Dr Rajesh Mehta, Senior Fellow and Indian Team Leader made a presentation on the Indian Country Report entitled “International Food Safety Standards and Processed Food Exports: India”.

RIS also organized a Workshop jointly with the partner institutions in New Delhi on 13 August 2005 for presentations and discussion of the final reports of the project. Meanwhile, ACIAR has extended the project duration till December 2006 to enable preparation of a synthesis report.

D.2. Strategy for Export Oriented Manufacturing [2004/07]

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

This research study sponsored by the Department of Commerce 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 will explore the possibilities of venturing in to new markets for exports apart from maintaining linkages with traditional trade partners. The export competitiveness of India is to be examined for a selected number of products in the light of the '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 also examines 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 was being undertaken. The study team submitted an interim report in June 2006.

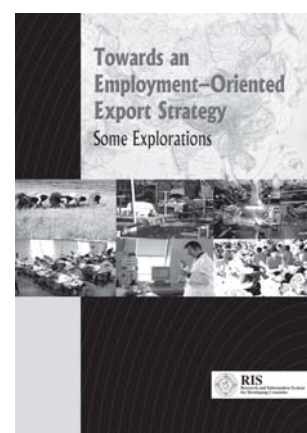


Shri Kamal Nath, Hon'ble Minister of Commerce and Industry, releasing the RIS Report Towards an Employment-Oriented Export Strategy: Some Explorations also seen in the picture (on right) are Shri Jairam Ramesh, Hon'ble Minister of State for Commerce and Industry and Shri Ashwani Kumar, Hon'ble Minister of State for Commerce and Industry (left).

D.3. Towards an Employment-Oriented Export Strategy: Some Preliminary Explorations [2004/06]

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

India currently faces a major challenge in employment generation for millions of its unskilled and semi-skilled unemployed workers. Employment in the organized sector has shrunk in the recent years despite acceleration in GDP growth. India needs a manufacturing revolution that complements the booming services sector and can 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. Export-oriented production has a huge potential for generating jobs. However, very little information has been available on the role that exports play in employment generation and the policies that may help in that respect. This study prepared by RIS at the request of the Ministry of Commerce and Industry. It discusses the analytical issues in linking exports and employment generation and summarizes the international experiences on the subject. It makes the first exploratory attempt at estimating the role that export-oriented industry is playing in job creation



and its potential. It outlines an employment-oriented export strategy that will not only strengthen India's place in the international division of labour but can also improve the condition of its unemployed youth and generate new income and wealth. The government has taken cognizance of the findings and recommendations in the recent policy-making. The Report which subsequently has been published by RIS was launched by Hon'ble Minister of Commerce and Industry with the announcement of the National Foreign Trade Policy in April 2006.

D.4. Implications of the WTO Tariff Proposals on Indian Paper and Newsprint Industry

[2004/07]

Research Team: Dr. Rajesh Mehta and Pooja Agarwal

The process of non-agriculture market access negotiations is being conducted within the Negotiating Group of Market Access (NGMA) at WTO. NGMA has been proposing different approaches for negotiations with the main emphasis on the non-linear formula. The main objective of this RIS study is to send early signals to the Indian paper industry regarding the progress of negotiations. In other words, the RIS study analyses the impact of the WTO/NGMA approaches on the Indian paper industry as and when the new proposals are unleashed. A position paper has been prepared. Meanwhile 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. The project was launched in January 2005. The study team made a presentation of select results at the CESS Committee Meeting, at the Department of Industrial Promotion and Policy (DIPP) on 21 July 2005. An interim report has also been submitted.

D.5. Study on Trends, Structure and Competitiveness of Indian Seeds Industry

[2004/06]

Research Team: Dr. Sachin Chaturvedi

This RIS study launched on the Indian Seed Industry with the support from the International Food Policy Research Institute (IFPRI), Washington D.C. is in its final stage of submission. The study analyses the structure, progress and degree of competitiveness of the seed industry since the introduction of New Seed Policy in 1988. It specifically focusses on the high value low volume crops in which private sector has a predominant presence such as corn, millet, sorghum, cotton and vegetables. However, it was found that recently, the private sector is showing keen interest in developing high volume high value market as well. As a result it was found that the hybrid rice market is also emerging in a major way. The study looks into the implications of the new IPR regime (after January 2005) for the seed sector and the consequent changes following the Seeds Act 2001. Apart from this, the study also looks into other issues such as magnitude and nature of FDI in the Seeds Industry. The study involves extensive field work. The study launched in October 2004 is likely to be completed by September 2006.

D.6. Special Economic Zones and FDI in China: Lessons for India

[2004/06]

Research Team: Dr. A.K. Kundra

This RIS study attempts to understand the reasons for the success of China in attracting large magnitudes of export-oriented FDI which now accounts for nearly 55 per cent of its manufactured exports and 80 per cent of high technology exports. The study will involve field work in China to gather with first-hand insights and draw policy lessons for India. This study is being conducted with the support of the ICSSR. Dr Kundra visited China during November-December 2005 for collection of data and information on SEZs. The study will be completed in the later part of 2006.

D.7. Outward FDI from India: Trends, Patterns and Determinants

[2006/2007]

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 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. It builds on an earlier study on strategic approach to international competitiveness in knowledge-based industries as a part of which an exclusive data base was created on outward investments by Indian enterprises. The outcome of the study will be published in the RIS Discussion Paper series and will also be published as a forthcoming book by Routledge (London and New York).

D.8. TRIPS, Safeguard Mechanism and the Pharmaceutical Industry: Impact of Mailbox Applications

[2006/07]

Research Team: Dr. Somesh Mathur

On 1 January 2005, countries which were yet to grant patents for pharmaceutical

products, such as India, opened the mailbox for examining the pending patent applications together with other new patent applications filed to grant or reject patents in accordance with the TRIPS provision of the WTO. Following full compliance with the TRIPS Agreement in 2005 in India and the few other developing countries that are yet to grant pharmaceutical patents, the affordability and accessibility to new and essential drugs is expected to become more difficult. All new drugs may be subject to at least 20 years of patent protection in all but the least developed countries and the occasional non-WTO country such as Somalia, Palestine and Macedonia. The apprehension is that 20-year monopolies will drive up the price of treatment in India and in hundreds of importing countries—the world's source of supply of generic HIV medicines may disappear. In the light of this development, the study will prepare an inventory of the drugs and pharmaceutical applications in the mailbox and assess the implications on the accessibility and affordability of essential medicines to the general public. Further, the study will examine the challenges, safeguards and flexibilities available within the TRIPS agreement including the Doha mandate to address the public health concerns and to draw policy lessons.

II. Policy Advisory Services

Over the years RIS has been striving to fulfill the mandate of rendering policy advisory services to the Government of India and others. A selective list of the inputs provided to the Ministries and other governmental bodies during the year is given below:

East Asia Summit and Asian Economic Community

RIS assisted the government in preparations for the East Asia Summit (EAS) with a number of inputs as follows:

- A Note on “India and the East Asian Summit” was sent to the Ministry of External Affairs on 19 April 2005.
- A Note on “East Asian Summit and the Asian Economic Community” for discussion was sent to the Ministry of External Affairs on 5 May 2005. It was discussed at an inter-ministerial meeting chaired by Secretary (East) on 9 May 2005.
- A Note on “India’s Look East Policy and Northeast India”, was prepared and sent to the Economic Advisory Council to the Prime Minister on 8 June 2005.
- A Note on “Regional Trading Arrangements (RTAs) in the World and Asia: Options for India” was prepared and sent to the Economic Advisory Council to the Prime Minister on 11 June 2005.
- A Note on “India’s Economic Integration with East Asia: A win-win for Asia” was sent to the Ministry of External Affairs on 25 November 2005 as inputs for the East Asia Summit.
- A Report and the documents from the Fourth High-Level Conference on Asian Economic Integration on the agenda of EAS, were provided to the Ministry of External Affairs on 25 November 2005.
- RIS brought out a publication *Towards an Asian Economic Community: An Agenda for the East Asia Summit* which was circulated among the delegations participating in the first EAS in Kuala Lumpur in December 2005 through the Indian delegation.

ASEAN-India FTA and ASEAN-India Economic Relations

- RIS issued a volume *India-ASEAN Economic Relations: Meeting the Challenges of Globalization* on the eve of the ASEAN-India Summit.

- A Concept Paper on “Towards an Asian Economic Community” was prepared on the request of the Ministry of External Affairs on 17 May 2005 for the India-ASEAN Senior Officials Meeting.
- A tabular survey of FTAs/RTAs existing in the EAS region was sent to the Ministry of External Affairs on 25 November 2005.
- Inputs were provided for ASEAN-India FTA negotiations on Rules of Origin for the Negotiating Group Meeting.
- Subsequently, RIS was also requested to prepare a draft of Chapter 2: on Trade in Goods, Chapter 6: Other Areas of Cooperation, and Chapter 8: on Relevance of CECA/EPA.
- Note on the “Case for an India-Japan Comprehensive Economic Partnership Agreement” was prepared for the Ministry of External Affairs on 25 February 2006.
- A draft annotated outline of the merged Chapters 6 and 7 and inputs on other areas of economic cooperation, cooperation at WTO, and regional economic cooperation were provided. Notes on Chapter 8 (Liberalized and Upgraded Framework for India-Japan Economic Partnership) and on the combined Chapters 6 and 7 (Other Areas of Economic Cooperation) of the India-Japan JSG were also submitted.

SAARC Summit and SAFTA Negotiations

RIS has been regularly providing inputs for the SAARC process.

- A Note on “Towards A South Asian Economic Union: Role for India-Sri Lanka Partnership” was prepared for and sent to the Ministry of External Affairs on 29 August 2005.
- Notes on “SAFTA and Beyond: An Agenda for SAARC” and “Regional Cooperation in Disaster Management in South Asia” as inputs for preparation for the SAARC Summit were made available to the PMO on 3 November 2005.

India-Japan Economic Relations

- Note on “India-Japan Economic Cooperation as a building bloc of Broader Regional Economic Integration in Asia” was sent as an input for the India-Japan Joint Study Group to the Department of Economic Affairs, Ministry of Finance on 13 July 2005.
- Draft Chapter 1 on “The Context of Indian Japan Economic Cooperation” and an Annotated Outline of the Chapter 4 (Investment) as inputs for the India-Japan Joint Study Group were provided to the Ministry of External Affairs on 29 September 2005.

Other Inputs to Ministry of External Affairs

- Note on Utilizing Lines of Credit for Strengthening the Indian Competitiveness Abroad and Access to Key Raw Materials was prepared for the Ministry of External Affairs on 24 February 2006.
- A Brief Note on “Trade Complementarity between India and the EU-15” was submitted to the Embassy of India, Brussels on 31 January 2006.

India-Korea Joint Study Group

- RIS has been represented in the India-Korea JSG and participated in its meetings. A draft Chapter on “Trade in Services” of the JSG Report was prepared by RIS, among other inputs.

Hong Kong Ministerial Conference of WTO

- RIS prepared and issued a set of 3 policy briefs on the agenda of the WTO Ministerial, viz. *Doha Round's Development Impacts: Shrinking Gains and Real Costs, Making Doha a Really*

Development Round, and Trade Facilitation: Need to Strike a Balance between Pragmatism and Caution. RIS, as reported elsewhere, also organized important events before and on the sidelines of the Hong Kong WTO Ministerial Conference.

Foreign Trade Policy

- A Preliminary Report of the study on “Towards an Employment-Oriented Export Strategy” was prepared as inputs in preparation of the Foreign Trade Policy announced on 8 April 2005.

WTO/NAMA Negotiations

- A Note on “Final List of Non-Agriculture Sensitive items based on

Trade Statistics 2004-05 and Tariff Rates of 2005-06” was submitted to the Ministry of Commerce on April 9, 2005.

Other inputs to the Government of India

- Note to the Ministry of Commerce and Industry on “International Trade Issues in Biotechnology: Perceptions and Concerns” was submitted to the Ministry of Commerce for Inter-Ministerial Meeting on International Trade Issues in Biotechnology.
- RIS provided inputs on Structural Dimensions of the Environment Project Approach to the Ministry of Commerce.

III. Fostering Policy Dialogue: Conferences, Symposia and Workshops

The Fourth High-Level Conference on Asian Economic Community, New Delhi, 18-19 November 2005

Continuing its work programme on Asian Economic Community, RIS organized the Fourth High-Level Conference on Asian Economic Integration: Towards an Asian Economic Community on 18-19 November 2005 in New Delhi in collaboration with Institute of Southeast Asian Studies (ISEAS), Singapore. The Sasakawa Peace Foundation, Japan and the UNDP Regional Centre, Colombo supported the Conference.

Dr. Arjun Sengupta, M.P. (Rajya Sabha) and Chairman, RIS chaired the inaugural session. Hon'ble Shri K. Natwar Singh, the then Minister, Government of India, delivered the inaugural address. Dr. Nagesh Kumar, Director-General, RIS; Ambassador K. Kesavapany, Director, Institute of Southeast Asian Studies, Singapore; and Prof. Akinori Seki, President, Sasakawa Peace Foundation, Tokyo also addressed the inaugural session.

H.E. Mr. Y. Enoki, Ambassador of Japan to India chaired the first business session on the Asian Century: The Relevance of Asian Economic Integration, which had key presentations on 'Economic Integration and Asia's New Role in Global Economy' by Prof. Soogil

Young, President, NSI Forum, Seoul, South Korea; and 'Relevance of Broader Asian Economic Community' by Dr. Nagesh Kumar. Prof. Mohammed Ariff, Executive Director, MIER, Kuala Lumpur; and Dr. Eric Teo, Council Secretary, Singapore Institute of International Affairs were the key commentators.

Ambassador K. Kesavapany chaired the next session which dealt with the issue of Regional Trade and Investment Liberalization: Trends and Potential. The session had key presentations on East Asia-South Asia Economic Cooperation by Dr. Pradumna B. Rana, Senior Adviser, OREI, Asian Development Bank, Manila;



(From left): Hon'ble Shri Prithviraj Chavan, Minister of State in Prime Minister's Office; Dr. Nagesh Kumar, Dr. Arjun Sengupta, Ambassador K. Kesavapany; and Ambassador S.T. Devare, Vice-Chairman RIS, at the valedictory session of the conference.



(From right): Dr. Tiziana Bonapace; Prof. Aftab Seth; Professor T. Kondo; Dr. Nagesh Kumar; Dr. Eric Teo; an interpreter at a session of the Third High-Level Conference on Asian Economic Community at Taiyuan, China.

'Economics of an East Asian FTA' by Dr. S.K. Mohanty, RIS; and ASEAN's Role in Asian Economic Integration by Dr. Gloria Pasadilla, Research Fellow, Philippine Institute of Development Studies, Manila. The main discussants were: Dr. Le Bo Linh, Deputy Director-General, IWEP, Vietnam Academy for Social Sciences, Hanoi; and Dr. Rahul Sen, Research Fellow, ISEAS, Singapore.

The session on 'Monetary and Financial Cooperation in Asia' was chaired by Dr. Parthasarathy Shome, Adviser to Finance Minister, Ministry of Finance. It had key presentations on the Asian Exim Banks Cooperation by Mr. T.C. Venkat Subramanian, Chairman and Managing Director, Export-Import Bank of India; 'Financial Cooperation for Infrastructure Development in Asia' by Dr. Ramgopal Agarwala and Dr. Prabir De of RIS; and 'Approaches to Asian Bond Market' by Ambassador Manaspas Xuto, President, United Nations Association of Thailand. The main discussants were Prof. Osamu Nariai, Reitaku University, Japan; and Dr. Ram Upendra Das, Fellow, RIS.

The following session on Prospects for Regional Cooperation for Asian Energy Security was chaired by Mr. Talmiz Ahmad, the then Additional Secretary, Ministry of Petroleum & Natural Gas, Government of India in which Mr. Vipul Tuli, Principal, McKinsey & Co. New Delhi; Dr. Shi Yaodong, Research Fellow,

Development Research Centre (DRC) of the State Council of China, Beijing; Dr. Sebonti Roy Dadwal, Institute of Defence Studies and Analysis, New Delhi; and Mr. T.K. Arun, Editor, *The Economic Times* made key presentations. Dr. Samir Ranjan Pradhan of RIS was the discussant.

Ambassador Sudhir Devare, ISEAS and RIS chaired the session on Asian Identity and Strategic Issues. The distinguished panelists in this session were Dr. Sanjaya Baru, Prime Minister's Office, New Delhi; Mr. Kavi Chongkittavorn, Executive Editor, *Nation*, Bangkok; Prof. C. Raja Mohan, JNU, New Delhi; Dr. Eric Teo; and Prof. Yao Chao Cheng, Shanxi University of Finance and Economics, Taiyuan, China.

The high-level conference also had a roundtable on the Agenda for the East Asia Summit. Ambassador Rajiv Sikri, Secretary, Ministry of External Affairs, Government of India and Prof. Mohammed Ariff co-chaired the session. Prof. Soogil Young; Mr. Kavi Chongkittavorn; Prof. Osamu Nariai; Prof. Mukul Asher, National University of Singapore; and Dr. Lay Vannak, Research Fellow, Cambodia Institute for Cooperation and Peace were the discussants.

Hon'ble Shri Prithviraj Chavan, Minister of State in Prime Minister's Office delivered the valedictory address.

Third High-Level Conference on Asian Economic Community, Taiyuan, China, 15-16 September 2005

RIS and Shanxi University of Finance and Economic, China organized the Third High-Level Conference on Building a New Asia: Towards an Asian Economic Community on 15-16 September 2005 in Taiyuan, P.R. China. Dr. Zhao Guohao of the Shanxi University of FE chaired the inaugural session. Mr. Vinay Kwatra, Deputy Chief of Indian Mission in China on behalf of the Ambassador of India, H.E. Mr Nalin Surie; Dr Nagesh Kumar, Director General, RIS; authorities of the

Provincial Government, Mayor of Taiyuan; and an official of the Chinese Ministry of Education, Beijing also spoke on the occasion. Prof Yuan Meisheng, President of SXUFE conferred Visiting Professorships of his University on Dr. Nagesh Kumar and Dr. Manoranjan Mohanty, Delhi University, India.

The first session on the 'Relevance of an Asian Economic Community' was chaired by Professor Takehiko Kondo, President, Hamamatsu Gakuin University, Japan. Dr Nagesh Kumar, Director-General, RIS presented the theme paper. Dr Eric Teo, Council Secretary, Singapore Institute of International Affairs; Prof. Aftab Seth, President, GSEC, Keio University, Tokyo; and Dr Tiziana Bonapace, Chief, Trade Policy, TTD, UN-ESCAP were the key discussants.

Prof. Yuan Meisheng chaired the session on 'China and India: Co-drivers of Asian Growth and Prosperity'. The main speakers in the session were: Prof. Zhao Guohao, Vice President, Shanxi University of FE; Dr Rajiv Kumar, Chief Economist, Confederation of Indian Industries; and Prof. Manoranjan Mohanty, Delhi University.

The theme of the next session was Building Blocs of Asian Regional Integration. Professor Lau Sim Yee, Programme Advisor, Sasakawa Peace Foundation and Reitaku University, Japan chaired. It had presentations by: Dr Pradumna B. Rana, Senior Director, Asian Development Bank, Manila; Dr Tiziana Bonapace; Prof. Masanori Kondo, International Christian University, Tokyo; and Dr Ram Upendra Das, Fellow, RIS. Later a delegation of the Conference led by Dr. Nagesh Kumar called on the Vice-Governor of Shanxi Province.

The second day of the conference began with the session on 'Monetary and Financial Integration in Asia: An Asian Currency Unit'. It was chaired by Dr Pradumna Rana and had a keynote presentation by Professor Takehiko Kondo, Hamamatsu Gakuin University. Other presentations in this session were made by: Prof. Ramkishan Rajan,



Professor Kirit Parikh, Member, Planning Commission and Dr. Pradipto Ghosh, Secretary, Ministry of Environment and Forests (centre) co-chairing a session at Regional Conference on WTO.

National University of Singapore; Prof. Ms Xiao Bing Feng, Shanghai Academy of Social Sciences; and Prof. Zhang Runlin, SXUFE.

The session on Strategic Relevance of Asian Economic Integration was chaired by Dr Zhao Guohao. It had presentations by: Prof. Aftab Seth; Dr Eric Teo, Council Secretary, Singapore Institute of International Affairs; Prof. Chiao-min Hsieh, University of Pittsburgh, USA; Prof. Yao Chao Cheng, Shanxi University of FE; and Mr. Yoshimitsu Matsuki, Sasakawa Peace Foundation, Tokyo.

A Round Table Discussion was co-chaired by Prof. Yao Chao Cheng, Shanxi University of FE and Prof. Manoranjan Mohanty, Delhi University.

The concluding session was co-chaired by Dr Guo Ze Guang, Vice President of Shanxi University of FE and Prof. Aftab Seth. Prof. Yuan Meisheng, President, SXUFE delivered the valedictory address. Dr Nagesh Kumar made the concluding remarks.

Regional Conference on the Agenda for WTO Hong Kong Ministerial: Challenges for South Asia, New Delhi, 11-12 August 2005

RIS organized the Regional Conference on the Agenda for WTO Hong Kong Ministerial: Challenges for South Asia



(From left): Dr. Nagesh Kumar, DG, RIS; Mr. Shishir Priyadarshi, WTO Secretariat, Geneva; Professor Muchkund Dubey, President, CSD; Dr. Kamal Malhotra, UNDP, New York; and Dr. Debapriya Bhattacharya, Executive Director, CPD, Bangladesh at a Panel Discussion on WTO, Trade and Development at the Regional Conference on the Agenda for WTO Hong Kong Ministerial.

jointly with Global Biodiversity Forum, IUCN, Asia, and Federation of Indian Chambers of Commerce and Industry in New Delhi on 11-12 August 2005.

Dr. Arjun Sengupta, Chairman, National Commission on Enterprises in Unorganized Sector; and Chairman, RIS chaired the inaugural session. Mr. S.N. Menon, Commerce Secretary, Ministry of Commerce and Industry, Government of India delivered the inaugural address. Mr. Onkar S Kanwar, President, FICCI; Dr. Balakrishna Pisupati, IUCN, and Dr. Nagesh Kumar, Director-General, RIS also addressed the inaugural session.

The Conference began with a Panel Discussion on WTO, Trade and Development. Professor Muchkund Dubey, President, Council for Social Development chaired. The main speakers were Dr. Kamal Malhotra, UNDP, New York; Mr. Shishir Priyadarshi, WTO Secretariat, Geneva; Dr. Nagesh Kumar, Director General, RIS; and Dr. Debapriya Bhattacharya, Executive Director, CPD, Bangladesh.

The first Technical Session on WTO and Agriculture was chaired by Professor Anwarul Hoda, Member, Planning Commission. Professor Jayati Ghosh, CESP, JNU; Dr. Vandana Aggarwal,

Director (TPD), Department of Commerce; Dr. Poshraj Pandey, President, SAWTEE, Kathmandu, Nepal; and Dr. Saikat Sinha Roy, Fellow, RIS, were the main speakers.

The Technical Session II on 'Issues in Non-Agriculture Market Access' was chaired by Mr. B.L. Das, India's Former Permanent Representative at GATT. The main speakers were: Mr. Agneshwar Sen, OSD (GATT), MoC; Prof. Mustafizur Rehman, Research Director, CPD, Bangladesh; and Dr. Rajesh Mehta, Senior Fellow, RIS.

The theme of the third technical session was 'WTO and Environment: Ensuring Better Links'. It was co-chaired by Dr Kirit Parikh, Member, Planning Commission; and Dr. Pradipto Ghosh, Secretary, MoEF. Mr. Sanjay Kumar, Director, MoC; Dr. Balakrishna Pisupati, IUCN, Sri Lanka; and Dr. Fahmida A. Khatun, Senior Research Fellow, CPD, Bangladesh were the main speakers.

The programme also included parallel session on 'SPS Measures and Developing Country Market Access: Implementation Issues' chaired by Prof. G.K. Chadha, Member, Economic Advisory Council to the PM. Prof. Prema-chandra Athukorala, ANU, Canberra, Australia; and Dr. Rajesh Mehta, Senior Fellow, RIS were the main speakers. In the session on 'Trade, Biodiversity and IPRs' Mr. Sanjay Kumar, Director, MoC; Dr. Biswajit Dhar, Head, Centre for WTO Studies, IIFT; and Dr. Malathi Lakshmikumaran, New Delhi were the main speakers.

The session on Regional Focus: Environment, Biodiversity and WTO was chaired by Dr. Veena Jha, Project Coordinator, UNCTAD. The speakers included: Dr. K. P. S. Chauhan, Senior Fellow, ATREE, Bangalore; Mr. Krishna C. Poudel, Joint Secretary, Ministry of Forest & Soil Conservation, Nepal; and Mr. Amrit Rajapakse, IPS, Sri Lanka.

The session on 'WTO, SAFTA and Environment: Regional Concerns' was chaired by Ambassador Rajiv Dogra, Addl. Secretary, MEA. Dr. S.K. Mohanty, Fellow, RIS; Dr. Sachin Chaturvedi, Fellow, RIS; and Dr. Pavel Chakraborty,

RIS at the Hong Kong Ministerial Conference of WTO

As reported earlier, in view of the extensive focus on the WTO negotiations in its work programme, RIS participates in the WTO Ministerial Conferences as an NGO accredited to the WTO Secretariat. RIS had participated in the Cancun Ministerial and had organized some events on the sidelines of the Ministerial. At the Hong Kong Ministerial Conference held in December 2005, RIS organized the following events:

Seminar on “Development” in the WTO’s Doha Round, Hong Kong, 12 December 2005



(From R-L): Mr. Pavan Kapur of Permanent Mission of India to WTO in Geneva; Dr. Ivan Mbirimi, Commonwealth Secretariat; Dr. Nagesh Kumar; Dr. Manuel Montes, UNDP/RCC Colombo; and Dr. Hira Jhumtani, Third World Network, Jakarta at RIS Seminar at Hong Kong.

The Seminar was organized by RIS on the eve of the WTO’s Sixth Ministerial held in Hong Kong from 13-18 December 2005 at the NGO Centre of the Ministerial Conference. It included a presentation of the RIS Study on “Making Doha a Truly Development Round”. This study was issued and circulated as RIS Policy Brief # 20. While presenting the study, Dr. Nagesh Kumar, Director-General, RIS emphasized that the Doha Round was launched to address the concerns of developing countries arising out of the asymmetric distribution of gains of trade liberalization undertaken in the Uruguay Round. However, the pace of progress so far in the Round addressing the developmental concerns has been far from satisfactory and suggests some going back on the promises of Doha. The presentation also

covered some specific proposals made by RIS for restoring the development balance in the Doha Round in key areas of negotiations, such as agriculture, NAMA, services, trade facilitation, TRIPs and traditional knowledge, transfer of technology, and special and differential treatment. It concluded with a few proposals for cooperation among developing countries in the area of trade.

The presentation of the RIS study was followed by a panel discussion by international experts comprising Dr. Manuel Montes, Regional Programme Coordinator, Asia Trade and Investment Initiative, UNDP Regional Centre in Colombo; Dr. Ivan Mbirimi, Chief Programme Officer, Economic Affairs Division, Commonwealth Secretariat; U.K.; Dr. Hira Jhumtani, Third World Network, based in Jakarta; and Mr. Pavan Kapur, PMI, Geneva and a member of the official Indian delegation. Dr. Montes elaborated on the concerns of developing countries in the ongoing negotiations. Dr. Mbirimi highlighted the special problems faced by smaller and Least Developed Countries in the trade negotiations. Dr. Jhumtani brought the civil society perspective in her presentation. Mr. Kapur made a presentation on the current state of negotiations with respect to special and differential treatment. The key presentations were followed by intensive discussions from the floor, in which among other participants, Mr. Jean-Marie Metzger, Director, OECD Trade Directorate, Paris took part.

Panel Discussion on ‘Putting Development First: The Need for Policy Space in the WTO’, Hong Kong, 16 December 2005

This Panel Discussion was organized by RIS jointly with GDAE, USA and ICTSD Geneva on 16 December 2005 at the Hong Kong Trade and Development Symposium (HKTDS). The panelists were Dr. Werner Corrales, ICTSD Special Advisor to UNCTAD Secretary-General and former Minister of Development of Venezuela; Dr. Nagesh Kumar, Director-General, RIS; Mr. Vincent Yu, South Centre; Mr. Hans-Peter Egler, Swiss State Secretariat for Economic Affairs (SECO).



(From L-R): Dr. Kevin Gallagher, Dr. Vincent Yu, Dr. Nagesh Kumar, Ambassador Werner Corrales and Mr. Hans-Peter Egler at the Panel on Policy Space.

Panel Discussion on ‘From Traceability to Biotechnology: Trade and Food Safety Standards’, Hong Kong, 14 December 2005

This Panel was organized by RIS jointly with the Danish Institute for International Studies, and START Network at the Hong Kong Trade and Development Symposium (HKTDS): Speakers were Dr. Michael Friis Jensen, Danish Institute of International Studies; Dr. Ron Sandrey, Trade Law Centre for Southern Africa, Stellenbosch; Dr. Sachin Chaturvedi, Fellow, RIS; and Dr. Paolo Vergano, ‘O’connor and Company.



(From right) Dr. Nagesh Kumar; Mr. Prabir Sengupta; Dr. Rajesh Mehta; and Dr. R.G. Nambiar at the Workshop on International Food Safety Regulations and Processed Food Exports: A Comparative Study of India and Thailand held in New Delhi.

Research Associate, TERI were the main speakers.

The Plenary session on Taking Stock: Way forward for Hong Kong was chaired by Prof. Ashok Parthasarathi. A large number of participants from government; research institutes; business and industry circles; and media participated in the discussion during the various sessions of this important regional conference.

Workshop on International Food Safety Regulations and Processed Food Exports: A Comparative Study of India and Thailand, New Delhi, 13 August 2005

RIS organized an International Workshop on 'International Food Safety Regulations and Processed Food Exports: A Comparative Study of India and Thailand' in New Delhi on 13 August 2005 in collaboration with Australian National University, University of Melbourne and Thammasat University and funded by Australian Centre for International Agriculture Research (ACIAR).

Shri Subodh Kant Sahai, Hon'ble Minister of State for Food Processing Industries (Independent Charge), inaugurated the workshop. Dr. Arjun K. Sengupta, Chairman, RIS chaired the

inaugural session. Dr Nagesh Kumar, Director General, RIS made welcome and introductory remarks. Prof. Prema-Chandra Athukorala of the Australian National University, also addressed the inaugural session. Dr Rajesh Mehta, Senior Fellow and Leader, Indian research team extended a vote of thanks.

The main presenters were Prof. Prema Chandra Athukorala; Dr. Sisira Jayasuriya; Dr. Rajesh Mehta; Dr. Bhanupong Nidhiprabha, and Ms Shashi Sareen, EIC, India.

The distinguished chairpersons of sessions include: Shri K.S. Money, Chairman, APEDA; Shri Prabir Sengupta, Director, IIFT, Prof. Abhijit Sen, Member, Planning Commission, and Dr S.R. Hashim, Chairman, UPSC. Dr Rajiv Mehta, Member-Secretary, CACP, Ministry of Agriculture, Prof. Manmohan Agarwal, Professor, JNU, Shri Vijay Sardana, Executive Director, CITA, and Shri S.K. Singh, General Manager, VH Group of Companies Ltd. acted as discussants.

Dr Rajesh Mehta, Indian Team Leader made a presentation on Indian Country Report on "Food Safety Standards and Indian Food Exports".

The Workshop concluded with a Panel Discussion. The panelists were: Shri K.S. Money, Chairman, APEDA; Prof. Prema-Chandra Athukorala, Professor of Economics, ANU, Canberra; Dr Sisira Jayasuriya, University of Melbourne, Australia; Shri Sanjay Kumar, Director, MoC; Ms Shashi Sareen, Director, EIC; Shri S.K. Srivastava, Director, Department of Animal Husbandry and Dairying, MoA; Shri Abhiram Seth, Executive Director, PEPSICO India Holding Pvt. Ltd.; Dr Raj Shekharan, Chief (Agriculture), Kerala State Planning Board and Prof. Kanchan Chopra, Prof. of Economics, IEG.

National Consultation on South-South Economic Cooperation: Exploring Mekong-Ganga Relationship, New Delhi, 1 September 2005

RIS and CUTS Centre for International Trade, Economic & Environment jointly

organized the National Consultation on South-South Economic Cooperation: Exploring Mekong-Ganga Relationship in New Delhi on 1 September 2005.

Professor S. D. Muni, former Ambassador of India in Lao PDR delivered the inaugural address. Dr Nagesh Kumar, Director General, RIS and Dr Prasad P Ranade, Research Director, CUTS Centre for International Trade, Economics & Environment also addressed the inaugural session.

The first session on Exploring Mekong-Ganga Relationship – Trade, Investment, and Finance was chaired by Ambassador A N Ram, former Secretary, Ministry of External Affairs. It had a presentation by Prof. K J Joseph, RIS and CDS. Mr S K Verma, Director, Ministry of External Affairs, Government of India made remarks. The second session on ‘Exploring Mekong-Ganga Relationship – Infrastructure and Energy’ was chaired by Mr. K L Thapar, Asian Institute of Transport Development. It had a presentation by Dr. Prabir De of RIS. Prof. N. Ranganathan, Adviser, Consulting Engineering Services (India) Pvt. Ltd., New Delhi made the remarks. The third session on ‘Exploring Mekong-Ganga Relationship – Other Areas of Cooperation: Agriculture, S&T and HRD, SMEs, Health & Pharma, Tourism, etc’. was chaired by Ambassador Shashank, former Foreign Secretary of India. It had presentation by Dr. Prabir De of RIS. Remarks were made by Prof Baladas Ghoshal, Jawaharlal Nehru University, New Delhi; Mr. K.P.V. Nair, Director, Asia Centre, Kolkata; Dr. Sailendra Narain, former Chairman, SIDBI, and Chairman, Centre for SME Growth & Development Finance, Mumbai; and Mr. Jayant Bhuyan, Dy. Director General, Confederation of Indian Industry (CII).

National Consultations on Cartagena Protocol on Biosafety: Issues before MoP-2, New Delhi, 24 May 2005

RIS in collaboration with the Ministry of Environment and Forest (MoEF), organized the ‘National Consultations on Cartagena Protocol on Biosafety: Issues



(From left): Dr. Sachin Chaturvedi, Dr. N. Lalitha; Dr. Suman Sahai; Dr. Mruthyunjaya; and Dr. Vibha Dhawan at the National Consultation on Cartagena Protocol on Biosafety Issues before MoP-2.

before MoP-2’ in New Delhi on 24 May 2005. The programme began with the opening remarks by Dr. Nagesh Kumar, Director General, RIS. Dr. S R Rao, Adviser to Minister of Science and Technology, Government of India delivered the keynote address on “Cartagena Protocol: Identifying the Issues of Concern”. Mr. Gopi N. Ghosh, Assistant FAO Representative in India, and Dr. Manoranjan Hota, Additional Director, Ministry of Environment and Forest (MoEF), also addressed the inaugural session. Dr. Sachin Chaturvedi, Fellow, RIS extended the vote of thanks.

Dr. T. V. Ramanaiah, Adviser, Department of Biotechnology, chaired the first session on ‘Precautionary Principle and Compliance Mechanism: Exploring the Policy Spaces’. The main speakers in the session were Dr. Bala Krishna Pisupati, IUCN, Sri Lanka; and Prof. A. Damodaran, Homi Bhabha Fellow, Indian Institute of Management, Bangalore. Dr. R. K. Khetrapal, Head, Plant Quarantine Division, the National Bureau of Plant Genetic Resources was the discussant.

The next session on ‘Liability and Redress: International Trends and Domestic Policy Options’ was co-chaired by Dr. Rajiv Mehta, Member-Secretary, CACP, Ministry of Agriculture and Mr. Suparas Bhandari, Chairman & Managing Director, Agriculture Insurance



(From left): Dr. Nagesh Kumar; Dr. Sachin Chaturvedi; Shri Desh Deepak Verma; and Shri R. K. Sinha at the inaugural session of the National Consultation on Trade in GM Products: Issues Concerning Cartagena Protocol.

Company Limited. The main speakers included: Dr. Philippe Cullet, International Environmental Law Research Centre, Geneva, and Dr. R. S. Rana, former Director, National Bureau of Plant Genetic Resources. Prof. M. M. Payak, former Head, Indian Agricultural Research Institute, and Shri R. K. Sinha, All India Crop Biotechnology Association were the discussants.

Dr. Mruthyunjaya, National Director, National Agricultural Technology Project, chaired the session on Incorporating Socio-Economic Concerns: Challenges and Policy Options. The main speakers were Dr. N. Lalitha, Associate Professor, Gujarat Institute for Developmental Research (GIDR), Dr. Sachin Chaturvedi, Fellow, and Dr. E. Haribabu, Department of Sociology, University of Hyderabad. Dr. Suman Sahai, Gene Campaign, and Dr Vibha Dhawan, Dean, The Energy and Resources Institute (TERI), were the discussants.

The session on International Commitments and Harmonizing Domestic Acts and Guidelines was chaired by Dr. S. R. Rao, Adviser to Minister of Science and Technology. The panelists in this session were Shri Arun Kumar, Joint Secretary, Ministry of Food Processing; Shri Prem Narain, Joint Secretary (Seeds), Ministry of Agriculture; Shri Sanjay Kumar, Director, Ministry of Commerce

(MoC); and Dr. Manoranjan Hota, Additional Director, Ministry of Environment and Forest (MoEF). Dr. Manoranjan Hota chaired the concluding session.

During the national consultation critical aspects of agricultural biotechnology were brought up. Since the Cartagena Protocol on Biosafety is likely to be one of the guiding principles for India's agricultural trade, it is important to tackle the policy challenges thrown up by the technology. India's precautionary measures should take into account the need of industry and socio-economic concerns. In the context of liability and redress, three main elements need to be considered: environmental damage, socio-economic impacts, and patent liability. There was a general agreement regarding the need for guidelines on import and export of bulk GMOs. Socio-economic factors are important aspects of biosafety since in India a sizeable population is dependent on agriculture. However, there are stark gaps in the information exchange and this leads to a lack of knowledge at the taluka or the village level.

National Consultation on Trade in GM Products: Issues Concerning Cartagena Protocol, New Delhi, 1 March 2006

RIS, All India Crop Biotechnology Association, and the Ministry of Environment and Forests, Government of India jointly organized the National Consultation on Trade in GM Products: Issues Concerning Cartagena Protocol on 1 March 2006 in New Delhi.

The programme began with welcome remarks by Dr. Nagesh Kumar, Director General, RIS. Shri Desh Deepak Verma, Joint Secretary, Ministry of Environment and Forest (MoEF) made a presentation on the issues and challenges facing the country on the subject. Shri R. K. Sinha, Executive Director, All India Crop Biotechnology Association (AICBA), also spoke at the inaugural session.

Dr. Vibha Dhawan, Vice-Chancellor, TERI School of Advanced Studies chaired the Panel Discussion on Key Regulatory Issues relating to Cartagena Protocol on Biosafety. Dr. S. R. Rao, Scientific Advisor, Ministry of Science and Technology; and Dr. Partha R. Das Gupta, Advisor, Syngenta India Ltd. were the panelists.

Dr. R. S. Rana, former Director, NBPGR, New Delhi chaired the session on 'Liability and Redress: Defining the Contours'. In this session Dr. Martha Stanton, Crop Life Asia, Bangkok; Dr. Vibha Ahuja, Deputy General Manager, Biotech Consortium India Limited; and Prof. Bharat H. Desai, JNU, made the presentations.

The session on 'Issues in Handling and Transboundary Movement' was also chaired by Dr. R. S. Rana. The speakers in the session were: Dr. Ravi Khetarpal, Head, Plant Quarantine, NBPGR; Dr. Biswajit Dhar, IIFT (WTO Centre); and Dr. Vibha Dhawan, Vice-Chancellor, TERI School of Advanced Studies.

Dr J L Karihaloo, Project Coordinator, Asia-Pacific Consortium on Agricultural Biotechnology (APCoAB), chaired the session on 'Compliance Mechanism: Issues and Options'. Dr. T. V. Ramaniah, Director, Department of Biotechnology; and Dr. Sachin Chaturvedi, Fellow, RIS, made presentations.

The concluding session on The Way Forward was chaired by Dr J L Karihaloo. In this session the main speakers were: Dr. S. R. Rao; Dr. Manoranjan Hota, Additional Director, Ministry of Environment and Forest (MoEF); and Dr. Damien Plan, Director, Public, Government and Communication Asia Pacific, Bayer Crop Science, Singapore.

Eminent Person Lecture on Asian Century: The Dynamics of North East Asia, ASEAN and India, by Professor Chung Duck-Koo, New Delhi, 27 January 2006

RIS has started a new series of Eminent Persons Lecture. Professor Chung Duck-Koo, Hon'ble Member of Parliament, and former Minister of Commerce, Industry



(From left): Dr. Ramgopal Agarwala; Dr. Ramkishan S. Rajan; and Dr. Nagesh Kumar at the Seminar on Taking Stock of Monetary and Financial Cooperation in East Asia: Implications for India.

and Energy, Republic of Korea delivered the first Eminent Person Lecture. The topic was 'Asian Century: The Dynamics of North East Asia, ASEAN and India' on 27 January 2006 in New Delhi. Dr. Nagesh Kumar, Director General, RIS; and Ambassador Shashank, former Foreign Secretary and former Ambassador to South Korea made the initial remarks. Thereafter Shri Ajay Maken, Hon'ble Member of Indian Parliament addressed the gathering on the importance of the theme of the lecture and chaired the event. He also touched briefly on the various aspects of the evolving Indian-ASEAN economic cooperation. It was followed by the Eminent Person Lecture by Hon'ble Professor Chung Duck-Koo. After the lecture a question-answer session also took place in which the participants raised a number of issues concerned with India-ASEAN economic relations and the importance of India-Korea economic cooperation.

Seminar on Taking Stock of Monetary and Financial Cooperation in East Asia: Implications for India, New Delhi, 23 December 2005

Over the past few years, a number of initiatives have been taken in the direction of monetary and financial cooperation in East Asia within the framework of ASEAN+3. These initiatives have important implications for India, given



(From left:) Dr. Tan Khee Giap; Ambassador K. Kesavapany; Ambassador S.T. Devare; and Dr. Nagesh Kumar at the seminar on Competitiveness of India, China and ASEAN.

the growing economic links with East Asia. To discuss these initiatives and their implications for India, RIS organized a Seminar on “Taking Stock of Monetary and Financial Cooperation in East Asia: Implication for India” on 23 December 2005. Dr. Ramkishan S. Rajan, Associate Professor, School of Public Policy, George Mason University, Washington DC, USA and a noted expert on these issues made a presentation on the subject. It was followed by an open discussion. Dr. Ramgopal Agarwala, Senior Consultant, RIS chaired the seminar.

Seminar on ompetitiveness of India, China and ASEAN and Their Role in the Emerging Asian Economic Community, New Delhi, 25 January 2006

RIS organized a seminar on ‘Competitiveness of India, China and ASEAN and their role in the emerging Asian Economic Community’, on 25 January 2006. Ambassador K. Kesavapany, Director, Institute of Southeast Asian Studies (ISEAS), Singapore; and Dr. Tan Khee Giap, Visiting Senior Research Fellow, ISEAS and Head, ASEAN Economies Monitoring Unit, Nanyang Technological University, Singapore, presented an

empirical study examining a comprehensive assessment of competitiveness indicators for 35 Indian States and Union Territories, 31 Chinese Provinces, and 10 ASEAN economies to draw some policy lessons. Ambassador S.T. Devare, Vice-Chairman, RIS chaired. The analytical and empirical assessment of the relative competitiveness of major Asian economies provided a backdrop for rich discussions on the nature and direction of policy reforms for strengthening our competitiveness, growth and regional cooperation. A large number of participants from academia, government departments and business and industry circles took active part in the discussion.

Consultations with Industry on Rules of Origin under the India-ASEAN FTA

Currently, the Government of India is in the process of evolving Product-specific Rules of Origin (PSRs) under the India-ASEAN FTA. In this context, RIS has been asked to conduct a comprehensive study exploring the different options available within the ambit of Rules of Origin that can contribute to the progress in negotiations between India and ASEAN, while being sensitive to the concerns of Indian industry.

With a view to concretize understanding on PSRs and to provide timely inputs to the Government of India on this important issue RIS organized a Meeting with different stakeholders on 25 November 2005. It was followed by a series of Meetings during 6-10 February 2006. The Meetings were attended by senior officials of Department of Commerce and representatives from respective industry and business circles. Subsequently, a Summing-up Session was also organized with the representatives of the stakeholders at RIS on 10 February 2006.

Outside Engagements of the Members of RIS Faculty

Dr Nagesh Kumar, Director-General

- Nominated by the Prime Minister as a Member of the India-Japan Joint Study Group, set up by the Governments of India and Japan to explore feasibility of India-Japan Comprehensive Economic Partnership Arrangement
- Nominated on the Governing Board of the International Centre for Trade and Sustainable Development (ICTSD), Geneva and participated in the Fifth Meeting of the ICTSD Board held in Geneva on 18-19 May 2005.
- Nominated as convener for the subcommittee on practices of subsidizing production, distribution and consumption of fertilizer in other countries, constituted by the Department of Fertilizers, Ministry of Chemical and Fertilizer, Government of India.
- Addressed the session on South Asian Regional Cooperation in the Colloquium in honour of Dr Lal Jayawardena, organized by the Global Development Network in New Delhi on 8 April 2005.
- Made a lead presentation on Perspectives on Multilateral Economic Institution at the Third India-Canada Policy Dialogue organized by the Centre for Policy Research in New Delhi on 12 April 2005.
- Participated in the meeting to consider issues concerning RTAs, organized by the Planning Commission in New Delhi on 13 April 2005.
- Made a presentation on 'WTO, Development and Developing Countries: Ten Years After' in the Panel Discussion on 'Making Trade Support Development: Global Problems and Viable Alternatives' organized by the South Centre at the WTO Public Symposium, in Geneva on 20-22 April 2005.
- Made a presentation on 'A Development View of the Current Negotiation' at the Third World Network session on Development Perspective on the Current WTO Negotiations on 21 April 2005 in Geneva.
- Released and presented to the media ESCAP's Annual Publication, *Economic and Social Survey of Asia and the Pacific – 2005* at the UN Information Centre, New Delhi on 25 April 2005.
- Participated in the brain-storming session on the Asian Economic Community, organized by the MER Division, Ministry of External Affairs in New Delhi on 9 May 2005.
- Made a presentation at the IDRC-UNESCAP Consultative Meeting on 'Foreign Direct Investment and Policy Challenges: Areas for New Research', held in Bangkok on 12 May 2005.
- Moderated a Round Table on 'Coping with Economic Effects of Regional Disasters' at the Asia Pacific Business Forum 2005, organized by ESCAP in Bangkok on 13 May 2005.
- Made a seminar presentation on 'Road to Hong Kong: A Development Perspective on the Doha Trade Round' at UN-DESA, UN Headquarters, New York on 13 June 2005.
- Launched UNDP-ESCAP Report on *Voices of the Least Developed Countries of Asia and the Pacific* at UN Conference Hall, New Delhi on 1 July 2005.
- Made a presentation at the Seminar on 'Trade and Growth Horizons for Asia: Long Term Forecasts for Regional Change', organized by Asian Development Bank, New Delhi Office on 14 July 2005.
- Participated in the Meetings of the India-Japan Joint Study Group held in New Delhi on 18-19 July 2005.
- Panelist at the Panel Discussion on 'IBSA Forum: Potential and Promise', organized by the Indian Council of World Affairs in New Delhi on 27 July 2005.
- Made a presentation on 'Relevance of Regional Economic Integration for Asian Reconstruction and Development' at the Third Asia Economic Summit, organized by the Asian Strategy & Leadership Institute (ASLI), Kuala Lumpur, Malaysia on 28-29 July 2005.
- Participated in the Fifth Board Meeting of the South Asia Centre for Policy Studies (SACEPS), held in Dhaka on 2 August 2005.
- Made a presentation on SAFTA in the Seminar on Promoting Regional Cooperation in South Asia, organized by SACEPS in collaboration with the Centre for Policy Dialogue, Bangladesh in Dhaka on 3 August 2005.
- Chaired the session on Regional Economic Cooperation at the Third India-Serbia & Montenegro Policy Dialogue organized by Centre for Policy Research in New Delhi on 23 August 2005.

Seminar on an Asian Economic Community in Washington, D.C.



(From left): Dr. Catherine Mann, Senior Fellow at the Institute for International Economics; Dr. Ed Lincoln, Senior Fellow for Asia and Economic Studies at the Council on Foreign Relations; Dr. Nagesh Kumar, Director-General, RIS and Dr. Walter Andersen, Associate Director, South Asia Studies and Professor of South Asian Studies at SAIS, Johns Hopkins University (moderator) at the seminar.

Dr. Nagesh Kumar, DG, RIS was invited by the Sasakawa Peace Foundation USA (SPFUSA) to deliver a seminar on 'Towards an Asian Economic Community: An Indian Perspective' at the Carnegie Endowment for International Peace, Washington, D.C. on 16 June 2005 under its Asian Voices programme. The Asian Voices programme has been launched by SPFUSA to promote a dialogue between the US and Asia. The Foundation invites Asian experts to deliver seminars to Washington audience of scholars and policy makers under the programme has built up a sizable profile over the past four years.

The event was moderated by Dr. Walter Andersen, Associate Director of South Asia Studies at SAIS, Johns Hopkins University. It was commented upon by Dr. Ed Lincoln, Senior Fellow for Asia and Economic Studies at the Council on Foreign Relations and Dr. Catherine Mann, Senior Fellow at the Institute for International Economics.

Dr Kumar in his presentation highlighted how India's economy has emerged as one of the most dynamic in the world while also integrating closely with the world economy. He also showed how regional economic integration in Asia could serve as an additional engine of growth for India and other developing countries in Asia by facilitating trade and investment. Drawing upon the ongoing work at RIS on these issues, he made a strong case for a broader Asian Economic Community built in a phased manner with Japan, ASEAN, China, India and Korea (JACIK) to which India can contribute to and benefit from. He emphasized that such an integration would be a win-win not only for Asia but also for the world economy at large.

The presentation was received well by the audiences and also attracted comments in the media. SPFUSA has published the transcript of the event.

- Participated in the Panel Discussion on the occasion of release of the book *India: Industrialisation in a Reforming Economy: Essays for Professor K L Krishna* by Dr C. Rangarajan, Chairman, Prime Minister's Economic Advisory Council at Rajiv Gandhi Institute for Contemporary Studies in New Delhi on 26 August 2005.
- Chaired the Sixth Audit Committee Meeting of the India Habitat Centre, New Delhi on 22 September 2005.
- Released and presented to the media UNCTAD's Annual Publication *World Investment Report 2005: Transnational Corporations and the Internationalization of R&D* at United Nations Information Centre, New Delhi on 29 September 2005.
- Delivered the theme address on 'Regional Economic Cooperation in Asia: Relevance and a Possible Roadmap for a Broader Asian Economic Community' at the Seminar on Regional Economic and Financial Cooperation in Asia, organized by the Export-Import Bank of India in Goa on 5 October 2005.
- Made a presentation on 'Possible Areas of Trade Cooperation between India, Brazil and South Africa' in the Trade Policy Division of the Department of Commerce, Ministry of Commerce and Industry, New Delhi on 6 October 2005.
- Made a presentation at the second session of the Committee on Managing Globalization, organized by UNESCAP in Bangkok on 12 October 2005.
- Made a presentation on 'New Issues on Trade' in the Workshop on the Development Dimension of the Doha Development Round, organized jointly by the Singapore Institute of International Affairs and Friedrich Ebert Foundation in Singapore on 12-14 October 2005.
- Chaired the Session on Trade Facilitation at the South Asia Conference on 'Trade and Development—Mainstreaming Development in Trade Negotiations: Run Upto Hong Kong', organized by the Centre for Trade & Development (Centad), New Delhi on 28 October 2005.

- Made a keynote address on World Trade Organization and India at the 88th Annual Conference of the India Economic Association, held in Visakhapatnam on 27-29 December 2005.
- Delivered an invited lecture on 'Regional Economic Integration in Asia: Approaches, Relevance and Prospects for a Broader Asian Community' at the International Conference on International Trade, organized by the Centre for Advanced Studies in Economics, Jadavpur University, Kolkata on 2 January 2006.
- Participated in the Meeting of Economists for Pre-Budget Consultations with the Finance Minister, held in the Ministry of Finance on 13 January 2006 in New Delhi.
- Made a presentation on 'Trade, RTAs, and Asian Integration' at the Seventh Annual NBER-NCAER Neemrana Dialogue, held at Neemrana, Rajasthan on 16 January 2006.
- Made a keynote presentation on 'Economic Integration in SAARC' at the 33rd World Marketing Congress on the South Asian Market: Its Challenges & Opportunities, organized by the Institute of Marketing & Management, New Delhi, on 20 January 2006.
- Participated in the Meeting of the Working Group on Trade of IBSA held in the Department of Commerce, New Delhi on 27 January 2006.
- Delivered a Special Address and participated in the discussion at the Seminar on BIMSTEC-Business Opportunities, organized by ASSOCHAM in New Delhi on 31 January 2006.
- Participated in the Meetings of the India-Japan JSG organized by the Ministry of External Affairs in New Delhi on 1-3 February 2006.
- Delivered a Dinner Talk at the Regional Dialogue on 'New Asian Dynamism and SAARC 2015: Prospects and Challenges', organized by Friedrich Ebert-Stiftung, in New Delhi on 6 February 2006 in New Delhi.
- Delivered the inaugural address at the International Seminar on 'Emerging India in 21st Century Asia Pacific', organized by the Centre for Southeast Asia and Pacific Studies, Sri Venkateswara University, Tirupati, Andhra Pradesh on 7-8 February 2006.
- Made a presentation on 'East Asian Integration and Its Impact on the Indian Economy' at the State of the Economy Seminar, organized by NCAER in New Delhi on 9 February 2006.
- Chaired the lecture session on 'East Asia and Asia Pacific: Competing or Complementary Regionalism' delivered by Dr Paul Evans, Vice-Chair of Board of Directors and Co-CEO, Asia Pacific Foundation of Canada at the India International Centre, New Delhi on 16 February 2006.
- Chaired the session on 'Strategic Issues in Services' at the IV International Conference on Globalization & Sectoral Development, organized by the Academy of International Business-India in association with Institute for Integrated Learning in Management in New Delhi on 17-19 February 2006.
- Panelist in the Seminar on 'East Asia Summit: Implications for India', organized jointly by the Indian Council of World Affairs and the Council for Security Cooperation in the Asia Pacific (CSCAP) in New Delhi on 22 February 2006.
- Made a presentation on 'Multilateral Trade Negotiations and Economic Diplomacy' at the Seminar on Economic Diplomacy, organized by the Association of Indian Diplomats and the India International Centre in New Delhi on 25 February 2006.
- Made a presentation on 'South Asia in the Context of Economic Integration in Asia' in the Seminar on A Creative Conceptualization of Cooperation in Our Region, organized by the Indian Council for South Asian Cooperation and the India International Centre in New Delhi on 10 March 2006.
- Made a presentation on 'Gains from SAFTA for Private Sector' at the Seminar on SAFTA: Business Opportunities and Challenges, organized by FICCI in New Delhi on 13 March 2006.
- As part of the Indian delegation, participated and made a presentation on regional architecture at the High Level Seminar on Asian Regional Cooperation organized at the Lee Kuan Yew School of Public Policy in Singapore on 15-16 March 2006.
- Made a presentation on the 'Brainstorming on FTAs: Issues and Challenges in Designing Effective Trade Agreements in Asia', organized by the Asian Development Bank in Manila on 20 March 2006.
- Made a presentation at the Workshop for the 'Asian Cooperative Strategy in Trade and Industry: Opportunities and Obstacles', organized by the Institute of World



Dr. Rajesh Mehta, Senior Fellow, RIS at a Seminar in Bangkok.

Economics and Politics of Chinese Academy of Social Science in Beijing on 23-24 March 2006.

- Launched and presented to the media the ESCAP's *Economic and Social Survey of Asia and the Pacific – 2006* at the United Nations Information Centre, New Delhi on 30 March 2006.
- Chaired the session on Issues of Deeper Economic Integration in Asia at the Workshop on IDRC Project: Preferential Trading Arrangements in Asia: Towards an Asian Economic Community, organized by ICRIER in New Delhi on 30 March 2006.

Dr. Rajesh Mehta, Senior Fellow

- Nominated Member of National Advisory Committee of World Bank-WWF Global Alliance on Trade Liberalization, Rural Poverty and the Environment.
- Participated in the Agriculture Summit 2005: Reforms for Raising Farm Income and contributed a paper on 'Growth Prospects of Poultry Sector' presented at the Session on Growth Options for Dairy and Poultry, organized jointly by Ministry of Agriculture and FICCI in New Delhi on 9-10 April 2005.
- Discussant at a meeting on India-Thailand FTA organized by the Ministry of Commerce and chaired by the Commerce Secretary, on 27 May 2005.
- Made a presentation of main findings of the paper 'Rationalization of Fertilizer Subsidy in Indian Agriculture: A Case of Urea Manufacture' at IFPRI in New Delhi on 27 July 2005.
- Made a presentation on 'Perspective on Non-Tariff Barriers in NAMA Negotiations: India's

Concerns and Options' at National Consultation on Off the Starting Block to Hong Kong: Concerns and Negotiating Options on Agriculture and NAMA for India, organized by the Centre for Trade & Development (Centad), New Delhi on 22 July 2005.

- Attended the National Conference on Non-Tariff Barriers for Indian Exports: Critical Inputs for the WTO Negotiations, organized by CII in consultation with the Ministry of Commerce & Industry in New Delhi on 4 August 2005.
- Submitted a policy paper on 'Non-Tariff Barriers Affecting India's Exports', for Policy Research Networking: Consultations on Trade and Industry, as a part of ADB Policy Networking Project of ICRIER, 17 August 2005.
- Presented a paper on 'India-Vietnam Trade: Current Prospects' at Workshop on India Vietnam Economic Relations: Potentials & Prospects', organized jointly by Embassy of Socialist Republic of Vietnam; Jawaharlal Nehru University; and CII on 31 August 2005.
- Made a presentation on 'India's Agriculture-Based Exports and the WTO Agreement on Agriculture', at a Expert-series Seminar on Changing Face of Indian Agriculture, organized by Department of Business Economics, Delhi University, South Campus, 20 September 2005.
- Chaired the session on Trade in Goods: Agriculture and Non-Agriculture Market Access at the National Seminar on India & WTO: Challenges and Opportunities, organized by the University School of Law and Legal Studies, Guru Gobind Singh Indraprastha University, New Delhi on 7 October 2005.
- Made a presentation on 'Export Avenues & Opportunities-Post Quota Removal' at the Session on Policies Procedures & Opportunities, at the Conference on Export Excellence, organized by CII-Hyderabad on 8 November 2005.
- Made a presentation on 'Free Trade Agreements' at the Business Session on Free Trade Agreements at the International Tax Conference on Cross Border Transactions, organized by FICCI in association with OECD and International Bureau of Fiscal Documentation in New Delhi on 17 November 2005.
- Made a presentation on 'Issues in Non-Agricultural Market Access (NAMA)' at

FICCI-Centad Seminar on WTO and India: A Roadmap for Hong Kong Ministerial Conference at the World Trade Centre, Mumbai on 29 November 2005.

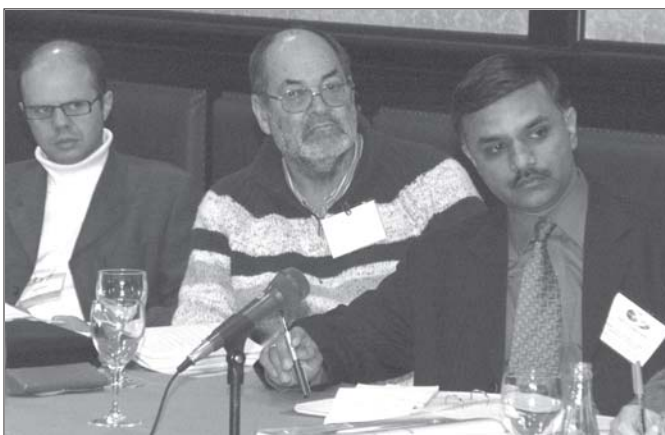
- Made a presentation on 'SPS and TBT Issues' at Brainstorming Workshop on WTO and Indian Agriculture: Policy and R&D Implications at NAAS, in New Delhi on 23 December 2005.
- Made a presentation on 'Impact of WTO on Indian SSI' at the Programme for Promoting Export Business Development Services (BDS), organized by the IIFT in New Delhi on 24 February 2006.
- Made a presentation on 'Role of WTO in Development of Global Trade in Processed Foods: SPS and TBT Issues' at the National Seminar on Quality Assurance for Indian Processed Foods and Overcoming Trade Barriers, organized by All India Food Processors Association (AIFPA) in New Delhi on 10-11 March 2006.
- Participated in the Expert Meeting organized by Institute for Human Development (IHD) to discuss the study on 'Regional Trade and Food Security in Asia' prepared by the IHD and ActionAid on 3 March 2006.
- Made a presentation on 'NAMA Negotiations: Issues for India' at the National Consultation on WTO and India: Strategising beyond Hong Kong, organized by FICCI and CENTAD in New Delhi on 20 March 2006.

Dr. S. K. Mohanty, Fellow

- Participated in the Regional Seminar on Economic Cooperation in South Asia organized by CUTS-CITEE in association with Friedrich Ebert Stiftung, New Delhi in Colombo, Sri Lanka on 7-9 May 2005.
- Paper on 'WTO Agreement on Agriculture, Liberalisation in Select Industrialised Countries, and Implications for Developing Countries: A CGE Modelling Analysis' (co-author) was presented in the International Conference on International Trade organized by Centre for Advanced Studies in Economics, Jadavpur University, Kolkata on 2-3 January 2006.
- Made a presentation at the Conference on IBSA Free Trade Agreement: Opportunities and Challenges, organized by ASSOCHAM in New Delhi on 10 March 2006.
- Made a presentation in the Workshop on Managing Global Governance, organized by the German Development Institute and InWEnt in Bonn, Germany on 29-31 March 2006.

Dr. Sachin Chaturvedi, Fellow

- Participated in the Design Team Meeting for the East and South Asia and Pacific Region organized by IAASTD & CASS on 9-12 April 2005 in Beijing, China.
- Presented a paper on 'Genetic Research and Intellectual Property Rights at the International Training Course on Health Research Ethics', organized by Fogarty International Center Bioethics Training Project on 11-15 April 2005 at Manila.
- Presented a paper on 'Evolving a National System of Biotechnology Innovation: Identifying New Dimensions of Public-Private Partnership' at the Seminar on Asia-Pacific Forum on National Innovation Systems for High-Level Policy-Makers, organized by Asian and Pacific Centre for Transfer of Technology (APCTT) of UN ESCAP on 28-29 April 2005 in New Delhi.
- Presented a paper on 'Doha Development Agenda and Issues before Hong Kong Ministerial: An Asian Perspective' at the Asia and Pacific Regional Workshop on WTO Negotiations, organized by Commonwealth Secretariat, on 17-19 May 2005 in Dhaka.
- Presented a paper on 'Trade Facilitation: WTO Negotiations and Beyond' at the First Consultative Meeting of Trade Facilitation Project of ARTNET- UNESCAP, held on 25-27 May 2005 in Bangkok.
- Presented a paper on 'Agreement on the Application of Sanitary and Phytosanitary Measures and TBT' at the Orientation Programme on WTO and the New Trade Regime, organized by IIFT in New Delhi on 26 September 2005.
- Presented a paper on 'International Trade Issues in Biotechnology' at the Inter-Ministerial Meeting, organized by the Ministry of Commerce in New Delhi on 3 August 2005.
- Presented a paper on 'Agriculture Innovation System in India and Future of Agriculture in India' at the National Agricultural Innovation Project Scenario Planning Workshop, organized by the World Bank and ICAR at Panchgaon, Haryana on 5-7 July 2005.
- Presented a paper on 'Intellectual Property and Biodiversity: Concerns of LDCs and Developing Countries' at the Pre-Hong Kong International Civil Society Forum on LDCs, organized by the Centre for Policy Dialogue, Dhaka on 3-5 October 2005.
- Presented a paper on 'Need and Cost of Selected Trade Facilitation Measures in India:



Dr. Sachin Chaturvedi, Fellow, RIS at the Global Development Network (GDN) meeting at St. Petersburg, Russia.

Implications for the WTO Negotiations' at the Second ARTNeT Consultative Meeting of Policy Makers and Research Institutions, held at the University of Macau, China on 6-7 October 2005.

- Presented a paper on 'Need for and Cost of Selected Trade Facilitation Measures in India' at the OECD Global Forum on Trade Facilitation, organized by OECD, Paris at Colombo on 18-19 October 2005.
- Participated in the Panel Discussion on 'South Asian Free Trade Area: Opportunities and Challenges', organized by USAID on 24-26 October 2005 at New Delhi.
- Presented a paper on 'Setting the WTO/Trade Agenda: Towards a Common Perspective for the Region' at the Asian Meet on WTO, organized by the Voluntary Action Network India (VANI) on 25 October 2005.
- Presented a paper on 'Financial Incentives, Innovation and New Technologies: Experience with Biotechnology Policies' at the Innovation, Knowledge and Development (IKD) Workshop held in collaboration with Open University, UK and Institute of Social Studies at London on 18-20 November 2005.
- Participated in the Panel Discussion on 'Synergising LDCs' and Developing Country Priorities' at WTO Hong Kong Ministerial, a side event organized by the Consumer Unity and Trust Society–Organization Development and Community Management Trust (ODCMT), Zambia and Africa Resource Centre (CUTS-ARC), Zambia on 13 December 2005 at NGO Centre, Hong Kong.
- Participated in the Panel Discussion on IPR, the Next Issue: Biotech and Development,

organized by the Global Business Dialogue (GBD), Inc. on 15 December 2005 at NGO Centre, Hong Kong.

- Presented a paper on 'Integration in South Asia and Issues in Asian Economic Community' at the Seventh Annual Global Development Network Conference on Asian and Other Drivers of Global Change, held on 9-21 January 2006 in St. Petersburg, Russia.
- Presented a paper on 'Biotechnology and the Emerging TRIPs-Plus Regime: Concerns of Developing Countries' at the CAPPE Workshop on Medicine and Poverty, organized by the University of Melbourne, Australia on 31 January-1 February 2006.
- Made a presentation on 'Biosafety and Trade Related Issues' at the TERI School of Advanced Studies Short-term Orientation Course on Biosafety and Biotech Regulations, held on 9 February 2006, in New Delhi.
- Made a presentation on 'SAFTA and Trade Facilitation Measures' at the Seminar on Challenges and Opportunities: Regional Economic Cooperation in South Asia, organized by CUTS-CITEE, FES, IMC, on 24 March 2006, in Mumbai.
- Made a presentation on 'Trade Facilitation and Regional Integration in South Asia' at the UNDP/ESCAP ARTNeT Trade Facilitation Research Team Meeting, held on 15 March 2006 in Bangkok.
- Made presentations on 'Intellectual Property and Agro Biotechnology: Emerging Global Regime; and Biotechnology and Trade Related Issues' at the TERI School of Advanced Studies Training Workshop on Law and Biotechnology, on 10 March 2006, in New Delhi.

Dr. Ram Upendra Das, Fellow

- Made a presentation for Ninth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry on 7 April 2005, New Delhi.
- Participated in a Conference on FRAMES 2005 organized by FICCI on 3-7 April 2005 in Mumbai.
- Made a presentation for Tenth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at Ministry of Commerce and Industry, on 26 April 2005 in New Delhi.
- Participated in the Seventh Meeting of SAARC Network of Researchers on Global

Financial and Economic Issues, organized by SAARC Secretariat on 5-6 May 2005 in Kathmandu.

- Made a presentation on Indo-Thai FTA, at Conference on 'Tamil Nadu – Leveraging Trade Agreements for Growth' organized by CII in Chennai on 16 June 2005.
- Participated in the Second Meeting of the Joint Study Group (JSG) on Feasibility of a Comprehensive Economic Cooperation Agreement (CECA) between India and Malaysia held in Kuala Lumpur on 22-24 June 2005.
- Participated in Eleventh and Twelfth Meetings of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry in New Delhi on 5 July and 13 July 2005.
- Made a presentation in the Second Meeting of Trade, Investment and Connectivity, organized by the India International Centre, on 6-7 August 2005 in Dhaka, Bangladesh.
- Participated in the Third Meeting of Joint Study Group (JSG) on Feasibility of a Comprehensive Economic Cooperation Agreement (CECA) between India and Malaysia, organized by the Department of Commerce, Ministry of Commerce & Industry, Government of India, on 22-23 August 2005 in New Delhi.
- Participated in Thirteenth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry, on 26 August 2005 in New Delhi.
- Participated in Fourteenth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry, on 22-23 September 2005 in New Delhi.
- Participated in Fifteenth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry, New Delhi on 15 October 2005.
- Made a presentation in the Workshop on Rules of Origin under India-ASEAN FTA, organized by the Government of India and ASEAN Secretariat, Jakarta, Indonesia on 17-18 October 2005.
- Participated in the Sixteenth Meeting of the Expert Group on Preferential Rules of Origin, set up by Government of India, at the Ministry of Commerce and Industry in New Delhi on 31 October 2005.



(Second from left) Dr. Ram Upendra Das, Fellow, RIS at the Taiyuan Conference on Asian Economic Community.

- Participated in a Meeting convened by the Commerce Secretary on Rules of Origin under India-ASEAN FTA in New Delhi on 31 October 2005.
- Participated as an Expert in the ASEAN-India Trade Negotiation Committee (AITNC) Meeting in New Delhi on 10-11 November 2005.
- Participated in the Seminar on the 'European Union – Why it Matters to India', organized jointly by the British High Commission and Delhi Policy Group, and supported by the Delegation of the European Commission to India in New Delhi on 6 December 2005.
- Participated in the Seminar on Indo-Bangladesh Dialogue on Trade, Investment and Connectivity, organized by the India International Centre, New Delhi on 6 and 15 December 2005.
- Participated in the Discussion Meeting on Preferential Rules of Origin: Building a Product-specific Approach at World Customs Organization, held on 25-29 January 2006 in Brussels, Belgium.
- Participated in the Consultations on Product-specific Rules of Origin submitted by BIMSTEC Members, organized by the Ministry of Commerce and Industry, on 2 March 2006 in New Delhi.
- Discussant in the International Conference on Development in Open Economies: Labour in Industry, organized by the Academy of Third World Studies and Jamia Millia Islamia on 6 March 2006 in New Delhi.
- Made a presentation on SAFTA Negotiations: Implications for the Business

at the Symposium on Trade Liberalization in SAARC, organized by SCCI, BCCI and AusAID during 9-12 March 2006 in Thimphu, Bhutan.

Dr. Prabir De, Associate Fellow

- Participated in the third meeting of the India-Korea Joint Study Group on 10-11 August 2005 at the Ministry of Commerce & Industry, New Delhi.
- Participated in the international conference on 'Linkages between Trade, Development and Poverty Reduction', organized by the Economic Institute of Cambodia (EIC), Phnom Penh, on 22 August 2005.
- Made a presentation on 'Strengthening Mekong-Ganga Cooperation: Economy, Trade and Infrastructure' at the International Conference on Trade and Investment between Cambodia and India, organized by the Economic Institute of Cambodia (EIC), Phnom Penh, on 23 August 2005.
- Made a presentation on 'Deepening Mekong-Ganga Cooperation: Role of Transport Infrastructure' at the International Conference on Exploring Mekong-Ganga Relationship: India and Lao PDR, organized by the National University of Laos, Vientiane, Lao PDR, on 25 August 2005.
- Made a presentation on Strengthening Mekong-Ganga Cooperation: An Indian Perspective, at the International Conference on the Mekong-Ganga Cooperation: Exploring India-Vietnam Relationship, organized by the Institute of World Economics and Politics (IWEP) and Vietnam Academy for Social Sciences (VASS), Hanoi, Vietnam, on 29 August 2005.
- Made a presentation on 'Exploring Mekong-Ganga Relationship: Role of Infrastructure and Energy' at the final consultation of South-South Economic Cooperation: Exploring Mekong Ganga Relationship project, organized by CUTS at Bangkok on 26-27 October 2005.
- Participated in the seminar on 'Public-Private Partnerships in Brazil', organized by the Embassy of Brazil in India on 21 November 2005 in New Delhi.
- Attended the 4th Alfred Nzo Memorial Lecture on 'India-South Africa: Strategic Perspective on African and the World', delivered by H E Mr. Aziz Pahad, Dy. Minister of Foreign Affairs, Republic of South Africa on 13 December 2005 at the Indian Council of World Affairs (ICWA), New Delhi.
- Participated in the meeting of the India-Japan JSG on 26 December 2005 in the Ministry of Finance, New Delhi.
- Participated in the Round Table Meeting on 'Changing Face of Japan: India's Role', organized by the Delhi Policy Group in New Delhi on 4 January 2006.
- Visiting Research Fellow at the Centre for Northeast Asia Economic Cooperation (CNAEC), Korea Institute for International Economic Policy (KIEP), Seoul during January 20- February 24, 2006. Presented two papers on 'Regional Trade in Northeast India: Why Do Trade Costs Matter?'; and 'Look East Policy and India's Economic Engagement with Northeast Asia: Opportunities and Challenges'.
- Participated in the International Conference on India and East Asia: Paradigms for New Global Cooperation, organized by ICWA, New Delhi in collaboration with the Department of East Asian Studies, University of Delhi, and the Academy of Third World Studies, Jamia Millia Islamia in New Delhi, on 7-9 March 2006.
- Discussant at the Workshop on 'Preferential Trading Agreements in Asia: Towards an Asian Economic Community', organized by ICRIER in New Delhi on 30 March 2006.
- Presented a paper on 'Facilitating Overland Trade in BCIM: Issues and Ways Forward', at the 6th BCIM Forum, organized by the Institute of Chinese Studies, Delhi University in collaboration with the Centre for Policy Research, on 30-31 March 2006 in New Delhi.

IV. Capacity Building and Training Programmes

4.1 Programme on International Economic Issues and Development Policy

RIS conducted a Programme on International Economic Issues and Development Policy (IEIDP) in conjunction with the ITEC Programme, sponsored by the Ministry of External Affairs. RIS has been receiving ITEC Fellows since 2000. However, the programme structure was revised from 2005/06 in the light of the feed back obtained from previous batches. In the 2005/06 the programme schedule was made more compact with a larger participation. The programme participants included: Mr. Oybek Makhmudov of Uzbekistan; Ms. Irina Arkadyeva of Russia; Mr. J.M.O. Ahanda of Cameroon; Mr. I.D. Antonius of Suriname; Ms. Y.G. Sardinas of Cuba and Mr. M.V. Razafindrakota of Madagascar. This research and capacity building programme was held during 20 February to 17 March 2006 in RIS.

The course contents included the organization of special lecture-cum-interactive sessions for the benefit of the Visiting Fellows by the invited experts and RIS faculty members. The important themes of these special sessions included: World Trading System and Development;

Reform of the International Monetary System; WTO Negotiations: A Developed Country View; Some Perspectives on Washington Consensus; East Asia Summit: Implications for India; Status of NAMA Negotiations; Trade in Services under GATS; Negotiating Issues in Agriculture in Doha Round; Trade Facilitation Issues in WTO; Non-Tariff Barriers Negotiations in WTO; Panel Discussion on 'Economic Survey of India'; Rise of IT and Software Sector in India; Emerging Global Trends in Regionalism; Negotiating Issues in Regional Cooperation; Economic Importance of Re-emerging Asia; Foreign Direct Investment and Development: Some Analytical Issues; Trade and Domestic Policy Implications for Agriculture Sector



Participants of IEIDP Programme 2006 with members of the RIS faculty.

in Developing Countries; Regional Cooperation in Transport Sector: Issues and Experiences; Economic Aspects in Regional Integration among Developing Countries; and Energy Security Issues and Regional Cooperation.

During the training programme, RIS-ITEC Visiting Fellows also participated in a number of events organized by FICCI and the PHD Chamber of Commerce and Industry and also visited the Maruti-Suzuki Automobile Plant in Gurgaon. Special meeting sessions were also held with the representatives of NASSCOM, EXIM Bank of India, FICCI, SIAM, etc. apart from holding research interactions and library consultation sessions in RIS. At the conclusion of the training programme the Visiting Fellows made their respective presentations on the select themes.

4.2 Training Workshop for Senior Indian Economic Service (IES) Officers on Regionalism in the World and Asia: Challenges and Options before India

On behalf of the Ministry of Finance, RIS organized a Training Workshop for Senior Indian Economic Service (IES) Officers on Regionalism in the World and Asia: Challenges and Options before India in RIS on 29 August-2 September 2005. The Programme began with an Introductory Session by Prof. Nagesh Kumar, Director General, and Dr. Ram Upendra Das, Fellow, RIS. The topics covered in the programme were: Regionalism vs. Multilateralism: Analysis of Global Trends and Implications for India; Trade-Investment Linkages in RTAs: Conceptual Issues and Experiences; WTO Rules for RTAs: A Brief Background; Lessons from the Experience of the EU in Regional Economic Integration; Regional Economic Integration in ASEAN; India's Approach to Regional Economic Integration (RTAs and CECA); Prospects for India-ASEAN Economic Cooperation; India-Sri Lanka FTA and Proposed CEPA: A Case Study; Safeguards Mechanisms

under RTAs: Analysis of Technical and Policy Issues; Partial Equilibrium and Computable General Equilibrium (CGE) Methodologies for Assessment of Gains from RTAs; Methodologies for Assessment of Impact of RTAs/FTAs; Regional Economic Cooperation in South Asia: Potentials and Constraints; and Emerging Trends in East Asian Regionalism: Strategic Options for India.

In addition to RIS faculty, the Workshop was addressed by the eminent experts from outside such as, H.E. Mr See Chak Mun, High Commissioner of Singapore; Prof. Muchkund Dubey, CSD; Prof. I.N. Mukherji, JNU; Prof. Manmohan Agarwal, JNU; Mr. Jean-Joseph Boillot, Financial Counsellor, Embassy of France; Prof. K.J. Joseph, CDS, Trivandrum; Mr. R.S. Ratna, Ministry of Commerce; and Mr. Shashank Priya, Ministry of Commerce. Mr. Yogesh Chandra, Ministry of Finance; and Ms. Mala Dutt, Ministry of Finance addressed the valedictory session. The participants included 25 senior members of the Indian Economic Service from different Ministries working at Director/Joint Secretary level.

4.3 Training Programme for IFS Probationers on International Economic Issues

On behalf of the Foreign Service Institute of the Ministry of External Affairs RIS organized a Training Programme for IFS Probationers on 16-22 July 2005 on various aspects of International Economic Issues. The programme started with an Inaugural-cum-Orientation Session on World Trading System and Development by Dr. Nagesh Kumar, Director-General, RIS. The other topics covered included: WTO Agreement on Agriculture: The Road Ahead & Implications for Indian Agriculture; Non-Agricultural Market Access (NAMA) Negotiations; Trade in Services: Issues and Prospects; TRIPS, Public Health and Traditional Knowledge; Emerging International Regime Concerning Biodiversity and

International Trade in GMOs; Non-Tariff Barriers: Implications for India; Emerging Asian Regionalism: Strategic Options for India; India's Experience with South Asian Regional Economic Integration; Liberalization and Recent Trade and Economic Performance; and FDI in a Globalized Economy: Theory and Indian Experience. Workshops were also organized during the training course at which trainees made their respective presentations. The faculty for the course included, Dr Nagesh Kumar, Director-General, RIS; Dr Rajiv Mehta, Member-Secretary, CACP; Mr. R. Gopalan, Joint Secretary, Deptt. of Commerce, MOC&I; Mr. Agneshwar Sen, OSD (GATT), MOC&I; Mr. Dinesh Abrol, Scientist 'F', NISTADS; Dr Rajesh Mehta, Sr. Fellow, RIS; Dr S.K. Mohanty, Fellow, RIS; Dr Ram Upendra Das, Fellow, RIS; Dr Sachin Chaturvedi, Fellow, RIS; and Dr Saikat Sinha Roy, Fellow, RIS. Professor Muchkund Dubey, President, Council for Social Development addressed the Valedictory Session.

4.4 Orientation Programme for Participants of Professional Course for Foreign Diplomats on WTO

The 25 participants from 21 countries undergoing a training programme at the Foreign Service Institute (FSI) visited RIS on 24 November 2005 for a half day session on WTO issues. They were addressed at RIS by Dr. Nagesh Kumar, Director-General, and Dr. Sachin Chaturvedi, Fellow, RIS. RIS Faculty members have been regularly delivering lectures at the courses organized by FSI for Indian as well as foreign diplomats.

Contributions to Other Training Programmes

Dr. Nagesh Kumar, Director-General

- Delivered a lecture on 'Regional Trade Blocs' at the 38th Professional Course for Foreign



Participants at the Training Programme for IFS Probationers.

Diplomats, organized by the Foreign Service Institute (FSI), Ministry of External Affairs in New Delhi on 7 September 2005.

- Delivered a lecture on 'WTO: Doha/Cancun and Beyond' at the Special Course for Sudanese Diplomats conducted by the FSI in New Delhi on 7 October 2005.
- Delivered a lecture on 'Prospects of an Asian Economic Community' at the First Diplomacy & Foreign Policy Programme for Foreign Diplomats, organized by the FSI in New Delhi on 20 October 2005.
- Panelist in the Discussion on 'Issues before the Hong Kong Ministerial', organized by the Indian Institute of Foreign Trade for the Additional Secretaries and Joint Secretaries of the Department of Commerce, Government of India, in New Delhi on 29 October 2005.
- Delivered a lecture on the topic of 'East Asia Summit' at the 39th Professional Course for Foreign Diplomats, organized by the FSI in New Delhi on 1 December 2005.
- Delivered a lecture on 'India's Look East Policy' at the Foreign Policy Course for Senior IPS Officers, organized the FSI, Ministry of External Affairs, New Delhi on 7 December 2005.
- Delivered a lecture on 'India's Look East Policy' at the training programme for the 20 member IFS Office Trainees of 2005 Batch, organized by the FSI on 31 January 2006 in New Delhi.
- Delivered a lecture on 'Regional Economic Cooperation in Asia' at the 40th Professional Course for Foreign Diplomats conducted by the FSI in New Delhi on 14 February 2006.

Dr. Rajesh Mehta, Senior Fellow

- Delivered a lecture and made a presentation on 'WTO and Industrial Tariff' at the Orientation Programme for Officers of the Indian Administrative Service on WTO and the New Trade Regime, organized by IIFT in New Delhi on 29 September 2005.
- Delivered a lecture on 'Market Access and WTO' to the IES Probationers of Batch-XXVII at Institute of Economic Growth, New Delhi on 22 November 2005.
- Made a presentation on 'Estimating Gains from RTAs: Select Issues' at the Training Course on Conceptual and Methodological Issues in the New Regime of International Agricultural Trade for Scientists, organized by the Division of Agriculture Economic, IARI, Pusa, New Delhi on 14 December 2005.
- Made a presentation on 'Environment Standard and Trade', at 4th Refresher Course in Economics for faculty members of different colleges and universities, organized by the Academic Staff College, Jamia Millia Islamia on 21 December 2005.
- Delivered a lecture on 'Non-Agricultural Market Access (NAMA)' at Advance Course on WTO for Officers of the Indian Administrative Service, organized by IIFT on 30 January 2006 in New Delhi.

Dr. Sachin Chaturvedi, Fellow

- Presented a paper on 'Agreement on the Application of Sanitary and Phytosanitary Measures and TBT' at the Orientation

Programme on WTO and the New Trade Regime, organized by IIFT in New Delhi on 26 September 2005

- Made a presentation on 'Biosafety and Trade Related Issues' at the TERI School of Advanced Studies Short-term Orientation Course on Biosafety and Biotech Regulations, held on 9 February 2006 in New Delhi.
- Made presentations on 'Intellectual Property and Agro Biotechnology: Emerging Global Regime; and Biotechnology and Trade Related Issues' at the TERI School of Advanced Studies Training Workshop on Law and Biotechnology, on 10 March 2006 in New Delhi.

Dr. Ram Upendra Das, Fellow

- Delivered a lecture on 'Issues, Concerns and Solutions' Relating to FTA's Signed and Proposed', organized by Aditya Birla Group, Conference on Group Meet on Rules of Origin, in Mumbai on 16 July 2005.
- Delivered a Lecture on 'Regional Trading Agreement' for the Officers of the Indian Administrative Service (IAS), Government of India held at IIFT in New Delhi on 27 September 2005.
- Delivered a lecture on 'WTO Related Issues for Foreign Diplomats', organized by the Indian Institute of Mass Communication (IIMC), New Delhi on 10 October 2005.
- Delivered a lecture on 'WTO Related Issues' for Foreign Journalists, organized by the Indian Institute of Mass Communication (IIMC) on 21 March 2006, New Delhi.

V. Outreach, Global Presence and Networking

RIS attempts to fulfill its mandate of policy research to shape the international development agenda. In order to increase international visibility and outreach, it participates in major international events relevant to its work programme. It has taken a Consultative Status with international organizations such as with UNCTAD, WTO and NAM and participates in ministerial conferences Summits. In 2005/06, RIS participated in the Hong Kong Ministerial and organized a number of events on the sidelines.

The institutional networking and outreach activities were strengthened by organizing joint activities and collaborative programmes with counterpart institutions. These include the third high-level conference on Asian economic integration organized in Taiyuan, China in collaboration with the Shanxi University of Finance and Economics. IUCN South Asia based in Colombo collaborated with RIS in the organization of the Regional Conference on the Doha Agenda held in August 2005. RIS organized two panels at the Hong Kong Trade and Development Symposium held in Geneva in partnership with ICTSD and GDAE, Tuft University in USA.

The senior officials of UN-ESCAP including its Executive Secretary H.E. Dr. Kim Haksu and Deputy Executive Secretary, Mr. Shigoru Mochida visited

RIS. DG-RIS was invited by UN-EASCAP to address its High-Level Committee on Managing Globalization held in Bangkok in October 2005.

The relationship with the Institute of Southeast Asian Studies (ISEAS), Singapore was further strengthened by signing an MOU. Both the institutes also collaborated in organizing the fourth high level conference on Asian economic integration in November 2005. They also collaborated in bringing out two publications, namely, *India-ASEAN Economic Relations: Meeting the Challenges of Globalization*; and *Towards an Asian Economic Community: An Agenda for the East Asia Summit*. The second volume provides reflections from Asian Think-Tanks for dialogue on broader Asian economic integration and it was launched on the eve of the first East Asia Summit.

The relationship with Development Research Centre (DRC) of the State Council of China was strengthened with a DRC delegation's visit to RIS, the participation of Dr. Shi Yaodong in the RIS conference on Asian Economic Integration and the visit of DG-RIS to DRC.

RIS continued to conduct its policy research and related activities in collaboration with other agencies like UN-ESCAP; UNDP; SAARC Secretariat; Asian Development Bank; International Centre for Trade and

UN-ESCAP Executive Secretary Visits RIS

H.E. Mr. Kim Hak-Su, Executive Secretary, UN-ESCAP during his visit to New Delhi visited RIS along with his colleagues on 11 February 2006 for an briefing on the RIS work programme and strengthening the ESCAP-RIS collaboration. This discussion began with a presentation on the work programme of RIS made by Director-General, RIS. RIS is represented on the Institutional Advisory Board of the ESCAP's Asia Trade Research Network on Trade (ARTNeT) and actively contributes to it. H.E. Mr. Kim showed keen interest in the work programme of RIS especially on Asian economic integration. The Indian Ministry of Commerce and Industry has also proposed to support a study on regional institutional financing mechanism on infrastructure in Asia to be conducted by RIS to support ESCAP's work during this visit.



H.E. Mr. Kim Hak-Su and members of his delegation interacting with RIS faculty.

Sustainable Development, Geneva; Commonwealth Secretariat, London; Sasakawa Peace Foundation, Tokyo; South Asia Centre for Policy Studies (SACEPS); Australian National University; University of Melbourne; Thammasat University, Bangkok; Australian Centre for International Agriculture Research, etc.

RIS, as the National Focal point, represents India in the SAARC Network of Researchers on Global Financial and Economic Issues. Jointly with IPS, Sri Lanka, RIS brings out the *South Asia Economic Journal*. RIS is also represented on the Governing Boards of the ARTNeT set up by UN-ESCAP, of SACEPS based in Kathmandu, and ICTSD based in Geneva. RIS represents India on the ACD Think-Tank and on Boao Forum for Asia (BFA) Institute Network. As reported earlier, 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 has 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.

During the past years RIS has established contacts with a number of national, regional and international policy think-tanks and civil society organizations. A list of select organizations is given below:

International Organizations

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

Regional Organizations

UNDP, New York.
UN ESCAP, Bangkok.
Asian Development Bank, Manila.
Asia-Pacific Research and Training Network on Trade (ARTNet), ESCAP.
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.
 ASEAN Secretariat, Jakarta.
 SAARC Secretariat, Kathmandu.
 Institute of Boao Forum for Asia, Beijing.

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.
 Sasakawa Peace Foundation USA
 (SPFUSA).
 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 Economics China.
 New Zealand Institute of International Affairs.
 Asian Strategy & Leadership Institute (ASLI), Kuala Lumpur, Malaysia.
 Danish Institute of International Studies
 Global Development and Environment Institute (GDAE), Tufts University, USA.
 Australian Centre for International Agricultural Research (ACIAR).

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
 Indian Council of World Affairs.
 Council for Security Cooperation in the Asia Pacific (CSCAP) India.
 Rajiv Gandhi Institute of Contemporary Studies.
 Centre for Trade & Development (Centad), New Delhi.

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

- ❖ Dr Simon Thomas, Senior Transport Economist, South Asia Energy & Infrastructure; and Dr Ejaz Ghani, Economic Advisor, Poverty Reduction and Economic Management, South Asia Region, The World Bank, Washington on 28 April 2005.
- ❖ Three-member official delegation led by Mr Iqbal Meer Sharma, Chief Director, Department of Trade and Industry, Government of South Africa on 15 April 2005.
- ❖ Dr Michel Gressot, Economic Adviser, Multilateral Affairs Division, Trade-related development issues, Swiss Agency for Development and Cooperation, Berne and Dr Sailendra Narain, Chairman, Centre for SME Growth & Development Finance, Mumbai on 28 June 2005.
- ❖ Dr K Narayanan, Associate Professor, Department of Humanities and Social Sciences, Indian Institute of Technology Bombay on 4 April 2005.
- ❖ Dr Mukel Asher, Professor, LKY School of Public Policy National University of Singapore on 7 April 2005.
- ❖ Dr Saman Kelegama, Executive Director, IPS, Colombo on 8 April 2005.
- ❖ Dr Hans Peter-Brunner, Principal Economist, ADB on 8 April 2005.
- ❖ Ms Tigist Defabachew, Senior Administrative Coordinator, Markets, Trade and Institutions Divisions, IFPRI, Washington, on 21 April 2005.
- ❖ Dr Achilles C. Costales, Associate Professor, Department of Economics, Philippines University of the Philippines Los Banos, Philippines, on 21 April 2005.
- ❖ Dr Ray Trewin, Research Program Manager, Agricultural Development Policy, ACIAR, Australia, and Dr Kuhu Chatterjee, ACIAR, New Delhi, on 12 May 2005.
- ❖ Dr Sisira Jayasuriya, University of Melbourne, on 13 May 2005.

India-US Dialogue on Trade Issues - Doha Agenda: A-USTR Visits RIS

The Delegation led by Ms. Meredith Broadbent, Assistant US Trade Representative (AUSTR), Mr. Sarah Bovin, Dy. AUSTR, Mr. Ashley Miller and Mr. Edward Dunn, International Trade Specialists, US Department of Commerce, accompanied by US Embassy officials visited the RIS on 10 May 2005 to exchange views on trade policy issues particularly on NAMA.

In the discussion, DG, RIS emphasized that for their long-term sustainability it was important that multilateral trade negotiations appear to be providing real and credible benefits to developing countries rather than only pushing them to open their markets. Given the experience with the Uruguay Round, these negotiations are seen by developing countries as attempts by developed countries to push their agenda while resisting the opening of their markets. Therefore, RIS hoped that developed countries would show leadership in the Doha Round to restore the confidence in the system!



(From right): Dr. Nagesh Kumar, DG, RIS, Ms. Meredith Broadbent, A-USTR, and members of her delegation at RIS.

- ❖ Ms. Bidisha Ganguly, Economist, Brics Securities Limited, Mumbai, on 20 May 2005.
- ❖ Ms. Marie Angella, Counsellor, Ministry of Foreign Affairs, Brazil on 7 July 2005.
- ❖ Dr. Willem Janssen, Senior Agricultural Specialist, South Asia Agriculture and Rural Development Unit, The World Bank, Washington DC 20433, USA on 13 July 2005
- ❖ Dr. Deok Soon Yim, STEPI, South Korea on 18 July 2005.
- ❖ Mr S. Sridhar, Executive Director, Exim Bank of India, Mumbai on 19 July 2005.
- ❖ Ms. Ruchi S. Saklani, Deputy Manager, Price Water House Coopers, on 23 July 2005.
- ❖ Prof. Satya Paul, Professor, University of Western Sydney of Economics on July 25 2005.
- ❖ Ms Surupa Gupta, Whittier College, California on July 27 2005.
- ❖ Mr Ton Sinh Thanh, Minister Counsellor, Deputy Head of Mission, Embassy of the Socialist Republic of Vietnam, on July 28 2005.
- ❖ Dr Jeffrey M. Drope, Assistant Professor, Department of Political Science, School of Business Administration, University of Miami, USA on 5 August 2005.
- ❖ Dr Soon Cheul Lee, Research Fellow, Centre for Regional Economic Studies, Korea Institute for International Economic Policy on 9 August 2005.
- ❖ Dr. Martien Van Nieuwkoop, Lead Rural Development Specialist, World Bank on 18 August 2005
- ❖ Dr Kamal Malhotra, UNDP on 23 August 2005.
- ❖ Mr Hidenao Yanagi, Minister, Embassy of Japan, New Delhi on 5 September 2005.
- ❖ Dr. Guido Ruivenkamp, Associate Professor, Wageningen University on 9 September 2005.
- ❖ Ms Heather Ward, Deputy High Commissioner, New Zealand High Commission, New Delhi, on 12 September 2005.
- ❖ Mr Kent R. Ford, Managing Director, Global Development Solutions, LLC, Virginia on 21 September 2005.
- ❖ Mr. Michio Iwanami, Director for International Trade Policy Negotiations, International Affairs and Fisheries (MAFF); Mr. Nagatomo, Takanori, Deputy Director, International Policy Coordination Division, International Affairs Department, Minister's Secretariat, MAFF; and Mr. Tomofumi Inoue, First Secretary, Embassy of Japan, New Delhi on 22 December 2005.
- ❖ Prof. Brian Lynch, Director, New Zealand Institute of International Affairs and Miss Heather Ward, Deputy High Commissioner, New Zealand High Commission, New Delhi on 24 November 2005.
- ❖ Prof. Jean Pisani-Ferry, Director, Bruegel, Brussels, and Dr. Jean-Joseph Boillot, Counsellor, Embassy of France, New Delhi on 25 November 2005.
- ❖ Dr. Tan Tai Young, Acting Director, Institute of South Asian Studies (ISAS), Singapore and Dean, Faculty of Arts and Social Sciences,

DRC Delegation at RIS

A six-member delegation from the DRC Social Development Research Department from China visited RIS on 21 December 2005. The members of the delegation were Dr. Ding, Ningning, Director-General; Dr. Gong, Sen, Senior Researcher; Mr. Cui, Chuanyi, Senior Researcher;



Members of the DRC delegation at RIS.

Mr. Xiao, Junyan, Senior Researcher; Mr. Lu, Zhiqiang, Senior Researcher and Former Vice President of DRC; and Mr. Wei, Jigang, Senior Researcher. Dr. Nagesh Kumar, DG, RIS made a presentation on the RIS work programme for the benefit of delegation. It was followed an interaction with the members of RIS research faculty. The delegation expressed keen desire to work in collaboration with RIS. As reported earlier, RIS and DRC have signed an MoU.

- National University of Singapore; Dr. Rahul Mukherji (JNU), Visiting Fellow, ISAS, Singapore; and Mr. Kien Pin Chen, Second Secretary, High Commission of the Republic of Singapore on 6 December 2005.
- ❖ Mr. Frank Harrigan, Assistant Chief Economist, Macroeconomics and Finance Research Division, Economics and Research Department, Asian Development Bank, Manila on 17 October 2005.
- ❖ Dr. Manuel F. Montes, Regional Programme Coordinator, Asia Trade and Investment Initiative, UNDP Regional Centre, Colombo, Sri Lanka on 25 October 2005.
- ❖ Mr. Daniel Shepherd, First Secretary (Economic/Environment/Trade Policy) and Ms. Caroline Wilson, External Relations, British High Commission, New Delhi, on November 15, 2005.
- ❖ Dr. Soon Cheul Lee, Research Fellow, Center for Regional Economic Studies, Korean Institute for International Economic Policy (KIEP), Seoul, Korea on 9 November 2005.
- ❖ Dr. Eric Teo, Council Secretary, Singapore Institute for International Affairs and Managing Director, Savoir Faire Corporate Consultants, Singapore on 17 November 2005.
- ❖ Mr. Hiroshi Hawahara, Sr. Manager, Nissan Motors Co. Ltd., Mr. Hiroki Mochida, Group Leader, Japan Automobile Manufacturers Association, and Mr. Takayuki Sajikiyo, Acting Group Manager, GENDAI Advanced Studies Research Organization, Tokyo on 22 November 2005.
- ❖ A three-member delegation from ESCAP Bangkok visited RIS on 24 November 2005 for interaction with DG, RIS. The members of the delegation were: Mr. Shigaru Mochida, Deputy Executive Secretary; Mr. Xuan Zengpei, Director of Trade Division; and Dr. Joong Wan, Investment Division of UN-ESCAP.
- ❖ Dr. Günther Taube, Director of Department International Regulatory Framework, and Dr. Valeska Gruenhage, Senior Project Manager, India/PR of China, German Development Institute, Bonn, on 23 November 2005.
- Prof. Sol Picciotto, Law School, Lancaster University, UK on 8 December 2005.
- ❖ Dr. Sisira Jayasuriya, Director, Asian Economic Centre, Department of Economics, University of Melbourne, Australia, and Dr. Russell Hillberry, Senior Lecture, Department of Economics, University of Melbourne, on 8 December 2005.
- ❖ Ms. Dasong Chong, Senior Researcher, China/Centre for Regional Economic Studies, Korea Institute for International Economic Policy, Seoul, Korea on 19 December 2005.
- ❖ Mr. Materne Maetz, Senior Agricultural Policy Support Officer (Training), Agricultural Policy Support Service, FAO, Rome on 28 October 2005.
- ❖ Dr. Rahul Sen, Fellow, Regional Economic Studies; and Ms Sanchita Basu Das, Research Associate, Regional Economic Studies, Institute of Southeast Asian Studies (ISEAS), Singapore on 24 October 2005.

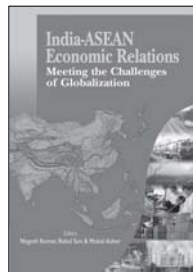
- ❖ A delegation including Mr Atsuyuki Oike, Director, Economic Partnership Division, Economic Affairs Bureau; Mr Takashi Koyama, Deputy Director, Economic Partnership Division, Economic Affairs Bureau; Ministry of Foreign Affairs; and Mr Naoyasu Yoshimura, Deputy Director, Economic Partnership Division, Trade Policy Bureau, Ministry of Economy, Trade and Industry, Tokyo, in connection with the India-Japan Joint Study Group, visited RIS on 3 February 2006.
- ❖ Mr. Y. Teddy Takeuchi, Asian News Reporter, Foreign News Department, *The Asahi Shimbun*, Tokyo on 25 October 2005.
- ❖ Dr. Ashok Gulati, Division Director, Markets, Trade and Institutions, IFPRI, Washington, 15 November 2005.
- ❖ Mr. Kavi Chongkittavorn, Executive Editor, *Nation*, Bangkok on 19 November 2005.
- ❖ Prof Masanori Kondo, Associate Professor of Economics, Division of International Studies, International Christian University, Tokyo, Japan on 5 January 2006.
- ❖ Dr. Keith Atkinson, Managing Director, Imani Development Australia Pvt. Ltd., Perth WA, Australia on 6 January 2006.
- ❖ Dr. Thomas Fues, German Development Institute, Dr. Günther Taube and Dr. Valeska Gruenhage, Internationale Weiterbildung und Entwicklung gGmbH (Inwent), Germany on 16 January 2006.
- ❖ Dr Praduman Rana, Senior Advisor, ADB, Manila on 17 January 2006.
- ❖ A four-member delegation from the Centre for Bhutan Studies, Thimpu visited RIS on 15 December 2005 for interaction with RIS faculty. The members of the delegation were Dr. Karma Galay, Senior Researcher; Mr. Dorji Penjore; Mr. Tshering Phuntsho; and Mr. Samdrup.
- ❖ Dr Raja Mitra, Consultant, The World Bank, Washington DC on 31 January 2006.
- ❖ Dr Dong Zhang, Senior Analyst, Trade and Economic Analysis, Australian Agency for International Development, Canberra, Australia on 2 February 2006.
- ❖ Dr. Christopher L. Delgado, Director, Joint ILRI-IFPRI Programme on Livestock Market Opportunities ILRI's Theme 3, Nairobi ILRI, Nairobi, Kenya on 3 February 2006.
- ❖ A delegation from the Institute of Public Policy Research, UK visited RIS on 6 March 2006. The members of the delegation were: Dr Howard Reed, Research Director; Dr Kevin Bowman, Corporate Relations Manager; and Dr Rachel O'Brien, Editor, *Public Policy Research*.
- ❖ Dr Clare Narrod, Research Fellow, Markets, Trade and Institutions, IFPRI, Washington, USA on 3 February 2006.
- ❖ Dr Laurence Henry, Visiting Fellow, International Law, Centre de Sciences Humaines, New Delhi on 6 February 2006 and on 14 February 2006.
- ❖ Dr. Katherine Kahn, Agricultural Biotechnology Advisor, USDA and Dr. Janet Carpenter, Biotechnology Advisor, U.S. Agency for International Development (USAID), on 10 February 2006.
- ❖ Dr Yan Xuetong, Director and Dr Sun Xuefeng, Institute of International Studies, Beijing, China on 13 February 2006.
- ❖ A delegation including Mr Suprpto Martosetomo, Director/Secretary of the Policy Planning and Development Agency, Department of Foreign Affairs; Mr Moenir Ari Soenanda, Director, Centre for Policy Analysis and Development of the Asia Pacific and African Region; and Mr Mochamad A. Ridwan, Department Luar Negeri Ri, Indonesia along with Mr Fientje M. Suebu, Embassy of the Republic of Indonesia, New Delhi visited RIS on 29 March 2006 for interaction with the DG.
- ❖ Mr. Subash Bose Pillai, Minister Counsellor (Economic Affairs), High Commission of Malaysia on 15 February 2006.
- ❖ Dr Paul Evans, Vice-Chair of Board of Directors and Co-CEO, Asia Pacific Foundation of Canada on 16 February 2006.
- ❖ Prof Francis Kornegay, Senior Researcher; and Dr Jabu Dada, Senior Researcher, Centre for Policy Studies, Doornfontein, South Africa on 13 March 2006.
- ❖ Dr. Soon Cheoul Lee, Fellow, Korea Institute for International Economic Policy (KIEP), Seoul, Korea on 20 and 27 March 2006.
- ❖ Prof Peter Drysdale, Asia Pacific School of Economics and Government, The Australian National University, Canberra on 31 March 2006.

VI. Publications Programme

During 2005-06 RIS brought out the following Reports and Books, Discussion Papers, Journals, and Policy Briefs to communicate the results of its research on specific policy issues to the policy makers and researchers:

Books and Reports

India-ASEAN Economic Relations: Meeting the Challenges of Globalization by Nagesh Kumar, Rahul Sen, and Mukul Asher (eds.), 2006. Published by RIS and ISEAS, Singapore, ISBN 81-7122-095-9 (India), ISBN 981-230-231-9 (Singapore)



Leading experts of the region in their contributions to this book examine the ways in which the emerging partnership between India and ASEAN can be taken forward for mutual benefit, so that the two sides can leverage each other's strengths to better negotiate the forces of globalization. Specifically, the book addresses issues concerning trade liberalization in both regional and multilateral contexts and goes on to examine the prospects for investment flows and trade in financial services and information and communication technology. It also deals with the potential of sub-regional cooperation and the strategic implications of India-ASEAN cooperation which have hitherto received insufficient attention in the literature.

Towards an Asian Economic Community: An Agenda for the East Asia Summit Published jointly by RIS and ISEAS, Singapore, 2006 ISBN 81-7122-096-7 (India) ISBN 981-230-360-X (Singapore)

The 1990s have witnessed emergence of strong regional trading blocs in different parts of the world led by EU's Single Market and NAFTA among others. Asia has lagged behind in this trend. However, currently there is great interest in Asia in the potential of regional economic integration for exploiting their synergies for mutual benefit as is evident from the proliferation of initiatives at sub-regional and bilateral FTAs in the region



especially those between ASEAN and its dialogue partners, viz. Japan, China, South Korea and India. From these attempts a virtual Asian economic community is emerging. However, the sub-regional and bilateral FTAs have their limitations in fully exploiting the potential of regional economic integration and in providing a seamless market to Asian businesses to become more competitive and productive. It is

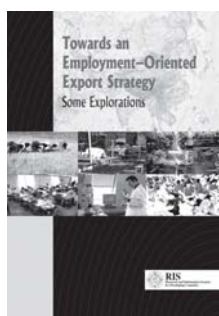
therefore widely believed that Asia needs a broader pan-Asian framework for regional economic cooperation that could evolve in a phased manner. The East Asia Summit (EAS) is an important event for initiating a broader architecture for regional cooperation in Asia. The EAS participating economies combine between them the largest and most dynamic economies of Asia, namely Japan, ASEAN-10, China, S. Korea, and India, and also Australia and New Zealand. Such a participation gives EAS an opportunity to launch the process of formation of an Asian grouping that could be expanded in future to evolve into an Asian Economic Community. This publication presents outcomes of a policy dialogue involving premier Asian think-tanks and leading experts of Asia conducted during 2003-05 on the relevance of broader cooperation, possible approaches and a roadmap. It puts together an agenda for the EAS for building an institutional architecture for exploiting potential of regional economic integration for building an Asia of tomorrow that will be the centre of gravity of the world economy!

The publication was brought out under the joint auspices of ISEAS, Singapore and RIS to 'provide inputs for the first East Asia Summit.

Towards an Employment-Oriented Export Strategy: Some Explorations, published by RIS, 2006. ISBN 81-7122-097-5

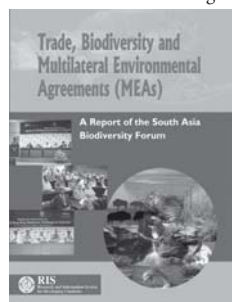
India currently faces a major challenge of employment generation for millions of its unskilled and semi-skilled unemployed workers. The employment in the organized sector has shrunk in the recent years despite acceleration in GDP growth. India needs a manufacturing revolution to complement the booming services sector 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. Export-oriented production has a huge potential for generating jobs. However, very little information has been available on the role that exports play in employment

generation and policies that may help in that respect. This Report, prepared by RIS at the request of the Ministry of Commerce and Industry, explores the role that exports can play in employment generation. It discusses the analytical issues in linking exports and employment generation and summarizes the international experiences on the subject. It makes the first exploratory attempt at estimating the role that the export-oriented industry is playing in job creation and its potential. It outlines an employment-oriented export strategy that will not only strengthen India's place in the international division of labour but can also improve the condition of its unemployed youth and generate new income and wealth. The government has taken cognizance of its findings and recommendations in the recent policy-making. The study has been published for wider circulation. The Hon'ble Commerce and Industry Minister, Shri Kamal Nath has given a Foreword to the Volume.



Trade, Biodiversity and Multilateral Environmental Agreements (MEAs): A Report of the South Asia Biodiversity Forum Published by RIS, 2006.

In the context of the ongoing Doha Round of multilateral trade negotiations, the issues related to environment, biodiversity and trade have assumed key importance. The debate has evolved from the initial discussions on linkages between multilateral environmental agreements (MEAs) and the global trade regime under WTO to specifics, which has encouraged member countries to place much more detailed proposals. Linkages and consistency between MEAs like Convention on Biological Diversity (CBD) and the UN Framework Convention on Climate Change (UNFCCC) and WTO agreements like TRIPs are being discussed. In the debate on trade and environment, India has taken up a proactive role in presenting an alternative to the list based approach for identifying environmental goods. RIS had organized a South Asia Regional Conference on the Doha Agenda with a special focus on trade, biodiversity and MEAs. This volume presents a Report on the biodiversity and MEAs related discussion from the conference as well as key papers and presentations.



Books in press

- ***Environmental Requirements and Market Access for Developing Countries: Lessons from South Asian Experiences*** by Nagesh Kumar and Sachin Chaturvedi (eds.). Academic Foundation, 2006.
- ***Competitiveness of Knowledge-Based Industries*** by Nagesh Kumar and K.J. Joseph (eds.). Oxford University Press, 2007.

- ***Information Technology, Innovation System and Trade Regime: India and ASEAN*** by K.J. Joseph, London: Palgrave Macmillan, 2006.

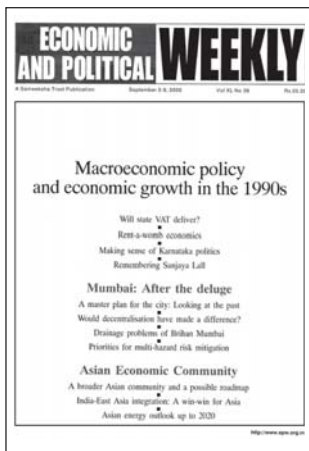
Unpublished Reports

1. India-Brazil-South Africa (IBSA) Economic Cooperation: Towards a Comprehensive Economic Partnership. Report submitted to Deptt. Of Commerce, Ministry of Commerce and Industry.
2. Report of the Third High-Level Conference on Building a New Asia: Towards an Asian Economic Community, Taiyuan, P.R. China
3. Report of the Fourth High-Level Conference on Asian Economic Integration: Towards an Asian Economic Community, New Delhi, India.
4. India's Trade in Audio-Visual Services under the GATS, submitted to the Deptt. of Commerce, Ministry of Commerce and Industry.
5. 2005-06 Forecasts of India's Exports: A Disaggregated Analysis by Countries and Commodities – Paper VI of the Research Project Modelling of Export Sector for Short-term Forecast, submitted to Deptt. of Commerce, Ministry of Commerce and Industry.
6. Implications of the WTO Tariff Proposals on Indian Paper and Newsprint Industry, Interim Report, prepared under the research project, Implications of the WTO Tariff Proposals on Indian Paper and Newsprint Industry, in collaboration with Central Pulp and Paper Research Institute (CPPRI) and supported by DOIPP, Ministry of Commerce and Industry.

Policy Briefs

- #18 ***Biosafety Protocol, Precautionary Approach and Trade: Identifying Plausible Policy Options***

A strategy is needed to regulate GMO introduction - as in India, no precautionary measure on GMO imports have been implemented so far. In fact, most developing countries have limited experience and capacity in their domestic regulations and some are currently in the process



Special Issue of the *Economic and Political Weekly* on "Asian Economic Community"

The *Economic and Political Weekly* (Vol XL No 36, 3 September 2005) carried the following special articles on the Asian Economic Community in arrangement with RIS:

- **A Broader Asian Community and a Possible Roadmap** by *Nagesh Kumar*
- **India-East Asia Integration: A Win-Win for Asia** by *Mukul G. Asher, Rahul Sen.*
- **Regional Trade and Investment Architecture in Asia-Pacific: Emerging Trends and Imperatives** by *Tiziana Bonapace.*
- **China's Role in the Asian Economic Unification Process** by *Yao Chao Cheng.*
- **Asian Energy Outlook up to 2020** by *Kokichi Ito, Li Zhidong, Ryoichi Komiyama.*
- **Strategic Relevance of Asian Economic Integration** by *Eric Teo Chu Cheow.*

of elaborating their legal framework. Many countries including the EU, Japan and South Korea have adopted a restrictive approach measure on GMO imports have been implemented so far. In fact, most developing countries have limited experience and capacity in their domestic regulations and some are currently in the process of elaborating their legal framework. Many countries including the EU, Japan and South Korea have adopted a restrictive approach advocating the precautionary principle. The precautionary approach, in general, aims to deal with the hypothetical risks, when the link between the cause and the harm is yet to be determined. The approach is particularly relevant to GMOs since it is an evolving technology where environmental and health implications are to be assessed. India, being a party to both the WTO and the Biosafety Protocol, has to meet the challenges thrown up by the two agreements whose provisions are sometimes seen to be contradictory.

development prospects by squeezing the policy space for developing countries.

Against that backdrop, this policy brief, as a precursor to the *World Trade and Development Report 2006/07*, summarizes some proposals that should be guiding the ongoing negotiations to produce a development-friendly outcome and make the Round really a Development Round. That will also instill confidence of developing countries in the system thus making it more sustainable.



#19 Doha Round's Development Impacts: Shrinking Gains and Real Costs

While presentations of modeling results exhibit the "net" benefits, they rarely emphasize the losers from trade liberalization. For the Doha Round, among the losers are governments. Current Doha proposals will also result in large tariff revenue losses for developing countries. Tariff revenues are an important source of funds for development—accounting for twenty per cent of government revenue in developing countries. According to UNCTAD, tariff revenue losses could be as high as \$60 billion for the developing world.

Studies have shown that the potential benefits of the liberalization for low-skilled workers under the GATS could range between \$150 billion and \$300 billion on an annual basis.

These costs are rarely considered in the debates over trade liberalization, but for developing countries they are significant. As we can see, they dwarf the potential gains of just \$16 billion now projected by the World Bank. Those projections certainly make clear why so many negotiators are resisting the continued call for trade liberalization: they have little or nothing to gain and possibly much to lose.

#20 Making Doha a Really Development Round

It is clear that all is not well with the world trading system. Yet we do not seem to be doing anything to save the world trading system from extinction and make it more sustainable. In order to be sustainable, the world trading system should appear to promote trade in such a manner that it does not jeopardize the

#21 Trade Facilitation: Need to Strike a Balance between Pragmatism and Caution

Among the Singapore issues, Trade Facilitation (TF) is the only issue accepted by the WTO members for further negotiations. In fact over the last couple of months it has emerged as the brightest part of the Post-Cancun trade negotiations despite sporadic concerns raised by a couple of members at different points. Any attempt to harmonize the trade facilitation regimes seems feasible only in the long term provided several medium and short term measures are launched right away. Sequencing and the timing of such measures would be the key to success.

Discussion Papers

#108 Towards Comprehensive Economic Co-operation between India and Central Asian Republics by Dr. Ramgopal Agarwala

Despite some recovery in recent years, the Central Asian Republics (CARs) remain in a difficult economic situation and present a serious challenge to Asia. It is in the mutual interest of both CARs and rest of Asia (including India) to explore the avenues for more intensive regional economic cooperation. This paper argues how India can be more active by: (a) giving intellectual confidence to CARs in developing and implementing their own Eurasian model of development which follows a middle path for both democracy and the markets; (b) providing financial and technical resources to revive their agriculture, industry and services; and (c) improving connectivity and liberalizing trade and investment regimes for greater exchange of goods, services and capital.

#107 Monetary and Financial Cooperation in Asia: Emerging Trends and Prospects by Ramkishan S. Rajan

Ever since the currency crisis of 1997-98 there has been a great deal of interest in enhancing regional economic



cooperation in Asia. It is important to keep in mind that economic regionalism is multidimensional nature. The focus of this paper is on policy initiatives underway in Asia to enhance monetary and financial regionalism and the analytical bases for these initiatives, rather than on examining the *de facto* level of financial and monetary links that already exists (which may or may not have been facilitated via regional policy mechanisms). There are many gradations of monetary and financial regional cooperation, ranging from the weak form involving regional policy dialogue and surveillance, on the one hand, to exchange rate and monetary coordination, on the other. To maintain focus, this paper concentrates more narrowly on the "medium forms" of monetary and financial regionalism, broadly defined as the development of regional liquidity arrangements and regional financial markets.

#106 *Japan and an Asian Economic Community* by Masanori Kondo

Until recently, most Japanese considered the gaining momentum of Asian economic integration in the frame of ASEAN+3. With India maintaining a high economic growth rate and with a population growth rate predicted to overtake China as the most populous country in Asia, it is leading many to rethink the importance of India to Asian economic integration. In order to find a political and economic counterbalance to China, the Japanese government has also put in efforts in vitalizing the Japan-India relationship. India following its 'Look East' policy has been successful in improving its economic relations with Korea, China and Japan. However, with some exceptions, Japanese businesses are behind other countries (especially US, UK, and South Korea) towards investing in India. While there are indeed many unique difficulties involved in entering the Indian market, the massive consumer potential of the population combined with a skilled and numerous labour pool allows many South Korean and American firms to attain great success in India. Japanese and Indian policymakers have great designs for the relationship between the two countries, but it is only when Japanese firms step up and make the needed large scale commitment in India that Indo-Japanese trade will start to grow.

#105 *India-Vietnam Trade: Current Relations and Prospects* by Rajesh Mehta

The main objective of this paper is to (i) analyse the level, growth and composition of India-Vietnam trade in goods, (ii) identify sectors/products in which India has export potential in Vietnam, if a duty free regime is agreed between India and Vietnam, and (iii) examine the implication of India-Vietnam bilateral free trade agreement.

#104 *Trade in IBSA Economic Cooperation: The Role of Communication Services* by Prabir De

India, Brazil, and South Africa (IBSA) are from the world's three continents, which together share 20 per cent of world population and 10 per cent of world surface area and contribute 4 per cent of world GDP and 2 per cent of world trade. This paper finds that one of the strongest barriers to trade at present in IBSA appears to be the weak transport connectivity. The present study explores the possibilities of strengthening the transport network in IBSA to deepen the trilateral cooperation. The paper draws attention to the urgent task of adopting a communication enhancement policy in IBSA to attain a modest growth in regional trade.

#103 *Trade and Environment in the WTO: Negotiating Options for Developing Countries* by Sanjay Kumar and Nupur Chowdhury

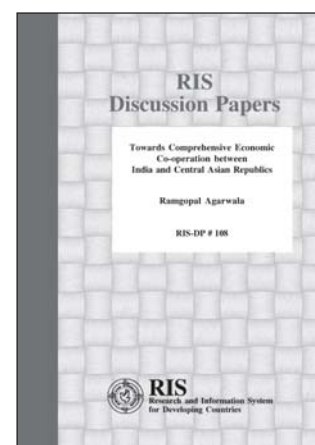
The debate on the trade-related environment issues has intensified in the Doha Round at WTO. The idea is to ensure sustainable development as proclaimed in the Preamble to the Marrakesh Agreement. At the Doha Ministerial Conference, the Committee on Trade and Environment and the Committee on Trade and Development at the WTO were asked to act as a forum in which the environmental and developmental aspects of the negotiations launched at Doha could be debated. The Paragraph 31 of the Doha Ministerial Declaration is the operative paragraph that sets the guidelines for negotiations on the relationship between WTO rules and specific trade obligations as set out in MEAs and on the reduction or, as appropriate, the elimination of tariff and non-tariff barriers to environmental goods and services. This has encouraged India and other developing countries to view the trade and environment debate from a new perspective. The project-based approach instead of the usual list-based approach is a major addition to this new strategy, developing countries seems to be thinking of how to keep commitment for the sustainable development at the centre stage. The new approach may also help in ensuring access to environmentally sound technologies urgently needed by many developing and least developed countries.

#102 *Prospects for Environmental Trade under the Regional Process in South Asia: Evidence from SAPTA and Proposals for SAFTA* by S.K. Mohanty and Sachin Chaturvedi

The debate on identification of environmentally sensitive goods (ESGs) is highly complex as discussed in the economic literature. In the context of SAFTA, ESGs assumes significance as the region is significantly dependent on these products for trade. In this paper an attempt has been made to formulate a new approach to identify ESGs, and the same definition is used to analyse the nature of trade flows in the South Asian region. The implications of three Rounds of SAPTA trade liberalization in ESGs trade is examined at a disaggregated level separately. The empirical exercise indicates that South Asia has a large market for these products, and nearly one quarter of the regional trade falls within the medium and high technology product groups. The study has prepared a road map for sectoral trade liberalization, which would promote intra-regional trade in ESG products under SAFTA. An effort has been made to suggest counter balancing measures to minimize the negative environmental implications of possible trade expansion once SAFTA is implemented.

#101 *Emergence of China and India in the New Millennium: Will it Facilitate Market Access for LDCs and Developing Countries?* by S.K. Mohanty and Sachin Chaturvedi

China and India have emerged as highly dynamic economies in recent years. In the Asian region their growth and economic expansion has generated its own complementarities. The paper has empirically shown that a surge in the exports of these two countries has significantly contributed to their overall economic growth. Towards this end, both the countries have relied on LDCs and developing countries for their imports and on markets of industrialised economies





for exports. The import dependence of India and China is mostly on the industrial intermediate sector, which is critical for their exports. It is advantageous for LDCs and developing countries to closely tie up with these growing economies to get in to their fast expanding markets, but the process is not automatic. Developing countries, particularly the LDCs, have to adopt long term strategies to concretise their economic relationship with these two countries to secure persistent market access. Supply and technology constraints in LDCs and other countries may be addressed explicitly, and the relevance of these two countries as suppliers of FDI and technology is examined. India and China have made steady progress in frontier technologies such as ICT and biotechnology, and they may provide easy access to these technologies to LDCs and other developing countries.

#100 *Towards a Broader Asian Community: Agenda for the East Asia Summit* by Nagesh Kumar

Drawing upon the recent work conducted at RIS and other think-tanks, this paper finds a compelling case for broader regional economic integration in Asia. It finds a case for the formation of a broader economic community in East Asia coalescing the emerging web of FTAs linking Japan, ASEAN, China, India and Korea into a region-wide or an East Asian RTA that could form the a core of an East Asian Community. The East Asian Community could be eventually expanded to cover other Asian countries in an Asian Economic Community. It has been shown that economic integration in East Asia or JACIK could enable the region to resume its rapid growth and help it emerge as the centre of gravity in the world economy. The simulations made suggest that such a grouping would enhance the welfare of the partners as well of the rest of the world, hence would be a win-win for the world economy. It also discusses the potential of cooperation in other areas such as monetary and financial system, energy security, new technologies, global governance and security. It is concluded with an agenda for the East Asia Summit.

#99 *Biosafety Protocol, International Trade and Agricultural Biotechnology: Policy Inferences for India* by Sachin Chaturvedi

The growing development in and possibly greater diffusion of biotechnology products have further accentuated the intensity of trade restrictions on the entry of these goods in countries like EU, Japan and South Korea. While India initiates the various measures to implement the Biosafety protocol it is essential that specific trade policy responses are thought of on a priority basis. This would be important for effective implementation of other Multilateral Environmental Agreements (MEAs) as well. In this context apart from other measures certain institutional initiatives need to be launched; for instance regional and sub-regional cooperation, focus on development of necessary skills for quarantine and other agencies, precautionary measures without affecting the trade facilitation measures. At the regional level, initiatives like Biosafety Clearing House and the risk assessment mechanism should be effectively put in place. In order to facilitate this the policy-specific scientific responses for risk assessment and risk management may also be finalised at the earliest.

#98 *The WTO Negotiations on Industrial Tariffs: What is at Stake for Developing Countries?* by Yilmaz Akyüz

This paper focuses on the implications of the negotiations on industrial tariffs for longer term

industrialization in developing countries. It begins with a brief overview of the NAMA framework that is followed by a review of the historical experience of the present day advanced countries regarding the use of tariffs in the course of their industrialization, and compares and contrasts it with the actual situation prevailing in developing countries today and the proposals put forward. Then it discusses the sectoral pattern and evolution of tariffs that may be needed in the course of industrial development in comparison with the constraints that would result from the proposals made by developed countries, and advances a simple alternative formula that can help reconcile policy flexibility with multilateral discipline. This is followed by an evaluation of the various estimates of benefits of tariff cuts to developing countries. The paper turns to the question of reciprocity from a broad developmental perspective. It is concluded with a brief summary of the key points on how the negotiations could accommodate both the immediate needs and longer-term interests of developing countries.

#97 *Non-tariff Barriers Affecting India's Exports* by Rajesh Mehta

The purpose of this paper is first of all to highlight that Indian exports do face non-tariff barriers in the major export markets especially the US, EU, Japan and other developed countries, which significantly hinder India's exports to these markets. A second related aim is to illustrate the range of barriers, which confront Indian exporters. A third proximate goal is to suggest policy responses.

#96 *Advancing the ASEAN-India Partnership in the New Millennium* by Ong Keng Yong

India has an emerging web of cooperation with East Asian countries, especially ASEAN through the ASEAN-India dialogue process, the bilateral free trade agreements with Singapore and Thailand and sub-regional initiatives such as the Mekong-Ganga cooperation and the BIMST-EC. In this discussion paper, the ASEAN Secretary-General focuses on the need to develop a partnership between ASEAN and India that has the dual objectives of addressing the challenges of globalization and working closely to reap the opportunities of the same universal phenomena. There are sufficient opportunities and challenges to compel ASEAN and India to work closely in maintaining peace and stability, expanding economic linkages and improving the critical human capacities. The paper also presents ten points for Advancing ASEAN-India People-to-People Partnership.

#95 *The Search for Regional Architecture: The Role of ASEAN as Strange Attractor* by Djisman S. Simanjuntak

There is one important reason for arguing that a deep comprehensive ASEAN integration is indispensable under the current network of initiatives on external relations. Using ASEAN as a "strange attractor" for an East Asian integration is unlikely to bear fruits unless ASEAN is willing to set an example. Even a deeply integrated ASEAN may still find it difficult to persuade the rest of East Asia on the merits of East Asian integration, given the very limited muscle of ASEAN in terms of its external trade and investments. Being a recipient rather than a donor of official development assistance ASEAN is handicapped in playing the role of champion in trade and investment liberalization. What ASEAN most realistically can do is to serve as the "hub for post offices" while major Asian countries



seek to put aside differences in order to promote economic cooperation and integration. ASEAN has once missed the opportunity of playing the role of a champion of the ambitious regional integration of APEC. It should avoid committing the same mistake while endeavouring to promote an East Asian integration or even an Asia-wide integration.

#94 *India-Central Asia Economic Relations: A Report of RIS/CII Seminar*

Considering that India and Central Asian countries have historical economic linkages and their future path of joint economic progress needs to be studied in greater detail Research and Information System for Developing Countries (RIS), New Delhi and Confederation of Indian Industry (CII), New Delhi launched a research programme on 'Economic Cooperation between Indian and Central Asia'. As the first step towards meeting the objectives of the research programme, an RIS-CII Seminar on India and Central Asia Economic Relations was organized on 17 October 2003 in New Delhi. The Seminar was divided into two working sessions viz. (i) Geo-Strategic Perspectives and Framework for Trade and Investments which dealt with strategic and economic potential, business environment and trade linkages and (ii) Trade and Investment: Focus on the Energy Sector. The Seminar was well-attended by industry representatives, policy makers and academia. The paper contains the report of the seminar, background briefings, addresses, etc.

#93 *Asian Energy Outlook to 2020: Trends, Patterns and Imperatives of Regional Cooperation* by Kokichi Ito, Zhidong and Ryoichi Komiyaama

With booming economic growth Asia will play an increasingly important role in global economic and energy matters. World primary energy consumption is projected to expand at an average annual growth rate of 2.1 per cent by 2020. About 70 per cent of the increase would be accounted for by non-OECD member economies, two thirds of which are from the Asian region. The increase in demand for oil in Asia will most likely amplify the dependency on shipments from other regions (particularly the Middle East). Ensuring energy security would therefore turn out to be a vital task. In Asia (particularly East Asia), the achievement of the "three Es" (economic development, energy security, and environmental preservation) could no longer be viewed as a task to be addressed by each economy separately. Instead, it should be approached through region-wide cooperation - a goal of common interest.

Journals

❖ *South Asia Economic Journal*, Vol. 7 No. 1, January-June 2006

Contents: *Impact of Protection on Domestic Processing of Primary Commodities for Export Markets: An Example from the Sri Lankan Tea Industry* by Gaminda Ganewatta, Robert Waschik, Sisira Jayasuriya and Geoff Edwards; *Trade Policy Reforms and Openness of Indian Agriculture: Analysis at the Commodity Level* by Seema Bathla; *Money, Income and Prices in Pakistan: a Bivariate and Tri-variate Causality* by Kalbe Abbas and Fazal Husain; *Market Efficiency for the Pakistan stock Market: Evidence from the Karachi Stock Exchange* by Madhumita Chakraborty; *Analysing India's Trade Dynamics vis-à-vis SAARC Members Using the Gravity Model* by Biswajit Nag and Anisha Nandi; On the

Incentives of Violence: Greed and Pride in Sri Lanka's Civil War by Benedikt Korf and Stefanie Engel; Review Article and Book Reviews.

❖ *South Asia Economic Journal*, Vol. 6 No. 2, July-December 2005

Contents: *Behaviour of Stock Markets in South Asia: An Econometric Investigation* by W.I.C.S. Gunasinghe; *Is the Indian Stock Market Integrated with the US and Japanese Markets? An empirical Analysis* by Khan Masood Ahmad, Shahid Ashraf and Shahid Ahmed; *Foreign Capital Inflows and Growth in Pakistan: A Simultaneous Equation Model* by Bushra Yasmin; *The Twin Deficits Problem in Sri Lanka: An Econometric Analysis* by Ali Salman Saleh, Mahendhiran Nair and Tikiri Agalewatte; *Trade Policy, Poverty and Inequality in Nepal* by Kishor Sharma; *Inequality in the Literacy Levels in Pakistan: Existence and Changes Overtime* by Fazal Husain and Muhammad Ali Qasim; Book Reviews; and Document.

❖ *South Asia Economic Journal*, Vol. 6 No. 1, January-June 2005

Contents: *WTO Agriculture Negotiations and South Asian Countries: Concerns, Viewpoints and Consensus* by Ramesh Chand and Seema Bathla; *Agricultural Trade Policy Reforms in India* by Prema-chandra Athukorala; *Commercial Agriculture in Kerala after the WTO* by Brigit Joseph and K.J. Joseph; *Economic Growth, Appropriate Policies and Poverty Reduction in a Developing Country: Some Experience from Indonesia* by Tulus Tambunan; *Should Bangladesh Join a Regional Free Trade Area?* by Peter Warr; Notes; Review Article; Book Reviews and Document.

❖ *Asian Biotechnology and Development Review*, Vol. 8 No. 1, November 2005

Special Issue on Expanding Frontier of Biotechnology: Biosecurity and Biosafety

Contents: *Expanding Frontier of Biotechnology: Issues in Biosecurity and Biosafety* by Edgar J. DaSilva; *Intellectual Property Rights in Plant Biotechnology: A Contribution to Crop Biosecurity* by Kausar Abdulla Malik and Yusuf Zafar; *Potential Impact of Biological Weapons on Biological Diversity and Indigenous Peoples in Asia* by Joseph P. Dudley and Michael H. Woodford; *Strategies of Preparedness against the Threat of Biological Warfare and Bioterrorism in South-East Asia* by Samlee Plianbangchang; *The Argentine Experience in Enhancing Biosafety through Good Laboratory Practices* by Nidia E. Lucero and Faustino Siferiz; and *Ensuring Biosecurity and Biosafety through Biopolicy Mechanisms: Addressing Threats of Bioterrorism and Biowarfare* by Ronald M. Atlas; Bio News; Document; Bio Web; New Arrivals; and Bio Stat.

❖ *Asian Biotechnology and Development Review*, Vol. 7 No. 3, July 2005

Contents: *Issues in Capacity Building: An Overview* by Guest Editor: S R Rao; *An Overview of Regulation, Perceptions and Priorities for GM Crops in Asian Countries* by Purvi Mehta-Bhatt, Reynaldo V. Ebor, Joel I. Cohen, José Falck Zepeda, Patricia Zambrano; *Biotechnology Product Development Partnerships: Emerging Institutional Capacities in East Africa* by John Komen, John Bananuka, Charles Mugoya, Ivar Virgin; *Agricultural Biotechnology in Developing Countries: Nature and 'Code' in Meeting the Needs of Resource Poor* by P S Janaki Krishna and G Pakki Reddy; *Detection of Living Modified Organisms (LMOs) and the Need for Capacity Building* by Christopher D. Viljoen; *Activities of the ICGB in the Area of GMO Biosafety Capacity Building for Developing Countries* by Mark Tepfer and Decio Ripandelli; *The Public Research and Regulation Initiative* by Piet van der Meer; Bio News; Document; Bio Web; Bio Stats.



South Asia Economic Journal	
Volume 8	Number 2
Behaviour of Stock Markets in South Asia: An Econometric Investigation	W.I.C.S. Gunasinghe
Is the Indian Stock Market Integrated with the US and Japanese Markets? An Empirical Analysis	Khan Masood Ahmad, Shahid Ashraf and Shahid Ahmed
Foreign Capital Inflows and Growth in Pakistan: A Simultaneous Equation Model	Bushra Yasmin
The Twin Deficits Problem in Sri Lanka: An Econometric Analysis	Ali Salman Saleh, Mahendhiran Nair and Tikiri Agalewatte
Trade Policy, Poverty and Inequality in Nepal	Kishor Sharma
Inequality in the Literacy Levels in Pakistan: Existence and Changes Overtime	Fazal Husain and Muhammad Ali Qasim
Book Reviews	
Document	

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

Contents: Editorial; *Biotechnology and IPR Regime: In the Context of India and Developing Countries* by K.K. Tripathi; *Patenting of Biotechnological Innovations* by Malathi Lakshmikumar and Prashant Phillips; *Br 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 Stat.

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 2005/06:

- ❖ *New Asia Monitor*, Vol. 2, No. 2, April 2005.
- ❖ *New Asia Monitor*, Vol. 2, No. 3, July 2005.
- ❖ *New Asia Monitor*, Vol. 2, No. 4 October 2005.
- ❖ *New Asia Monitor*, Vol. 3, No. 1, January 2006.

Newsletter

- ❖ *RIS Diary*, Vol. 3, No. 2, April 2005.
- ❖ *RIS Diary*, Vol. 3, No. 3, July 2005.
- ❖ *RIS Diary*, Vol. 3, No.4, October 2005.
- ❖ *RIS Diary*, Vol. 4, No.1, January 2006.

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VII. Documentation Centre

Over the years, the RIS Documentation Centre has been serving 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.

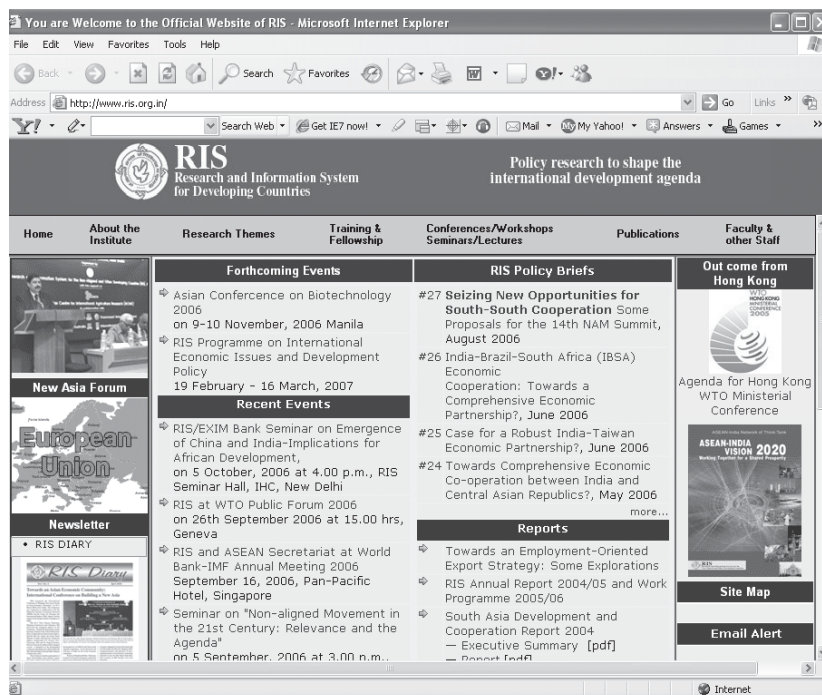
The Documentation Centre caters to not only the research staff of the RIS but also to researchers, policy makers, etc. from the government, academic, business and industry circles.

The collection of the research material at the RIS Documentation Centre has been growing constantly. It has been enriched by not so easily available publications, i.e. occasional papers/working papers/reprints/reports, unpublished documents, etc. obtained with the help of networking exercises with the national and international organizations/institutions. It has a fair collection of electronic documents and is equipped with Internet facilities. RIS

has introduced Delnet (Delhi Library Network) services for acquiring references and ascertaining the availability of the documents and journals in Delhi libraries.

RIS Online Documentation Centres

Online RIS website has been renovated completely in order to facilitate the dissemination of RIS publications. Most



of the output 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 the Doha Development Agenda in preparation of the Hong Kong Ministerial

at its website putting together all the RIS resources on the subjects.

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 other than RIS studies.



A view of the RIS Documentation Centre.

RIS

Annual Report 2005 / 06 and Work Programme 2006 / 07

— Policy research to shape the international development agenda



VIII. Human Resources



RIS

Research and Information System
for Developing Countries

Faculty



Dr Nagesh Kumar, Ph.D. (Delhi School of Economics)

Director-General

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.



Dr Ramgopal Agarwala, Ph.D. (Manchester University)

Senior Adviser

Specialisation: Macro-modelling, Macro-economic management, regional economic cooperation, pension system reforms, foreign aid for development and development policy paradigm.



Dr. Robert Arockiasamy, Ph.D. (Sardar Patel Institute of Economic and Social Research)

Visiting Fellow

Specialisation: Trade in food processing and quantitative analysis.



Dr Rajesh Mehta, Ph.D. (Delhi School of Economics)

Senior Fellow

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



Dr. Prabir De, Ph.D. (Jadavpur University)

Associate Fellow

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



Dr. S.K. Mohanty, Ph.D. (Sardar Patel Institute of Economic and Social Research)

Fellow

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



Dr. Beena Pandey, Ph.D. (Jamia Millia Islamia)

Research Associate

Specialisation: Social sector, gender empowerment and development issues.



Dr Ram Upendra Das, Ph.D. (JNU)

Fellow

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.



Dr. Samir Ranjan Pradhan, Ph.D. (JNU)

Visiting Research Associate

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



Dr Sachin Chaturvedi, Ph.D. (Agra University)

Fellow

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



Dr Pooja Sharma, Ph.D. (University of Cincinnati)

Fellow

Specialisation: International trade, political economy of trade policy, applied general equilibrium, regional economic integration, agriculture



Mr. Abinash Dash, M.Phil. (JNU)

Visiting Research Associate

Specialisation: FDI, Indian industry and trade and development.



Dr Somesh Mathur, Ph.D. (JNU)

Fellow

Specialisation: New trade and growth theories, operational research, WTO areas like TRIPs



Ms. Richa Chintan, M.Phil. (JNU)

Visiting Research Associate

Specialisation: Indian agriculture and trade

Adjunct Senior Fellows



Prof. Mukul Asher, *Professor, Lee Kuan Yew School of Public Policy, National University of Singapore.*



Prof. Edgar J. DaSilva, *former Director, Life Science Division, UNESCO, Paris and Honorary Professor University of Vrystaat, South Africa.*

Adjunct Fellows



Dr. Kevin P. Gallagher, *Professor, Department of International Relations, Boston University; Senior Associate, GDAE, Tufts University.*



Dr. Ramkishan S. Rajan, *Associate Professor, School of Public Policy, George Mason University, Washington D.C.*



Mr. U.S. Rana, *M.A. Economics (Kumoun University)*
Research Analyst
Specialisation: International trade and development, and regional trading blocs.



Ms. Ramaa Sambamurty, *M.A. Economics (Delhi School of Economics)*
Research Assistant



Mrs. Pooja Agarwal, *M.A. Economics (Delhi School of Economics)*
Research Assistant

External Research Advisors/Consultants/Collaborators (Part time)

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

Mr Pawan Chopra, *formerly Secretary, Information and Broadcasting.*

Dr R. G. Nambiar, *Director, Institute of Management, Nirma Univeristy of Science and Technology, Ahmedabad.*

Professor K.J. Joseph, *Fellow, Centre of Development Studies, Thiruvananthapuram.*

Dr. I.N. Mukherji, *Professor, Jawaharlal Nehru University.*

Dr K. Harilal, *Centre for Development Studies, Thiruvananthapuram.*

Dr Aradhna Aggarwal, *Department of Buisness Economics, University of Delhi, South Campus.*

Dr Sunil Ashra, *Associate Professor, Management Development Institute, Gurgaon.*

Dr S.R. Rao, *Director, Department of Biotechnology (DBT), Govt. of India.*

Dr N. Lalitha, *Associate Professor, Gujarat Institute of Development Reasearch, Ahmedabad.*

Dr E. Haribabu, *Department of Sociology, University of Hyderabad.*

Other Staff Members

Lt. Col. (Retd.) Shri Bharat Panwar
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 (on leave)*
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 Vijay Kumar Bali, *Graphic Designer*
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.



F&AO (left) in a meeting with his colleagues



A view of DG's office



A view of Computer Centre

RIS

Annual Report 2005 / 06 and Work Programme 2006 / 07

— Policy research to shape the international development agenda



IX. Financial Statements



RIS

Research and Information System
for Developing Countries

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 2006 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 12th September, 2006 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 2006
 - 2) in the case of the Income and Expenditure Account, of the surplus for the year ended 31st March 2006.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants

Sd/-
(K.N. Gupta)
Partner

Place: New Delhi

Date: September 12, 2006

Research and Information System for Developing Countries, New Delhi
(Society Registered under the Societies Registration Act of 1860)
Balance Sheet as at 31st March 2006

Particulars	Schedule	As At 31.3.2006 Amount (Rs.)	As At 31.3.2006 Amount (Rs.)
LIABILITIES			
Research And Development Fund	1	26279868	20767548
Non-FCRA Rs. 16190666			
FCRA Rs. 10089202			
Asset Fund (Assets Created Out of Grant-in-Aid from GOI)	2	28870066	29213905
Asset Fund (Assets Created Out of Various Sponsored Projects)		1508403	1789307
UNSPENT BALANCES			
Sponsored Projects as per Schedule Attached (Non-FCRA)	3	6338067	3232292
Sponsored Projects as per Schedule Attached (FCRA)		3329152	4248732
Current Liabilities And Provisions	4	1145758	2076444
Total		67471314	61328228
ASSETS			
Fixed Assets Created Out of Grant-in-Aid from GOI	5	28870066	29213905
Fixed Assets (Assets Created Out of Various Sponsored Projects)		1508403	1789307
AMOUNT RECOVERABLE			
A.Sponsored Projects as per Schedule Attached (Non-FCRA)	3	1178953	964763
B.Sponsored Projects as per Schedule Attached (FCRA)		-	-
Current Assets, Loans, and Advances, etc. (Non-FCRA)	6	22495538	17885010
Current Assets, Loans, and Advances, etc. (FCRA)		13418354	11475243
Total		67471314	61328228
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/-

Fin. & Admn. Officer

Sd/-

Director General

Dated: 12 September 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, 2006

INCOME	Schedule	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
Grant-in-aid received from Ministry of External Affairs		15000000	13700000
Amount Transferred from Sponsored Projects (Excess amount transferred on completion of projects)	3	4409496	7849036
Income from Royalty, Publications etc.		171030	261338
INTEREST EARNED :			
On Term Deposits - FCRA Rs. 373748			
On Term Deposits - Non-FCRA Rs. 248243		621991	637519
On Savings Account		409460	247322
On Loans Employees/Staff		8338	9115
Sales of fixed Assets out of Grants	5	38000	
Other Miscellaneous Income		13075	12855
Transfer to Assets Fund (Depreciation on Fixed Assets acquired out of Grant-in-Aid from Government of India/Sponsored Projects)	2	1801649	1843564
Total		22473039	24560749
EXPENDITURE			
Establishment Expenses	8	9158966	8712613
Other Administrative Expenses	9	4785198	4569824
Expenses Incurred on Purchase of Fixed Assets Out of Grants Received from Government of India, transferred to Assets Fund	5	1214906	417689
Depreciation on Fixed Assets acquired out of Grant-in-Aid from Government of India/Sponsored Projects	5	1801649	1843564
Surplus transferred to Research and Development Fund	1	5512320	9017059
Total		22473039	24560749
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

Dated: 12 September 2006

Sd/-

Chartered Accountants

Sd/-

Fin. & Admn. Officer

Sd/-

Director General

RESEARCH AND INFORMATION SYSTEM FOR DEVELOPING COUNTRIES

Sources and Utilization of Funds for the Year Ended 31st March 2006

A. Sources	Amount (Rs.)	Current Year Amount (Rs.)	Amount (Rs.)	Previous Year Amount (Rs.)
Grant-in-Aid received from Ministry of External Affairs		15000000		13700000
Grants/fees received from various sponsored projects (Non-FCRA)	7925255		6453581	
Grants/fees received from various sponsored projects (FCRA)	5502551	13427806	6350403	12803984
Interest earned:				
On Term Deposits	621991		179804	
On Savings Account	409460		247322	
On loans: employees/staff	8338	1039789	9115	436241
Income from royalty, publications, sales of fixed assets and other misc. expenses		222105		274193
Adjustment of opening/closing balances of unspent/recoverable grants from non-FCRA and FCRA including interest on FDRs (Term Deposit)				
Total		29689700		1640108
B. Utilization				28854526
Expenses incurred out of core grant received from Ministry of External Affairs to meet:				
1. Recurring expenditure	13944164		13282437	
2. Non-recurring expenditure	1214906	15159070	417689	13700126
Expenses incurred on sponsored projects (Non-FCRA)	3074863		3001743	
Amount refunded to the sponsoring agency (Non-FCRA)	38254		401767	
Expenses incurred on sponsored projects (FCRA)	3785187		2733831	6137341
Amount refunded to the sponsoring agency (FCRA)	148000	7046304		
Total Expenditure		22205374		19837467
Surplus transferred to the Research and Development Fund:				
Non-FCRA	2649629		1790548	
FCRA	2862691	5512320	7226511	9017059
Adjustment of opening/closing balances of unspent/recoverable grants from non-FCRA and FCRA		1972006		
Total		29689700		28854526

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

New Delhi
Dated: 12, September 2006

Sd/-
Fin. & Admn. Officer

Sd/-
Director General

Merchandise exports may create 20 m jobs

AMITI SEN
New Delhi, April 18

Merchandise exports sustained 10 million jobs in India in 2004-05. The figure is likely to double by 2010 if the coun-

(7.31 lakh). The study submitted to the commerce ministry pointed out that the share of export-oriented manufactured products in jobs created is declining due to their lower labour intensity

direct jobs created in logistics and related sectors with exports added up to another 14.13 lakh jobs.

picking up in 2004-05, employment growth rate is likely to improve and the gap between the growth rates of ex-

ports in favour of more labour intensive products, changing global demand and opportunities created by phasing out of the textile quotas, the report observed.

By 2009-10, share of employment in the vegetable products sector is estimated to increase marginally from the present 42.42% to 43.02% to touch 73 lakh. Textiles, which is estimated to be

GENERATING JOBS

Employment generated by merchandise exports

99-10

tor in total jobs declining

ral products, textile

Jobs created converging

ports and employment is likely ex-

to narrow down, it said.

Asean door looks ajar

India invited to East Asia's maiden summit in Kuala Lumpur in December 2005

AMITI SEN
New Delhi, April

FRONTPAGE

Plainly partial

Draft biotech strategy favours industry; omits biosafety

TV JAYAN

The Union government has announced its action plan for the biotechnology sector but it reads more like a wish list prepared by an industry pressure group.

approach of the draft is too simplistic. A close look at its salient points (see box: High hopes) would be in order.

New approach
"What is novel about the new action plan is the inclusion of a

there could be a catch here. "Unless the intellectual property rights are properly delineated, public sector scientists may end up working for generating private goods," says Nandula Raghuram, a reader with the IISc at Indian Institute of Technology, Delhi.

Similar sentiments are echoed by Rajeswari Raina, a scientist at the National Institute of Science, Technology and Development Studies, Delhi, which is under the Council of Scientific and Industrial Research (CSIR). The document seems to suggest the public sector research councils such as the Indian Council of Agricultural Research (ICAR) and CSIR would serve as mere adjuncts to the industry for which they should be the support centres.

India, China prove their worthiness at WTO

AMITI SEN
New Delhi, April 7

China and India might be strong competitors in the world market but the two have



JOINT POWER

► EU move on Singapore issues thwarted
► EU-US put on the back-foot

Dr Kumar pointed out that India and China started co-operating for the first time in WTO on the investment issue way back in 2002. "When China decided to co-sponsor our paper on investment liberalisation, it showed

China-India Strategic Partnership and East Asian Integration

Nagesh Kumar

Chinese Premier Wen Jiabao's April 7 visit to India has been a turning point in dropping investment from the Doha round. The visit has also been a credible neo-

The Middle Game



assuming the leadership of Asia and by extension of the entire Third World—have been causing unease in Asian capitals for some time now. India's ties with Japan assume significance in the light of this, and several other developments.

Cabinet okays economic agreement with Singapore

Our Bureau
New Delhi, June 20

THE Union Cabinet on Monday gave its nod to the Comprehensive Economic Cooperation

India's offer on trade in goods includes immediate scrapping of duties on 506 lines.

own as much as 20 per cent of local companies as part of the CECA. SEBI had earlier put a cap of 10 per cent of investment by a foreign institutional investor (FII).

Indo-Pak amity heralds hope on prospects for mutual trade benefits

NEWS ANALYSIS

G. Srinivasan
New Delhi, April 19

PAKISTAN President General Pervez Musharraf's three-day visit to India on Monday, his first since the one-day cricket match between the two countries, got the attention of

of amity would help devote time and effort in building their economies instead of wasting precious resources in the sterile pursuit of inter-ethnic conflict. From this perspective, the joint statement issued by both the leaders credibly contended, "The peace process was now irreversible."

With the decision of both the Governments to allow increased contacts between people living on either side of the divided Kashmir and the insu-

A roadmap was a up to complete its pertaining to SA. The Director-General of the Research & Information System (RIS) for Non-Aligned and Other Developing Countries, Dr Nagesh Kumar, said Business Line here that for Pakistan which is importing Indian goods through third country, the land route opening would help drastically cut down the cost to its traders who source their goods from India.

Lamy has a difficult task ahead

Experts feel bringing Doha talks back on track will not be so easy

AMITI SEN
New Delhi, Aug 31

The new director general of the World Trade Organisation (WTO) Pascal Lamy who takes over from Supachai Panitchakdi on Thursday, inherits from his predecessor the unenviable task of putting the Doha talks back on track.



there is need for a dynamic leadership which Mr Lamy is capable of providing," he said. WTO members have not been able to reach an agreement on the issues of agriculture, non-agriculture market access and services which are key to the success of the ongoing Doha round.

Lamy to stay neutral. RIS director general Nagesh Kumar said that there were some people who believed that given his past track record, Mr Lamy may push the agenda of the developed countries. "I don't think that this is likely to happen as it would ruin the negotiations. On the contrary, I would like to believe that he

Yuan uptick to give Indian exporters edge

AMITI SEN &
MAHUA VEKATESH
New Delhi, July 21

China's decision to marginally appreciate the yuan and float it against a basket of currencies is good news for Indian exporters who had to suffer an erosion of competitiveness against rupee



An overdue revaluation of the Chinese currency yuan, the rate of 2.1% during the closing hours of trade on Thursday pushed the rupee to a six-year high against the dollar, closing the day at

age any fallout. "We have a flexible exchange rate policy. I have full faith RBI can manage any impact," said Lohani.

for the year 2005-06, the RBI said. The exchange rate policy in recent years has been

Rupee soars to 6-year high

Banking Bureau
Mumbai, July 21

age any fallout. "We have a flexible exchange rate policy. I have full faith RBI can manage any impact," said Lohani.

for the year 2005-06, the RBI said. The exchange rate policy in recent years has been

MONICA GUPTA
New Delhi, Aug 2

The government has detected serious irregularities in the manner in which India's foreign trade data are



REPORTING ERROR
Wrong classification 36%
Quantity misreported 46%
Misclassification 11%
Misreporting 4%

time. "The government should not resort to any quick-fix solution as inaccurate data will not only affect policy-making, but will also adversely impact finalising India's negotiating position at the WTO," he said.

Asian economies work well together

THE High-Level Conference on Asian Economic Integration was jointly organized last week in Taiyuan, Shanxi, by Shanxi University for Economics and Finance and the Research and Information System for Developing Countries (RIS) of New Delhi, India. This initiative was supported by the Sasakawa Foundation in Tokyo, which was also an active partner in the first two conferences.

This series of high-level conferences is thus an initiative of the three big Asian powers, who are rightly leading Asian economic integration. What stood out was a clear feeling of optimism that Asia is poised to accelerate its economic integration, especially in the lead-up to the East Asia Summit (EAS), which will take place in Kuala Lumpur in December.

At least five major themes emerged in Taiyuan, giving rise to this optimism.

First, it was stressed in the official opening remarks that the time was right for the launch of Asian economic integration, as economies in the region take off. The mood in Asia is optimistic, as economic growth has proven to be sound and buoyant, despite the rise of oil prices and economic slowdowns in the United States and Europe. China and India, and eventually Japan, will be the much-needed engines of growth, especially in trade.

Indeed, Asia's economic integration will be more and more trade, investment and consumption-led, as these three pillars will no doubt constitute the key elements of Asian growth and

ASIA TIMES

www.asiatimes.com

South Asia

Jul 23, 2005

India pops the champagne

By Indrajit Basu

KOLKATA - Though the immediate impact of the revaluation will be minimal on India, it throws up interesting possibilities for the country's economy

move is expected to provide more room to the RBI Reserve Bank of India (RBI), to allow the rupee to

two, since the revaluation is expected to cool oil prices, the RBI is hoping that the new yuan level keeping India's interest rates and inflation down.

Expectations of interest rate hikes were driven p

Even as the rupee soared to a six-year high to c

the dollar within an hour of the announcement of

revaluation on Thursday, Indian exporters are p

as the move will mean higher prices for Chinese

more volumes for Indian ones. Over the past few

Indian exporters have been fighting hard to brea

markets for low-cost and labor-intensive manufa

they kept losing out to China, due to the major d

rising rupee against the dollar as the yuan was b

weak. This meant that to stay competitive, India

steadily squeeze their margins.

According to Research and Information System

Countries (RIS), an India-based think-tank on pl

most of the Asian currencies have in the past fe

appreciated by over 10%, it could be safely ex

"natural" exchange rate of the yuan is much high

present valuation. RIS believes that even if the c

managed and violent movements are restricted,

central bank has restricted the daily movement

G-20 recipe gains acceptance at WTO

Economy Bureau
New Delhi, Aug 11

The formula for tariff reduction in agricu

ture proposed by the G-20 group of developing

countries is gaining acceptance amongst oth

er members of WTO, commerce se

Menon has said.

Speaking at the regional con

agenda for WTO ministerial cha

South Asia' organised by Fici

Menon said the G-20 has changed

the on-going WTO negotiations by

resenting the concerns of the

world. The forthcoming G-20

meet in Islamabad in September

group to consolidate its position

for ministerial meet in Decembe

The G-20 had proposed adoptio

of formula with linear reduction v

band. This means that tariffs would

into an agreed number of bands v

bands attracting higher tariffs.

While the G-20 had stressed th

falling within the same band sh

proportional tariff cuts, the US v

progressivity should be introduc

were recorded as kilograms.

Problems have also been

found in imports. While wrong

product classifications have

been found in 11 per cent of the

cases, wrong chapters have

been detected in three per cent

of the cases. In 46 per cent of

the cases, the quantity has

not been reported properly.

Trade experts said errors

on a wrong sector based on da

ta. Data compilation is the bot

tom line. It must be accurate.

Exporters and the government

need to correct this," said Nagesh

Kumar, director-general of Res

earch & Information Systems

for Non-Aligned and Develop

ing Countries.

Biswajit Dhar of the Indi

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ing Countries.

Biswajit Dhar of the Indi

an Institute of Foreign Trade

Exports generate 1.5 m jobs in '04-05: Ministry

Our Delhi Bureau
29 SEPTEMBER

STRONG growth in merchandise exports

generated 14.83 lakh jobs during 2004-

05, commerce & industry ministry said

today. Total direct employment gen

eration from exports now stood at 90.06

lakh, the ministry said here. As per p

reliminary estimates, merchandise exports

during 2004-05 was in the region of

\$79.6 billion. Export activity supported

69.99 lakh jobs indirectly, the state

ment said. In all, merchandise export

activity sustains nearly 1.60 lakh jobs

in India, the ministry said citing a study

done by the Research & Information

System for Developing Coun

tries (RIS). The RIS study says

that there are a number of op

portunities for expanding exports

as well as employment that remain unexploited.

"If we can focus on exploiting these opportunities, it

will not only be possible to surpass the \$150 billion

target for exports set by the government for 2009,

The elements of an employment-oriented export

strategy, according to the report, would include a

boost to small scale units and industrial clusters;

linking export incentives to increasing exports

rather than total exports; attracting export-or

ient FDI; strengthening enterprise-level innova

tive activity; social safety nets and labour

reforms; fixing infrastructure constraints; restricting raw material ex

ports; moving up the value chain

conforming to international

standards; addressing trade barriers in major export markets

in labour-intensive goods and strategic

access to markets.

India faces a major challenge of em

ployment generation. The employment in the organised sector had shrunk de

spite acceleration in GDP growth. Al

though 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 needed an industrial revolution to

complement the booming services to meet the chal

lenges of the 21st century.

India's economic integration will be more and more

trade, investment and consumption-led, as these three

pillars will no doubt constitute the key elements of Asian

growth and

development.

India's economic integration will be more and more

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– Policy research to shape the international development agenda



RIS

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for Developing Countries**

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