

## **Joint Press Statement of the Commerce Ministers of India and Pakistan**

1. At the invitation of the Commerce Minister of India, Shri Anand Sharma, the Commerce Minister of Pakistan, Makhdoom Mohammad Amin Fahim is visiting India from 26th September to 2nd October, 2011.

2. After more than three and a half decades, this is the first visit by a Pakistan Commerce Minister to India. Accompanying the Minister is a high level official delegation including the Commerce Secretary of Pakistan; and more than fifty business delegates from Pakistan. The composition of this delegation underscores the importance that both sides attach to this visit and the mutual desire for better bilateral trade and commercial relations.

3. The official level discussions were held today (28th September) between the Commerce Ministers and their respective official delegations. Both Ministers noted with satisfaction that India and Pakistan are entering a new phase of full normalization of bilateral trade relations. This augurs well for enhancing mutual trust and understanding.

4. The Ministers agreed to jointly work to more than double bilateral trade within three years, from current levels of 2.7 Billion US dollars per annum to about 6 Billion dollars. This goal shall also be facilitated through the Memorandum of Understanding signed today between the India Trade Promotion Organization and the Trade Development Authority of Pakistan. The MoU shall foster better trade promotional activities, for the benefit of business communities of both countries.

5. The Ministers affirmed that fully normalized commercial links between both countries would strengthen the bilateral relationship and build the bridges of friendship, trust and understanding - for mutual benefit of their people and promotion of prosperity in South Asia.

6. The Ministers mandated their Commerce Secretaries to pursue with vigor the task of fully normalizing bilateral trade relations. They agreed that their countries would cooperate for a high ambition of preferential trade relations under the framework of the South Asia Free Trade Agreement (SAFTA). They noted with satisfaction the joint and collaborative efforts already being made by India and Pakistan to liberalize trade in goods and services under SAFTA. They agreed that all mutual obligations contracted under SAFTA would be implemented with full sincerity.

7. The Ministers appreciated the progress made and roadmap laid for trade liberalization in the April 2011 meeting of the Commerce Secretaries. They further mandated their respective Commerce Secretaries that when they meet in November, 2011 they shall lay down specific timelines to normalize all trade relationships including dismantling of all non-tariff barriers. Full implementation of SAFTA obligations was also mandated. Commerce Secretaries were also directed to prepare the roadmaps for greater preferential trading arrangements between India and Pakistan. Both Ministers agreed that joint and

concerted efforts will be made in all areas to create an enabling environment for trade and to encourage greater engagement between the business communities of both countries. They agreed to further promote greater intra-regional connectivity through road, rail, shipping and air.

8. Ministers noted with satisfaction the comprehensive ground covered in the August 2011 bilateral trade review held in New Delhi. This meeting has been an important milestone in identification of issues impeding trade (in sectors such as cement, textiles, surgical instruments) as perceived by the business communities of both countries. Customs arrangements have also been significantly synchronized and both sides are vigorously addressing issues of infrastructure, to further promote bilateral trade through the land route of Attari-Wagah.

9. The Ministers noted that in the past few months, India and Pakistan have constructively engaged towards a liberalized business visa regime. They expressed that they now expect this matter to be expeditiously concluded before November 2011. The new business visa regime would allow multiple entry and could be for a period up to one year. The Ministers expressed the hope that such a new visa regime would rapidly expand the vistas of bilateral commerce. They emphasized that a more secure regional environment would progressively help both countries to keep liberalizing the visa arrangements for businesspersons.

10. Both Ministers reaffirmed that all decisions taken by them and their respective officers to improve trade relations would be closely monitored to ensure adherence to all agreed timelines. Both sides would maintain frequent contact in this mutual quest for a better trade relationship, underpinned on the principles of sincerity, mutual respect and trust. The Ministers agreed that the bilateral trade liberalization process should be uninterrupted and irreversible. They affirmed that both countries would cooperate and work in close coordination at multilateral forum, such as WTO and SAARC, to support each other, thereby strengthening their economies.

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