

TENTH SAARC SUMMIT COLOMBO

DECLARATION

SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

DECLARATION:

The Declaration of the Tenth SAARC Summit of the Heads of State or Government of the Member Countries of the South Asian Association for Regional Cooperation issued on 31 July 1998, in Colombo.

INTRODUCTION:

1. The Prime Minister of the People's Republic of Bangladesh, Her Excellency Sheikh Hasina; Chairman, Council of Ministers and Head of Government of the Royal Government of Bhutan, His Excellency Lyonpo Jigmi Y. Thinley; the Prime Minister of the Republic of India, His Excellency Mr. Atal Behari Vajpayee; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of the Kingdom of Nepal, Rt. Hon. Mr. Girija Prasad Koirala; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Muhammad Nawaz Sharif; and the President of the Democratic Socialist Republic of Sri Lanka, Her Excellency Mrs. Chandrika Bandaranaike Kumaratunga met at the Tenth Summit of the South Asian Association for Regional Cooperation (SAARC) at Colombo from July 29 to 31, 1998, in the year of the Golden Jubilee of the Independence of Sri Lanka.

REGIONAL COOPERATION

2. The Heads of State or Government re-affirmed their firm commitment to the objectives, principles and provisions of the Charter of the South Asian Association for Regional Cooperation (SAARC) and to the pursuit of regional cooperation on the basis of their acceptance of the principles of sovereign equality, territorial integrity of States, political independence, non-interference in each others internal affairs, non-use of force, the peaceful settlement of all disputes and mutuality of benefit.

3. The Heads of State or Government recognised that the rich potential for productive, equitable regional cooperation among the Governments and people of South Asia which accounts for a fifth of humanity should be fully realised.

CULTURAL UNITY

4. The Heads of State or Government recognized that South Asia, while reflecting a rich, complex and varied plurality of cultural and religious traditions, was heir to a profound common civilizational continuum of great antiquity which constitutes a historical basis for sustaining harmonious relations among the people of the region. They acknowledged that the SAARC process could draw more deeply from the vitality and strength of South Asia's shared cultural heritage as a source influencing and enhancing creative energies in all fields.

5. The Heads of State or Government welcomed the offer of Sri Lanka to host a meeting of the Ministers of Cultural Affairs of SAARC to prepare a practical Action Plan to network the national institutes of cultural relations and to establish a South Asian Cultural Center to promote the distinctive arts of South Asia. They requested the Government of Sri Lanka to circulate a concept paper on the issues to be addressed by the meeting including financing arrangements for the proposed institute.

ENHANCING POLITICAL COOPERATION

6. The Heads of State or Government reiterated their commitment to the promotion of mutual trust and understanding and, recognising that the aims of promoting peace, stability and amity and accelerated socio-economic cooperation may best be achieved by fostering good neighbourly relations, relieving tensions and building confidence, agreed that a process of informal political consultations would prove useful in this regard. The Heads of State or Government further recognized that this process would contribute to the appreciation of each other's problems and perceptions as well as for decisive action in agreed areas of regional cooperation.

APPRAISAL OF SAARC ACTIVITIES

7. The Heads of State or Government continued their review of the nature, extent, and effectiveness of the cooperative activities of SAARC. They considered the Report and Recommendations of the Group of Eminent Persons mandated by the Ninth Summit in Male' to undertake a comprehensive appraisal of SAARC and to develop an Agenda for 2000 and beyond. They expressed appreciation for the Chairman of the Ninth Summit, His Excellency Mr. Maumoon Abdul Gayoom, the President of the Maldives for convening the Group of Eminent

Persons (GEP) and encouraging them to complete their work within the time frame given to them by the Ninth SAARC Summit.

8. The Heads of State or Government directed the Council of Ministers to examine the Report of the Group of Eminent Persons in depth at their next Session, taking into consideration the views of Member States with regard to the viability of the recommendations and the method of their implementation.

SAARC IN THE CHANGING INTERNATIONAL ECONOMIC ENVIRONMENT

9. The Heads of State or Government assessed the implications of current global economic developments on the economies of South Asia and other developing countries. They noted the profundity of the wide-spread changes being effected in the economic, technological, social and information fields and their apparent unpredictability. They expressed serious concern over the severe distortions produced by the process of unrestrained globalisation as has been evidenced in the downturn of economies of several Asian States. The challenges and opportunities inherent in these fast evolving developments could best be met and the full potential of South Asia realized through effective practical regional and bilateral cooperation among Member States.

10. They noted that the benefits of the so described "liberalization" have been disappointingly asymmetrical with the process proceeding at a much slower pace in areas of special interest to developing countries. Increased opportunities in trade and investment have bypassed many developing countries. The Least Developed Countries have in particular been marginalised through a series of developments including the shrinking of ODA, concessional and other financial flows to these countries.

11. The Heads of State or Government noted the initiation of links between SAARC and economic unions and trading groups that were emerging in the wake of globalization and liberalization and considered how best relationships of mutual benefit could be established.

12. The Heads of State or Government observed that following the WTO Ministerial Conference in Geneva, a process has been initiated at the WTO where implementation issues, built in agenda issues, issues arising out of the WTO Ministerial Conference and other multi-lateral trade issues will be considered with a view to making recommendations to the next Ministerial Conference of

the WTO in 1999. These issues and the decisions arising from this process will have far-reaching consequences for our development strategies and prospects. The Heads of State or Government, therefore, resolved that SAARC countries would endeavour to coordinate their decisions on these issues in areas of common concern so as to protect and promote the interest of the developing countries. They expressed concern about the erection of protectionist barriers and the tendency to impose arbitrary "norms" relating to labour conditions, environmental regulations, governance and other extraneous issues to regulate trade exchanges, which would amount to additional non-tariff barriers, that would have the effect of restricting market access for developing countries including preferential access by Least Developed Countries (LDCs) into markets of developed countries. They agreed on the need for collective strategies to promote a rule-based, non-discriminatory and equitable international trading system in which the interests and concerns of developing countries would be fully safeguarded and served.

13. The Heads of State or Government noted that emerging issues relating to copyright, patents and marketing franchises including on foodgrains, plants and herbs indigenous to South Asia require firm collective responses to preserve these bio-resources from unregulated commercial exploitation by extra-regional interests. They emphasized in this regard, the principle of sustainable development of bio-resources and the provisions of the UN Convention on Biodiversity which provided for regulated access to such resources on terms and conditions to be agreed upon with the State in which such resources are located.

14. The Heads of State or Government cautioned that potential efforts to formulate a new Multilateral Investment Agreement should not overlook the need to ensure the continued independence of developing countries and Least Developed Countries (LDCs) to formulate specific investment policies appropriate to their stage of development.

15. While reviewing the beneficial effects of globalization, the Heads of State or Government stressed the fact that systemic crises are becoming unpredictable with increased globalization. They expressed their concern about the shortcomings of the international monetary and financial system, and its tardiness in anticipating impending financial market crises sufficiently in advance, so that pre-emptive remedial action be adopted. They noted that the problem is systemic, and not unique to Asia, nor confined to emerging economies, and that it can have global ramifications, unless more fundamental reforms are put in place.

16. They recognized the risk that ad-hoc approaches, however prompt, once crises supervene, may lead to excessive social costs in the attempt to restore financial discipline. More effective social safety nets would, therefore, need to be devised for protecting vulnerable groups and a more appropriate balance between financing and adjustment found in a reformed international system or architecture, if both the economic and social aspirations of SAARC countries are to be realized. They acknowledged the need to strengthen the individual financial systems of SAARC countries through enhancing institutional capacity, surveillance mechanisms as well as through closer consultations on, and coordination of macro-economic policies where appropriate.

17. The Heads of State or Government recognized that notwithstanding all national and regional endeavours for economic development and financial stability, the pervasive global economic environment continued to exert a major, sometimes negative influence on the outcome of these endeavours.

18. Against this background of the need to address systemic issues, they agreed on the vital imperative for strengthened cooperation among SAARC Members to identify, analyze and effectively contend with the complex multi-faceted challenges inherent in the global economic environment that is changing so radically, particularly in this last decade preceding the new millennium. They acknowledged the need to enhance the collective capacity of SAARC in respect of policy analysis, with a specific emphasis on international financial, monetary, trade and investment issues and their domestic ramifications.

19. The Heads of State or Government also expressed their abhorrence over the practice of imposition of unilateral coercive economic measures as an instrument of policy against developing countries. They called for their immediate cessation.

20. They stressed the need for more efficient capacity building to enable informed decision-making in these areas to enable innovative collective intervention to safeguard South Asian interests in international negotiations, as well as to develop some edge for effective leverage in such negotiations. The Heads of State or Government agreed on the urgent need for harnessing the rich intellectual and resource capacity of South Asia for this purpose.

21. The Heads of State or Government requested Sri Lanka, as Chairperson of the 10th Summit, to conduct consultations with Member States for the convening of a network of researchers comprising members of the Private Sector, Central Banks, Planning Ministries, Research Institutes and eminent economists nominated by

Governments to identify, analyse and help SAARC faced up to current global, financial and economic developments affecting the region. They requested Sri Lanka to co-ordinate on necessary practical measures while keeping Member States informed in the matter. Heads of State or Government welcomed the offer of Sri Lanka to host a meeting in Colombo of representatives of SAARC, nominated by their Governments to study the matter further and report with practical recommendations on the matter in advance of the 21st Session of the Council of Ministers to facilitate early decisions.

ACCELERATION OF ECONOMIC COOPERATION

22. The Heads of State or Government assessed progress made in the two rounds of negotiations already undertaken under SAPTA. They decided that the third round should be concluded well before the Twenty-first Session of the Council of Ministers. The Heads of State or Government decided that to accelerate progress in the next round of SAPTA negotiations, deeper preferential tariff concessions should be extended to products which are being actively traded, or are likely to be traded, among Members; that discriminatory practices and non-tariff barriers should be simultaneously removed on items in respect of which tariff concessions are granted or have been granted earlier. Measures to remove structural impediments should also be taken in order to move speedily towards the goal of SAFTA. They also directed that domestic content requirements under SAPTA Rules of Origin should be reduced and that the SAPTA Committee of Participants should meet by mid-October '98 in Colombo to finalise the extent of reduction in keeping with the decision of the Second SAARC Commerce Ministers' Meeting. The Heads of State or Government reaffirmed that measures to enable smaller and Least Developed Countries to benefit equitably from economic liberalization were specially important.

23. The Heads of State or Government reiterated the importance of achieving SAFTA as mandated by the Ninth SAARC Summit. To this end they decided that a Committee of Experts, in consultation with Member States, be constituted with specific Terms of Reference (TOR) to work on drafting a comprehensive treaty regime for creating a free trade area. The Heads of State or Government expressed the view that such a treaty must incorporate, among other things, binding time-frames for freeing trade, measures to facilitate trade, and provisions to ensure an equitable distribution of benefits of trade to all states, especially for smaller and least developed countries, including mechanisms for compensation of revenue loss. They emphasised the importance of finalising the text of the regulatory framework by the year 2001.

24. The Heads of State or Government agreed that the benefits of economic liberalization would be more extensive and better balanced through the promotion of trade- creating joint ventures, investment and trade in services such as tourism.

25. The Heads of State or Government noted with satisfaction the outcome of the Second Meeting of the SAARC Commerce Ministers in Islamabad and welcomed their decision to coordinate SAARC's position on issues of common concern at the WTO. They welcomed in this connection the Declaration issued by the SAARC Commerce Ministers on the eve of the Second WTO Ministerial Meeting in Geneva, setting out a SAARC approach on these issues. Recognizing that critical issues would be decided at the Third WTO Ministerial Conference in the USA in 1999, the Heads of State or Government urged SAARC Commerce Ministers to work closely with a view to evolving better co-ordinated positions on all issues. They directed the Consultative Group of SAARC Permanent Representatives to the WTO at Geneva to consult closely with like-minded countries to advance the interests of developing countries at all WTO Conferences.

26. The Heads of State or Government noted the progress made in preparations for the Second SAARC Trade Fair to be held in Sri Lanka from September 8-15, 1998. The Heads of State or Government welcomed the offer of Bangladesh to host the Third Meeting of SAARC Commerce Ministers in 1999 and the offer of Pakistan to stage the Third SAARC Trade Fair in 1999.

PEOPLE TO PEOPLE CONTACT

27. The Heads of State or Government noted arrangements being finalized by Sri Lanka to host the First SAARC Film Festival in Colombo in 1998 in commemoration of the 50th Anniversary of the Independence of Sri Lanka.

28. The Heads of State or Government stressed that more convenient travel connections between SAARC countries were essential to facilitate fruitful interaction among people in the region, in particular, professional groups, creative artistes, pilgrims and journalists.

29. The Heads of State or Government considered means of encouraging more productive co-operation and collaboration between governments and the private sectors, including in the commissioning of studies relating to regional economic interaction.

30. They welcomed the contribution made by the SAARC Chamber of Commerce and Industry in facilitating the engagement of the private sector in regional economic interaction as well as initiating linkages with other regions for the purpose of promoting SAARC exports. The Heads of State or Government noted that a document entitled "Road Map to SAFTA" was presented by the President of the SAARC Chamber of Commerce and Industry (SCCI) to the Chairperson of the Twentieth Session of the Council of Ministers.

LINKS WITH OTHER INTERNATIONAL AND REGIONAL ORGANIZATIONS

31. The Heads of State or Government noted links initiated between SAARC and other international and regional organizations. They considered the prospects for the development of SAARC projects and programmes in association with such organizations with which SAARC has cooperative arrangements as well as through other forms of cooperation. The Heads of State or Government were of the view that priority needs to be given in establishing contact with those regional groupings which have experience in economic cooperation and functional regional cooperation.

32. The Heads of State or Government also noted proposals for developing cooperation between SAARC and individual States outside the region. They requested the Council of Ministers to consider such proposals with a view to developing such contacts on the basis of mutual benefit and for the advancement of SAARC objectives.

PROJECTION OF COMMON POSITIONS

33. The Heads of State or Government reiterated their resolve to promote the articulation of joint positions at the United Nations and other fora where such action would be in the clear interest of all members of the Association.

SUB-REGIONAL COOPERATION

34. With the objective of enhancing regional solidarity and promoting overall development within SAARC, the Heads of State or Government encouraged the development of specific projects relevant to the individual needs of three or more Member States under the provisions of Articles VII and X of the Charter.

SECURITY OF SMALL STATES

35. The Heads of State or Government recognized that due to their particular vulnerability, small States require special measures of support from the international community for the safeguarding of their sovereign independence and territorial integrity. They reiterated that real protection of small States should be firmly rooted in scrupulous adherence to the UN Charter, the rule of law and strict adherence to universally accepted principles and norms related to sovereign rights and territorial integrity of all States irrespective of size. This, they stressed should be ensured by all the countries either severally or collectively through the pursuit of appropriate action.

SPECIAL MEASURES FOR LEAST DEVELOPED AND LAND-LOCKED COUNTRIES

36. The Heads of State or Government emphasised the need for priority action on various international development commitments, such as the Paris Declaration and the Programme of Action for LDCs for the 1990s.

37. While noting with deep concern that economic growth in the Least Developed and Land-Locked Countries is not progressing well, the Heads of State or Government stressed the need to take special measures for accelerating the process of development. They emphasised the need to fulfil the internationally agreed aid targets for ensuring accelerated and sustained economic growth in developing countries particularly in the Least Developed Countries. They stressed on the need for adequate resources to facilitate implementation of economic reform programmes in SAARC countries.

38. The Heads of State or Government emphasised that the review of the criteria for the determination of LDC status for consideration by the United Nations General Assembly this year, must take into account the special significance of the extent and magnitude of incidence of poverty in the poorest countries and the special vulnerabilities of small island states.

EDUCATION AND LITERACY

39. The Heads of State or Government were in agreement that illiteracy was a major impediment to economic development and social emancipation and that the eradication of illiteracy in the Region including through co-operative endeavours within SAARC must continue to be pursued resolutely.

40. The Heads of State or Government noted that the concepts of Open Learning and Distance Education could help substantially towards equal opportunities and access to knowledge. The Heads of State or Government directed that SAARC should build on the substantial expertise already existing in the Region in the field of open education, by establishing a SAARC Forum of Vice Chancellors of Open Universities. This Forum, consisting of regional leaders in the field, should strengthen cooperation in areas such as the sharing and joint development of programmes, credit transfers for specific programmes and the translation of existing programmes.

41. The Heads of State or Government urged the Forum, to spearhead the development of distance education outside the Open University System as well, drawing on the advances in Information Technology, to reach out to the remote and under-privileged sections. They welcomed the offer of Sri Lanka to host a meeting of Vice-Chancellors of SAARC Open Universities during the last quarter of 1998 to discuss the modalities for the establishment of the Forum and to draw up a programme to achieve the objectives identified by the Heads of State or Government. The Heads of State or Government requested the Forum to report to the Standing Committee on a continuous basis on its programmes.

ERADICATION OF POVERTY IN SOUTH ASIA

42. The Heads of State or Government reiterated the commitment of SAARC to the eradication of poverty in the Region at the earliest possible, preferably by the year 2002. They emphasised the need to encourage maximum participation by target groups in the formulation and implementation of poverty eradication programmes. The Heads of State or Government were of the view that such participation is essential for success of efforts in this field. They stressed the need for effective utilisation of the SAARC Three-Tier Mechanism on Poverty Eradication and in that context welcomed the offer of the Government of Pakistan to host the next meeting of the SAARC Finance/Planning Ministers under the Mechanism in October 1998.

43. The Heads of State or Government noted that the South Asian countries have provided leadership in developing and implementing Micro Credit Programmes, which have immense potential to contribute to the eradication of poverty. They were of the view that their respective programmes in this regard have proven to be effective and Member States would benefit by sharing experiences and exchanging information and expertise in this important area.

44. The Heads of State or Government noted that Human Resource Development is a key element in any poverty eradication programme. The Heads of State or Government, therefore, agreed that once the SAARC Centre for Human Resource Development in Islamabad is established, it could look in to the possibility of its contributing to the strengthening of the human resource development components of the regional poverty eradication programmes.

SOCIAL CHARTER

45. The Heads of State or Government reviewed the progress made in the social sector by SAARC and determined that, in order to increase effectiveness, it would be necessary to develop, beyond national plans of action, a regional dimension of action including a specific role for SAARC. In this context, they agreed that it would be necessary for SAARC to develop a Social Charter, which would focus on drawing up targets with a broad range to be achieved across the region in the areas of poverty eradication, population stabilisation, the empowerment of women, youth mobilisation, human resource development, the promotion of health and nutrition and the protection of children. The Heads of State or Government further directed the Council of Ministers to initiate work on drawing up a Social Charter.

COMMUNICATIONS

46. The Heads of State or Government welcomed the results of the First Conference of SAARC Communication Ministers held in Colombo in May, 1998. They noted that technological advances were making telecommunications an important medium for socio-economic development and developing commercial and business relations as well as promotion of people-to-people contact. They called for the speedy implementation of the Plan of Action adopted by the First Meeting of the SAARC Communication Ministers.

TOURISM

47. The Heads of State or Government recognized that further efforts were required for South Asia to effectively tap the economic potential afforded by the global tourist industry as well as to encourage intra-SAARC tourism. They welcomed the convening of the First SAARC Tourism Ministers' Meeting in Colombo as a step towards this end and called for the effective implementation of its decisions, including the encouragement of active private sector participation in the promotion of tourism, both intra-regionally and

internationally, simplification of visa-procedures for tourists and pilgrims, more convenient air and other travel links among SAARC countries including special regional fares and the co-ordination of activities of tour operators.

48. The Heads of State or Government identified the need to strengthen the existing air services between their respective Capitals, with a view to both facilitating tourism as well as people to people contacts. They called in this regard, for an early meeting of the Chairpersons/Chief Executive Officers of the national air lines.

SCIENCE AND TECHNOLOGY

49. The Heads of State or Government noted that the development of a regional self-reliance capability for South Asia in scientific research and development was essential, given a global context in which barriers to the free flow of technology still remained in place. The Heads of State or Government appreciated the efforts to foster under the SAARC umbrella, collective co-operation in this field.

50. The Heads of State or Government welcomed the offer by the Government of India to hold a Special Meeting of SAARC Science and Technology Ministers to consider a SAARC Technology Initiative to Identify and implement specific regional projects in rural areas which would have the direct impact in improving the day-to-day life of people there. Such an initiative could include rural telecommunications, drinking water and sanitation and improvement of life standards.

51. The Heads of State or Government reiterated their earlier call for the effective and rapid institutionalization of SAARC co-operation in the field of bio-technology. They pointed out that South Asia with its vast reservoir of bio-diversity and tropical climate, has substantial potential for bio-industry development on a sustainable basis. Many of the food and nutritional needs of the SAARC region could be met by the application of bio-technology. Contemporary developments in intellectual property and patent law, moreover, heightened the need for vigilance against encroachment on the regional bio-diversity heritage by external entities.

52. The Heads of State or Government accordingly requested the Standing Committee, with assistance of the SAARC Secretariat, to report to the forthcoming Twenty-First Session of the Council of Ministers on practical and

cost effective measures towards rapidly operationalising SAARC cooperation in bio-technology.

ENVIRONMENT

53. The Heads of State or Government expressed their deep satisfaction at the positive outcome of the Environment Ministers' Conference held in Malé in October 1997, and called for the effective and early implementation of the SAARC Environment Action Plan. In this context, they welcomed the offer of Maldives to prepare a feasibility study on the establishment of a Coastal Zone Management Centre. The Heads of State or Government also committed their governments to prepare National Environment Action Plans and State of the Environment Reports before the end of 1998.

54. The Heads of State or Government expressed their satisfaction over the adoption of a common position by Member States prior to the Third Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Kyoto, Japan and welcomed the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change in December 1997, and underscored the importance of the Protocol for the protection of the climate system. They urged all industrial countries to ratify the Protocol and to undertake urgent and effective steps to implement the commitments undertaken by them to reduce their emissions of green-house gases.

55. The Heads of State or Government also emphasised the need for complementary action by organisations and institutions in the region in their efforts to protect the environment and achieve sustainable development in the region.

56. The Heads of State or Government noted that the SAARC Environment Ministers would be meeting in Sri Lanka in late 1998. They urged that the Ministers should at this forthcoming meeting also mandate any specific measures required for SAARC to further strengthen cooperation on environment issues, with other international or regional organizations engaged in the same field.

YOUTH

57. The Heads of State or Government affirmed the importance they attached to

providing adequate opportunities to youth in South Asia to participate productively in national development and underscored the need for developing programmes in this regard at the national and regional levels.

CHILDREN

58. Recalling targets and objectives set out in the Rawalpindi Declaration of 1996, the Heads of State or Government noted that the 1997 Review of the Situation of Children in South Asia had revealed progress in the reduction of infant mortality and increased coverage of immunization programmes. They stressed, however, that continued efforts required to be sustained in these areas. Serious efforts were also required in respect of education for all children and the reduction of gender disparities. In addition to national programmes, the Heads of State or Government called for the identification of practical regional programmes which could benefit from cooperation with relevant regional and international organisations with which SAARC has cooperative arrangements for the promotion of the welfare of children.

59. The Heads of State or Government condemned the exploitation of children by terrorist groups in hostilities and called for special measures for the psychological, physical and social rehabilitation of child victims. In this respect, the Heads of State or Government noted the initiative taken by Maldives in pursuance of their directive at the Ninth SAARC Summit in drafting the Convention on Regional Arrangements for the Promotion of Child Welfare in South Asia. They welcomed the offer of Maldives to hold an Expert Group Meeting to finalise the draft Convention for its adoption at the Eleventh SAARC Summit.

SITUATION OF WOMEN AND THE GIRL CHILD

60. The Heads of State or Government noted that many groups of women and girl children in South Asia continue to be in disadvantaged positions and lack equal opportunities for economic and social development. They were of the view that sustained efforts and practical affirmative action was required to offset the effects of discriminatory, social and psychological perceptions and to empower women through affirmative action, including where necessary, legislative measures. The Heads of State or Government condemned in particular violence against women and acts of discrimination and humiliation which tend to depress the status of women. They also expressed concern over the plight of women and girl children in situations of conflict. Equal opportunities in education, health

facilities and nutrition were vital for the integration of women in the mainstream of national development. They agreed to work in close association, where possible, with professional and other women's groups in the region to ameliorate their conditions.

61. The Heads of State or Government recalled that the Ninth SAARC Summit expressed concern at the trafficking of women and children within and between countries and pledged to coordinate efforts of Member States to take effective measures to address this problem. In this context, they welcomed the finalisation of the draft text on the Regional Convention on Combating the Crime of Trafficking in Women and Children for Prostitution and noted that this would be a vital instrument in dealing with this problem. They approved that the Convention be signed at the Eleventh SAARC Summit.

62. The Heads of State or Government also recommended that the feasibility of establishing a Regional Fund for Rehabilitation of Victims of Trafficking in Women and Children for Prostitution on a voluntary basis may be explored.

63. The Heads of State or Government were also of the view that the scope of the Convention should be broadened to cover purposes other than prostitution.

64. The Heads of State or Government noted that a gender disaggregated database on the basis of data provided by Member States would be a valuable means of assisting the formulation of national and regional policies and programmes in respect of women and the girl child.

HEALTH

65. The Heads of State or Government noted the rich heritage of traditional systems of medicine (TSM) in the region. They observed that regional cooperation in this area would be worthwhile and relevant for meeting basic health needs. They welcomed the offer of India to host the First Health Ministers Conference to evolve proposals for cooperation in this field.

66. The Heads of State or Government urged that the regional pharmaceutical industries should strengthen cooperation. They were further of the view that the Member States could establish Action Committees in terms of Article VII of the SAARC Charter for such cooperation, if required.

DISABLED PERSONS

67. The Heads of State or Government recalled the Islamabad Resolution on Disabled Persons and underscored the importance of having a very definite humanistic approach to ensuring the welfare of the 100 million disabled persons of this region. In this respect, the Heads of State or Government accepted the proposal of the Prime Minister of Bangladesh for the establishment of a SAARC Voluntary Fund for Disabled Persons.

INFORMATION

68. The Heads of State or Government welcomed the recommendations of the First Meeting of SAARC Information Ministers held in Dhaka in April, 1998 and the offer of Pakistan to host the Second Meeting of Information Ministers of SAARC Countries.

69. The Heads of State or Government called for concerted endeavours for the promotion of practical programmes among South Asian countries, including through professional organizations, in the field of information and media exchanges benefitting from technological advances. Such action would help promote deeper understanding of issues common to the region, as well as to project a more balanced view of developments in the region. They welcomed the offer of India to host the First Meeting of SAARC Editors and Journalists.

TERRORISM AND DRUG TRAFFICKING

70. The Heads of State or Government recognized that the Member States and peoples of South Asia continue to face the serious threat of terrorism in all its forms and manifestations and drug trafficking. They reiterated their firm commitment to combat these activities in the region. They emphasized the urgent need to complete enabling legislation in order to implement the SAARC Regional Conventions on Suppression of Terrorism and on Narcotic Drugs and Psychotropic Substances.

71. The Heads of State or Government urged all Member States to enhance cooperation against terrorism, wherever, by whomever, against whoever it occurs and to fully observe and implement the SAARC Regional Convention on Terrorism.

72. The Heads of State or Government affirmed that criminal acts intended to provoke a state of terror in the general public, a group of persons or particular persons, for whatever purposes, are unjustifiable in any circumstances.

73. The Heads of State or Government recalled the adoption of the 1996 UN Declaration on Measures to Eliminate International Terrorism and urged all Member States to work towards its implementation. They called for international action to prevent the abuse of Refugee Conventions and to halt activities which help terrorist groups to collect funds for their activities in South Asia.

74. The Heads of State or Government noted that two SAARC Conferences on Cooperation in Police Matters had been held since 1996. They called for the continued sharing of expertise with regard to the different areas of police investigation, and investigation of organized crime and drug related crimes.

UNIVERSAL DECLARATION OF HUMAN RIGHTS

75. The Heads of State or Government taking note of the 50th Anniversary of the Universal Declaration of Human Rights, reaffirmed their commitment to the further promotion of human rights and fundamental freedoms by strengthening the respective national institutions in South Asia in this field. The Leaders agreed that tolerance and mutual accommodation, combined with the strengthening of participatory governance, constituted the foundation for the sustainable economic and social development of the SAARC region.

INTERNATIONAL POLITICAL DEVELOPMENTS

76. The Heads of State or Government consulted informally on a range of international issues, particularly those which have a bearing on South Asia. They re-affirmed their strong commitment to the purposes and principles of the UN Charter and agreed that their delegations would work closely in the ongoing negotiations for the reform and strengthening of the UN system, so that the Organisation could be more democratic, efficient and financially viable and responsive to the interests of its membership, especially developing countries.

77. The Heads of State or Government also underscored the importance of the role of the Non-Aligned Movement in promoting a just and equitable global order and called for the further enhancing of the efforts of the Movement to influence positively contemporary international relations. In this context, they expressed full confidence that the Twelfth Summit of the Movement scheduled

to take place in South Africa would contribute towards augmenting the Movement's effectiveness.

78. The Heads of State or Government were of the view that stability, peace and security in South Asia could not be considered in isolation of the global security environment. Although great power rivalry which the NAM had consistently opposed, no longer posed a serious threat and the danger of a global nuclear conflagration had abated, yet some States had sought to maintain huge arsenals of nuclear weapons. The NPT and the CTBT, to which some SAARC members were signatories, had not led to any progress towards nuclear disarmament nor prevented proliferation. They underscored their commitment to the complete elimination of nuclear weapons and the need for promoting nuclear disarmament on a universal basis, under effective international control. They recognised that global non-proliferation goals cannot be achieved in the absence of progress towards nuclear disarmament and in this context called upon all nuclear weapon states, whether party or non-party to the NPT to engage constructively through a transparent and credible process of negotiations at the Conference on Disarmament.

79. The Heads of State or Government therefore urged the Conference on Disarmament to commence negotiations on a comprehensive, universal and nondiscriminatory international instrument prohibiting the use or the threat of nuclear weapons as well as eliminating such weapons in existing arsenals.

80. The Heads of State or Government noted the outcome of the recent UN Diplomatic Conference on the establishment of an International Criminal Court and the fact that the Conference had not addressed such issues as the crime of drug trafficking and the crime of terrorism with its use of indiscriminate violence aimed at innocent civilians and use of weapons of mass destruction. They emphasised the need to ensure that the proposed Court should respect the sovereignty of States consistent with the principle of complementarity with national jurisdiction on which the Statute of the Court is based.

81. The Heads of State or Government welcomed the enhanced status accorded to Palestine at UN fora. They however expressed growing concern at numerous setbacks affecting the peace process in the Middle East, including illegal attempts to change the jurisdiction and borders of Jerusalem. They re-affirmed their support for the achievement of a just, lasting and comprehensive peace based on Security Council Resolution 242 (1967) and Resolution 338 (1973) to restore the inalienable national rights of the Palestinian people.

82. The Heads of State or Government called for intensification of efforts for promoting peace and stability at the global and regional levels for realising universal progress and prosperity.

DATES AND VENUE OF THE ELEVENTH MEETING OF THE HEADS OF STATE OR GOVERNMENT

83. The Heads of State or Government accepted with deep appreciation the offer of His Majesty's Government of Nepal to host the Eleventh SAARC Summit in the second half of 1999.

84. The Heads of State or Government of Bangladesh, Bhutan, India, the Maldives, Nepal and Pakistan expressed their appreciation for the skilful manner in which the President of the Democratic Socialist Republic of Sri Lanka had conducted the meeting and guided its deliberations, in her capacity as Chairperson. They also expressed their deep gratitude for the warm and generous hospitality extended to them by the Government and the people of Sri Lanka and the excellent arrangements made for the Summit and the meetings preceding it.