

Seminar on
**“Regional Cooperation on Trade, Climate Change and Food
Security in South Asia: Some Reflections and Way Forward”**

13-14 March 2014

Godavari Village Resort, Lalitpur, Nepal

Report

Organizers

South Asia Watch on Trade, Economics and Environment (SAWTEE) in
collaboration with Oxfam and Swedish Standards Institute (SIS)

With the aim of developing a common consensus on issues related to trade, climate change and food security among the South Asian nations, South Asia Watch on Trade Economics and Environment (SAWTEE) in collaboration with Oxfam and Swedish Standards Institute (SIS) organised a two-day seminar on *Regional cooperation on trade, climate change and food security in South Asia: Some reflections and way forward* in Lalitpur, Nepal on 13-14 March 2014. About 50 participants, including 25 from other South Asian countries, representing governments, civil society, private sector, academia and the media were participating in the seminar.

Along with the regional issues, the seminar dwelled upon the outcomes of the recently concluded Ninth Ministerial Meeting of the World Trade Organization, specifically the decision on food security and the trade facilitation agreement. Experts from six different South Asian countries underlined the need for regional cooperation to expedite trade, address climate change concerns and overcome food insecurity at the seminar.

Inaugural Session

Addressing the inaugural session Dr. Dinesh Bhattarai, Advisor to the Prime Minister, said that increasing intra-regional trade was essential to accelerate economic growth in South Asia. He highlighted that given South Asia's vulnerability to climate change impacts, well-coordinated efforts at national, regional and global levels are necessary. Considering that South Asian countries have fallen into the vicious cycle of poverty due to low priority given to the agriculture sector, he noted the need for prioritise the agriculture sector and making agriculture employment more decent. Dr. Bhattarai further said that inclusive collaboration between governments, private sectors and relevant stakeholders is a must to address trade, climate change and food security concerns in the region.

Mr. Shanker Das Bairagi, Officiating Secretary, Ministry of Foreign Affairs, Government of Nepal, highlighted the need to promote more investment in agriculture to address food insecurity. In the context of globalisation, food security and climate change issues cannot be brushed aside, hence meaningful exchange of views among the people in South Asia would largely contribute to reduce the vulnerability of food insecurity and climate change, Mr. Bairagi said. He also stressed that SAFTA should expedite work to address non-tariff barriers (NTBs) for significant progress has already been made in reducing tariffs and eliminating quantitative restrictions. Mr. Bairagi urged the participants to provide 'informed inputs' to strengthen regional cooperation in South Asia, which will be taken by the 18th SAARC Summit to be held in Kathmandu in November this year.

As the Chair of the session, Dr. Posh Raj Pandey, Executive Chairman, SAWTEE, appreciated the positive developments that have taken place in South Asia over the past few years, mainly in terms of increasing economic growth and reducing poverty. However, true potential of regional cooperation is

yet to be realized. Under investment in agriculture, wide spread poverty, structural problems and highly limited intra-regional transport/trade connectivity remain a challenge, while the region is lagging behind other economic regions in the world, he added. Thus, Dr. Pandey stressed the need for regional cooperation in assuring food and energy security, inclusive growth, climate change, and economic and transport infrastructure development.

Mr. Puspa Sharma, Research Director, SAWTEE stressed the need to prioritise food security, while highlighting that non-operationalization of the SAARC Food Bank is an evidence to the region's lack of concern over growing food insecurity.

First Session: South Asian LDCs and trade facilitation agreement, with reference to Aid for Trade

In this session, Dr. Ratnakar Adhakari, Executive Director, Enhanced Integrated Framework (EIF) Secretariat, Geneva, vividly discussed the genesis of the WTO Trade Facilitation Agreement (TFA), its salient features and current status and the significance of TFA for South Asian countries.

Regarding the status of trade facilitation in South Asia, he highlighted that except Nepal, no other South Asian least developed country (LDC) has formulated a trade facilitation strategy. In addition, Dr. Adhikari elaborated on the role of Aid for Trade (AfT) and the Enhanced Integrated Framework (EIF) in providing assistance and support to LDCs, including in South Asia, for the implementation of trade facilitation measures and commitments under the TFA.

He highlighted that the growth of AfT in South Asia has thus far been erratic, while a linear AfT support is required for effective implementation of trade facilitation measures. Moreover, at present, nearly 82 percent of total AfT funding for trade facilitation in South Asia is concentrated in Afghanistan, and therefore, there is a need to increase and diversify the funding to other South Asian countries as well. In conclusion, he stated that EIF stands ready to support South Asian LDCs to implement TFA based on the explicit demand emanating from the respective countries.

Subsequently, Professor Mustafizur Rahman, Executive Director, Centre for Policy Dialogue (CDP), Dhaka argued that while the socio-economic benefits of the TFA are widely understood, South Asian LDCs in particular are concerned that they can be taken to dispute settlement bodies and face possible sanctions if LDCs are unable to implement TFA commitments.

Moreover, the big question is whether the additional financial and technical assistance will continue to be available for LDCs to help in implementing trade facilitation measures? Professor also expressed

concerns regarding whether the support and preferential treatment will be made available to graduating LDCs as some South Asian LDCs are likely to graduate in the coming years.

Dr. Nisha Taneja, Professor, Indian Council for Research on International Economic Relations (ICRIER), New Delhi noted that while significant progress within South Asian countries has been made in trade policies and regulations, much of the international assistance has been directed to infrastructure development, but with tardy progress, which has raised questions about the efficacy of such financial assistance. In addition, considering adequate technical capacities of some South Asian countries, namely Sri Lanka, Dr. Taneja stressed that South Asian countries should strive for acquiring technical assistance that are required to meet TFA commitments by exploring options within South Asia.

Chairing the session, Mr. Shanker Das Bairagi, Officiating Secretary, Ministry of Foreign Affairs, Government of Nepal stated that TFA provides enough policy space for LDCs. According to Mr. Bairagi, though TFA commitments are binding on all countries, special provisions are available for LDCs with regards to undertaking TFA commitments. Importantly, developed country members have made commitments, though below expectations, to contribute in sustainable capacity building and provide technical assistance to LDCs.

Floor discussion

During the floor discussion, with regards to technical needs assessment of LDCs, participants agreed that individual countries should conduct self-evaluation and forward their technical needs to EIF. In addition, the participants argued that facilitating India-Pakistan trade will dramatically contribute to intra-regional trade for at present, many countries are importing from non-South Asian countries despite the product's availability in South Asian countries, namely India and Pakistan.

Some even highlighted that in South Asian LDCs, the utilization of foreign aid for infrastructure development is poor; hence AfT should motivate LDC governments to decrease their dependency on foreign financial assistance for infrastructure development and focus on strengthening national institutions. Accordingly, the high logistic costs in South Asia are a big impediment for South Asia's export competitiveness and thus, regional efforts should be directed towards reducing logistics costs.

Second Session: The Ninth WTO Ministerial declaration on food security: Need for more regional cooperation in South Asia

In the second session, participants highlighted the decisions taken at the Ninth WTO Ministerial in Bali relating to the issues of agriculture and food security. The discussion in this session particularly

zeroed in on the declaration of public stockholding for food security and its impact on South Asian countries. The session was chaired by Dr. Debapriya Bhattacharya, Distinguished Fellow at Centre for Policy Dialogue (CPD), Dhaka.

Making a presentation on the Ninth WTO Ministerial Declaration on Food Security, Dr. Posh Raj Pandey, Executive Chairman of the SWATEE argued that public stockholding of food for food security purpose might not be helpful to stabilize prices as envisaged, and therefore, called for regional cooperation by prohibiting export bans. He further said that coordinating price and trade policies, enhancing cooperation in the area of agricultural research, and increasing investment in agriculture, among others were vital to overcome food insecurity. Dr. Pandey also explained how public stockholding contribute to food security. Why Public Stockholding is essential? According to Dr. Pandey, Public Stock holding is essential to check adverse impact of volatility of stock on the global market and fluctuations of global food prices.

As a discussant, Ms. Rabina Ather, Joint Secretary Ministry of Commerce, Government of Pakistan said that the trade liberalisation in the region has a significant contribution to the food security. Plethora of issues has cropped up for discussion, but the issue of food security remains unaddressed in the absence of adequate liberalisation of trade. “India will have to play a lead role in restoring cooperation between South Asian countries so that food security situation does not deteriorate in the region,” she said. She also called upon South Asian countries to revise the sensitivity list of South Asian Free Trade Area (SAFTA) and remove as many food products from it so that their trading could be liberalised.

Another discussant, Dr. Simrit Kaur, Professor at Delhi University, New Delhi emphasised on the need to look for ways to raise food production through the use improved seeds and efficiency in food distribution. No food security is possible without adequate food production in the region. Hence, due attention on food production is required to assure food security, she said.

Floor discussion

Participants underlined the need for bolstering connectivity between South Asian countries to overcome food insecurity and rising trade gaps. Considering that nearly half of South Asia’s population are poor, participants argued that all should be guaranteed equal access to food but would not be possible in the absence of free and fair trade. Highlighting that rise in food prices is largely due to poor intra-regional connectivity and inadequate labour in the agriculture sector, many voiced the need to liberalize trade for food security and devise common policy on food security across South Asia. While some pointed out the need for preserving seeds with high yielding potentials, many argued that poverty has gone up owing to lack of access to food within the region and thus stressed the need for improving public food distribution systems in South Asia.

Third Session: Operationalizing SAARC Food Bank

Dr. Krishna P. Pant, Fellow, South Asian Network for Development and Environmental Economics (SANDEE), Kathmandu began the session with a presentation on the current state of food security in South Asia and the SAARC Food Bank, which has been 'non-operational' since the agreement was signed to establish the Bank at the 14th SAARC Summit in 2007.

Highlighting that South Asia is home to the largest number of under-nourished people in the world, Dr. Pant argued that public- stockholding alone is insufficient to overcome wide-spread poverty and under-nourishment in the region.

In this regard, he highlighted the potential role of the SAARC Food Bank in reducing poverty and addressing other food security concerns in South Asia. Unfortunately, despite the need of a fully functioning food bank, due to various structural problems in South Asia (limited transportation network, limited public distribution system (PDS), lack of institutional arrangement for periodic estimates of food demand and poorly developed trade linkages among some countries) and the Bank's design fault (impractical triggers, unclear price setting mechanism, lack of clear linkages to PDS), the Food Bank remains non-operational till date, he stated.

Moreover, since the size of the Food Bank is only 0.13 percent of the total food production in South Asia, Dr. Pant argued that the mechanism, as it exists, is more beneficial for the smaller economies of the region. However, even to make it work for them, there is a need to make changes in some of the operational procedures. Growing density of population coupled with inadequate infrastructures and vulnerability to climate change have also affected adequate reserve of food, he said.

Following the presentation, Professor Indra Nath Mukherji, Executive Member, Governing Body, Centre for International Relations and Community Well-being, Gurgaon; and Consultant, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), New Delhi questioned the practicality of some of the provision of the SAARC Food Bank, notably the requirement to give a three-month notice prior to withdrawal of food grains from national reserves, and the existing trigger mechanism of production shortfall of eight percent of average production of previous three years. Professor Mukherji also stressed the need to include the provision to withdraw food grains from the SAARC Food Bank for humanitarian aid.

Mr. Choni Dendup, Specialist—Agriculture, Marketing and Cooperatives, Ministry of Agriculture and Forests, Royal Government of Bhutan put forth some recommendations which are essential to make the Food Bank operational. He categorically underlined that: (i) the Food Bank needs to be institutionalized and permanent headquarters need to be established; (ii) detailed action plan on the operation of the Food Bank needs to be developed; (iii) existing terms and conditions that prevent

countries from accessing the food reserves need to be revised; and (iv) necessary monitoring and evaluations tools/mechanism need to be put in place.

Importantly, he argued that the Food Bank's reserves could also be given as loans to address food security related non-emergency concerns such as rise in food prices.

Along similar lines, the session Chair, Ms. Robina Ather, Joint Secretary, Ministry of Commerce, Government of Pakistan, argued that a major problem with the SAARC Food Bank is the public-public partnership, and suggested the bifurcation of the Bank into public as well as commercial for effective operationalization. The bank should be viable in meeting the needs of people ravaged by hunger, she said.

Floor discussion

During the floor discussions, participants raised some key questions regarding the feasibility and the effectiveness of the SAARC Food Bank, even in case of it being operational. Participants argued that the Food Bank is not of much significant to India since it already maintains a buffer stock which is far larger than the Food Bank reserve. Some even questioned whether countries should continue to bear the burden of replenishing the Food Bank, considering that the Bank is not likely to become operational in years to come. Pointing that many current provisions such as the three month prior notice to release food stock are not practical, participants argued that effective mechanism for food distribution is a must to make the SAARC food bank more viable. Moreover, participants agreed that each country depending on their strength should accord a top priority to make SAARC Food Bank more reliable.

Fourth Session: Towards a South Asian Transit Agreement

Chairing the session, Mr. Purushottam Ojha, former secretary, Ministry of Commerce and Supplies, Government of Nepal highlighted that transit plays a vital role in promoting intra- and inter-regional trade in South Asia, mainly since many South Asian countries border India, the biggest regional economy.

Speaking on a broad topic entitled "*Towards a South Asian Transit Agreement*", Dr. Prabir De, Senior Fellow and Professor, Research and Information System for Developing Countries (RIS), New Delhi, spoke about the significance of SAARC economic corridors and presented his draft paper on "Developing Regional Transit in South Asia: An Empirical Investigation".

The paper aims to assess potential gains of a regional transit and removal of other border-trade barriers in South Asia. Using Data Envelopment Analysis (DEA), the paper has prioritised the

development of 4 land corridors identified by Asian Development Bank (ADB): (i) Lahore-Agartala; (ii) Kathmandu-Kolkata/Haldia; (iii) Thimpu-Kolkata/Haldia; and (iv) Kathmandu-Mongla/Chittagong, and estimates the benefits of three specific transit scenarios: opening of Transit Leads to Cargo Movement between India's North-eastern Region and Other Indian Regions through Bangladesh; opening of Transit Leads to Rail Cargo Movement between Nepal and Bangladesh through India; and opening of Transit Leads to Cargo Movement between India's North-eastern Region (NER) and Bangladesh.

Following the presentation, Mr. Bipul Chatterjee, Deputy Executive Director, CUTS International, Jaipur, expressed keen interest on the effectiveness of corridor 1 (Lahore-Agartala) as there is no transit via Bangladesh for India connecting its north-eastern region. In addition, he also highlighted that considering Bangladesh's "look East policy", India's north-eastern region is of especial importance to Bangladesh as it allows easy access to ASEAN countries. Thus, Mr. Chatterjee stressed that both India and Bangladesh are likely to gain if the two agree to provide transit facilities to each other.

Dr. Vaqar Ahmed, Deputy Executive Director, SDPI, Islamabad, argued that the paper presented is not of much significance to Afghanistan and Pakistan since ADB's definition of South Asia does not include Afghanistan and Pakistan; and thus stressed the need to look beyond the 4 corridors considered in the paper. He also added that though all present at the seminar are fully aware of the need and benefits of transit, many policy makers and decision takers are either unaware or have sidelined the issue of transit. Thus, Dr. Ahmed urged the participants to advocate the need to provide transit to other South Asian countries. Importantly, he argued the urgent need for India-Pakistan transit and transport agreements, which has not yet been signed though the draft was tabled three years ago. Commenting on the paper, he highlighted the need to understand that the paper only provides static estimates while in reality, the benefits of transit are dynamic.

Dr. Selim Raihan, Professor, University of Dhaka was highly critical of the draft paper, but acknowledged its potential to be a 'good academic paper'. Dr. Raihan mentioned the need to consider the issue of who is giving the transit to whom, because in South Asia, transit may not necessarily connect one country with another but may also connect two different regions of the same country (like connecting India with its north-eastern region via Bangladesh). He also suggested the use of composite index and rely more on time and costs to compare the 4 corridors since the use of DEA model is not technically sound, mainly due to incomparable sample, extremely small sample size and the non-standardization of input-output indicators. Dr. Raihan also criticized the methodology used in estimating the revenues from transit and suggested the use of transport models, like the 4 step model to better estimate the revenue.

Subsequently, participants suggested the use of an efficiency indicator (cost per time per km) to compare the 4 corridors and commented that when estimating the revenue from transit, there is a

need to look beyond just transit fee and explore other benefits of transit since the implementation of the TFA will commit countries to decrease transit fees. Moreover, with regard to the transit investment required, which many argue could lead to higher transit fees, participants suggested benefit/cost sharing among transit countries.

Floor discussion

During the floor discussion, participants highlighted some critical pillars of seamless transit in South Asia, including inter-operationality, harmonization of standards (mainly in transport) and political will. Notably, suggestions were made to move to 'single administrative document' prior to moving towards a single window in customs, which is highly resource consuming. Participants argued that India and Pakistan have a central role to play in addressing complications of transit issues in South Asia since the two countries use different corridors which has considerable impact on the cost of transportation of goods within the region.

Fifth Session: Regional cooperation to address climate change impacts in South Asia

The session focused on the impact of climate change on trade and food security. Mr. Bishal Thapa, Co-founder, Saral Urja Nepal, Kathmandu, presented his paper on the effectiveness and the implementation of the Thimphu Statement on Climate Change. Highlighting that South Asia is highly vulnerable to climate change impacts that result in economic damage as well as human casualties, Mr. Thapa provided an overview of regional initiatives to address climate change, namely the Dhaka Declaration (2007) and the Thimphu Statement (2010). Providing a detailed update/progress made in the implementation of the two initiatives, he argued that both the Dhaka Declaration and the Thimphu Statement are merely rhetoric. Emphasising the need for regional cooperation in addressing climate change issues, Mr. Thapa concluded that the regional goals should be based on national laws and implementation capacity of member countries, and the greatest challenge that confronts South Asian countries is to move from the non-political scientific collaboration to politically endorsed scientific process.

Following Mr. Thapa's presentation, Dr. Fahmida Khatun, Research Director, CPD, Dhaka, pointed out that South Asia is among the lowest GHG emitters and thus, focus should be on climate change adaptation. Moreover, realising that climate change is a cross-border issue, she voiced her support for regional cooperation to address climate change impacts.

In contrary to Dr. Khatun's statement, Mr. Nitya Nanda, Fellow, The Energy and Resources Institute (TERI), New Delhi, argued that climate change mitigation efforts are also of equal importance since

South Asia's fuel reserves are inadequate to meet the growing demand for fuel in the region. He also argued that the region should not depend entirely on India to support or lead regional initiatives to address climate change impacts because India itself is striving to address many of its national concerns such as reducing poverty, and is thus not in a position to finance regional initiatives. Furthermore, Mr. Nanda mentioned that political-will and mind-set is far more important than the economic capabilities or status of countries when it comes to implementing or undertaking initiatives to address climate change impacts.

The session chair, Mr. Arvind Kumar, Advisor, The Energy and Resources Institute (TERI), New Delhi highlighted that the energy sector is the best possible area for regional cooperation on climate change, considering that Nepal and Bhutan have greater potential to export hydro energy to India. However, Mr. Kumar further argued that India is likely to depend on fossil fuel in the medium-run since development of alternative sources of energy is not without challenges that includes gestation period in hydro energy, land acquisition for solar energy development.

Floor discussion

During the floor discussion, participants exchange views regarding the importance of climate change adaptation and mitigation efforts in the region. In this regard, participants stressed the need to exploit available funding sources such as the SAARC Development Fund (SDF), which thus far has not received any proposal directed towards addressing climate change in South Asia, though funding is not available under three windows: social, economic and infrastructure.

Some participants even challenged the argument about India is not in a position to provide financial assistance to other South Asian countries, and noted that India has keen interest on many regional countries and also in a position to gain from its investment or funding in South Asian countries. In fact, India is already providing grants and loans to many third world countries. But overall, there was a strong consensus that a common regional approach is necessary to address climate change concerns. Importantly, it was suggested that short-term regional effort be focused on encouraging the use of carbonless stove (carbonless *chulo*) and other available technologies to keep the carbon emission in check.

Sixth Session: Agriculture adaptation practices in South Asia: Learning from each other

Stressing the need to adapt to rapidly changing climate, the session highlighted agriculture adaptation practices in South Asia, mainly India and Sri Lanka. Ms. Ramani Elleola, Former Director General,

Central Environment Authority of Sri Lanka, who had chaired the session, urged for the protection of indigenous agriculture products for better adaptation.

Dr. Smriti Dahal, Senior Programme Office, SAWTEE presented a paper by Mr. Trithankar Mandal, Freelance Consultant, New Delhi—*Agriculture Adaptation practices in South Asia: Case of India*. Notably, the paper argued that crop diversification could help adapt to the adverse impacts of climate change on agriculture, and strongly recommended that common strategies be devised to address the impacts of climate change. Subsequently, Mr. Athula Senaratne, Research Fellow and Head, Environmental, Economic Policy Research Institute of Policy Studies of Sri Lanka (IPS) presented his paper on agriculture adaptation practices in Sri Lanka, and highlighted that local knowledge and local institutions play an important role in enabling farming communities adapt to climate change.

As a discussant, Mr. Shafqat Munir, Regional Rights in Crisis Coordinator, OXFAM Asia, Islamabad noted that climate change is directly affecting agriculture, which in turn is threatening the food security of South Asia. Therefore, policy makers across the region should realize the gravity of the situation and undertake meaningful efforts to spread public awareness. Importantly, a holistic approach is a must to overcome climate change challenges in agriculture, he added.

Realizing the commonalities and difference in agriculture practices with South Asia, Ms. Rajju Malla Dhakal, Executive Director, South Asia Centre for Policy Studies (SACEPS) highlighted a peculiar case of Nepal, namely agriculture practices in Mountains. She argued that mountain farming and adaptation practices still rely heavily on traditional knowledge and indigenous practices which has indeed been documented as being resilient to climate change. Thus, Ms. Dhakal stressed the need to share agriculture knowledge and best practices within South Asia to efficiently address climate change impacts on agriculture.

Another discussant Dr. Gautam Vohra underlined the need for adaptive measures in different countries of South Asia. Citing an example of Maharashtra, India, he stated that it is also vital to consider the soil condition, availability of fire wood, food trees and fodders when designing or adopting climate change adaptation practices in South Asia.

Floor discussion

Discussants stressed the need to bridge the large existing gap between knowledge of adaptation practices and the implementation of such known practices. They also expressed the need to spread such adaptation practices to other areas in South Asia, while working to make the farmers climate smart. Moreover, they raised question about the corporatization of agriculture in South Asia, and the negative effects of using fertilizers and genetically modified seeds. Importantly, the question of whether the impact of organic farming and the use of local seed on the overall agriculture productivity will be able to address food insecurity in South Asia were also discussed. In addition,

participants spoke about the impact of Plant Variety Protection Act across South Asia and argued that South Asia countries have not accorded priority to spreading awareness among farmers or local farming communities.

Seventh Session: Trade promotion through standardization

With regards to standardization, Mr. Indu Bikram Joshi, Under Secretary, Nepal Bureau of Standards and Metrology (NBSM), Kathmandu, made a comprehensive presentation on the topic of standardization, its methodology and the benefits of standardizations. Moreover, current initiatives undertaken by the Government of Nepal in the process of standardization were also presented. Mr. Joshi further said that standardization is a technical barrier to trade, especially for Nepal because through Nepal is currently a full member of ISO, there is not accreditation body in the country and therefore, quality and standard certificates issued by Nepal are not recognized by other countries, which significantly hamper Nepal's exports.

In conclusion, he recommended the formation of an accreditation body, and the formation of process related standards, climate related standards and standards for indigenous products, which are all country-specific and created keeping in mind the compliance and standardization capacity of Nepal.

Mr. Akhtar Bughio, Director, Pakistan Standards and Quality Control Authority (PSQCA), Islamabad, after highlighting the importance of international standards in global trade, stressed the need for South Asian countries to give due importance to standardization, in particular, the harmonization of standards within South Asian countries. He expressed concern over the failure of South Asian countries in developing harmonized standards, and acknowledged the non-existence of standardization industry in the region.

Ms. S Saroja, Coordinator, Citizen Consumer and civic Action Group (CAG), Chennai, mentioned the significance of WTO's Agreement on Technical Barriers to Trade (TBT) to South Asia, especially considering that TBTs, mainly standardization are a major impediment to trade in the region. She argued that given that each South Asian country has specific rule and regulations under different legislations that deal with standards; the non-harmonization of national and regional standards presents a major trade challenge. Though international standards offer developing countries practical solutions to technical problems and help make efficient use of available resources by eliminating the need to conduct research for developing standards, standardization cannot be achieved in the region without strengthening national institutional capabilities.

The session chair, Ms. L. Savithri, Director—Economic, Trade and Finance Division, SAARC Secretariat, mentioned two regional agreements of relevant to standardization: the SAARC

Agreement Multilateral Arrangement on Recognition of Conformity Assessment and the SAARC Agreement on Implementation of Regional Standards, both of which are currently pending ratification.

Floor discussion

Participants reiterated that technical barriers to trade (TBT), mainly those related to standards were a major trade impediment in South Asia and thus require full harmonization of standards in the region. While some argued for standardization, especially in food products, others were cautious and argued that standards could lead to undermine innovation, creativity and variety.

Moreover, the need to consider the possible impacts and the practicality of standardization was stressed; since many businesses in South Asian countries lack the resources needed to meet high standards, standardization will force many businesses in South Asia to shut down. Importantly, some mentioned the role of the private sector in standardization with reference to the creation of private standards, and others questioned how SARSO will balance the many bilateral MoUs between South Asian countries.

Closing Session

In the closing session, Mr. Scott Faiia, Nepal-Country Director, Oxfam expressed appreciation for SAWTEE's work in collaboration with Oxfam Nepal on areas such as farmers' rights, food security, trade issues and climate change. Additionally, he strongly encouraged participants to go beyond the two-day seminar and actively advocate on the range of issues discussed in the seminar. Without advocacy, all the research and discussions will be fruitless, he stressed.

Outlining the future work agenda for regional cooperation on trade, climate change and food security in South Asia, Mr. Puspa Sharma remarked that deliberations on the issues would help in necessary feedback to the governments in the region. He also explained the core issues discussed in different sessions.

Participants encouraged SAWTEE to explore environmental issues beyond climate change, while continuing work to fill the information gap regarding agriculture and climate change issues in order to increase the adaptation capacities of farmers and farming communities in South Asia, which largely depend on local belief systems. Participants echoed their voices for greater degree of solidarity for trade facilitations, food security and climate change.

Annex (List of Participants)

- Dr. Debapriya Bhattacharya, Distinguished Fellow Centre for Policy Dialogue (CPD), Dhaka.
- Dr. Dinesh Bhattarai, Advisor to Prime Minister of Nepal, Prime Minister's Officer, Kathmandu.
- Dr. Fahmida Khatun, Research Director, Fellow Centre for Policy Dialogue (CPD), Dhaka.
- Dr. Gautam Vohra, Chairman, Development Research and Action Group (DRAG), New Delhi.
- Dr. Krishna P. Pant, Fellow, South Asian Network for Development and Environmental Economics (SANDEE), Kathmandu.
- Dr. Nisha Taneja, Professor, Indian Council for Research on International Economic Relations (ICRIER), New Delhi.
- Dr. Posh Raj Pandey Executive Chairman, SAWTEE, Kathmandu.
- Dr. Prabir De, Senior Fellow and Professor Research and Information System for Developing Countries (RIS), New Delhi.
- Dr. Pradyumna R. Pandey, Senior Agriculture Economist, Ministry of Agriculture and Cooperatives, Kathmandu.
- Dr. Selim Raihan, Professor, University of Dhaka, Dhaka.
- Dr. Simrit Kaur, Professor, Faculty of Management Studies, University of Delhi, India.
- Dr. Smriti Dahal, Senior Programme Officer, SAWTEE, Kathmandu.
- Dr. Vaqar Ahmed, Deputy Executive Director, Sustainable Development Policy Institute (SDPI), Islamabad.
- Mr. Akhtar A. Bughio, Director, Pakistan Standards and Quality Control Authority (PSQCA), Islamabad.
- Mr. Ashish Sinha, First Secretary, Embassy of India, Kathmandu.
- Mr. Asish Subedi, Programme Officer, SAWTEE, Kathmandu.
- Mr. Athula Senaratne, Research Fellow and Head, Environmental Economic Policy Research Institute of policy Studies of Sri Lanka (IPS), Colombo.
- Mr. Badri Adhikari, Deputy Director, Trade and Export Promotion Centre, Lalitpur.
- Mr. Balaram Banjara, CEO, Overseas Freight, C/O Nepal Freight Forwarders Association, Kathmandu.
- Mr. Binaya Prasad Shrestha, Ministry of Agriculture and Cooperatives, Kathmandu.
- Mr. Bipul Chatterjee, Deputy Executive Director, CUTS International, Jaipur.
- Mr. Bishal Thapa, Co-founder, Saral Urja Nepal, Kathmandu.
- Mr. Bishnu Dev Pant, Executive Director, Institute for Integrated Development Studies, Kathmandu.
- Mr. Chandan Sapkota, Associate Economics Officer, Asian Development Bank (ADB), Kathmandu.

- Mr. Choni Dendup, Marketing Specialist, Department of Agriculture Marketing and Cooperatives, Ministry of Agriculture and Forests (MoAF), Bhutan.
- Mr. G.R. Kamath, Assistant Director, Investment/Credit, SAARC Development Fund, SDF Secretariat, Thimpu.
- Mr. Gunja Khadka, Reporter, Abhiyan Daily, Kathmandu.
- Mr. Hom Nath Gaire, New Business Age, Kathmandu.
- Mr. Indu Bikram Joshi, Under Secretary, Nepal Bureau of Standards and Metrology (NBSM), Kathmandu
- Mr. James Edwin, M & E Coordinator, Enhanced Integrated Framework (EIF) Secretariat, Geneva.
- Mr. Karma, Chief Executive Officer, SAARC Development Fund (SDF), SDF Secretariat, Thimphu.
- Mr. Madhav Karkee, Team Leader, Centre for International Studies and Cooperation (CECI), Baluwatar, Kathmandu.
- Mr. Mukesh Gupta, Director, Investment/Credit, SAARC Development Fund (SDF), SDF Secretariat, Thimpu.
- Mr. Nirmal Raj Kafle, Under-Secretary, Ministry of Foreign Affairs, Kathmandu.
- Mr. Nitya Nanda, Fellow, The Energy and Resources Institute (TERI), New Delhi.
- Mr. Purushottam Ojha, Former Secretary, Ministry of Commerce and Supplies, Government of Nepal, Kathmandu.
- Mr. Pushpa Lal Shakya, Joint Secretary, National Planning Commission, Kathmandu.
- Mr. Puspa Sharma Research Director, SAWTEE, Kathmandu.
- Mr. R.B. Rauniar, Managing Director, Interstate Multinational Transport, Kathmandu.
- Mr. Raj Kumar K.C., Tribhuvan University, Kathmandu.
- Mr. Ratnasabapathy Manivannan, Regional Portfolio Manager, Enhanced Integrated Framework (EIF), Bangkok.
- Mr. Sanjeev Bhatia, SS (COM), Embassy of India, Kathmandu.
- Mr. Scott Faiia, Country Director, Oxfam, Kathmandu.
- Mr. Shafqat Munir, Regional Rights in Crisis Coordinator, Oxfam Asia, Islamabad
- Mr. Shanker Bairagi, Office Secretary, Ministry of Foreign Affairs, Kathmandu.
- Mr. Shyam Dahal, Trade Facilitation Expert, Asian Development Bank, Kathmandu.
- Mr. Subhash Sharma, ETF Division Project Manager, SAARC Secretariat, Kathmandu.
- Mr. Sudeep Bajracharya, Programme Officer, SAWTEE, Kathmandu.
- Mr. Sunil Acharya, Program Director, Clean Energy Nepal (CEN), Kathmandu.
- Ms. L. Savithri, SAARC Secretariat, Kathmandu.
- Ms. Mala Liyanage, Executive Director, Law & Society Trust (LST), Colombo.
- Ms. Rajju Malla Dhakal, Executive Director, South Asia Center for Policy Studies, Kathmandu.

- Ms. Ramani Ellepola, Former Director General, Central Environment Authority of Sri Lanka, Colombo.
- Ms. Robina Ather, Joint Secretary, Ministry of Commerce, Government of Pakistan, Islamabad.
- Ms. S. Saroja, Legal Coordinator, Citizen Consumer and civic Action Group (CAG), Chennai.
- Ms. Yamuna Ghale, Senior Program Officer, Swiss Agency for Development and Cooperation, Embassy of Switzerland, Kathmandu.
- Prof. Mustafizur Rahman, Executive Director, Centre for Policy Dialogue (CPD), Dhaka.
- Professor Indra Nath Mukherji, Centre for International Relations and Community Well Being, Gurgaon.