

Saarc urged to promote intra-regional investment

Post Report

KATHMANDU, NOV 24 - Saarc should take the necessary steps to promote intra-regional investment and attract foreign direct investment (FDI) as connectivity has been a big hurdle to promoting trade among its members, said Foreign Minister Mahendra Bahadur Pandey, speaking at a two-day seminar entitled Deepening Economic Cooperation in South Asia: Expectations from the 18th Saarc Summit which started on Sunday.

Pandey said that several constraints, including financial and investment-related, had largely affected the efficient implementation of trade and transport facilitation measures. Saarc members conduct only 5 percent of their trade within the region while regional trade is much higher among other groupings.

The minister said that Saarc could see higher growth in the services sector by effectively implementing the Saarc Agreement on Trade in Services. Stating that most Saarc countries had failed to meet the Millennium Development Goals (MDGs), Pandey emphasised that the Saarc Development Goals should be aligned with the Sustainable Development Goals.

Similarly, Govind Raj Pokhrel, vice-chairperson of the National Planning Commission, highlighted the immense economic potential of the region and stressed improving trade facilitation to boost intra-regional trade.

He also pointed to the potential of regional energy cooperation. "The recent efforts undertaken by Nepal to promote energy cooperation with India are a step in the right direction which could further facilitate regional energy cooperation,"

he said at the event organised by South Asia Watch on Trade, Economics and Environment (Sawtee).

President of the Federation of Nepalese Chambers of Commerce and Industry Pradeep Jung Pandey pointed out the need for greater economic as well as people-to-people connectivity in the region, and argued that normalized trade relations between India and Pakistan were necessary for Saarc to move forward.

Likewise, Posh Raj Pandey, executive chairman of Sawtee, said that despite the existence of Saarc, progress in deepening regional integration has been frustratingly slow and gains have only been modest. "Therefore, what is needed to move Saarc forward is political will and sincere commitment at the highest level," he added.

Posted on: 2014-11-24 08:03