

JOINT PRESS STATEMENT
OF THE COMMERCE MINISTERS OF INDIA AND PAKISTAN

At the invitation of the Commerce Minister of India, Mr. Anand Sharma, the Commerce Minister of Pakistan, Mr. Makhdoom Mohammad Amin Fahim is visiting India from 12th to 14th April, 2012.

2. The "Lifestyle Pakistan" exhibition was inaugurated on 12th April, 2012. This exhibition comes close on the heels of the "India Show", which was held in Lahore in February 2012. Both sides welcomed these rapid developments on the business front and the business-to-business and business-to-consumer contact for promoting both commerce and people-to-people understanding. The Ministers agreed that this was a clear testimony of the business-driven demand for a rapidly expanding bilateral economic engagement.

3. The Ministers along with their official delegations held a bilateral meeting on April 13, 2012. This is the third bilateral meeting between the Commerce Ministers of both countries within a time span of less than seven months. This is testimony of the political commitment on both sides to normalize and strengthen the bilateral trade and commercial relationship. Both sides reviewed the progress made on the decisions already taken.

4. Both sides expressed satisfaction that the transition process for complete normalization of the trading of goods and services, including investment, has started. There has been a

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substantial increase in the list of commodities permitted to be imported from India. As per the Pakistan Government's order of 20th March, 2012, a Negative List of 1209 tariff lines has been announced; In accordance with the Pakistan Cabinet decision complete phasing out of Negative List by December 2012 is subject to further negotiations between the two countries. Both sides agreed that the modalities will be discussed in the next meeting of the commerce secretaries.

5. Both sides expressed satisfaction at the joint and coordinated efforts that have been made for making the new gates at the Attari Integrated Check Post (ICP) functional for trade. The new arrangements shall streamline movement of trucks across the border and significantly enhance the flow of trade through land route. It was also noted that Pakistan has already built sufficient infrastructure at Wagah and is clearing all the current cargo traffic.

6. Both sides agreed to take all further action to encourage greater trade through the new ICP. The new infrastructure will enable a substantial increase in the movement of goods traffic across the border. Also, it will now be possible for trade to be conducted over longer hours during any working day. It was agreed that Pakistan will take necessary steps to remove extant restrictions on items permitted to be imported through the land route. The objective is to permit all items not in the Negative List to be traded across the land border at Attari-Wagah. Pakistan side stated that through a Cabinet decision in 2009, the flow of items is linked to provision of adequate infrastructure at the check post and it

would take the case to the Cabinet on the basis of the additional capacity created through the new ICP.

7. Ministers expressed the wish that discussions may continue at the official level for possibilities of opening more land customs stations between both countries. This would enhance greater economic engagement between business communities of both sides and deepen bilateral cooperation for mutual prosperity of their people.

8. It was agreed that discussions would continue at the official level, to draw a roadmap for further reductions in the SAFTA sensitive lists. While reducing the SAFTA lists, both sides would appropriately consider requests received for tariff lines to be removed.

9. On other related issues of trade in petroleum products and electricity, Ministers expressed the desire that concerned officials of both countries should fast track the ongoing process. It was also noted that the respective Central Banks are examining issues relating to opening of bank branches of both the countries.

10. The Ministers expressed their joint wish that Business visa regime needs to be liberalized at the earliest. It was noted that a formal decision on this is expected at the forthcoming meeting of the Home Secretary of India and the Secretary of the Ministry of Interior of Pakistan.

11. The Ministers noted the considerable support which has been provided by the Business Chambers of Commerce and Industry on both sides, to fast track the growing economic engagement between both countries. In line with this process,

the Ministers took a decision that a Joint Business Council may be constituted with ten prominent business persons to be nominated by each country.

12. This Joint Business Council shall provide an additional institutional framework for regular and sustained dialogue between the business communities. It is expected to meet at least once in every six months and recommend further steps that could be taken to improve bilateral economic relations. These recommendations would be sent to the respective Commerce Ministries of both countries, which shall use these valuable inputs for taking forward the ongoing trade dialogue. The Joint Business Council shall also strategize and implement mechanisms for deepening the business to business trade and commerce relations between both countries.

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