



Compilation of SAARC Charter/Conventions/ Agreements (1985-2016)





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**SOUTH ASIAN ASSOCIATION
FOR REGIONAL COOPERATION
SECRETARIAT**

SECRETARY GENERAL

FOREWORD


The South Asian Association for Regional Cooperation (SAARC) was established on 8 December 1985 during the First Summit Meeting of the Heads of State or Government of Bangladesh, Bhutan, Indian, the Maldives, Nepal, Pakistan and Sri Lanka. Afghanistan joined SAARC as a member in April 2007.

As defined in its Charter, the primary objectives of SAARC are to promote the welfare of the peoples of South Asia and to improve their quality of life through accelerated economic growth, social progress and cultural development in the region. Cooperation within the framework of the Association shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.

Although in its initial phase, SAARC concentrated on non-controversial areas of cooperation such as health and population activities, communications, postal services, agriculture and rural development, the subsequent years of SAARC saw the emergence of core issues, such as, trade, economy, finance, climate change, energy, and transport or physical connectivity as the mutually agreed areas of cooperation. In essence, SAARC today stands to cater to almost all the spheres of human activity. A number of inter-governmental mechanisms instituted by SAARC over the years guide regional cooperation in these areas.

Over three decades of its existence, SAARC adopted several legal instruments, including agreements and conventions to regulate mutual cooperation and collaboration among its membership in several areas of common interest. This publication is an endeavour for the first time to compile all such documents adopted by SAARC since its inception.

I hope that readers, scholars and researchers within the region and beyond will find this publication handy.


(Arjun B. Thapa)

Kathmandu, 1 December 2016

Post Box No. 4222, Kathmandu, Nepal
Tel.: 4-221785, Fax : 4-227033, 4-223991
E-mail : saarc@saarc-sec.org
Web-site: <http://www.saarc-sec.org>

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SAARC Secretariat and SAARC Bodies

CHARTER of the South Asian Association

for Regional Cooperation

We, the Heads of State or Government of BANGLADESH, BHUTAN, INDIA, MALDIVES, NEPAL, PAKISTAN and SRI LANKA;

1. **Desirous** of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the UNITED NATIONS CHARTER and NON-ALIGNMENT, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of all disputes;
2. **Conscious** that in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the SOUTH ASIAN region by fostering mutual understanding, good neighbourly relations and meaningful cooperation among the Member States which are bound by ties of history and culture;
3. **Aware** of the common problems, interests and aspirations of the peoples of SOUTH ASIA and the need for joint action and enhanced cooperation within their respective political and economic systems and cultural traditions;
4. **Convinced** that regional cooperation among the countries of SOUTH ASIA is mutually beneficial, desirable and necessary for promoting the welfare and improving the quality of life of the peoples of the region;
5. **Convinced** further that economic, social and technical cooperation among the countries of SOUTH ASIA would contribute significantly to national and collective self-reliance;
6. **Recognising** that increased cooperation, contacts and exchanges among the countries of the region will contribute to the promotion of friendship and understanding among their peoples;
7. **Recalling** the DECLARATION signed by their Foreign Ministers in NEW DELHI on August 2, 1983 and **noting** the progress achieved in regional cooperation;
8. **Reaffirming** their determination to promote such cooperation within an institutional framework;

DO HEREBY AGREE to establish an organisation to be known as SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION hereinafter referred to as the ASSOCIATION, with the following objectives, principles, institutional and financial arrangements:

Article I

OBJECTIVES

The objectives of the ASSOCIATION shall be:

- a) to promote the welfare of the peoples of SOUTH ASIA and to improve their quality of life;
- b) to accelerate economic growth, social progress and cultural development in the region and to provide

- all individuals the opportunity to live in dignity and to realise their full potentials;
- c) to promote and strengthen collective self-reliance among the countries of SOUTH ASIA;
 - d) to contribute to mutual trust, understanding and appreciation of one another's problems;
 - e) to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;
 - f) to strengthen cooperation with other developing countries;
 - g) to strengthen cooperation among themselves in international forums on matters of common interests; and
 - h) to cooperate with international and regional organisations with similar aims and purposes.

Article II

PRINCIPLES

Cooperation within the framework of the ASSOCIATION shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.

- 2. Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.
- 3. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

Article III

MEETINGS OF THE HEADS OF STATE OR GOVERNMENT

The Heads of State or Government shall meet once a year or more often as and when considered necessary by the Member States.

Article IV

COUNCIL OF MINISTERS

A Council of Ministers consisting of the Foreign Ministers of the Member States shall be established with the following functions:

- a) formulation of the policies of the ASSOCIATION;
- b) review of the progress of cooperation under the ASSOCIATION;
- c) decision on new areas of cooperation;

- d) establishment of additional mechanism under the ASSOCIATION as deemed necessary;
- e) decision on other matters of general interest to the ASSOCIATION.

2. The Council of Ministers shall meet twice a year. Extraordinary session of the Council may be held by agreement among the Member States.

Article V

STANDING COMMITTEE

The Standing Committee comprising the Foreign Secretaries shall have the following functions:

- a) overall monitoring and coordination of programme of cooperation;
- b) approval of projects and programmes, and the modalities of their financing;
- c) determination of inter-sectoral priorities;
- d) mobilisation of regional and external resources;
- e) identification of new areas of cooperation based on appropriate studies.

2. The Standing Committee shall meet as often as deemed necessary.

3. The Standing Committee shall submit periodic reports to the Council of Ministers and make reference to it as and when necessary for decisions on policy matters.

Article VI

TECHNICAL COMMITTEES

Technical Committees comprising representatives of Member States shall be responsible for the implementation, coordination and monitoring of the programmes in their respective areas of cooperation.

2. They shall have the following terms of reference:

- a) determination of the potential and the scope of regional cooperation in agreed areas;
- b) formulation of programmes and preparation of projects;
- c) determination of financial implications of sectoral programmes;
- d) formulation of recommendations regarding apportionment of costs;
- e) implementation and coordination of sectoral programmes;
- f) monitoring of progress in implementation.

3. The Technical Committees shall submit periodic reports to the Standing Committee.

4. The Chairmanship of the Technical Committees shall normally rotate among Member States in alphabetical order every two years.
5. The Technical Committees may, *inter-alia*, use the following mechanisms and modalities, if and when considered necessary:
 - a) meetings of heads of national technical agencies;
 - b) meetings of experts in specific fields;
 - c) contact amongst recognised centres of excellence in the region.

Article VII

ACTION COMMITTEES

The Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two but not all Member States.

Article VIII

SECRETARIAT

There shall be a Secretariat of the ASSOCIATION.

Article IX

FINANCIAL ARRANGEMENTS

The contribution of each Member State towards financing of the activities of the ASSOCIATION shall be voluntary.

2. Each Technical Committee shall make recommendations for the apportionment of costs of implementing the programmes proposed by it.
3. In case sufficient financial resources cannot be mobilised within the region for funding activities of the ASSOCIATION, external financing from appropriate sources may be mobilised with the approval of or by the Standing Committee.

Article X

GENERAL PROVISIONS

Decisions at all levels shall be taken on the basis of unanimity.

2. Bilateral and contentious issues shall be excluded from the deliberations.

IN FAITH WHEREOF We Have Set Our Hands And Seals Hereunto.

DONE In DHAKA, BANGLADESH, On This The Eighth Day Of December Of The Year One

Thousand Nine Hundred Eighty Five.

Hussain Muhammad Ershad
PRESIDENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH

PRESIDENT OF THE
REPUBLIC OF MALDIVES

Jigme Singye Wangchuck
KING OF BHUTAN

Birendra Bir Bikram Shah Dev
KING OF NEPAL

Rajiv Gandhi
PRIME MINISTER OF THE REPUBLIC OF INDIA

Muhammad Zia-ul-Haq
PRESIDENT OF THE ISLAMIC REPUBLIC
OF PAKISTAN

Maumoon Abdul Gayoom

Junius Richard Jayewardene
PRESIDENT OF DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA

Provisional Rules of Procedure

The Rules shall apply to the meetings of the Council of Ministers, the Standing Committee, the Programming Committee, the Technical Committees or any other *ad hoc* SAARC bodies that may be set up by the Heads of State or Government, or the Council of Ministers, or the Standing Committee.

COMPOSITION OF DELEGATION

Rule 1

1. Each State participating in the Meeting shall be represented by a Head of Delegation and other representatives of the State, as may be required.
2. The names of the representatives shall be submitted to the host country and the Secretary-General as early as possible, preferably not less than one week before the date fixed for the opening of the Meeting.

APPOINTMENT OF OFFICERS OF THE MEETING

Rule 2

The Meeting may appoint the following officers from among the representatives of the states participating in it: a Chairperson, a Vice-Chairperson and other officers for sub-committees, working groups, drafting groups.

ACTING CHAIRPERSON

Rule 3

1. If the Chairperson finds it necessary to be absent from a meeting or any part thereof, he/she shall designate the Vice-Chairperson to take his/her place.
2. The Vice-Chairperson acting as Chairperson shall have the same powers and duties as the Chairperson.

PARTICIPATION BY THE SECRETARY-GENERAL

Rule 4

The Secretary-General, or, in his/her absence, an officer of the Secretariat who shall be designated by the Secretary-General, shall act in that capacity at the Meeting.

STATEMENT BY THE SECRETARIAT

Rule 5

The Secretary-General, or any officer of the Secretariat designated by the Secretary-General for the

purpose, may, subject to Rule 10, make statements concerning any questions under consideration.

CONCLUSIONS OF THE MEETING

Rule 6

The Meeting shall adopt a report at the conclusion of its session.

CONDUCT OF BUSINESS

Rule 7^{1*}

The Chairperson may declare a meeting open and permit the debate to proceed only when the representatives of at least five Member States are present. The presence of all the Member States shall be required for any decision to be taken.

GENERAL POWERS OF THE CHAIRPERSON

Rule 8

1. The chairperson shall preside over the Meeting. He/she shall declare the opening and the closing of each sitting, direct the discussions, ensure observance of the Rules of Procedure, accord the right to speak and announce decisions. He/she shall rule on points of order. The Chairperson, subject to these Rules, shall have complete control of the proceedings and over the maintenance of order thereat.
2. The Chairperson in the exercise of his/her functions remains under the authority of the Meeting.

POINTS OF ORDER

Rule 9

During the discussions on any matter, a representative may at any time raise a point of order, which shall be immediately decided by the Chairperson in accordance with these Rules.

SPEECHES

Rule 10

1. No one may address the Meeting without having previously obtained the permission of the Chairperson. Subject to Rule 9, the Chairperson shall call upon speakers from member countries in the order in which they signify their desire to speak.
2. Debate shall be confined to the question before the Meeting and the Chairperson may call the speaker to order if his/her remarks are not relevant to the subject under discussion.
3. The Meeting may limit the time allowed to speakers and the number of times participants may speak on a question.

BASIC PROPOSALS

Rule 11

All draft proposals or reports submitted to the Meeting following its last session shall constitute the basic proposals for consideration by the Meeting.

SUBMISSION OF OTHER PROPOSALS AND SUBSTANTIVE AMENDMENTS

Rule 12

Other proposals and substantive amendments shall normally be introduced in writing and handed over to the Chairperson of the Meeting for circulation to delegates in the language of the Meeting. As a general rule, no proposal shall be discussed unless copies of it have been circulated to all delegations. The Chairperson may, however, permit discussion and consideration of amendments even though these have not been circulated in advance, if the Meeting so decides.

DECISION MAKING

Rule 13

The Meeting shall adopt its decisions and make recommendations on the basis of unanimity.

LANGUAGE OF THE MEETING

Rule 14

1. English shall be the language of the Meeting.
2. A representative may deliver his/her statement(s) in his/her national language if he/she provides for interpretation into English.

RECORD OF MEETING

Rule 15

Sound recordings of the meetings of the plenary may be kept.

PUBLIC AND CLOSED MEETINGS

Rule 16

1. All the meetings under SAARC shall be closed meetings.
2. If it is decided to have inaugural and closing ceremonies of some of the meetings, these shall be

held in public.

STATUS AND PARTICIPATION OF INVITEES

Rule 17

1. Representatives of the international organizations of the United Nations System or those international organizations outside the System with which SAARC has reached an agreement for cooperation shall be admitted as invitees to inaugural and closing ceremonies.
2. They may also be invited to be present during discussions on proposals or projects involving collaboration with their organizations.

Memorandum of Understanding on the Establishment of the Secretariat

I ESTABLISHMENT OF THE SECRETARIAT

In pursuance of Article VIII of the SAARC Charter the Governments of Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka have agreed on the following arrangements with regard to the establishment of the SAARC Secretariat.

II LOCATION

The Secretariat shall be located in Kathmandu, Nepal.

III ROLE OF THE SECRETARIAT

The role of the Secretariat shall be to co-ordinate and monitor the implementation of SAARC activities and to service the meetings of the Association.

IV STRUCTURE

The Secretariat shall comprise a Secretary General, and Professional and General Services Staff, and contain an appropriate number of functional units to be called Divisions.

V APPOINTMENT OF SECRETARY GENERAL

1. * The Secretary General shall be appointed by the Council of Ministers upon nomination by a Member State on the basis of the principle of rotation in alphabetical order. The appointment of the Secretary General shall be for a non-renewable tenure of three years. He shall hold the rank and status of Ambassador.
2. ** Director of the highest rank will act as the officer-in-charge of the SAARC Secretariat, in the absence of the Secretary-General, by rotation in alphabetical order of the member countries.

VI APPOINTMENT OF PROFESSIONAL STAFF

1. The Professional Staff of the Secretariat shall be appointed by the Secretary General upon nomination by Member States.
2. Each Member State shall nominate one officer at the level of Director who, on appointment shall take charge of a Division/Divisions to be assigned by the Secretary General.
3. The appointment of a Director shall be for three years. In special circumstances the Secretary General may, in consultation with the Member State concerned, extend the tenure for a period not exceeding another full term.
4. A Director shall be of the rank of Counsellor.

VII APPOINTMENT OF GENERAL SERVICES STAFF

1. The Secretary General shall employ such General Services Staff as are necessary for the normal functioning of the Secretariat.
2. The General Services Staff shall be nationals of the Member States recruited through open competition after advertisement, and shall be appointed by the Secretary General.
3. The General Services Staff on satisfactory completion of one year's probation shall be confirmed in their appointments
4. The appointment of the General Services Staff shall be subject to the proviso that no objection is raised by their respective Governments.

VIII FUNCTIONS AND POWERS OF THE SECRETARY GENERAL

The Secretary General, as head of the SAARC Secretariat, shall:

1. Be responsible for conducting the work of the Secretariat including co-ordination and monitoring of SAARC activities;

2. Submit Staff Rules and Financial Regulations to the Standing Committee for approval of the Council of Ministers;
3. Act as the channel of communication and linkage, when so empowered by the Standing Committee, between SAARC and other international organizations on matters of mutual interest. In doing so, the Secretary General shall be guided by the decision of the Council of Ministers that initiatives for collaboration with external agencies should stem from SAARC itself based on its own determination of priorities and keeping in mind the relevant provisions of the SAARC Charter;
4. Assist in organization and preparation of SAARC meetings at the levels of Standing Committee, Council of Ministers and the Summit and such other meetings as directed by the Standing Committee. The Secretary General shall attend those meetings or nominate a member of his Professional Staff to do so;
5. Submit the Annual Budget of the Secretariat to the Standing Committee for approval of the Council of Ministers;
6. Act as the custodian of all SAARC documents and publications;
7. Report periodically to the Standing Committee;
8. Perform such other functions as the Standing Committee and Council of Ministers may assign.

IX FUNCTIONS OF THE DIRECTORS

The Directors shall perform such functions as may be assigned to them by the Secretary General.

X LANGUAGE

English shall be the working language of the Secretariat.

XI FUNDING AND BUDGET

1. Nepal as the Host Country shall provide the following facilities for the Secretariat:
 - i. Accommodation with initial decoration and furnishing and provision of basic utilities and services including power, water, gas, air-conditioning, telephone, telex and major maintenance of the same; and
 - ii. Machines, equipment and vehicles for the initial stage.
2. The Annual Budget of the Secretariat shall contain two main components:
 - i. Capital expenditure, including all capital costs on such items as procurement of machines, equipment and vehicles; and
 - ii. Recurrent expenditure, including all expenses associated with the running of the Secretariat during the Budget Year including payment of salaries, allowances and perquisites of all Secretariat personnel, utility charges, office requisites and stationery, minor maintenance and any other regular expenses.
3. The Annual Budget of the Secretariat shall be shared by Member States on the basis of a formula agreed upon by the Council of Ministers.

XII SALARIES AND ALLOWANCES

The salaries and allowances of the Secretary General and Professional and General Services Staff of the Secretariat shall be determined by the Council of Ministers.

XIII PRIVILEGES AND IMMUNITIES

1. The Secretariat, the Secretary General and members of the Professional Staff of the Secretariat shall enjoy such privileges and immunities as are admissible to diplomatic missions/envoys and as detailed in the Headquarters Agreement to be reached between the Secretariat and the Host Country.
2. Other SAARC States will take steps to accord immunities and privileges to the Secretary General and other members of the Professional Staff when visiting their territories on official duties, consistent with local laws and practices.

XIV AUDIT AND ACCOUNTS

The accounts of the Secretariat shall be audited annually by a Panel of Auditors comprising three qualified members nominated by three Member States by rotation and appointed every year for a contract period of three weeks by the

Standing Committee. The Report of the Panel of Auditors along with the annual accounts shall be submitted to the Standing Committee for approval of the Council of Ministers.

XV AMENDMENT

An amendment to this Memorandum will require approval of the Council of Ministers.

XVI GENERAL

1. The Secretariat shall commence functioning from a date to be determined by the Council of Ministers.
2. Signed this Seventeenth Day of November of the year One Thousand Nine Hundred and Eighty-Six at Bangalore, India.

HUMAYUN RASHEED CHOUDHURY

Minister of Foreign Affairs
People's Republic of Bangladesh

DAWA TSERING

Minister of Foreign Affairs
Kingdom of Bhutan

NARAYAN DATT TIWARI

Minister of External Affairs
Republic of India

FATHULLA JAMEEL

Minister of Foreign Affairs
Republic of Maldives

SHAILENDRA KUMAR UPADHYAYA

Minister of Foreign Affairs and Land Reforms
His Majesty's Government of Nepal

SAHABZADA YAQUB KHAN

Minister of Foreign Affairs
Islamic Republic of Pakistan

AC. SHAHUL HAMEED

Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

* As amended by the Ninth SAARC Summit, Male (Para-5 of the Declaration).

** As amended by the Fourth Session of the Council of Ministers

**HEADQUARTERS AGREEMENT BETWEEN
HIS MAJESTY'S GOVERNMENT OF NEPAL AND THE SECRETARIAT OF THE
SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC)**

His Majesty's Government of Nepal and the South Asian Association for Regional Cooperation;

Recalling the decision taken at the first meeting of the Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka held in Dhaka on 7-8 December 1985 establishing the Association;

Having regard to Article VIII of the Charter of the Association which provides that there shall be a Secretariat of the Association;

Keeping in view Paragraph 9 of the Declaration of the Heads of State or Government issued at the Second Summit held in Bangalore, India about the establishment of the Secretariat of the Association and its location in Kathmandu, Nepal;

Having regard to the Memorandum of Understanding on the establishment of the Secretariat signed by Foreign Ministers of Member Countries of the Association in the presence of their
e Heads of State or Government on November 17, 1986 in Bangalore, India and

Desiring to conclude a Headquarters Agreement as provided for in paragraph 13 of the said Memorandum of Understanding;

Have Agreed as follows:

**Article I
Definitions**

For the purpose of the present Agreement, the following expressions shall have the meanings hereunder assigned to them:

- (a) "HMG/N" means His Majesty's Government of Nepal;
- (b) 'Association' means the South Asian Association for Regional Cooperation;
- (c) "Charter" means the Charter of the Association;
- (d) "Secretariat" means the Secretariat acting on behalf of the Association for the purpose of this Agreement;
- (e) "The Secretary-General" means the Secretary-General of SAARC or any officer designated to act in that capacity;
- (f) "Officers" means Directors/ Professional staff appointed by the Secretary General upon nomination by member states;
- (g) "The General Services Staff" means such officials as fJ) are recruited in Category I (as stipulated in

the decision of the fOU11h session of the SAARC Council of Ministers) through open competition among the member states of the Association as well as the administrative and technical staff in other Categories including those in the domestic service of the Secretary General and Officers of the Secretariat;

(h) “Appropriate Authorities of HMG/N” means such central and local authorities in the Kingdom of Nepal as may be relevant in the context of and in accordance with the prevalent laws and practices in Nepal;

(i) “The Premises of the Secretariat” means the buildings or their parts or area and other land ancillary thereto which may from time to time be included temporarily or permanently for the purpose of the Secretariat including the residence of the Secretary General;

(j) “Seat of the Secretariat” means the premises occupied by the Secretariat;

(k) “Archives” means the records, correspondence, documents, manuscripts, photographs etc. belonging to or held by the Secretariat;

(l) “Property” means all property, assets, funds, incomes and rights belonging to or held or administered by the Secretariat;

(m) “Representatives of Governments” means all accredited members of delegation of the member- states of the Association to any of its meetings;

(n) “Dependents” means parents, spouses and children under the age of 21 years of the Secretary General, Officers and the General Services Staff (Category I).

Article II

Objective

The Objective of this Agreement shall be to facilitate the work of the Secretariat as envisaged in the Charter and to allow all concerned including the Secretary- General, Officers and the General Services Staff to discharge their responsibilities efficiently and in good faith.

Article III

The Seat of the Secretariat

3.01 The Secretariat shall be located in the Kathmandu valley of the Kingdom of Nepal.

3.02 HMG/N as host Government shall provide or cause to be provided the following facilities to the Secretariat:

(a) Accommodation with initial decoration and furnishing and provision of basic utilities and services including power, water, gas, air-conditioning, telephone, telex, and major maintenance of the same;

(b) Machines, equipments and vehicles -for the initial stage.

3.03 The premises of the Secretariat shall be used for the sole purpose of attaining the objectives of the Association as stipulated in the Charter.

3.04 The utility charges shall be borne by the Secretariat.

3.05 HMG/N shall take all necessary action to ensure that the Secretariat is not dispossessed of all or any part of its premises without its prior consent.

Article IV **Inviolability of the Premises of the Secretariat**

4.01 The premises of the Secretariat shall be inviolable, and shall be under the control and authority of the Secretary General.

4.02 The premises of the Secretariat, their furnishings and other property of the Association including the means of transport wherever situated in the Kingdom of Nepal and by whomsoever held shall be immune from search, requisition, attachment, execution or any other form of interference.

4.03 The HMG/N as the host Government is under a special duty to take all appropriate steps to protect the premises of the Secretariat against any intrusion or damage and to prevent any disturbance of the peace of the Secretariat or impairment of its dignity.

4.04 Without prejudice to anything contained in this Agreement, the Secretariat shall not permit its premises to be used as a refuge by persons who are evading arrest or are to be extradited to other countries under the laws of Nepal or who are endeavouring to evade legal prosecution or judicial proceedings.

Article V **Inviolability of the Archives**

5.01 The archives and all documents and publications of the Association shall be inviolable at any time and wherever located in the territory of the Kingdom of Nepal.

Article VI **Communications**

6.01 The Secretariat shall enjoy in the Kingdom of Nepal for its official communications treatment not less favourable than that accorded by HMG/N to any international organization or Government including its diplomatic mission.

6.02 The Secretariat shall have the right to use codes and to despatch and receive correspondence and other official communications by courier or in sealed bags, which shall have the same privileges and immunities as diplomatic couriers and bags.

Article VII **The Property of the Association**

7.01 The property of the Association, shall enjoy immunity from search, requisition, attachment or any other form of interference.

7.02 The Secretariat, its property, income and transaction shall be exempt from:

- (i) all forms of taxation national, regional or municipal and any obligation for payment withholding or collection of any tax or duty;
- (ii) all custom duties and other levies on any goods and articles imported or exported by the Secretariat for its official use;
- (iii) all prohibitions and restrictions on imports and exports in respect of any goods or articles intended for the official use of the Association;

The Secretariat, however, shall not claim exemption from the payment for utility services.

Article VIII Financial Facilities

8.01 Notwithstanding financial controls, regulations or moratoria of any kind, the Secretariat may:

- (i) purchase, hold or dispose of any currencies, securities and funds through authorized channels;
- (ii) operate accounts in any currency;
- (iii) transfer its funds, securities or currencies to or from the Kingdom of Nepal or to or from any other currency or within the Kingdom of Nepal.

8.02 The Secretariat shall in exercising its rights and privileges under this Article pay due regard to any representation made by HMG/N.

Article IX Privileges and Immunities of the Secretary General, Officers and General Services Staff of the Secretariat

9.01 The Secretary General, Officers, and where applicable their dependents, shall enjoy within and with respect to the territory of the Kingdom of Nepal:

- (i) immunity from legal processes of any kind in respect of words spoken or written and acts performed by them in their official capacity and in the discharge of their duties;
- (ii) exemption from taxation in respect of the salaries and emoluments in connection with their service with the Association;
- (iii) immunities from the Civil, administrative, Criminal jurisdiction, personal arrest or detention;
- (iv) immunity, together with their dependents and members of their household staff, from immigration , restriction and alien registration;
- (v) exemption in respect of exchange restrictions no less favourable than that accorded to the officials of

comparable ranks in diplomatic missions --accredited to the Kingdom of Nepal;

(vi) repatriation facilities in time of national crisis, together with their dependent and members of their household staff not less favourable than those accorded to the officials of the comparable rank in the diplomatic missions;

(vii) freedom to maintain within the territory of the Kingdom of Nepal, or elsewhere, foreign securities, and other movable and immovable property, while employed by the Association in Nepal, and at the time of termination of such employment or within reasonable time thereafter, the right to take out of the territory of the Kingdom of Nepal funds in any currency without restriction or limitations.

(viii) immunity from seizure and inspection of their baggage;

(ix) right to import, export, transfer and replace, free of customs duties, taxes and other levies, their motor vehicles, furniture and other personal and household effects as applicable to the resident members of the comparable ranks in diplomatic missions accredited to the Kingdom of Nepal. .;

9.02 The General Services Staff of Category I shall enjoy within and with respect to the territory of the Kingdom of Nepal all privileges and immunities specified in clause (i) to (vii) of section 9.01 under this Article.

They shall also enjoy right to import free of custom duties, taxes and other levies, furniture and other personal and household effects for one time within one year of installation and one motor-vehicle during their service with the Secretariat, replaceable as per the prevalent rule applicable to other missions in Nepal, and right to export with similar Privileges goods thus imported at the termination of their duties with the Secretariat. Such staff shall be entitled to additional annual privilege of importation, transfer and replacement of such goods upto the value of \$ 2000.

9.03 The privileges and immunities granted under section 9.01 and 9.02 of this Article shall be applicable to the Nepalese citizens employed in the Secretariat provided that:

Such privileges and immunities shall not be extended to legal process, and judicial proceedings arising out of activities not connected with the work of the Association and taxation on personal properties and incomes other than salary and emoluments received from the Secretariat;

9.04 The Nepalese citizens of Professional and General Services Staff (Category-1) shall be entitled to maintain foreign exchange accounts of their salaries and emoluments received from the Secretariat in convertible currency in Nepal.

9.05 The private residences and means of transport of the officers and the General Services Staff (Category I) shall enjoy the same inviolability and protection as the premises of the Secretariat.

9.06 The General Services Staff other than Category I shall enjoy immunity from civil criminal and administrative process within and with respect to the territory of the Kingdom of Nepal in respect of acts performed during the course of their official duties only.

9.07 The Secretary General shall hold the rank and status of Ambassador and enjoy such other privileges and immunities as are accorded to Heads of diplomatic missions accredited to Nepal which are not covered by section 9.01 of this Article.

9.08 Without prejudice to their privileges and immunities, it is the duty of the Secretary- General and the

Officers and Staff of the Secretariat to respect the laws of the host country and to avoid any interference in the internal affairs of the Kingdom of Nepal.

9.09 All persons enjoying the privileges and immunities under this Agreement shall be provided by HMG/N with a special identity card which shall serve to identify the holder in relation to the appropriate authorities and certify that the holder enjoys the privileges and immunities specified in this Agreement.

9.10 Representatives of Governments, experts and other officials on temporary assignment in the Secretariat shall be accorded facilities similar to those as are admissible to persons on similar assignment with the offices of United Nations and other International Organizations.

Article X

Waiver of Immunities

10.01 The privileges and immunities accorded in this Agreement are granted in the interest of the Association. The Secretary General may waive the privileges and immunities accorded to any person if, in his opinion such privileges and immunities would impede the course of justice and can be waived without prejudice to the interest of the Association and the Secretariat.

10.02 The Secretary General shall take every measure to ensure that the Privileges and immunities stipulated in this Agreement are not abused and for this purpose shall establish such rules and regulations as may be deemed necessary and expedient.

10.03 The Secretariat and all persons enjoying privileges and immunities under this Agreement shall cooperate at all time with the appropriate authorities of HMG/N to facilitate the proper administration of justice and secure the observance of the laws of the host country .

10.04 If HMG/N is convinced that there has been abuse of the privileges and immunities accorded by this Agreement, it shall notify the Secretariat accordingly. Upon such notification, the Secretary-General shall, after consultation with the appropriate authorities of HMG/N, take necessary action.

10.05 No goods imported by the Secretariat, the Secretary General or Officers and Staff of the Secretariat under privileges granted by this Agreement can be sold or transferred to any person without prior approval of HMG/N. The Secretariat or the person concerned shall be liable to pay the necessary taxes and duties on goods thus sold or transferred unless the buyer enjoys similar privileges in Nepal.

10.06 HMG/N reserves the right to inspect the personal baggage of the personnel of the Secretariat if it is convinced that there are serious grounds for presuming that it contains articles not for bonafide official or personal use of the personnel of the Secretariat, or articles the export and import of which is prohibited by the Law or controlled by the quarantine regulations, of the Host country .Such inspection shall be conducted only in the presence of the authorised representative of the Secretariat.

Article XI

Settlement of Disputes

Any differences in the interpretation or application of this Agreement shall be settled amicably between the parties.

Article XII
Communication with HMG/N

The Secretariat shall communicate with the appropriate authorities of HMG/N through the Ministry of Foreign Affairs of HMG/N.

Article XIII
Final Provisions

13.01 This Agreement shall be interpreted in the light of its objectives as referred to in Article II of this Agreement.

13.02 This Agreement shall come into force immediately upon signature.

13.03 Any amendment or modification to this Agreement or any part thereof shall be made through mutual consultation at the request of either party and shall be effected through agreement between them.

13.04 This Agreement shall remain valid until the Association ceases to function.

***DONE AT KATHMANDU** on the Twenty Seventh Day of July One Thousand Nine Hundred and Eighty Eight, in two originals, in the English language, both texts being equally authentic.*

SOCIAL CHARTER

Re-affirming that the principal goal of SAARC is to promote the welfare of the peoples of South Asia, to improve their quality of life, to accelerate economic growth, social progress and cultural development and to provide all individuals the opportunity to live in dignity and to realize their full potential.

Recognising that the countries of South Asia have been linked by age-old cultural, social and historical traditions and that these have enriched the interaction of ideas, values, cultures and philosophies among the people and the States and that these commonalities constitute solid foundations for regional cooperation for addressing more effectively the economic and social needs of people.

Recalling that all Member States attach high importance to the imperative of social development and economic growth and that their national legislative, executive and administrative frameworks provide, in varying degrees, for the progressive realization of social and economic goals, with specific provisions, where appropriate, for the principles of equity, affirmative action and public interest.

Observing that regional cooperation in the social sector has received the focused attention of the Member States and that specific areas such as health, nutrition, food security, safe drinking water and sanitation, population activities, and child development and rights along with gender equality, participation of women in development, welfare of the elderly people, youth mobilization and human resources development continue to remain on the agenda of regional cooperation.

Noting that high level meetings convened since the inception of SAARC on the subjects of children, women, human resettlements, Sustainable developments, agriculture and food, poverty alleviation etc. have contributed immensely to the enrichment of the social agenda in the region and that several directives of the Heads of State or Government of SAARC Countries at their Summit meetings have imparted dynamism and urgency to adopting regional programmes to fully and effectively realize social goals.

Reiterating that the SAARC Charter and the, SAARC Conventions, respectively on Narcotic Drugs and Psychotropic Substances, Preventing and Combating Trafficking in Women and Children for Prostitution, Regional Arrangements for the Promotion of Child Welfare in South Asia and the SAARC Agreement on Food Security Reserve provide regional frameworks for addressing specific social issues, which require concerted and coordinated actions and strategies for the effective realization of their objectives.

Realizing that the health of the population of the countries of the region is closely interlinked and can be sustained only by putting in place coordinated surveillance mechanisms and prevention and management strategies.

Noting, in particular, that Heads of State or Government of SAARC Countries, at their Tenth Summit in Colombo in July 1998, re-affirmed the need to develop, beyond national plans of action, a regional dimension of cooperation in the social sector and that the Eleventh SAARC Summit in Kathmandu in January 2002 directed that a SAARC Social Charter be concluded as early as possible.

Convinced that it was timely to develop a regional instrument which consolidated the multifarious commitments of SAARC Member States in the social sector and provided a practical platform for concerted, coherent and complementary action in determining social priorities, improving the structure and content of social policies and programmes, ensuring greater efficiency in the utilization of national, regional and external resources and in enhancing the equity and sustainability of social programmes and the quality of living conditions of their beneficiaries.

The Member States of the South Asian Association for Regional Cooperation hereby agree to adopt this Charter:

Article I

General Provisions

1. States Parties shall maintain a social policy and strategy in order to ensure an overall and balanced social development of their peoples. The salient features of individual social policy and

programme shall be determined, taking into account the broader national development goals and specific historic and political contexts of each State Party.

2. States Parties agree that the obligations under the Social Charter shall be respected, protected and fulfilled without reservation and that the enforcement thereof at the national level shall be continuously reviewed through agreed regional arrangements and mechanisms.

3. States Parties shall establish a people-centered framework for social development to guide their work and in the future, to build a culture of cooperation and partnership and to respond to the immediate needs of those who are most affected by human distress. States Parties are determined to meet this challenge and promote social development throughout the region.

Article II

Principles, Goals and Objectives

1. The provisions made herein shall complement the national processes of policymaking, policy-implementation and policy-evaluation, while providing broad parameters and principles for addressing common social issues and developing and implementing result-oriented programmes in specific social areas.

2. In the light of the commitments made in this Charter, States Parties agree to:

- i. Place people at the center of development and direct their economies to meet human needs more effectively;
- ii. Fulfill the responsibility towards present and future generations by ensuring equity among generations, and protecting the integrity and sustainable use of the environment;
- iii. Recognize that, while social development is a national responsibility, its successful achievement requires the collective commitment and cooperation of the international community;
- iv. Integrate economic, cultural and social policies so that they become mutually supportive, and acknowledge the interdependence of public and private spheres of activity;
- v. Recognize that the achievement of sustained social development requires sound, equitable and broad-based economic policies;
- vi. Promote participatory governance, human dignity, social justice and solidarity at the national, regional and international levels;
- vii. Ensure tolerance, non-violence, pluralism and non-discrimination in respect of diversity within and among societies;
- viii. Promote the equitable distribution of income and greater access to resources through equity and equality of opportunity for all;
- ix. Recognize the family as the basic unit of society, and acknowledge that it plays a key role in social development and as such should be strengthened, with attention to the rights, capabilities and responsibilities of its members including children, youth and the elderly;
- x. Affirm that while State, society, community and family have obligations towards children, these must be viewed in the context of inculcating in children intrinsic and attendant sense of duty and set of values directed towards preserving and strengthening the family, community, society and nation;
- xi. Ensure that disadvantaged, marginalized and vulnerable persons and groups are included in social development, and that society acknowledges and responds to the consequences of disability by securing the legal rights of the individual and by making the physical and social environment accessible;
- xii. Promote universal respect for and observance and protection of human rights and fundamental freedoms for all, in particular the right to development; promote the effective exercise of rights and the discharge of responsibilities in a balanced manner at all levels of society; promote gender equity; promote the welfare and interest of children and youth; promote social integration and

strengthen civil society;

- xiii. Recognize the promotion of health as a regional objective and strive to enhance it by responding to urgent health issues and outbreak of any communicable disease in the region through sharing information with each other, imparting public health and curative skills to professionals in the region; and adopting a coordinated approach to health related issues in international fora;
- xiv. Support progress and protect people and communities whereby every member of society is enabled to satisfy basic human needs and to realize his or her personal dignity, safety and creativity;
- xv. Recognize and support people with diverse cultures, beliefs and traditions in their pursuit of economic and social development with full respect for their identity, traditions, forms of social organization and cultural values;
- xvi. Underline the importance of transparent and accountable conduct of administration in public and private, national and international institutions;
- xvii. Recognize that empowering people, particularly women, to strengthen their own capacities is an important objective of development and its principal resource. Empowerment requires the full participation of people in the formulation, implementation and evaluation of decisions and sharing the results equitably;
- xviii. Accept the universality of social development, and outline an effective approach to it, with a renewed call for international cooperation and partnership;
- xix. Ensure that the elderly persons lead meaningful and fulfilling lives while enjoying all rights without discrimination and facilitate the creation of an environment in which they continue to utilize their knowledge, experience and skills;
- xx. Recognize that information communication technology can help in fulfilling social development goals and emphasize the need to facilitate easy access to this technology;
- xxi. Strengthen policies and programmes that improve, broaden and ensure the participation of women in all spheres of political, economic, social and cultural life, as equal partners, and improve their access to all resources needed for the full enjoyment of their fundamental freedoms and other entitlements.

Article III

Poverty Alleviation

1. States Parties affirm that highest priority shall be accorded to the alleviation of poverty in all South Asian Countries. Recognising that South Asia's poor could constitute a huge and potential resource, provided their basic needs are met and they are mobilized to create economic growth, States Parties reaffirm that the poor should be empowered and irreversibly linked to the mainstream of development. They also agree to take appropriate measures to create income-generating activities for the poor.
2. Noting that a large number of the people remain below the poverty line, States Parties re-affirm their commitment to implement an assured nutritional standards approach towards the satisfaction of basic needs of the South Asian poor.
3. Noting the vital importance of biotechnology for the long-term food security of developing countries as well as for medicinal purposes, States Parties resolve that cooperation should be extended to the exchange of expertise in genetic conservation and maintenance of germplasm banks. They stress the importance of the role of training facilities in this area and agree that cooperation in the cataloguing of genetic resources in different SAARC countries would be mutually beneficial.
4. States Parties agree that access to basic education, adequate housing, safe drinking water and sanitation, and primary health care should be guaranteed in legislation, executive and administrative provisions, in addition to ensuring of adequate standard of living, including adequate shelter, food and clothing.
5. States Parties underline the imperative for providing a better habitat to the people of South Asia

as part of addressing the problems of the homeless. They agree that each country share the experiences gained in their efforts to provide shelter, and exchange expertise for effectively alleviating the problem.

Article IV

Health

1. States Parties re-affirm that they will strive to protect and promote the health of the population in the region. Recognizing that it is not possible to achieve good health in any country without addressing the problems of primary health issues and communicable diseases in the region, the States Parties agree to share information regarding the outbreak of any communicable disease among their populations.
2. Conscious that considerable expertise has been built up within the SAARC countries on disease prevention, management and treatment, States Parties affirm their willingness to share knowledge and expertise with other countries in the region.
3. Noting that the capacity for manufacture of drugs and other chemicals exists in different countries, States Parties agree to share such capacity and products when sought by any other State Party.
4. Realizing that health issues are related to livelihood and trade issues which are influenced by international agreements and conventions, the States Parties agree to hold prior consultation on such issues and to make an effort to arrive at a coordinated stand on issues that relate to the health of their population.
5. States Parties also agree to strive at adopting regional standards on drugs and pharmaceutical products.

Article V

Education, Human Resource Development and Youth Mobilization

1. Deeply conscious that education is the cutting edge in the struggle against poverty and the promotion of development, States Parties re-affirm the importance of attaining the target of providing free education to all children between the ages of 6 - 14 years. They agree to share their respective experiences and technical expertise to achieve this goal.
2. States Parties agree that broad-based growth should create productive employment opportunities for all groups of people, including young people.
3. States Parties agree to provide enhanced job opportunities for young people through increased investment in education and vocational training.
4. States Parties agree to provide adequate employment opportunities and leisure time activities for youth to make them economically and socially productive.
5. States Parties shall find ways and means to provide youth with access to education, create awareness on family planning, HIV/AIDS and other sexually-transmitted diseases, and risks of consumption of tobacco, alcohol and drugs.
6. States Parties stress the idealism of youth must be harnessed for regional cooperative programmes. They further stress the imperative of the resurgence of South Asian consciousness in the youth of each country through participation in the development programmes and through greater understanding and appreciation of each other's country. The Organized Volunteers Programme under which volunteers from one country would be able to work in other countries in the social fields shall be revitalized.
7. States Parties recognize that it is essential to promote increased cross-fertilization of ideas through greater interaction among students, scholars and academics in the SAARC countries. They express the resolve that a concerted programme of exchange of scholars among Member States should be strengthened.

Article VI

Promotion of the status of women

1. States Parties reaffirm their belief that discrimination against women is incompatible with human rights and dignity and with the welfare of the family and society; that it prevents women realizing their social and economic potential and their participation on equal terms with men, in the political, social, economic and cultural life of the country, and is a serious obstacle to the full development of their personality and in their contribution to the social and economic development of their countries.
2. States Parties agree that all appropriate measures shall be taken to educate public opinion and to direct national aspirations towards the eradication of prejudice and the abolition of customary and all other practices, which are based on discrimination against women. States Parties further declare that all forms of discrimination and violence against women are offences against human rights and dignity and that such offences must be prohibited through legislative, administrative and judicial actions.
3. States Parties shall take all appropriate measures to ensure to women on equal terms with men, an enabling environment for their effective participation in the local, regional and national development processes and for the enjoyment of their fundamental freedoms and legitimate entitlements.
4. States Parties also affirm the need to empower women through literacy and education recognizing the fact that such empowerment paves the way for faster economic and social development. They particularly stress the need to reduce, and eventually eliminate, the gender gap in literacy that currently exists in the SAARC nations, within a time-bound period.
5. States Parties re-affirm their commitment to effectively implement the SAARC Convention on Combating the Trafficking of Women and Children for Prostitution and to combat and suppress all forms of traffic in women and exploitation of women, including through the cooperation of appropriate sections of the civil society.
6. States Parties are of the firm view that at the regional level, mechanisms and institutions, to promote the advancement of women as an integral part of mainstream political, economic, social and cultural development be established.

Article VII

Promotion of the Rights and Well-being of the Child

1. States Parties are convinced that the child, by reason of his or her physical and mental dependence, needs special safeguards and care, including appropriate legal protection, before as well as after birth.
2. The child, for the full and harmonious development of his or her personality, should grow up in a family environment, in an atmosphere of happiness, love and understanding.
3. States Parties shall protect the child against all forms of abuse and exploitation prejudicial to any aspects of the child's well-being.
4. States Parties shall take necessary actions to implement effectively the SAARC Convention on Regional Arrangements for the Promotion of Child Welfare and to combat and suppress all offences against the person, dignity and the life of the child.
5. States Parties are resolved that the child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him or her to develop its full potential physically, mentally, emotionally, morally, spiritually, socially and culturally in a healthy and normal manner and in conditions of freedom and dignity. The best interests and welfare of the child shall be the paramount consideration and the guiding principle in all matters involving his or her life.
6. States Parties agree to extend to the child all possible support from government, society and the community. The child shall be entitled to grow and develop in health with due protection. To this end, special services shall be provided for the child and its mother, including pre-natal, natal (especially delivery by trained birth attendant) and post-natal care, immunization, early childhood care, timely and appropriate nutrition, education and recreation. States Parties shall undertake specific steps to reduce low birth weight, malnutrition, anemia amongst women and children, infant, child and maternal morbidity and

mortality rates, through the inter-generational life cycle approach, increase education, literacy, and skill development amongst adolescents and youth, especially of girls and elimination of child/early marriage.

7. States Parties shall take effective measures for the rehabilitation and re-integration of children in conflict with the law.

8. State Parties shall take appropriate measures for the re-habilitation of street children, orphaned, displaced and abandoned children, and children affected by armed conflict.

9. States Parties pledge that a physically, mentally, emotionally or socially disadvantaged child shall be given the special treatment, education and care required by his or her particular condition.

10. States Parties shall ensure that a child of tender years shall not, save in exceptional circumstances, be separated from his or her mother and that society and the public authorities shall be required to extend particular care to children without a family and to those without adequate means of support, including where desirable, provision of State and other assistance towards his or her maintenance.

11. States Parties shall take all appropriate measures, including legislative, administrative, social and educational measures, to protect children from the illicit use of narcotic drugs and psychotropic substances as defined in the relevant international treaties, and to prevent the use of children in the illicit production and trafficking of such substances. In this respect, States Parties shall expedite the implementation of the SAARC Convention on Narcotic Drugs and Psychotropic Substances at the national and regional levels.

Article VIII

Population Stabilisation

1. States Parties underscore the vital importance of enhanced cooperation in the social development and well-being of the people of South Asia. They agree that national programmes evolved through stakeholder partnership, with enhancement of allocation of requisite resources and well-coordinated regional programmes will contribute to a positive atmosphere for the development of a socially content, healthy and sustainable population in the region.

2. States Parties are of the view that population policies should provide for human-centered approach to population and development and aim towards human survival and wellbeing. In this regard, they affirm that national, local or provincial policies and strategies should aim to bring stabilization in the growth of population in each country, through voluntary sustainable family planning and contraceptive methods, which do not affect the health of women.

3. States Parties shall endeavour to inculcate a culture of self-contentment and regulation where unsustainable consumption and production patterns would have no place in the society and unsustainable population changes, internal migration resulting in excessive population concentration, homelessness, increasing poverty, unemployment, growing insecurity and violence, environmental degradation and increased vulnerability to disasters would be carefully, diligently and effectively managed.

4. States Parties shall take action to ensure reproductive health, reduction of maternal and infant mortality rates as also provision of adequate facilities to enable an infant to enjoy the warmth of love and support of his/her parents.

5. States Parties also agree to set up a SAARC Network of Focal Institutions on population activities for facilitating the sharing of information, experiences and resources within the region.

Article IX

Drug de-addiction, Rehabilitation and Reintegration

1. States Parties agree that regional cooperation should be enhanced through exchange of information, sharing of national experiences and common programmes in the specific areas, which should receive the priority consideration of the appropriate mechanisms both at the national and regional levels.

2. States Parties identify for intensive cooperation, the strengthening of legal systems to enhance collaboration in terms of financial investigation; asset forfeiture; money laundering; countering criminal conspiracies and organized crime: mutual legal assistance; controlled deliveries; extradition; the updating

of laws and other relevant structures to meet the obligations of the SAARC Convention and other related international obligations, and developing of measures to counter drug trafficking through exchange of information; intercountry cooperation; controlled deliveries; strengthened SDOMD; regional training; frequent meetings at both policy and operational levels; strengthening the enforcement capabilities in the SAARC countries; enhanced control of production and use of licit drugs, and precursors and their essential chemicals.

3. Keeping in view the complementarities between demand reduction activities and supply control programmes, States Parties agree that all aspects of demand reduction, supply control, de-addiction and rehabilitation should be addressed by regional mechanisms.

Article X

Implementation

1. The implementation of the Social Charter shall be facilitated by a National Coordination Committee or any appropriate national mechanism as may be decided in each country. Information on such mechanism will be exchanged between States Parties through the SAARC Secretariat. Appropriate SAARC bodies shall review the implementation of the Social Charter at the regional level.

2. Member States shall formulate a national plan of action or modify the existing one, if any, in order to operationalise the provisions of the Social Charter. This shall be done through a transparent and broad-based participatory process. Stakeholder approach shall also be followed in respect of implementation and evaluation of the programmes under National Plans of Action.

Article XI

Entry into force

The Social Charter shall come into force upon the signature thereof by all States Parties.

Article XII

Amendment

The Social Charter may be amended through agreement among all States Parties.

IN FAITH WHEREOF We Have Set Our Hands And Seals Hereunto.

DONE In ISLAMABAD, PAKISTAN, On This The Fourth Day Of January Of The Year Two Thousand Four, In Nine Originals, In The English Language, All Texts Being Equally Authentic.

Begum Khaleda Zia
PRIME MINISTER OF THE PEOPLE'S
REPUBLIC OF BANGLADESH

Maumoon Abdul Gayoom
PRESIDENT OF THE
REPUBLIC OF MALDIVES

Jigmi Yoezer Thinley
PRIME MINISTER OF THE
KINGDOM OF BHUTAN

Surya Bahadur Thapa
PRIME MINISTER OF THE
HIS MAJESTY'S GOVERNMENT OF NEPAL

Atal Behari Vajpayee

Mir Zafarullah Khan Jamali

PRIME MINISTER OF THE
REPUBLIC OF INDIA

PRIME MINISTER OF THE
ISLAMIC REPUBLIC OF PAKISTAN

Chandrika Bandaranaike Kumaratunga
PRESIDENT OF THE DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA

Agreement for Establishment of SAARC Arbitration Council

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Desirous of creating conditions favourable for fostering greater investment by investors of one Member State in the territory of another Member State;

Desirous of providing a regional forum for settlement of commercial disputes by conciliation and arbitration;

Have agreed as follows:

Article-I Establishment of the SAARC Arbitration Council

1. (1) There is hereby established a body to be known as the SAARC Arbitration Council (hereinafter referred to as the "Council").
(2) The Council shall have full legal personality.
(3) The legal capacity of the Council shall include:
 - (a) the capacity to contract;
 - (b) to sue and be sued in its name; and
 - (c) to acquire, hold and dispose of properties.
2. The location of the Council shall be decided.

Article-II Objectives and Functions of the Council

3. The objectives and functions of the Council are to:
 - (a) provide a legal framework within the region for fair and efficient settlement through conciliation and arbitration of commercial, investment and such other disputes as may be referred to the Council by agreement;
 - (b) promote the growth and effective functioning of national arbitration institutions within the region;
 - (c) provide fair, inexpensive and expeditious arbitration in the region;
 - (d) promote international conciliation and arbitration in the region;
 - (e) provide facilities for conciliation and arbitration;

- (f) act as a co-ordinating agency in the SAARC dispute resolution system;
 - (g) coordinate the activities of and assist existing institutions concerned with arbitration, particularly those in the region;
 - (h) render assistance in the conduct of ad hoc arbitration proceedings;
 - (i) assist in the enforcement of arbitral awards;
 - (j) maintain registers/panels of:
 - (i) expert witnesses, and
 - (ii) suitably qualified persons to act as arbitrators as and when required; and
 - (k) carry out such other activities as are conducive or incidental to its functions.
4. The Council shall have the powers necessary to enable it to carry out its objectives and functions.

Article-III **Organisational set-up of the Council**

5. (1) There shall be for the Council a Director-General who shall:
- (a) be a citizen of a SAARC Member State; and
 - (b) be appointed, on the principle of alphabetical rotation among SAARC Member States commencing from the Member State hosting the Council, by the Secretary-General of SAARC with the approval of the Council of Ministers.
- (2) The Director-General shall hold office for a non-renewable period of three years on such terms and conditions as may be determined by the Council of Ministers. However, the tenure of the first Director-General will be for a period of four years.
- (3) The Director-General shall be the chief executive of the Council and be responsible for the day-to-day administration of the Council and will work under the supervision of the Governing Board comprising a Member nominated by each Member State.
- (4) The salary and allowances of the Director-General shall be determined by the Council of Ministers.
- (5) With regard to matters not covered in this Agreement, including the Service Rules, Provisions relating to Financial and Administrative Matters, Financial Regulations, Financial Rules and Procedures and Rules of Procedures for Governing Boards applicable to the SAARC Regional Centres under the Harmonized Rules will be applicable, *mutatis-mutandis*, to the Council.
6. The Council, its Director-General and staff shall enjoy such immunities and privileges as are essential for the effective functioning of the Council to be specified in the Headquarters Agreement between the Council and the Host Member State.

Article-IV
Rules

7. (1) Subject to the Conciliation Rules to be agreed and annexed to this Agreement, the Governing Board may make any additional rules for the administration of conciliation proceedings conducted under the auspices of the Council, including the schedule of fees to be charged.
- (2) Subject to the Arbitration Rules to be agreed and annexed to this Agreement, the Governing Board may make any additional rules for the administration of arbitrations conducted under the auspices of the Council, including the schedule of fees to be charged.
- (3) The Rules made under sub-paras (1) & (2) of this Article shall be made public.

ARTICLE V
Entry into Force

8. This Agreement shall enter into force on completion of formalities, including ratification, by all Member States and upon issue of notification thereof by the SAARC Secretariat.

ARTICLE VI
Depositary

This Agreement shall be deposited with the Secretary general of SAARC.

ARTICLE VII
Reservations

10. This Agreement shall not be subject to reservations either at the time of signature or at the time of notification to the SAARC Secretariat of the completion of formalities in terms of Article V.

ARTICLE VIII
Amendment

11. This Agreement may be amended by consensus amongst the Member States. Any Member State proposing amendment(s) shall notify the other Member States through the SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification, by all Member States.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on Establishment of SAARC Arbitration Council.

**DONE at Dhaka, Bangladesh On This The Thirteenth Day of November Two Thousand Five in Nine
Originals in the English Language All Texts Being Equally Authentic.**

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

KHANDU WANGCHUK
Minister for Foreign Affairs
Kingdom of Bhutan

E. EHAMED
Minister of State for External Affairs
Republic of India

DR. AHMED SHAHEED
Minister of Foreign Affairs
Republic of Maldives

RAMESH NATH PANDEY
Minister for Foreign Affairs
Kingdom of Nepal

KHURSHID M. KASURI
Minister of Foreign Affairs
Islamic Republic of Pakistan

ANURA BANDARANAIKE, M.P.
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

**JOINT DECLARATION ON THE ADMISSION OF THE
ISLAMIC REPUBLIC OF AFGHANISTAN
INTO THE SOUTH ASIAN ASSOCIATION FOR
REGIONAL COOPERATION (SAARC)
NEW DELHI, 3 APRIL 2007**

The President of the Islamic Republic of Afghanistan, His Excellency Mr. Hamid Karzai; the Chief Adviser (Head of the Government) of the People's Republic of Bangladesh, His Excellency Dr. Fakhruddin Ahmed; the Prime Minister of the Kingdom of Bhutan, His Excellency Lyonpo Khandu Wangchuk; the Prime Minister of the Republic of India, His Excellency Dr. Manmohan Singh; the President of the Republic of Maldives, His Excellency Mr. Maumoon Abdul Gayoom; the Prime Minister of the Government of Nepal, His Excellency Mr. Girija Prasad Koirala; the Prime Minister of the Islamic Republic of Pakistan, His Excellency Mr. Shaukat Aziz; and the President of the Democratic Socialist Republic of Sri Lanka, His Excellency Mr. Mahinda Rajapaksa,

BEARING IN MIND the provisions of the SAARC Charter;

RECALLING the decision of the Fourth SAARC Summit (Islamabad, 29-31 December 1988) that the procedure for admitting a new member would be through the signing of a Joint Declaration by the existing membership on the one hand and the new member on the other at the level of Heads of State or Government;

FURTHER RECALLING the request of the Islamic Republic of Afghanistan for membership of the South Asian Association for Regional Cooperation (SAARC), which was welcomed during the Thirteenth SAARC Summit (Dhaka, 12-13 November 2005);

TAKING NOTE of the unanimous expression by the Member States of SAARC of their agreement to admit the Islamic Republic of Afghanistan into SAARC, a decision taken by the Heads of State or Government at the Thirteenth SAARC Summit in Dhaka on 12-13 November 2005;

NOTING ALSO that the Islamic Republic of Afghanistan has agreed to subscribe or accede, as the case may be, to the provisions of the SAARC Charter, all legal instruments of SAARC, all SAARC Declarations, all Agreements and Decisions of SAARC;

HAVING REGARD to the presence of the President of the Islamic Republic of Afghanistan at the Fourteenth SAARC Summit at the invitation of the Heads of State or Government of the Member States of SAARC in connection with this Joint Declaration;

NOW THEREFORE, the Heads of State or Government of SAARC, and the President of the Islamic Republic of Afghanistan hereby agree and declare as under:

1. The Islamic Republic of Afghanistan shall be a Member State of SAARC from the date of this Joint Declaration;
2. The Islamic Republic of Afghanistan, pursuant to its solemn agreement to do so, shall subscribe or accede, as the case may be, to the SAARC Charter, all SAARC Declarations, all legal instruments of SAARC, all Agreements and Decisions of SAARC.

DONE at New Delhi on the **Third Day** of **April** in the Year **Two Thousand and Seven**, In Ten Originals In The English Language All Texts Being Equally Authentic.

Hamid Karzai
President of the
Islamic Republic of Afghanistan

Dr. Fakhruddin Ahmed
Chief Adviser
(Head of the Government)
Government of the
People's Republic of Bangladesh

Lyonpo Khandu Wangchuk
Prime Minister of the
Kingdom of Bhutan

Dr. Manmohan Singh
Prime Minister of the
Republic of India

Maumoon Abdul Gayoom
President of the
Republic of Maldives

Girija Prasad Koirala
Prime Minister of Nepal

Shaukat Aziz
Prime Minister of the
Islamic Republic of Pakistan

Mahinda Rajapaksa
President of the Democratic Socialist
Republic of Sri Lanka

**HEADQUARTERS AGREEMENT BETWEEN
THE GOVERNMENT OF THE PEOPLE’S REPUBLIC OF BANGLADESH
AND
THE SAARC AGRICULTURAL INFORMATION CENTRE (SAIC)**

Preamble

Recalling the decision taken at the Second Summit Meeting of the Head of State/Government of SAARC Member States 16-17 November 1986, Bangalore, India, approving the establishment of SAARC Agricultural Information Centre (SAIC) at Dhaka, Bangladesh.

Having regard to the project proposal on SAARC Agricultural Information Centre (SAIC) prepared/recommended by SAARC Technical Committee on Agriculture (TCA).

Having regard to the approval of the Council of Ministers to the report/recommendations of the Standing Committee in its First Session at Dhaka on 12-13 August, 1986.

Keeping in view the decision of the Standing Committee on the functioning and structure of Regional Centres in its Thirty-first Session regarding Headquarters Agreements in respect of this Centre.

Following the decision of the Council of Ministers during its Twenty-sixth Meeting on 11 November 2005.

Desiring to conclude a Headquarters Agreement, for SAARC Agricultural Information Centre (SAIC), the SAARC Secretariat and the Government of the People’s Republic of Bangladesh hereby agree as follows:

Article I
Definitions

For the purpose of the present Agreement, the following expressions shall have the meanings hereunder assigned to them:

- (a) “Appropriate Authorities” or “Host Authorities” means such central and local authorities in the Host Country as may be relevant in the context of and in accordance with their prevalent laws and practices;
- (b) “Approved project document” or “constitutive instrument” means a project paper or a document submitted by a Member State and/or recommended by a group of experts for establishing the Centre and approved by the Council of Ministers including any decisions or recommendations of the Council of Ministers on the subject;
- (c) “Archives” means the records, correspondence, documents, manuscripts, photographs, etc. belonging to or held by the Centre;
- (d) “Association” means the South Asian Association for Regional Cooperation (SAARC);
- (e) “Charter” means the Charter of the Association;
- (f) “Dependents” or “members of an Officer’s family” mean spouse, dependent parents, children under the age of 21 years; unmarried daughters and also children who are physically or mentally

challenged;

- (g) “Domestic aide/s” means member of the household staff of the Officers authorized by the Director;
- (h) “Director” means the Director of the Centre who shall be the Host Government nominated representative and act as the Executive Head of the Centre under the supervision of the Secretary General;
- (i) “Governing Board” means governing board of the Centre;
- (j) “Host Country”, means, the country where the Centre is situated;
- (k) “Host Government”, means the Government of the Host Country;
- (l) “Officers” means, the Director and Professional Staff of the Centre;
- (m) “Professional Staff” means the Staff regionally recruited by the Centre from the SAARC Member States against the approved posts;
- (n) “Property” means all property, assets, means of transport, funds income and rights belonging to or held or administered by the Centre;
- (o) “Regional Centre” means an institution for regional cooperation in a specified area, pursuant to a decision of the Council of Ministers on the basis of an approved project document or a constitutive instrument and is referred to hereinafter as “the Centre”;
- (p) “Secretariat” means the Secretariat acting on behalf of the Association for the purpose of this Agreement;
- (q) “The Premises of the Centre” means the building or their parts or area and other land ancillary hereto which may be included temporarily or permanently for the purpose of the Centre;
- (r) "The General Services Staff' (GSS) means the Staff Members in GSS Categories who shall be recruited locally from the respective Host Country: and
- (s) "The Secretary General" means the Secretary General of SAARC 01' any Officer of the Secretariat authorized by him/her to act on his/her behalf.

Article II

Scope and Objectives of the Agreement

1. This Agreement is intended to provide an overall framework for the functioning and operation of" the SAARC Agricultural Information Centre and as the "Centre of Excellence" in its field of activity and for regulating the relations between (he Centre and the Host Country:
2. The objective of (his Agreement shall be to facilitate the work of the SAARC' Agricultural Information Centre as envisaged in its approved project documents and constitutive instruments. to allow all concerned including officials of the Centre to discharge their responsibilities efficiently and in good faith and to regulate all matters directly connected to or incidental thereto.

Article III
Inviolability of the Premises and Archives of the Centre
and Protection of its Property

1. The premises of the Centre shall be inviolable. The agents of the Host Government may not enter them, except with the consent of the Director;
2. The property of the Centre wherever located and by whomsoever held, shall be immune from search, requisition, attachment, confiscation, expropriation. and any other form of interference, whether by executive, judicial or legislative action;
3. The Government of the People's Republic of Bangladesh hosting the Centre is under special duty to take appropriate steps to protect the premises of the Centre against any intrusion or damage and to prevent (in)' disturbance of peace of the Centre or impairment of its dignity:
4. Without prejudice to anything contained in this Agreement. the Centre shall not permit its premises to be used as a refuge by persons who are evading arrest or are to be extradited to other countries under the laws of the Host Country or who are endeavouring to evade legal prosecution Of judicial proceedings;
5. The archives and all documents and publications of tile Centre shall be inviolable at any time and wherever located in the territory of the Host Country;
6. The Centre shall have the right to use codes and to dispatch and receive correspondence and other official communications by courier sealed bags. which shall have the same privileges and immunities as those or an international organization:
7. The Centre, its assets. income and other property shall be:
 - a. Exempt from all direct taxes it is understood however, that the Centre will not claim exemption from taxes which are, in fact, no more than charges for public utility services:
 - b. Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the Centre for its official use subject to the provisions of pertinent law. rules and regulations, and provided that articles imported under such exemptions shall be disposed of in accordance with local rules of the Host Country; and
 - c. Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

Article IV
Financial Facilities

1. Notwithstanding financial controls, regulations or moratoria of any kind, the Centre may:
 - a. purchase, hold or dispose of any currencies, securities and funds through authorized channels;
 - b. operate accounts in any currency subject to local banking regulations; and
 - c. transfer its funds, securities or currencies to or from the Host Country or to or from any other country

or within the territory of the Host Country.

2. The Centre shall in exercising its rights and privileges under the preceding Section pay due regard to any representation made by the Host Government.

Article V
**Privileges and Immunities of the Director,
and other Officers of the Centre**

1. The Officers of the Centre who are not nationals of the Host Country, and where applicable their dependents and members of the family shall enjoy within and with respect to the territory of the Host Country:
 - a. immunity from, personal arrest or detention and legal processes of any kind in respect of words spoken or written and acts performed by them in their official capacity and in the discharge of their duties;
 - b. exemption from taxation in respect of the salaries, honoraria, allowances and other emoluments in connection with their services with the Centre;
 - c. the right to get appropriate visas with the exception from alien registration;
 - d. exemption in respect of exchange restrictions no less favourable than that accorded to the officials of comparable ranks in international organizations accredited to the Host Country;
 - e. repatriation facilities in time of national crisis together with their dependents and members of their household staff not less favourable than those accorded to the officials of comparable ranks in the international organizations accredited to the Host Country;
 - f. freedom to maintain within the territory of the Host Country, or elsewhere, foreign securities and other movable and immovable property, while employed by the Centre in the Host Country, and at the time of termination of such employment, the right to take out of the territory of the Host Country funds in any currency his/her savings without restriction or limitations;
 - g. have the right on first arrival to import free of customs duties, taxes and other levies, furniture, motor vehicles other personal and house hold effects to establish residence in the Host Country as applicable to the resident members in International Organizations and the right to export with similar privileges goods thus imported at the termination of their duties with the Centre. The goods so imported shall be disposed of in accordance with the local rules;
2. The immunities mentioned in sub paras (a) and (b) of para 1 of this Article shall be accorded to all officers who are nationals of the Host Country employed in the Centre;
3. The citizens of the Host Country, who are Officers of the Centre shall be entitled to maintain foreign exchange accounts of their salaries, honoraria, allowances and other emoluments received from the Centre in convertible currency in the Host Country subject to local regulations;
4. The General Services Staff shall enjoy immunity from civil/criminal and administrative processes in respect of acts performed during the course of their official duties only;

5. Without prejudice to their privileges and immunities, it is the duty of the Director and the Officers and General Services Staff of the Centre to respect the laws of the Host Country and to avoid any interference in its internal affairs;
6. All persons enjoying the privileges and immunities under this Agreement shall be Provided by the Host Government with a special identity card which shall serve to identify the holder in relation to the appropriate authorities and certify that the holder enjoys the privileges and immunities in this Agreement;
7. All means of transport of the Centre and its Officers shall be issued with special registration plates as issued to other resident International Organizations and their Officers;
8. Representatives of Government experts and other officials on temporary assignment in the Centre, including the members of the Governing Board and participants of activities organized by the Centre shall be accorded facilities similar to those as are admissible to persons of other International Organizations on similar assignment;
9. Each Member State shall accord immunities and privilege" to the Director and other Officers of the Centre when visiting its territory on official duties.

Article VI **Waiver of Immunities**

1. The Director shall take every measure to ensure that the privileges and immunities provided for in this Agreement are not abused and for this purpose shall establish such rules and regulations as may be deemed necessary and expedient;
2. The Centre and all persons enjoying privileges and immunities under this Agreement shall cooperate at all times with the appropriate authorities of the Host Government to facilitate the proper administration of justice and secure the observance of the laws of the Host Country;
3. If the Host Government is convinced that there has been abuse of the privileges and immunities accorded by this Agreement, it shall notify the Director and the Secretary General accordingly. Upon such notification the Director shall, after consultation with the appropriate authorities of the Host Government, take necessary action;
4. The Host Government reserves the right to inspect the personal baggage or the personnel of the Centre if it is convinced that there are serious grounds for presuming that it contains articles not for bona fide official or personal use of the personnel of the Centre or articles export and import of which are prohibited by the law or controlled by the quarantine regulations of the Host Country. Such inspection shall be conducted only in the presence of the authorized representative of the Centre;
5. The privileges and immunities accorded in this Agreement are granted in the interest of the Centre and not for the personal benefit of the individuals themselves. The Secretary General may waive the privileges and immunities accorded to any person if, in his/her opinion such privileges and immunities would impede the course of justice and can be waived without prejudice to the interest of the Centre.

Article VII **Communications with the Host Government**

The Centre shall communicate with the appropriate authorities of the Host Government through the Ministry of Foreign/External Affairs, unless otherwise allowed by the Host Government.

Article VIII
General Provisions

1. This Agreement shall come into force immediately upon signature;
2. Any amendment or modification to this Agreement or any part thereof shall be made through mutual consultation at the request of a Party and shall be effected through agreement among all Parties;
3. A Member State may provide facilities or concessions to the Centre, over and above those provided for in this Agreement;
4. All administrative practices and precedents in force in the Centre, regarding any matters provided for in this Agreement or in any rules or regulations that may be made thereunder shall cease to have force from the day of the coming into effect of this Agreement or of the rules and regulations, as the case may be;
5. Any differences in the interpretation or application of this Agreement shall be settled amicably between the Host Government and the Centre.

Signed/-
Chenkyab Dorji
Secretary General, SAARC,
Kathmandu, Nepal

Dated: 12 May 2006

Signed/-
M. Morshed Khan
Minister of Foreign Affairs,
People's Republic of Bangladesh,
Dhaka

Dated: 12 June 2006

**HEADQUARTERS AGREEMENT BETWEEN
THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN
AND
THE SAARC ENERGY CENTRE**

Preamble

Recalling the decision taken at the Thirteenth Summit Meeting of the Heads of State/Government of SAARC Member States at Dhaka on 12-13 November 2005 approving the establishment of SAARC Energy Centre at Islamabad, Pakistan.

Having regard to the project proposal on SAARC Energy Centre, prepared and recommended by the SAARC Energy Ministers in its meeting held in Islamabad on 1 October 2005.

Having regard to the recommendation of the Council of Ministers in its Twenty-sixth Session at Dhaka on 11 November 2005, for consideration and approval to the report of the First Meeting of SAARC Energy Ministers (Islamabad, 1 October 2005), by the Thirteenth Summit.

Keeping in view the decision of the Standing Committee on the functioning and structure of Regional Centres in its Thirty-first Session regarding Headquarters Agreement in respect of these Centres.

Following the decision of the Standing Committee during its Thirty-first Session on 9-10 November 2005.

Desiring to conclude a Headquarters Agreement, for SAARC Energy Centre, the SAARC Secretariat and the Government of Islamic Republic of Pakistan hereby agree as follows:

Article I
Definitions

For the purpose of the present Agreement, the following expressions shall have the meanings hereunder assigned to them:

- (a) “Appropriate Authorities” or “Host Authorities” means such central and local authorities in the Host Country as may be relevant in the context of and in accordance with their prevalent laws and practices;
- (b) “Approved project document” or “constitutive instrument” means a project paper or a document submitted by the Government of Pakistan and recommended by a group of experts for establishing the SAARC Energy Centre and approved by the Council of Ministers including any decisions or recommendations of the Council of Ministers on the subject;
- (c) “Archives” means the records, correspondence, documents, manuscripts, photographs, etc. belonging to or held by the Centre;
- (d) “Association” means the South Asian Association for Regional Cooperation (SAARC);
- (e) “Charter” means the Charter of the Association;
- (f) “Dependents” or “members of an Officer’s family” mean spouse, dependent parents, children under the age of 21 years; unmarried daughters and also children who are

physically or mentally challenged;

- (g) “Domestic aide/s” means members of the household staff of the Officer authorized by the Director;
- (h) “Director” means the Director of the Centre who shall be the Host Government nominated representative and act as the Executive Head of the Centre under the supervision of the Secretary General;
- (i) “Governing Board” means governing board of the Centre;
- (j) “Host Country”, means, the country where the Centre is situated ;
- (k) “Host Government, means the Government of the Host Country;
- (l) “Officers” means the Director and Professional Staff of the Centre;
- (m) “Professional Staff” means the Staff regionally recruited by the Centre from the SAARC Member States against the approved posts;
- (n) “Property” means all property, assets, means of transport, funds, income and rights belonging to or held or administered by the Centre;
- (o) “Regional Centre” means an institution for regional cooperation in a specified area, pursuant to a decision of the Council of Ministers on the basis of an approved project document or a constitutive instrument and is referred to hereinafter as “the Centre”;
- (p) “Secretariat” means the Secretariat acting on behalf of the Association for the purpose of this Agreement;
- (q) “The Premises of the Centre” means the buildings or their parts or area and other land ancillary thereto which may be included temporarily or permanently for the purpose of the Centre;
- (r) “The General Services Staff” (GSS) means the Staff Members in GSS Categories who shall be recruited locally from the respective Host Country; and
- (s) “The Secretary General” means the Secretary General of SAARC or any Officer of the Secretariat authorized by him/her to act on his/her behalf.

Article II

Scope and Objectives of the Agreement

1. This Agreement is intended to provide an overall framework for the functioning and operation of the SAARC Energy Centre and as the “Centre of Excellence” in its field of activity and for regulating the relations between the Centre and the Host Country;
2. The objective of this Agreement shall be to facilitate the work of SAARC Energy Centre as envisaged in its approved project documents and constitutive instruments, to allow all concerned including officials of the Centre to discharge their responsibilities efficiently and in good faith and to regulate all matters directly connected to or incidental thereto.

Article III
**Inviolability of the Premises and Archives of the Centre
and Protection of its Property**

1. The premises of the Centre shall be inviolable. The agents of the Host Government may not enter them, except with the consent of the Director;
2. The property of the Centre wherever located and by whomsoever held, shall be immune from search, requisition, attachment, confiscation, expropriation, and any other form of interference, whether by executive, judicial or legislative action;
3. The Government of the Islamic Republic of Pakistan hosting the Centre is under a special duty to take all appropriate steps to protect the premises of the Centre against any intrusion or damage and to prevent any disturbance of peace of the Centre or impairment of its dignity;
4. Without prejudice to anything contained in this Agreement, the Centre shall not permit its premises to be used as a refuge by persons who are evading arrest or are to be extradited to other countries under the laws of the Host Country or who are endeavouring to evade legal prosecution or judicial proceedings;
5. The archives and all documents and publications of the Centre shall be inviolable at any time and wherever located in the territory of the Host Country;
6. The Centre shall have the right to use codes and to dispatch and receive correspondence and other official communications by courier sealed bags, which shall have the same privileges and immunities as those of an international organization;
7. The Centre, its assets, income and other property shall be:
 - a. Exempt from all direct taxes; it is understood, however, that the Centre will not claim exemption from taxes which are, in fact, no more than charges for public utility services;
 - b. Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the Centre for its official use, subject to the provisions of pertinent law, rules and regulations, and provided that articles imported under such exemptions shall be disposed of in accordance with local rules of the Host Country; and
 - c. Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

Article IV
Financial Facilities

1. Notwithstanding financial controls, regulations or moratoria of any kind, the Centre may:
 - a. purchase, hold or dispose of any currencies, securities and funds through authorized channels;
 - b. operate accounts in any currency, subject to local banking regulations; and
 - c. transfer its funds, securities or currencies to or from the Host Country or to or from any

other country or within the territory of the Host Country.

2. The Centre shall in exercising its rights and privileges under the preceding Section pay due regard to any representation made by the Host Government.

Article V
**Privileges and Immunities of the Director, and other Officers
of the Centre**

1. The Officers of the Centre who are not nationals of the Host Country, and where applicable their dependents and members of the family, shall enjoy within and with respect to the territory of the Host Country:
 - a. immunity from personal arrest or detention and legal processes of any kind in respect of words spoken or written and acts performed by them in their official capacity and in the discharge of their duties;
 - b. exemption from taxation in respect of the salaries, honoraria, allowances and other emoluments in connection with their services with the Centre;
 - c. the right to get appropriate visas with the exemption from alien registration;
 - d. exemption in respect of exchange restrictions no less favourable than that accorded to the officials of comparable ranks in international organizations accredited to the Host Country;
 - e. repatriation facilities in time of national crisis, together with their dependents and members of their household staff not less favourable than those accorded to the officials of the comparable ranks in the international organizations accredited to the Host Country;
 - f. freedom to maintain within the territory of the Host Country, or elsewhere, foreign securities, and other movable and immovable property, while employed by the Centre in the Host Country, and at the time of termination of such employment, the right to take out of the territory of the Host Country funds in any currency his/her savings without restriction or limitations;
 - g. Have the right on first arrival to import free of customs duties, taxes and other levies, furniture, motor vehicles other personal and house hold effects to establish residence in the Host Country as applicable to the resident members in International Organizations and the right to export with similar privileges goods thus imported at the termination of their duties with the Centre. The goods so imported shall be disposed of in accordance with the local rules;
2. The immunities mentioned in sub paras (a) and (b) of para 1 of this Article shall be accorded to all officers who are nationals of the Host Country employed in the Centre;
3. The citizens of the Host Country, who are Officers of the Centre shall be entitled to maintain foreign exchange accounts of their salaries, honoraria, allowances and other emoluments received from the Centre in convertible currency in the Host Country subject to local regulations;
4. The General Services Staff shall enjoy immunity from civil/criminal and administrative processes in respect of acts performed during the course of their official duties only;

5. Without prejudice to their privileges and immunities, it is the duty of the Director and the Officers and General Services Staff of the Centre to respect the laws of the Host Country and to avoid any interference in its internal affairs;
6. All persons enjoying the privileges and immunities under this Agreement shall be provided by the Host Government with a special identity card which shall serve to identify the holder in relation to the appropriate authorities and certify that the holder enjoys the privileges and immunities in this Agreement;
7. All means of transport of the Centre and its Officers shall be issued with special registration plates as issued to other resident International Organizations and their Officers;
8. Representatives of Governments, experts and other officials on temporary assignment in the Centre, including the members of the Governing Board and participants of activities organized by the Centre shall be accorded facilities similar to those as are admissible to persons of other International Organizations on similar assignment;
9. Each Member State shall accord immunities and privileges to the Director and other Officers of the Centre when visiting its territory on official duties.

Article VI **Waiver of Immunities**

1. The Director shall take every measure to ensure that the privileges and immunities provided for in this Agreement are not abused and for this purpose shall establish such rules and regulations as may be deemed necessary and expedient;
2. The Centre and all persons enjoying privileges and immunities under this Agreement shall cooperate at all times with the appropriate authorities of the Host Government to facilitate the proper administration of justice and secure the observance of the laws of the Host Country;
3. If the Host Government is convinced that there has been abuse of the privileges and immunities accorded by this Agreement, it shall notify the Director and the Secretary General accordingly. Upon such notification, the Director shall, after consultation with the appropriate authorities of the Host Government, take necessary action;
4. The Host Government reserves the right to inspect the personal baggage of the personnel of the Centre if it is convinced that there are serious grounds for presuming that it contains articles not for bonafide official or personal use of the personnel of the Centre or articles export and import of which are prohibited by the law or controlled by the quarantine regulations of the Host Country. Such inspection shall be conducted only in the presence of the authorized representative of the Centre;
5. The privileges and immunities accorded in this Agreement are granted in the interest of the Centre and not for the personal benefit of the individuals themselves. The Secretary General may waive the privileges and immunities accorded to any person if, in his/her opinion such privileges and immunities would impede the course of justice and can be waived without prejudice to the interest of the Centre.

Article VII
Communications with the Host Government

The Centre shall communicate with the appropriate authorities of the Host Government through the Ministry of Foreign/External Affairs, unless otherwise allowed by the Host Government.

Article VIII
General Provisions

1. This Agreement shall come into force immediately upon signature;
2. Any amendment or modification to this Agreement or any part thereof shall be made through mutual consultation at the request of a Party and shall be effected through agreement among all Parties;
3. A Member State may provide facilities or concessions to the Centre, over and above those provided for in this Agreement;
4. All administrative practices and precedents in force in the Centre, regarding any matters provided for in this Agreement or in any rules or regulations that may be made thereunder, shall cease to have force from the day of the coming into effect of this Agreement or of the rules and regulations, as the case may be;
5. Any differences in the interpretation or application of this Agreement shall be settled amicably between the Host Government and the Centre.

Chenkyab Dorji,
Secretary General, SAARC,
Kathmandu, Nepal.

Dated: ***31 August 2006***

Khurshid M. Kasuri,
Minister of Foreign Affairs,
Islamic Republic of Pakistan,
Islamabad, Pakistan.

Dated: ***7 September 2006***

AGREEMENT FOR ESTABLISHMENT OF SOUTH ASIAN UNIVERSITY

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising of the Islamic Republic of Afghanistan, the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Realizing the need to provide a forum where our academicians, scholars, researchers and gifted students can work together in the service of human advancement;

Desirous of establishing an institution that will advance a sense of South Asian community by bringing together the future generations of South Asians in a common pursuit of quality education and prepare them for the challenges of the time;

Recognizing the need to offer world-class education, comparable to the best universities in the world, and hoping to attract faculty and students of the same world-class caliber from the region and internationally;

Realizing the need to educate women and men, who - imbued with humane values, a commitment to social justice and fellow feelings, endowed with democratic ideals, a commitment to tolerance, multicultural and secular co-existence, and steeped with a critical and scientific outlook - will provide leadership not only in their own countries but throughout the region.

Have agreed as follows:

Article 1 Establishment of the South Asian University

1. There is hereby established an institution to be known as the South Asian University (hereinafter referred to as the "University"), which shall be a non-state, non-profit self governing international educational institution with a regional focus for the purposes set forth in this agreement and shall have full academic freedom for the attainment of its objectives.
2. The main campus of the University shall be located in India.
3. The University shall have full legal Personality.
4. The legal capacity of the University shall, inter alia, include:
 - (a) The power to confer degrees, diplomas and certificates
 - (b) The capacity to contract;
 - (c) To sue and be sued in its name;
 - (d) To acquire, hold and dispose of properties;
 - (e) To establish campuses and centres in the region; and
 - (f) To make rules, regulations and bye laws for the operation of the University.

Article 2

Objectives & Functions of the South Asian University

The objectives and functions of the University shall, *inter alia*, include:

1. To create a world class institution of learning that will bring together the brightest and the most dedicated students from all countries of South Asia– irrespective of gender, caste, creed, disability, ethnicity or socio-economic background – to impart to them liberal and humane education and to give them the analytical tools needed for the pursuit of profession and inculcate in them the qualities of leadership.
2. To build a South Asian community of learning where every student will be able to develop her/his fullest intellectual potential and to create a South Asian community by strengthening regional consciousness;
3. To impart education towards capacity building of the South Asian nations in the domain of science, technology and other areas of higher learning vital for improving their quality of life;
4. To contribute to the promotion of regional peace and security by bringing together the future leaders of South Asia, and enhancing their understanding of each others' perspectives.
5. To foster in the students sound civic sense and to train them to become useful citizens of democratic societies;

Article 3

Funding

The University shall be a non-profit public-private partnership, which will seek support from each of the national governments of member states and from other sources but will be autonomous and accountable to its board of trustees/governors.

Article 4

The Fiscal Status

1. The University and its campuses and centres shall be exempted, in the state where it is located, from paying and from collecting all direct and indirect forms of taxes and duties for the establishment and operations of the University.
2. The University shall enjoy treatment in relation to priorities, rates and charges for utilities that are not less favourable than that accorded to state owned enterprises and universities.
3. The University shall have the right to accept inter vivos as well as testamentary gifts, contributions, and donations in cash or in kind for the objectives of the University. All such gifts and donations from any legal or physical person are fully deductible without any limit against the income of such donor or contributor in the respective Founding States.
4. Taxation and social protection of the citizens of the Founding States employed by the University shall be regulated in accordance with the national legislation of the respective States. The employees of the University from countries other than the host country will be governed by the income tax laws of the home countries and will not be taxed as per the laws of the host country.

Article 5

Governance Structure

1. The University shall be governed by a Governing Board, composed of two members from each member state, and will be headed by a Chairperson. The Chairperson shall be elected from among the members of the Governing Board. -
2. Each member of the Governing Board shall serve office for a fixed term of three years, and shall not hold office for more than two consecutive terms. The members shall be selected from amongst the distinguished persons from the region and shall be responsible for the overall policies and directions of the University. The powers and functions of the Chairperson of the Governing Board and the role of the Board shall be decided as per the rules and regulations of the University.
3. The University shall be headed by a President, appointed by the Governing Board. The appointment, tenure, powers and functions of the President shall be decided as per the rules and regulations of the University.
4. The President shall also be the Chief Executive Officer (CEO) and an ex-officio member of the Governing Board. The President as the CEO of the University, will report to the Board and hold office at the pleasure of the Board. He will be responsible for implementing the vision and the foundation statement of the University, ensuring the purposes and objectives of the University, upholding uniformly high academic standards, and fulfilling the policy directives of the Board of the University.
5. The President as the Chief Executive Officer of the University shall act under direction of the Governing Board. The President shall be assisted by an Executive Council. The President shall constitute the Academic Council, different committees and appoint the principal officers of the University as per the bye laws.

Article 6

Visa and Resident Permit

The Member States shall provide appropriate visas to the students, faculty and staff for travel in all the SAARC Member States and grant necessary resident permit for students, faculty and administrative staff to work in the University and its different campuses, centres and collaborative educational institutions.

Article 7

Recognition of the Degrees

This Agreement shall facilitate the mutual recognition of degrees and certificates awarded by the University in all the SAARC Member States at par with the degrees and certificates issued by their respective national universities/institutions.

Article 8

Amendment

This Agreement may be amended by consensus amongst the member states. Any member state proposing amendment(s) shall notify the other member states through SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification by all member states.

Article 9
Entry into Force

This agreement shall enter into force on completion of formalities including ratification by all member states and upon issue of notification thereof by the SAARC Secretariat.

Article 10
Depository

This Agreement shall be deposited with the Secretary General of SAARC.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective governments have signed this agreement on establishment of South Asian University.

DONE at New Delhi on this the Fourth Day of April, Two Thousand Seven in ten originals in English language.

Rangin Dadfar Spanta
Minister of Foreign Affairs
The Islamic Republic of Afghanistan

Iftexhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Labour and
Human Resources
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Ahmed Shaheed
Minister of Foreign Affairs
Republic of Maldives

Sahana Pradhan
Minister for Foreign Affairs
Nepal

Khurshid M. Kasuri
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

CHARTER OF THE SAARC DEVELOPMENT FUND (SDF)

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising of the Islamic Republic of Afghanistan, the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Federal Democratic Republic of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Fulfilling the objectives of the SAARC Charter;

Recognising the need for promoting the welfare of people of the region;

Recalling the resolve for economic, social and technical collaboration for promoting and strengthening collective self-reliance;

Considering the importance of closer regional economic cooperation and integration through project collaboration;

Convinced of the need for creating a sound, adequate and predictable funding mechanism for SAARC to facilitate undertaking sub-regional and regional programmes and projects;

Convinced that the establishment of a SAARC Development Fund by its Member States that would help serve these ends and would constitute a new and unique South Asian character.

Have agreed as follows:

Article 1 Establishment of the SAARC Development Fund (SDF)

1. There is hereby established an institution to be known as SAARC Development Fund (hereinafter called "the Fund") to promote the welfare of people of the SAARC region, to improve their quality of life and to accelerate economic growth, social progress and poverty alleviation in the region. The Fund will serve as the umbrella financial institution for SAARC projects and programmes, which are in fulfilment of the objectives of the SAARC Charter. It is aimed to contribute to regional cooperation and integration through project collaboration.
2. The Permanent Secretariat of the Fund shall be located in [city and country].
3. Membership of the Fund shall be open only to the Member States of the SAARC.
4. The Official language of Fund shall be English.
5. The capital of the Fund shall be in terms of Special Drawing Rights (SDR).
6. The Fund shall possess full juridical personality and, in particular, the full legal capacity:
 - (i) to contract;
 - (ii) to acquire, and dispose of, immovable and movable property; and
 - (iii) to institute legal proceedings.

Article 2

Functions of the Fund

1. To implement its objectives, the Fund shall have the following functions:
 - (i) Identify, study prospects and approve projects;
 - (ii) Finance approved projects in SAARC Member States;
 - (iii) Leverage funding; arrange and mobilize financing and/or co-financing projects;
 - (iv) Provide grants for projects of strategic importance to SAARC;
 - (v) Provide financial and technical assistance; and
 - (vi) Management of the Fund.

Article 3

Capital Structure and Operations

1. The initial authorised capital of the Fund shall be SDR One Thousand Million divided into callable and paid-up capital.
2. The initial paid-up capital of the Fund shall be SDR Two Hundred Million with each Member State contributing its share in five equal annual instalments, with the first instalment falling due within one month of entry into force of the Charter.
3. The initial paid-up capital will be subscribed by the Member States in accordance with the proportion of the assessed contribution to the SAARC Secretariat budget.
4. The ratio of subscription to the callable capital will be decided subsequently by the Governing Council.
5. The monies of the Fund shall include paid-up and callable shares; funds raised by borrowings; funds received in repayment of loans, commission on guarantees; income derived from loans made; and other funds, income or grants received.
6. The Fund shall commence its operation from the funds already mobilized including from within the Member States.

Article 4

Windows

1. The utilization of the Fund monies shall be for projects emanating from the following windows:
 - (i) Social Window;
 - (ii) Economic Window; and
 - (iii) Infrastructure Window
2. The “Social Window” shall primarily fund projects, *inter alia*, on poverty alleviation, social development focusing on education; health; human resources development; support to vulnerable/disadvantaged segments of the society; funding needs of communities, micro-enterprises, rural infrastructure development. These projects shall be in line with regional consensus as reflected in the SAARC Social Charter, SAARC Development Goals, SAARC Plan of Action on Poverty Alleviation and other SAARC agreed and endorsed plans, programmes and instruments.

3. The “Economic Window” shall primarily extend funding to non-infrastructure projects related to trade and industrial development, agriculture, service sectors, science and technology, and in other non-infrastructure areas. It shall also be utilized for identifying, studying, developing and/or sponsoring commercially viable programmes/projects of regional priority including their pre-feasibility and feasibility studies.
4. The “Infrastructure Window” shall primarily be utilized to fund projects in areas such as energy, power, transportation, telecommunications, environment, tourism, and other infrastructure areas.
5. The “Economic Window” would be utilized for supporting any other projects which are not covered explicitly under the Social and the Infrastructure Window.

Article 5

Eligible Projects

1. The resources and facilities may be utilized for funding:
 - (i) projects involving all SAARC Member States;
 - (ii) projects involving more than two but not all SAARC Member States;
 - (iii) projects located in one or more SAARC Member States, of significant economic interest for three or more SAARC Member States; and
 - (iv) projects with significant focus on poverty alleviation, as envisaged under the Social Window, in any SAARC Member State having thematic linkage with more than two SAARC Member States as part of a sub-regional project.
2. The Governing Council may determine any other criteria for funding of projects.
3. The Fund shall primarily finance longer-term priority regional programmes and projects.
4. The Fund shall offer concessional and non-concessional funds as well as grants.

Article 6

Institutional Structure

1. The Fund shall have a Governing Council, a Board of Directors, and a Chief Executive Officer (hereinafter called “CEO”). It shall also have such other officers and staff as approved by the Governing Council.
2. The SAARC Ministers of Finance shall form the Governing Council. The Council shall be responsible for the overall policies and directions of the Fund.
3. The Board of Directors shall comprise of one member nominated by each Member State, and will be headed by a Chairperson. The Chairperson shall be elected from among the members of the Board of Directors. The term of the office of Chairperson shall be two years. The Chairpersonship of the Board shall rotate among the SAARC Member States. The powers and functions of the Chairperson of the Board and the role of the Board shall be decided as per the Rules and Regulations of the Fund. The Secretary General of SAARC or his/her representative and the CEO shall be the ex-officio members of the Board.
4. The Board of Directors shall meet as and when required but at least twice a year. The quorum is five. The governance of the Fund, including its decision making shall be in accordance with the principles

established in the SAARC Charter. The Board shall submit the Fund's annual report to the Governing Council for guidance and approval.

5. The Governing Council shall appoint a CEO of the Fund. The term of office of the CEO shall be five years, extendable by another term of five years. The Governing Council shall have the power to terminate the services of the CEO before the completion of the term.

6. The CEO shall be the legal representative of the Fund. He or she shall be responsible for the organization, appointment and dismissal of the officers and staff in accordance with Rules and Regulations. The CEO shall be responsible for day-to-day business of the Fund and shall function subject to general supervision and guidance of the Board of Directors.

Article 7

Mobilization of Fund

1. The Fund shall commence operations from the funds already mobilized, including the assessed contribution of the SAARC Member States and the existing unutilized fund available under the South Asian Development Fund (SADF).

2. It may mobilize and generate funds both within and outside the SAARC region. It may obtain technical and/or financial support from UN agencies, multilateral/regional funds and other non-regional partners as approved by the Governing Council.

Article 8

Establishment of the Permanent Secretariat

A Permanent Secretariat of the Fund shall be established within one year of entry into force of the Charter.

Article 9

Rules, Regulations and Bye-Laws

The Governing Council shall have the power to make rules, regulations and bye-laws as the case may be for the purpose of the Charter.

Article 10

Amendment

The Charter may be amended by consensus in the Governing Council. Any such amendment will be effective upon deposit of the instruments of acceptance with the Secretary General of SAARC.

Article 11

Dispute Settlement

Any dispute arising out of interpretation or implementation of this Charter in the first instance shall be taken up for amicable settlement, failing which the Board of Directors shall refer the matter to the SAARC Arbitration Council, whose decision shall be final.

Article 12
Entry into Force

This Charter shall enter into force on completion of formalities including ratification by all Member States and upon issue of notification thereof by the SAARC Secretariat.

Article 13
Depository

This Charter shall be deposited with the Secretary General of SAARC.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Charter on establishment of the SAARC Development Fund.

DONE at Colombo, Sri Lanka On This The Third Day of August Two Thousand Eight, In Ten Originals In English Language, All Texts Being Equally Authentic.

Rangin Dadfar Spanta
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Iftekhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Foreign Affairs
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Abdulla Shahid
Minister of Foreign Affairs
Republic of Maldives

Ram Sharan Mahat
Minister for Finance
Federal Democratic Republic of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

Agreement on the Establishment of South Asian Regional Standards Organisation (SARSO)

Preamble

The Governments of SAARC Member States

Desiring to achieve and enhance coordination and cooperation among themselves in the fields of standardization and conformity assessment; and

Aiming to develop harmonised standards for the region to facilitate intra-regional trade and to have access in the global market.

Have agreed as follows:

Definitions:

South Asian RSO: South Asian Regional Standards Organization (SARSO)

SAARC Standard: Standard that is developed or adopted by SARSO and made available to the SAARC Member States.

Article 1 Establishment of the South Asian Regional Standards Organisation

- i. There is hereby established a body to be known as the South Asian Regional Standards Organisation (hereafter referred to as the 'Organisation').
- ii. The Organisation shall have full legal personality.
- iii. The legal capacity of the Organisation shall include:
 - (a) the capacity to contract;
 - (b) to sue and be sued in its name; and
 - (c) to acquire, hold and dispose of properties.
- iv. The location of the Organisation shall be in Dhaka, Bangladesh.
- v. The Organisation shall be a regional organisation which will conduct its affairs under the provisions of this Agreement, its Statutes, Rules of Procedure and bye laws.
- vi. Adoption of the Organisation's decisions shall be by consensus.

Article 2 Objectives and Functions

The objectives and functions of the Organisation shall be

- i. To promote and undertake harmonization of national standards of the SAARC Member States

with a view to removing the technical barriers to trade and facilitate flow of goods and services in the region.

- ii. To develop SAARC standards on the products of regional/sub-regional interest.
- iii. To encourage the use of international standards published by international organizations such as ISO, IEC, etc. by way of adoption, where appropriate, as SAARC Standards.
- iv. To encourage exchange of information and expertise among the National Standards Bodies of the Member States in the fields of Standardization and Conformity Assessment.
- v. To facilitate capacity building among the Member States in the fields of Standardization and Conformity Assessment by way of training, workshops, seminars etc.
- vi. To act as a source of information for the Member States on standards, regulations, conformity assessment.
- vii. To present the common interests of the Member States in the various international standardization organisations.
- viii. To establish mutually beneficial cooperation with the relevant international and regional organizations as per relevant SAARC guidelines.
- ix. To promote Mutual Recognition Arrangements (MRAs) on Conformity Assessment Procedures among the Member States.
- x. To encourage sharing of facilities relating to conformity assessment procedures among the Member States.
- xi. To explore the possibility of having a common mark of conformity among the Member States.
- xii. To undertake any other task (s) as deemed appropriate.
- xiii. The Organisation shall have the powers necessary to enable it to carry out its objectives and functions.

Article 3 **Institutional Structure of the Organization**

1. The Organization shall comprise of:
 - (a) Governing Board;
 - (b) Technical Management Board;
 - (c) Director-General; and
 - (d) Secretariat.
- (a) Governing Board**
 - i. The Governing Board is the highest authority of the Organization vested with all powers relating to its functioning.
 - ii. The Governing Board shall be composed of the Heads of the respective National

Standards Body of each Member State. The Head of the National Standards Body of each Member State may also nominate an Alternate Member who would represent him/her in case of his/her absence. Each Member and his/her Alternate shall serve at the pleasure of the appointing Member State. The Chairperson of the Technical Management Board, the Secretary General of SAARC or his representative and the Head of the Secretariat shall be the ex-officio Members of the Governing Board.

- iii. The Governing Board may create and assign other entities, as and when required, for the smooth operation of the activities of the Organisation.
- iv. There shall be Chairperson of the Governing Board who shall be appointed from among the Members of the Governing Board. The Chairmanship of the Board shall rotate among the Member States in alphabetical order. The term of the office of the Chairperson shall be for a non-renewable period of two years.
- v. The Governing Board shall meet at least once in a calendar year.
- vi. The powers and functions of the Governing Board and its Chairperson shall be decided as per the Rules of Procedure of the Organisation.

(b) Technical Management Board

- i. The Technical Management Board (TMB) shall consist of one technical expert nominated by each National Standards Body of the Member States. The TMB shall unanimously elect a Chairperson from among its Members. The tenure of the Chairperson shall be for a period of three years.
- ii. The TMB shall be responsible for the planning, coordination and monitoring of all the technical work of the Organisation. The TMB may establish Sectoral Technical Committees as and when deemed necessary.
- iii. The TMB shall be responsible for the general management of the Sectoral Technical Committees (STCs), including recommendation of their establishment and dissolution.
- iv. The Sectoral Technical Committees may be constituted for the activities relating to the development of harmonised standards, conformity assessment procedures, training etc. The scope and programme of work for each STC under the TMB shall be approved by the Board.
- v. The TMB shall meet at least annually preferably immediately before the Meetings of the Governing Board and submit its reports to the Governing Board.

(c) Director-General and the Secretariat

- i. The Organisation shall be headed by a Director-General who will be appointed by the Governing Board for a period of three years as per the prescribed qualifications and criteria from among the nationals of the Member States as mentioned in the Rules of Procedure. The Director-General may be removed by the Governing Board before the completion of the term as per Rules of Procedure.
- ii. The Organisation shall have a Secretariat consisting of officers and staff as recommended by the Governing Board and as approved by the higher SAARC bodies.

Functions of the Director-General

- iii. Be responsible for the implementation of the policies and objectives of the Organisation as approved by the Governing Board.
- iv. Be responsible for all administrative affairs of the Organisation, appointment and dismissal of the officers and staff of the Secretariat in accordance with Rules of Procedure to be adopted by the Governing Board. He shall conduct, under the direction of the Governing Board, the business of the Organisation.
- v. Coordinate with the National Standards Bodies of the Member States.
- vi. Carry out the tasks and powers entrusted to him by the Governing Board.
- vii. Interact with other Regional and International Standardization Organizations as per SAARC Guidelines.

Article 4 Relationship with the SAARC Organs

The Governing Board shall submit its Reports for approval to the higher SAARC bodies.

Article 5 Financing of the Organization

The budget of the Organization shall be funded from the following sources:

- i. Assessed contributions of the Member States.
- ii. Fees charged by the Organization for its Services as approved by the Governing Board.
- iii. The Organization may explore funding from external sources as per SAARC guidelines.

Article 6 Statutes and the Rules of Procedure

The Statutes and the Rules of Procedure will be approved by the Member States and incorporated in this Agreement as an integral part.

Article 7 Settlement of Disputes

Any disputes arising out of interpretation and implementation of this Agreement shall be resolved amicably by the Governing Board. In case of failure, the dispute shall be referred to the higher SAARC bodies for resolution.

Article 8 Official Language

English shall be the official language of the Organisation.

Article 9
Publications, Documents and Intellectual Property Rights

All intellectual property rights of the Organisation shall reside within the Organisation. Such intellectual property may include but shall not be restricted to documents, software, etc.

Article 10
Entry into Force of the Agreement

This Agreement shall enter into force on completion of formalities, including ratification, by all Member States and upon issuance of notification thereof by the SAARC Secretariat.

Article 11
Depositary

This Agreement shall be deposited with the Secretary General of SAARC.

Article 12
Reservations

This Agreement shall not be subject to reservations either at the time of signature or at the time of notification to the SAARC Secretariat of the completion of formalities.

Article 13
Amendment

This Agreement may be amended by consensus amongst the Member States on the recommendation of the Governing Board. Any Member State proposing amendment(s) shall notify the other Member States through the SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification, by all the Member States.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on the Establishment of South Asian Regional Standards Organisation.

**DONE at Colombo, Sri Lanka On This The Third Day of August Two Thousand Eight in Ten
Originals in the English Language, All Texts Being Equally Authentic.**

Rangin Dadfar Spanta
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Iftekhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Foreign Affairs
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Abdulla Shahid
Minister of Foreign Affairs
Republic of Maldives

Ram Sharan Mahat
Minister for Finance
Federal Democratic Republic of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

**HEADQUARTERS AGREEMENT BETWEEN
THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC
OF SRI LANKA
AND
THE SAARC CULTURAL CENTRE (SCC)**

Preamble

Recalling the decision taken at the Tenth Summit Meeting of the Heads of State/Government of SAARC Member States (Colombo, 29-31 July 1998) approving establishment of SAARC Cultural centre, Sri Lanka and

Recalling the decision taken at the Eleventh Summit Meeting of the Heads of State/Government of SAARC Member States (Kathmandu, 4-6 January 2002) deciding to mandate the Meeting of Ministers of Cultural Affairs to finalise the details relating to the establishment of the SAARC Cultural Centre.

Having regard to the Concept Paper on SAARC Cultural Centre presented by Sri Lanka at the Meeting of the SAARC Ministers of Cultural Affairs (Colombo, 5-7 February 2003).

Noting the Report of the Second Meeting of the SAARC Ministers of Cultural Affairs (Colombo, 31 October 2006) recommended by the Twenty-eighth Session of the Council of Ministers (New Delhi, 2 April 2007) for the establishment of the SAARC Cultural Centre in Sri Lanka.

Keeping in view the decision of the Standing Committee on the functioning and structure of regional Centres in its Thirty-first Session (Dhaka, 9-10 November 2005) regarding the Headquarters Agreement in respect of Regional Centres.

Desiring to conclude a Headquarters Agreement, for SAARC Cultural Centre (SCC), the SAARC Secretariat and the Government of the Democratic Socialist Republic of Sri Lanka hereby agree as follows:

Article I
Definitions

For the purpose of the present Agreement, the following expressions shall have the meanings hereunder assigned to them:

- (a) “Appropriate Authorities” or “Host Authorities” means such central and local authorities in the Host Country as may be relevant in the context of and in accordance with their prevalent laws and practices;
- (b) “Approved project document” or “constitutive instrument” means a project paper or a document submitted by the Government of Sri Lanka and/or recommended by a group of experts for establishing the SAARC Cultural Centre and approved by the Council of Ministers including any decisions or recommendations of the Council of Ministers on the subject;
- (c) “Archives” means the records, correspondence, documents, manuscripts, photographs, etc. belonging to or held by the Centre;

- (d) “Association means the South Asian Association for Regional Cooperation (SAARC);
- (e) “Charter” means the Charter of the Association;
- (f) “Dependents” or “members of an Officer’s family” mean spouse, dependent parents, children under the age of 21 years; unmarried daughters and also children who are physically or mentally challenged;
- (g) “Domestic aide/s” means members of the household staff of the Officer authorized by the Director;
- (h) “Director” means the Director of the Centre who shall be the Host Government nominated representative and act as the Executive Head of the Centre under the supervision of the Secretary General;
- (i) “Governing Board” means governing board of the Centre;
- (j) “Host Country” means the country where the Centre is situated;
- (k) “Host Government” means the Government of the Host Country;
- (l) “Officers” means the Director and Professional Staff of the Centre;
- (m) “Professional Staff” means the Staff regionally recruited by the Centre from the SAARC Member States against the approved posts;
- (n) “Property” means all property, assets, means of transport, funds, income and rights belonging to or held or administered by the Centre;
- (o) “Regional Centre” means an institution for regional cooperation in a specified area, pursuant to a decision of the Council of Ministers on the basis of an approved project document or a constitutive instrument and is referred to hereinafter as “the Centre”;
- (p) “Secretariat” means the Secretariat acting on behalf of the Association for the purpose of this Agreement;
- (q) “The Premises of the Centre” means the buildings or their parts or area and other land ancillary thereto which may be included temporarily or permanently for the purpose of the Centre;
- (r) “The General Services Staff” means the Staff Members in GSS Categories who shall be recruited locally from the respective Host Country; and
- (s) “The Secretary General” means the Secretary General of SAARC or any Officer of the Secretariat authorized by him/her to act on his/her behalf.

Article II

Scope and Objectives of the Agreement

1. This Agreement is intended to provide an overall framework for the functioning and operation of the

SAARC Cultural Centre and as the “Centre of Excellence” in its field of activity and for regulating the relations between the Centre and the Host Country;

2. The objective of this Agreement shall be to facilitate the work of SAARC Cultural Centre as envisaged in its approved project documents and constitutive instruments, to allow all concerned including officials of the Centre to discharge their responsibilities efficiently and in good faith and to regulate all matters directly connected to or incidental thereto.

Article III

Inviolability of the Premises and Archives of the Centre and Protection of its Property

1. The premises of the Centre shall be inviolable. The agents of the Host Government may not enter them, except with the consent of the Secretary-General;
2. The property of the Centre wherever located and by whomsoever held, shall be immune from search, requisition, attachment, confiscation, expropriation, and any other form of interference, whether by executive, judicial or legislative action;
3. The Government of the Democratic Socialist Republic of Sri Lanka hosting the Centre is under a special duty to take all appropriate steps to protect the premises of the Centre against any intrusion or damage and to prevent any disturbance of peace of the Centre or impairment of its dignity;
4. Without prejudice to anything contained in this Agreement, the Centre shall not permit its premises to be used as a refuge by persons who are evading arrest or are to be extradited to other countries under the laws of the Host Country or who are endeavouring to evade legal prosecution or judicial proceedings;
5. The archives and all documents and publications of the Centre shall be inviolable at any time and wherever located in the territory of the Host Country;
6. The Centre shall have the right to use codes and to dispatch and receive correspondence and other official communications by courier sealed bags, which shall have the same privileges and immunities as those of an international organization;
7. The Centre, its assets, income and other property shall be:
 - a. Exempt from all direct taxes; it is understood, however, that the Centre will not claim exemption from taxes which are, in fact no more than charges for public utility services;
 - b. Exempt from custom duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the Centre for its official use, subject to the provisions of pertinent law, rules and regulations and provided that articles imported under such exemptions shall be disposed of in accordance with local rules of the Host Country; and
 - c. Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

Article IV
Financial Facilities

1. Notwithstanding financial controls, regulations or moratoria of any kind, the centre may:
 - a. Purchase, hold or dispose of any currencies, securities and funds through authorized channels;
 - b. Operate accounts in any currency, subject to local banking regulations; and
 - c. Transfer its funds, securities or currencies to or from the Host Country or to or from any other country or within the territory of the Host Country.
2. The Centre shall in exercising its rights and privileges under the preceding Section pay due regard to any representation made by the Host Government.

Article V
**Privileges and Immunities of the Director, and other Officers
of the Centre**

1. The Officers of the Centre who are not nationals of the Host Country, and where applicable their dependents and members of the family, shall enjoy within and with respect to the territory of the Host Country:
 - a. immunity from personal arrest or detention and legal processes of any kind in respect of words spoken or written and acts performed by them in their official capacity and in the discharge of their duties;
 - b. exemption from taxation in respect of the salaries, honoraria, allowances and other emoluments in connection with their services with the Centre;
 - c. the right to get appropriate visas with the exemption from alien registration;
 - d. exemption in respect of exchange restrictions no less favourable than that accorded to the officials of comparable ranks in international organizations accredited to the Host Country;
 - e. repatriation facilities in time of national crisis, together with their dependents and members of their household staff not less favourable than those accorded to the officials of the comparable ranks in the international organizations accredited to the Host Country;
 - f. freedom to maintain within the territory of the Host Country, or elsewhere, foreign securities, and other movable and immovable property, while employed by the Centre in the Host Country, and at the time of termination of such employment, the right to take out of the territory of the Host Country funds in any currency his/her savings without restriction or limitations;
 - g. Have the right on first arrival to import free of customs duties, taxes and other levies, furniture, motor vehicles other personal and house hold effects to establish residence in the Host Country as applicable to the resident members in International Organizations and the right to export with similar privileges goods thus imported at the termination of their duties with the Centre. The goods so imported shall be disposed of in accordance with the local rules;

2. The immunities mentioned in sub paras (a) and (b) of para 1 of this Article shall be accorded to all officers who are nationals of the Host Country employed in the Centre;
3. The citizens of the Host Country, who are Officers of the Centre shall be entitled to maintain foreign exchange accounts of their salaries, honoraria, allowances and other emoluments received from the Centre in convertible currency in the Host Country subject to local regulations;
4. The General Services Staff shall enjoy immunity from civil/criminal and administrative processes in respect of acts performed during the course of their official duties only;
5. Without prejudice to their privileges and immunities, it is the duty of the Director and the Officers and General Services Staff of the Centre to respect the laws of the Host Country and to avoid any interference in its internal affairs;
6. All persons enjoying the privileges and immunities under this Agreement shall be provided by the Host Government with a special identity card which shall serve to identify the holder in relation to the appropriate authorities and certify that the holder enjoys the privileges and immunities in this Agreement;
7. All means of transport of the Centre and its Officers shall be issued with special registration plates as issued to other resident International Organizations and their Officers;
8. Representatives of Governments, experts and other officials on temporary assignment in the Centre, including the members of the Governing Board and participants of activities organized by the Centre shall be accorded facilities similar to those as are admissible to persons of other International Organizations on similar assignment;
9. Each Member State shall accord immunities and privileges to the Director and other Officers of the Centre when visiting its territory on official duties.

Article VI

Waiver of Immunities

1. The Director shall take every measure to ensure that the privileges and immunities provided for in this Agreement are not abused and for this purpose shall establish such rules and regulations as may be deemed necessary and expedient;
2. The Centre and all persons enjoying privileges and immunities under this Agreement shall cooperate at all times with the appropriate authorities of the Host Government to facilitate the proper administration of justice and secure the observance of the laws of the Host Country;
3. If the Host Government is convinced that there has been abuse of the privileges and immunities accorded by this Agreement, it shall notify the Director and the Secretary General accordingly. Upon such notification, the Director shall, after consultation with the appropriate authorities of the Host Government, take necessary action;
4. The Host Government reserves the right to inspect the personal baggage of the personnel of the Centre if it is convinced that there are serious grounds for presuming that it contains articles not for bonafide official or personal use of the personnel of the Centre or articles export

and import of which are prohibited by the law or controlled by the quarantine regulations of the Host Country. Such inspection shall be conducted only in the presence of the authorized representative of the Centre;

5. The privileges and immunities accorded in this Agreement are granted in the interest of the Centre and not for the personal benefit of the individuals themselves. The Secretary General may waive the privileges and immunities accorded to any person if, in his/her opinion such privileges and immunities would impede the course of justice and can be waived without prejudice to the interest of the Centre.

Article VII

Communications with the Host Government

The Centre shall communicate with the appropriate authorities of the Host Government through the Ministry of Foreign/External Affairs, unless otherwise allowed by the Host Government.

Article VIII

General Provisions

1. This Agreement shall come into force immediately upon signature;
2. Any amendment or modification to this Agreement or any part thereof shall be made through mutual consultation at the request of a Party and shall be effected through agreement among all Parties;
3. A Member State may provide facilities or concessions to the Centre, over and above those provided for in this Agreement;
4. All administrative practices and precedents in force in the Centre, regarding any matters provided for in this Agreement or in any rules or regulations that may be made thereunder, shall cease to have force from the day of the coming into effect of this Agreement or of the rules and regulations, as the case may be;
5. Any differences in the interpretation or application of this Agreement shall be settled amicably between the Host Government and the Centre.

.....
Uz. Fathimath Dhiyana Saeed Secretary General of SAARC,	Hon. Prof. G. L. Peiris Minister of External Affairs, The Democratic Socialist Republic of Sri Lanka
Dated: 21 June 2011	
Colombo	

HEADQUARTERS AGREEMENT
BETWEEN THE GOVERNMENT OF NEPAL AND THE SAARC
SECRETARIAT
FOR THE
SAARC TUBERCULOSIS AND HIV/AIDS CENTRE (STAC),
KATHMANDU, NEPAL

Preamble

Recalling the decision of the Fifth Summit of the Heads of State/Government of SAARC Member States (Malé, 22-23 November 1990) on the establishment of SAARC Tuberculosis Centre at Kathmandu, Nepal.

Nothing the recommendation of the Programming Committee at its Twenty-sixth Session (Dhaka, 8-9 November 2005) and the approval of the Standing Committee at its Thirty-first Session (Dhaka, 10 November 2005) to rename the Centre as the “SAARC Tuberculosis and HIV/AIDS Centre (STAC)”.

Desiring to conclude a Headquarters Agreement for SAARC Tuberculosis and HIV/AIDS Centre (STAC), the SAARC Secretariat and the Government of Nepal hereby agree as follows:

Article I

Definitions

For the purpose of the present Agreement, the following expressions shall have the meanings hereunder assigned to them:

- a) “Appropriate Authorities” or “Host Authorities” means such central and local authorities in the Host Country as may be relevant in the context of and in accordance with their prevalent laws and practices;
- b) “Approved project document” or “constitutive instrument” means a project paper or a document submitted by a Member State and/or recommended by a Group of Experts for establishing the Centre and approved by the Council of Ministers including any decisions or recommendations of the Council of Ministers on the subject;
- c) “Archives” means the records, correspondence, documents, manuscripts, photographs, etc. belonging to or held by the Centre;
- d) “Association” means the South Asian Association for Regional Cooperation (SAARC);
- e) “Charter” means the Charter of the Association;
- f) “Dependants” or “members of an Officer’s family” mean spouse, dependent parents, children under the age of 21 years; unmarried daughters and also children who are physically or mentally challenged;
- g) “Domestic aide/s” means members of the household staff of the Officer authorized by the Director;

- h) “Director” means the Director of the Centre who shall be the Host Government nominated representative and act as the Executive Head of the Centre under the supervision of the Secretary General;
- i) “Governing Board” means governing board of the Centre;
- j) “Host Country” means, the country where the Centre is situated;
- k) “Host Government” means the Government of the Host Country;
- l) “Officers” means the Director and Professional Staff of the Centre;
- m) “Professional Staff” means the Staff regionally recruited by the Centre from the SAARC Member States against the approved posts;
- n) “Property” means all property, assets, means of transport, funds, income and rights belonging to or held or administered by the Centre;
- o) “Regional Centre” means an institution for regional cooperation in a specified area, pursuant to a decision of the SAARC Council of Ministers on the basis of an approved project document or a constitutive instrument and is referred to hereinafter as “the Centre”;
- p) “Secretariat” means the SAARC Secretariat acting on behalf of the Association for the purpose of this Agreement;
- q) “The Premises of the Centre” means the buildings or their parts or area and other land ancillary thereto which may be included temporarily or permanently for the purpose of the Centre;
- r) “The General Services Staff” (GSS) means the Staff Members in GSS categories who shall be recruited locally from the respective Host Country; and
- s) “The Secretary General” means the Secretary General of SAARC or any Officer of the Secretariat authorized by him/her to act on his/her behalf;

Article II

Scope and Objectives of the Agreement

1. This Agreement is intended to provide an overall framework for the functioning and operation of the SAARC Tuberculosis and HIV/AIDS Centre (STAC) and as the “Centre of Excellence” in its field of activity and for regulating the relations between the Centre and the Host Country;
2. The objective of this Agreement shall be to facilitate the work of the SAARC Tuberculosis and HIV/AIDS Centre (STAC) as envisaged in its approved project documents and constitutive instruments, to allow all concerned including officials of the Centre to discharge their responsibilities efficiently and in good faith and to regulate all matters directly connected to or incidental thereto.

Article III

Inviolability of the Premises and Archives of the Centre and Protection of its Property

1. The Premises of the Centre shall be inviolable. The agents of the Host Government may not enter them, except with the consent of the Secretary General;

2. The property of the Centre wherever located and by whomsoever held, shall be immune from search, requisition, attachment, confiscation, expropriation, and any other form of interference, whether by executive, judicial or legislative action;
3. The Government of Nepal hosting the Centre is under a special duty to take all appropriate steps to protect the premises of the Centre against any intrusion or damage and to prevent any disturbance of peace of the Centre or impairment of its dignity;
4. Without prejudice to anything contained in this Agreement, the Centre shall not permit its premises to be used as a refuge by persons who are evading arrest or are to be extradited to other countries under the laws of the Host Country or who are endeavouring to evade legal prosecution or judicial proceedings;
5. The archives and all documents and publications of the Centre shall be inviolable at any time and wherever located in the territory of the Host Country;
6. The Centre shall have the right to use codes and to dispatch and receive correspondence and other official communications by courier sealed bags, which shall have the same privileges and immunities as those of an international organization;
7. The Centre, its assets, income and other property shall be;
 - a) Exempt from all direct taxes; it is understood, however, that the Centre will not claim exemption from taxes which are, in fact, no more than charges for public utility services;
 - b) Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of articles imported or exported by the Centre for its official use, subject to the provisions of pertinent law, rules and regulations, and provided that articles imported under such exemptions shall be disposed of in accordance with local rules of the Host Country; and
 - c) Exempt from customs duties and prohibitions and restrictions on imports and exports in respect of its publications.

Article IV

Financial Facilities

1. Notwithstanding financial controls, regulations or moratoria of any kind, the Centre may;
 - a) purchase, hold or dispose of any currencies, securities and funds through authorized channels;
 - b) operate accounts in any currency, subject to local banking regulations; and
 - c) transfer its funds, securities or currencies to or from the Host Country or to or from any other country or within the territory of the Host Country.
2. The Centre shall in exercising its rights and privileges under the preceding Section pay due regard to any representation made by the Host Government.

Article V

Privileges and Immunities of the Director, and other Officers of the Centre

1. The Officers of the Centre who are not nationals of the Host Country, and where applicable, their dependents and members of the family, shall enjoy within and with respect to the territory of the Host Country;
 - a) immunity from personal arrest or detention and legal processes of any kind in respect of words spoken or written and acts performed by them in their official capacity and in the discharge of their duties;
 - b) exemption from taxation in respect of the salaries, honoraria, allowances and other emoluments in connection with their services with the Centre;
 - c) the right to get appropriate visas with the exemption from alien registration;
 - d) exemption in respect of exchange restrictions no less favourable than that accorded to the officials of comparable ranks in international organizations accredited to the Host Country;
 - e) repatriation facilities in time of national crisis, together with their dependents and members of their household staff not less favourable than those accorded to the officials of the comparable ranks in the international organizations accredited to the Host Country;
 - f) freedom to maintain within the territory of the Host Country, or elsewhere, foreign securities, and other movable and immovable property, while employed by the Centre in the Host Country, and at the time of termination of such employment, the right to take out of the territory of the Host Country funds in any currency his/her savings without restriction or limitations;
 - g) Have the right on first arrival to import free of customs duties, taxes and other levies, furniture, motor vehicles other personal and house hold effects to establish residence in the Host Country as applicable to the resident members in International Organizations and the right to export with similar privileges goods thus imported at the termination of their duties with the Centre. The goods so imported shall be disposed of in accordance with the local rules;
2. The immunities mentioned in sub paragraphs (a) and (b) of para-1 of this Article shall be accorded to all officers who are nationals of the Host Country employed in the Centre;
3. The citizens of the Host Country, who are Officers of the Centre shall be entitled to maintain foreign exchange accounts of their salaries, honoraria, allowances and other emoluments received from the Centre in convertible currency in the Host Country subject to local regulations;
4. The General Services Staff shall enjoy immunity from civil/criminal and administrative processes in respect of acts performed during the course of their official duties only;
5. Without prejudice to their privileges and immunities, it is the duty of the Director and the Officers and General Services Staff of the Centre to respect the laws of the Host Country and to avoid any interference in its internal affairs;
6. All persons enjoying the privileges and immunities under this Agreement shall be provided by the Host Government with a special identity card which shall serve to identify the holder in relation to the appropriate authorities and certify that the holder enjoys the privileges and immunities in this Agreement;

7. All means of transport of the Centre and its Offices shall be issued with special registration plates as issued to other resident International Organizations and their Officers;
8. Representatives of Governments, experts and other officials on temporary assignment in the Centre, including the members of the Governing Board and participants of activities organized by the Centre shall be accorded facilities similar to those as are admissible to persons of other International Organizations on similar assignment;
9. Each Member State shall accord immunities and privileges to the Director and other Officers of the Centre when visiting its territory on official duties.

Article VI

Waiver of Immunities

1. The Director shall take every measure to ensure that the privileges and immunities provided for in this Agreement are not abused and for this purpose shall establish such rules and regulations as may be deemed necessary and expedient;
2. The Centre and all persons enjoying privileges and immunities under this Agreement shall cooperate at all times with the appropriate authorities of the Host Government to facilitate the proper administration of justice and secure the observance of the laws of the Host Country;
3. If the Host Government is convinced that there has been abuse of the privileges and immunities accorded by this Agreement, it shall notify the Director and the Secretary General accordingly. Upon such notification, the Director shall, after consultation with the appropriate authorities of the Host Government, take necessary action;
4. The Host Government reserves the right to inspect the personal baggage of the personnel of the Centre if it is convinced that there are serious grounds for presuming that it contains articles not for bonafide official or personal use of the personnel of the Centre or articles export and import of which are prohibited by the law or controlled by the quarantine regulations of the Host Country. Such inspection shall be conducted only in the presence of the authorized representative of the Centre;
5. The privileges and immunities accorded in this Agreement are granted in the interest of the Centre and for the personal benefit of the individuals themselves. The Secretary General may waive the privileges and immunities accorded to any person if, in his/her opinion such privileges and immunities would impede the course of justice and can be waived without prejudice to the interest of the Centre.

Article VII

Communications with the Host Government

1. The Centre shall communicate with the appropriate authorities of the Host Government through the Ministry of Foreign/External Affairs, unless otherwise allowed by the Host Government.

Article VIII

General Provisions

1. This Agreement shall come into force immediately upon signature;

2. Any amendment or modification to this Agreement or any part thereof shall be made through mutual consultation at the request of a Party and shall be effected through agreement among all Parties;
3. A Member State may provide facilities or concessions to the Centre, over and above those provided for in this Agreement;
4. All administrative practices and precedents in force in the Centre, regarding any matters provided for in this Agreement or in any rules or regulations that may be made thereunder, shall cease to have force from the day of the coming into effect of this Agreement or of the rules and regulations, as the case may be;
5. Any differences in the interpretation or application of this Agreement shall be settled amicably between the Host Government and the Centre.

Fathimath Dhiyana Saeed

Secretary General of SAARC

Upendra Yadav

Deputy Prime Minister and
Minister for Foreign Affairs
Government of Nepal

Date: 3 June 2011
Kathmandu

Regional Conventions



SAARC REGIONAL CONVENTION ON SUPPRESSION OF TERRORISM

THE MEMBER STATES OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC)

MINDFUL of the principles of cooperation enshrined in the SAARC Charter;

RECALLING that at the Dhaka Summit on December 7-8, 1985, the Heads of State or Government of the Member States of the SAARC recognized the seriousness of the problem of terrorism as it affects the security and stability of the region;

ALSO RECALLING the Bangalore Summit Declaration of 17 November 1986, in which the Heads of state or Government of SAARC agreed that cooperation among SAARC States was vital if terrorism was to be prevented and eliminated from the region; unequivocally condemned all acts, methods and practices of terrorism as criminal and deplored their impact on life and property, socio-economic development, political stability, regional and international peace and cooperation, and recognized the importance of the principles laid down in UN Resolution 2625 (XXV) which among others required that each state should refrain from organizing, instigating, assisting or participating in acts of civil strife or terrorist acts in another state or acquiescing in organized activities within its territory directed towards the commission of such acts;

AWARE of the danger posed by the spread of terrorism and its harmful effect on peace, cooperation, friendship and good neighbourly relations and which could also jeopardize the sovereignty and territorial integrity of states;

HAVE RESOLVED to take effective measures to ensure that perpetrators of terroristic acts do not escape prosecution and punishment by providing for their extradition or prosecution, and to this end,

HAVE AGREED as follows:

Article I

Subject to the overall requirements of the law of extradition, conduct constituting any of the following offences, according to the law of the Contracting State, shall be regarded as terroristic and for the purpose of extradition shall not be regarded as political offence or as an offence connected with a political offence or as an offence inspired by political motives:

- a) An offence within the scope of the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on December 16, 1970;
- b) An offence within the scope of the Convention for the Suppression of Unlawful acts against the safety of Civil Aviation, signed at Montreal on September 23, 1971;
- c) An offence within the scope of the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, signed at New York on December 14, 1973;
- d) An offence within the scope of any Convention to which SAARC Member States concerned are parties and which obliges the parties to prosecute or grant extradition;
- e) Murder, manslaughter, assault causing bodily harm, kidnapping, hostage-taking and offences relating to firearms, weapons, explosives and dangerous substances when used as a means to

perpetrate indiscriminate violence involving death or serious bodily injury to persons or serious damage to property;

- f) An attempt or conspiracy to commit an offence described in sub-paragraphs (a) to (e), aiding, abetting or counseling the commission of such an offence or participating as an accomplice in the offences so described.

Article II

For the purpose of extradition between SAARC Member States, any two or more Contracting States may, by agreement, decide to include any other serious offence involving violence, which shall not be regarded as a political offence or an offence connected with a political offence or an offence inspired by political motives.

Article III

1. The provisions of all extradition treaties and arrangements applicable between Contracting States are hereby amended as between Contracting States to the extent that they are incompatible with this Convention.
2. For the purpose of this Convention and to the extent that any offence referred to in Article I or agreed to in terms of Article II is not listed as an extraditable offence in any extradition treaty existing between Contracting States, it shall be deemed to be included as such therein.
3. Contracting States undertake to include these offences as extraditable offences in any future extradition treaty to be concluded between them.
4. If a Contracting State which makes extradition conditional on the existence of a treaty receives a request for extradition from another Contracting State with which it has no extradition treaty, the requested State may, as its option, consider this Convention as the basis for extradition in respect of the offences set forth in Article I or agreed to in terms of Article II. Extradition shall be subject to the law of the requested State.
5. Contracting States, which do not make extradition conditional on the existence of a treaty, shall recognize the offences set forth in Article I or agreed to in terms of Article II as extraditable offences between themselves, subject to the law of the requested State.

Article IV

A contracting State in whose territory a person suspected of having committed an offence referred to in Article I or agreed to in terms of Article II is found and which has received a request for extradition from another Contracting State, shall, if it does not extradite that person, submit the case without exception and without delay, to its competent authorities shall take their decisions in the same manner as in the case of any offence of a serious nature under the law of the State.

Article V

For the purpose of Article IV, each Contracting State may take such measures as it deems appropriate, consistent with its national laws, subject to reciprocity, to exercise its jurisdiction in the case of an offence under Article I or agreed to in terms of Article II.

Article VI

A Contracting State in whose territory an alleged offender is found, shall, upon receiving a request for extradition from another Contracting State, take appropriate measures, subject to its national laws, so as to ensure his presence for purposes of extradition or prosecution. Such measures shall immediately be notified to the requesting State.

Article VII

Contracting States shall not be obliged to extradite, if it appears to the requested State that by reason of the trivial nature of the case or by reason of the request for the surrender or return of a fugitive offender not being made in good faith or in the interests of justice or for any other reason it is unjust or inexpedient to surrender or return the fugitive offender.

Article VIII

1. Contracting States shall, subject to their national laws, afford one another the greatest measure of mutual assistance in connection with proceedings brought in respect of the offences referred to in Article I or agree to in terms of Article II, including the supply of all evidence at their disposal necessary for the proceedings.
2. Contracting States shall cooperate among themselves, to the extent permitted by their national laws, through consultations between appropriate agencies, exchange of information, intelligence and expertise and such other cooperative measures as may be appropriate, with a view to prevention terroristic activities through precautionary measures.

Article IX

1. The Convention shall be open for signature by the Member States of SAARC at the SAARC Secretariat in Kathmandu.
2. It shall be subject to ratification. Instruments of ratification shall be deposited with the Secretary-General of SAARC.

Article X

The Convention shall enter into force on the fifteenth day following the date of the deposit of the seventh Instrument of Ratification with Secretary-General of SAARC.

Article XI

The Secretary-General of SAARC shall be the depositary of this Convention and shall notify Member States of signatures to this Convention and all deposits of Instruments of Ratification. The Secretary-General shall transmit certified copies of such Instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Convention will have entered into force in accordance with Article X.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments have signed this Convention.

DONE at Kathmandu on this Fourth Day of November One Thousand Nine Hundred and Eighty Seven in eight Originals in the English language all texts being equally authentic.

HUMAYUN RASHEED CHOUDHURY

Minister of Foreign Affairs
People's Republic of Bangladesh

K. NATWAR SINGH

Minister of State for External Affairs
Republic of India

SHAILENDRA KUMAR UPADHYAYA

Minister for Foreign Affairs and Land Reforms
His Majesty's Government of Nepal

DAWA TSERING

Minister of Foreign Affairs
Kingdom of Bhutan

FATHULLA JAMEEL

Minister of Foreign Affairs
Republic of Maldives

ZAIN NOORANI

Minister of State for Foreign Affairs
Islamic Republic of Pakistan

A.C. SHAHUL HAMEED

Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SAARC CONVENTION ON NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES

THE MEMBER STATES OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC)

MINDFUL of the principles of cooperation enshrined in the SAARC Charter;

RECALLING that at the Islamabad Summit on December 29-31, 1988, Heads of State or Government of the Member States of SAARC expressed grave concern over the growing magnitude and the serious effect of drug abuse and drug trafficking and recognised the need for urgent and effective measures to eradicate this problem including the possibility of concluding a Regional Convention on Drug Control;

RECOGNISING that a regional Convention on Narcotic Drugs and Psychotropic Substances would be a step forward in augmenting SAARC efforts to eliminate drug trafficking;

ALSO RECOGNISING the need to re-enforce and supplement, at the regional level, the measures provided in the Single Convention on Narcotic Drugs, 1961, as amended by the Protocol of 1972, the Convention on Psychotropic Substances, 1971, the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988, taking into account concerns which are specific to the SAARC region;

DESIRING to eliminate the root causes of the problem of abuse of narcotic drugs and psychotropic substances, including the illicit demand for such drugs and substances and the enormous profits derived from illicit traffic;

TAKING COGNIZANCE of the links between illicit drug trafficking and other related organised criminal activities, which undermine the economies and threaten the stability, security and sovereignty of States;

CONVINCED of the importance of strengthening and enhancing effective legal means for regional cooperation in criminal matters for suppressing international criminal activities of illicit traffic in narcotic drugs and psychotropic substances;

HAVE AGREED AS FOLLOWS:

Article I **DEFINITIONS**

Except where otherwise expressly indicated or where the context otherwise requires, the following definitions shall apply throughout this Convention:

- (a) "Cannabis plant" means any plant of the genus Cannabis;
- (b) "Coca Bush" means the plant of any species of the genus Erythroxylon;
- (c) "Confiscation" which includes forfeiture where applicable; means the permanent deprivation of property by order of a court or other competent authority;
- (d) "Controlled delivery" means the technique of allowing illicit or suspect consignments of

narcotic drugs, psychotropic substances, substances listed in Table I and Table 11 annexed to the 1988 U.N. Convention, or substances substituted for them, to pass out of, through or into the territory of one or more countries, with the knowledge and under the supervision of their competent authorities, with a view to identifying persons involved in the commission of offences established in accordance with Article 3, paragraph 1 of this Convention;

- (e) “1961 Convention” means the Single Convention on Narcotic Drugs, 1961;
- (f) “1961 Convention as amended” means the Single Convention on Narcotic Drugs, 1961 as amended by the 1972 Protocol amending the Single Convention on Narcotic Drugs, 1961;
- (g) “1971 Convention” means the Convention on Psychotropic Substances, 1971;
- (h) “1988 U.N. Convention” means the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988;
- (i) “Freeze” or “Seize” means to temporarily prohibit the transfer, conversion, disposition or movement of property or temporarily assuming custody or control of property on the basis of an order issued by a court or a competent authority;
- (j) “Illicit traffic” means the offences set forth in Article 3, of this Convention;
- (k) “Narcotic Drug” means any or the substances, natural or synthetic, listed in Schedules I and II of the 1961 Convention and the 1961 Convention as amended;
- (l) “Opium poppy” means the plant of the species *Papaver Somniferum* L;
- (m) “Proceeds” means any property derived from or obtained, directly or indirectly, through the commission or an offence established in accordance with Article 3, paragraph 1 of this convention;
- (n) “Property” means assets of every kind, whether corporeal or incorporeal, movable or immovable, tangible or intangible, and legal documents or instruments evidencing title to, or interest in, such assets;
- (o) “Psychotropic Substance” means any substance natural or synthetic or any natural material listed in Schedules I, II, III and IV of the 1971 Convention;
- (p) “Secretary-General” means the Secretary-General of the South Asian Association for Regional Cooperation (SAARC).

Article 2

SCOPE OF THE CONVENTION

1. The purpose of this Convention is to promote cooperation among Member States, so that they may address more effectively the various aspects of prevention and control of drug abuse and the suppression of illicit traffic in narcotic drugs and psychotropic substances, which are specific to the SAARC region,
2. Member States in carrying out their obligations under this Convention shall take necessary measures, including legislative and administrative measures, in conformity with the fundamental provisions of their respective domestic legislative systems.

3. Member States shall carry out their obligations under this Convention in a manner consistent with the principles of sovereign equality and territorial integrity of States and that of non-intervention in the domestic affairs of other States

4. A Member State shall not undertake in the territory of another Member State, the exercise of jurisdiction and performance of functions, which are exclusively, reserved for the authorities of that other State by its domestic law.

Article 3 **OFFENCES**

1. Each Member State shall adopt such measures as may be necessary to establish as criminal offences under its domestic law, when committed intentionally:

- (a) the production, manufacture, extraction, preparation, offering, offering for sale, distribution, sale, delivery on any terms whatsoever, brokerage, dispatch, dispatch in transit, transport, importation or exportation of any narcotic drug or any psychotropic substance contrary to the provisions of the 1961 Convention, The 1961 Convention as amended or the 1971 Convention;
- (b) the cultivation of opium poppy, coca bush or cannabis plant for the production of narcotic drugs contrary to the provisions of the 1961 Convention and the 1961 Convention as amended;
- (c) the possession or purchase of any narcotic drug or psychotropic substance for the purpose of any of the activities enumerated in (a) above;
- (d) the manufacture, transport or distribution of equipment or materials, or of substances as listed in Table I and Table II of the 1988 U.N. Convention, knowing that they are being or are to be used in or for the illicit cultivation, production or manufacture of narcotic drugs or psychotropic substances;
- (e) the organisation, management or financing or any of the offences enumerated in (a), (b), (c) or (d) above;
- (f) the conversion or transfer of property, knowing that such property is derived from the proceeds from any offence or offences established in accordance with sub-paragraph (a), (b), (c), (d) or (C) of this paragraph, or from an act of participation in such offence or offences, for the purpose of concealing or disguising the illicit origin of The property or of assisting any person who is involved in the commission of such an offence or offences to evade the legal consequences of his actions;
- (g) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from an offence or offences established in accordance with sub-paragraph (a), (b), (c), (d) or (e) of this paragraph or from an act of participation in such an offence or offences;
- (h) the acquisition, possession or use of property, knowing, at the time of receipt, that such property was derived from an offence or offences established in accordance with sub-paragraph (a), (b), (c), (d) or (e) of this paragraph or from an act of participation in such offence or offences;
- (i) the possession of equipment or materials, or of substances listed in Table I and Table II, of the 1988 U.N. Convention knowing that they are being or are to be used in or for the illicit

cultivation, production or manufacture of narcotic drugs or psychotropic substances;

- j) publicly inciting or inducing others, by any means, to commit any of the offences established in accordance with this Article or to use narcotic drugs or psychotropic substances illicitly;
- (k) participation in, association or conspiracy to commit, attempts to commit and aiding, abetting, facilitating and counselling the commission of any of the offences established in accordance with this Article.

2. Subject to its constitutional principles and the basic concepts of its legal system, each Member State shall adopt such measures as may be necessary to establish as a criminal offence under its domestic law, when committed intentionally, the possession, purchase or cultivation of narcotic drugs or psychotropic substances for personal consumption contrary to the provisions of the 1961 Convention, the 1961 Convention as amended or the 1971 Convention.

Article 4 **SANCTIONS**

1. Each Member State shall make the commission or the offences established in accordance with Article 3 punishable by appropriate penalties, which take into account their grave nature.

2. The Member States may provide in addition to conviction or punishment for an offence established in accordance with Article 3, paragraph 1 that the offender shall undergo measures such as treatment, education, after-care, rehabilitation or social re-integration.

3. Notwithstanding anything contained in the preceding paragraphs, in appropriate cases of a minor nature, the Member States may provide, as alternatives to conviction or punishment, measures such as education, rehabilitation or social re-integration, as well as, when the offender is a drug abuser, treatment and after-care.

4. The Member States shall ensure that their courts and other competent authorities having jurisdiction can take into account factual circumstances which make the commission of the offences established in accordance with Article 3, paragraph 1 particularly serious, such as

- (a) the involvement in the offence of an organised criminal group to which the offender belongs;
- (b) the involvement of the offender in other international organised criminal activities;
- (c) the involvement of the offender in other illegal activities facilitated by commission of the offence;
- (d) the use of violence or arms by the offender;
- (e) the fact that the offender holds a public office and that the offence is connected with the office in question;
- (f) the victimisation or use of minors;
- g) the fact That the offence is committed in a penal institution or in an educational institution or social service facility or in their immediate vicinity or in other places to which school children and students resort for educational, sports and social activities;

- (h) prior conviction, particularly for similar offences, whether foreign or domestic, to the extent permitted under the domestic law of a Member State.

5. The Member States shall also ensure that their courts or other competent authorities bear in mind the serious nature of the offences established in accordance with Article 3, paragraph 1 or the circumstances enumerated in paragraph 4 of this Article, when considering the eventuality of early release or parole of persons convicted for such offences.

Article 5 **JURISDICTION**

1. Each Member State shall take such measures as may be necessary to establish its jurisdiction over the offences established in accordance with Article 3, paragraph 1 when:

- (a) the offence is committed in its territory;
- (b) the offence is committed on board a vessel flying its flag or an aircraft, which is registered under its laws at the time the offence, is committed;
- (c) the offence is committed by one of its nationals or by a person who has his habitual residence in that territory;
- (d) the offence is one of those established in accordance with Article 3, paragraph 1(k) and is committed outside its territory with a view to the commission, within its territory, of an offence established in accordance with Article 3, paragraph 1.

2. Each Member State may likewise take such measures as may be necessary to establish its jurisdiction over the offences established in accordance with Article 3, paragraph 1, in cases where the alleged offender is present in its territory and it does not extradite him to another Member State.

3. This Convention does not exclude the exercise or any criminal jurisdiction established by a Member State in accordance with domestic law.

Article 6 **PROVISION OF INFORMATION**

1. The Member State in which any or the offences established in accordance with Article 3, paragraph 1, has been committed shall, if it has reason to believe that, an alleged offender had fled from its territory, communicate to all other States concerned all the pertinent facts regarding the offence committed and all available information regarding the identity of the alleged offender.

2. Upon being satisfied that the circumstances so warrant, the Member State in whose territory the alleged offender is present shall take appropriate measures under its domestic law so as to ensure his presence for the purpose of prosecution or extradition. Such measures shall be notified, without delay to:

- (a) the State where the offence was committed; and
- (b) the State or States of which the alleged offender is a national or if he is a stateless person in whose territory he permanently resides.

Article 7
PROSECUTION

The Member State in whose territory the alleged offender is present shall, if it does not extradite him, submit, without exception whatsoever and without undue delay, the case to its competent authorities for the purpose of prosecution through proceedings in accordance with the laws of that State.

Article 8
EXTRADITION

1. To the extent that the offences established in accordance with Article 3, paragraph 1, are not listed as extraditable offences in any Extradition Treaty existing between Member States, they shall be deemed to be included as such therein.

2. Member States undertake to include the offences established in accordance with Article 3, paragraph 1, as extraditable offences in every future Extradition Treaty to be concluded between them.

3. If a Member State which makes extradition conditional on the existence of a Treaty receives a request for extradition from another Member State with which it has no Extradition Treaty, the requested State may, at its option, consider this Convention as the basis for extradition in respect of the offences established in accordance with Article 3, paragraph 1.

4. Member States which do not make extradition conditional on the existence of a Treaty, shall recognise the offences established in accordance with Article 3, paragraph 1, as extraditable offences between themselves.

5. Extradition shall be subject to the law of the requested State.

Article 9
NON-FISCAL AND NON-POLITICAL OFFENCES

The offences established in accordance with Article 3, paragraph shall not be regarded as fiscal offences or as political offences or as offences connected with a political offence or as offences inspired by political motives, without prejudice to the constitutional limitations and the fundamental domestic law of the Member States.

Article 10
CONFISCATION

1. Each Member State shall adopt such measures as may be necessary to enable the confiscation of:

- (a) Proceeds derived from offences established in accordance with Article 3, paragraph 1, or property the value of which corresponds to that of such proceeds;
- (b) Narcotic drugs and psychotropic substances, materials and equipment or other instrumentalities used in or intended for use in any manner in offences established in accordance with Article 3.

2. Each Member State shall also adopt such measures as may be necessary to enable its competent authorities to identify, trace and freeze or seize proceeds, property, instrumentalities or any other things referred to in paragraph 1 or this Article for the purpose of eventual confiscation.

Article 11
MUTUAL LEGAL ASSISTANCE

1. The Member States shall afford one another pursuant to this Article, the widest measures of mutual legal assistance in investigations prosecutions and judicial proceedings in relation to criminal offences established in accordance with Article 3, paragraph I.
2. Mutual legal assistance to be afforded in accordance with this Article may be requested for all or any of the following purposes:
 - (a) Taking evidence or statements from persons;
 - (b) Effective service of judicial documents;
 - (c) Executing searches and seizures;
 - (d) Examining objects and sites;
 - (e) Providing information and evidentiary items;
 - (f) Providing originals or certified copies of relevant documents and records, including bank, financial, corporate or business records;
 - (g) Identifying or tracing proceeds, property, instrumentalities or other things for evidentiary purposes.
3. The Member States may afford one another any other forms of mutual legal assistance allowed by the domestic law of the requested State.
4. Upon request, the Member States shall facilitate or encourage, to the extent consistent with their domestic law and practice, the presence or availability of persons, including persons in custody, who consent to assist in investigations or participate in proceedings
5. A Member State shall not decline to render mutual legal assistance under this Article on the ground of bank secrecy.
6. The provisions of this Article shall not affect the obligations under any other treaty, bilateral or multilateral, which governs or will govern, in whole or in part, mutual legal assistance in criminal matters
7. The Member States shall designate an authority, or when necessary authorities, which shall have the responsibility and power to execute requests for mutual legal assistance or to transmit them to the competent authorities for execution the authority or the authorities designated for this purpose, shall be notified directly to each Member State and to the Secretary-General. Transmission or requests for mutual legal assistance and any communication related thereto shall be effected between the authorities designated by the States; this requirement shall be without prejudice to the right of a State to require that such requests and communications be addressed to it through diplomatic channels and, in urgent circumstances, where the States agree, through channels of the International Criminal Police Organisation, if possible.
8. Requests for mutual legal assistance shall be made in writing. In urgent circumstances, and where agreed to by the States, requests may be made orally, which shall be confirmed in writing forthwith.
 - (a) The identity of the authority making the request;

- (b) The subject matter and nature of the investigation prosecution or proceeding to which the request relates and the name and the functions of the authority conducting such investigation, prosecution or proceeding;
- (e) A summary of the relevant facts, except in respect of requests for the purpose of services of judicial documents;
- (d) A description of the assistance sought and details of any particular procedure the requesting State wishes to be followed;
- (e) Where possible, the identity, location and nationality of any person concerned;
- (f) The purpose for which the evidence, information or action is sought.

10. The requested State may request additional information when it appears necessary for the execution of the request in accordance with its domestic law or when it can facilitate such execution.

11. A request shall be executed in accordance with the domestic law of the requested State and where possible, in accordance with the procedure specified in the request.

12. The requesting State shall not transmit nor use information or evidence furnished by the requested State for investigations, prosecutions or proceedings other than those stated in the request without the prior consent of the requested State.

13. The requesting State may require that the requested State keep confidential the fact and substance of the request, except to the extent necessary to execute the request. If the requested State cannot comply with the requirement of confidentiality, it shall promptly inform the requesting State.

14. Mutual legal assistance may be refused:

- (a) If the request is not made in conformity with the provisions of this Article;
- (b) If the requested State considers that execution of the request is likely to prejudice its sovereignty, security, public order (ordre public) or other essential interest;
- (c) If the authorities of the requested State would be prohibited by its domestic law from carrying out the action requested with regard to any similar offence, had it been subject to investigation, prosecution or proceedings under their own jurisdiction;
- (d) If it would be contrary to the legal system of the requested State relating to mutual legal assistance for the request to be granted.

15. Reasons shall be given for any refusal of mutual legal assistance.

16. Mutual legal assistance may be postponed by the requested State on the ground that it interferes with an ongoing investigation, prosecution or proceeding. In such a case, the requested State shall consult with the requesting State to determine if the assistance can still be given subject to such terms and conditions as the requested State deems necessary.

17. A witness, expert or other person who consents to give evidence in a proceeding or to assist in an investigation, prosecution or judicial proceeding in the territory of the requesting State, shall not be prosecuted, detained, punished or subjected to any other restriction of his personal liberty in that territory

in respect of acts, omissions or convictions prior to his departure from the territory of the requested State. Such safe conduct shall cease when the witness, expert or other person having had, for a period of fifteen consecutive days, or 0 for any period agreed upon by the States, from the date on which he has been officially informed that his presence is no longer required by the judicial authorities, an opportunity of leaving, has nevertheless remained voluntarily in the territory or, having left it, has returned of his own free will.

18. The ordinary costs of executing a request shall be borne by the requested State, unless otherwise agreed to by the States concerned. If expenses of a substantial or extraordinary nature are or will be required to fulfill the request, the States shall consult to determine the terms and conditions under which the request will be executed as well as the manner in which the costs shall be borne.

Article 12

MEASURES TO ERADICATE ILLICIT CULTIVATION OF NARCOTIC PLANTS AND TO ELIMINATE ILLICIT DEMAND FOR NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES

1. Each Member State shall take appropriate measures to prevent illicit cultivation of and to eradicate plants containing narcotic or psychotropic substances, such as opium poppy, coca bush and cannabis plants, cultivated illicitly in its territory.

2. The Member States may cooperate to increase the effectiveness of eradication efforts. Towards this end, Member States shall also facilitate the exchange of scientific and technical information and the conduct of research concerning eradication.

3. The Member States shall adopt appropriate measures aimed at eliminating or reducing illicit demand for narcotic drugs and psychotropic substances, with a view to reducing human suffering and eliminating financial incentives for illicit traffic.

4. The Member States may also take necessary measures for early destruction or lawful disposal of the narcotic drugs, psychotropic substances and substances listed in Table I and Table II of the 1988 U.N. Convention, which have been seized or confiscated.

Article 13

SUPPRESSION OF OFFENCES

1. The Member States shall cooperate closely with one another, consistent with their respective domestic legal and administrative systems, with a view to enhancing the effectiveness of law enforcement action to suppress the commission of offences established in accordance with Article 3, paragraph 1. For this purpose they may establish and maintain channels of communication between their competent agencies to facilitate the secure and rapid exchange of information concerning all aspects of such offences.

2. The Member States may take necessary measures to allow for the appropriate use or controlled delivery on the basis of bilateral agreements with a view to identifying persons involved in offences established in accordance with Article 3, paragraph 1, and to taking legal action against them.

Article 14

COOPERATION AND INFORMATION

The Member States shall furnish information to each other and to the Secretary-General on the implementation of this Convention in their territories and in particular;

- (a) The texts of laws and regulations promulgated in order to give effect to the Convention;
- (b) Particulars of cases of illicit traffic within their jurisdiction, which they consider important because of new trends, disclosed, the quantities involved, the sources from which the substances are obtained or the methods employed by persons so engaged.

Article 15

APPLICATION OF STRICTER MEASURES

A Member State may adopt more strict or severe measures than those provided by this Convention, if in its opinion, such measures are desirable or necessary for the prevention or suppression of illicit traffic.

Article 16

SIGNATURE AND RATIFICATION

1. The Convention shall be open for signature by the Member States of SAARC at the Fifth SAARC Summit at Male' and thereafter, at the SAARC Secretariat at Katmandu.
2. It shall be subject to ratification. Instruments of Ratification shall be deposited with the Secretary-General.

Article 17

ENTRY INTO FORCE

This Convention shall enter into force on the fifteenth day following the day of the deposit of the seventh Instrument of Ratification with the Secretary-General.

Article 18

DEPOSITORY

The Secretary-General shall be the depository of this Convention and shall notify the Member States of signatures to this Convention and all deposits of Instruments of Ratification, The Secretary-General shall transmit certified copies of such instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Convention will have entered into force in accordance with Article 17.

IN WITNESS WHEREOF, the undersigned being duly authorised thereto by their respective Governments, have signed this Convention.

DONE AT Male' on this Twenty Third day of November One Thousand Nine Hundred and Ninety, in Eight originals, in the English Language, all texts being equally authentic.

ANISUL ISLAM MAHMUD
Minister of Foreign Affairs
People's Republic of Bangladesh

DAWA TSERING
Minister of Foreign Affairs
Kingdom of Bhutan

VIDYA CHARAN SHUKLA
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

DEVENDRA RAJ PANDAY
Minister for Finance
His Majesty's Government of Nepal

SAHABZADA YAQUB-KHAN
Minister of Foreign Affairs
Islamic Republic of Pakistan

HAROLD HERAT
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lank

SAARC CONVENTION ON REGIONAL ARRANGEMENTS FOR THE PROMOTION OF CHILD WELFARE IN SOUTH ASIA

PREAMBLE

THE MEMBER STATES OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC), PARTIES TO THE PRESENT CONVENTION

NOTING that a quarter of the world's children live in South Asia and many of them require assistance and protection to secure and fully enjoy their rights, and to develop to their full potential and lead a responsible life in family and society;

BEARING IN MIND that parents or legal guardians, as the case may be, have the primary responsibility for the upbringing and development of the child;

RECOGNISING, therefore, that the family, as the fundamental unit of society and also as the ideal nurturing environment for the growth and well-being of children, should be afforded the necessary protection and assistance so that it can fully assume and fulfill responsibility for its children and community;

RECALLING the common proclamation of their nations in the Universal Declaration of Human Rights that childhood is entitled to special care and assistance;

REAFFIRMING their adherence to the Declaration of the World Summit for Children and their commitment to the UN Convention on the Rights of the Child;

RECOGNISING the efforts of SAARC towards building a regional consensus on priorities, strategies and approaches to meet the changing needs of children, as embodied in Rawalpindi Resolution on Children of South Asia 1996, and noting the significant progress already made by the Member States in the field of child survival and welfare;

TAKING INTO ACCOUNT, the declaration of the years 2001-2010 as the "SAARC Decade of the Rights of the Child";

BEARING IN MIND that the development of the full potential of the South Asian child is a critical concomitant to the region's collective march towards solidarity, justice, peace and human progress;

ACKNOWLEDGING that regional solidarity and cooperation through sharing of experience, expertise, information and resources are eminently useful in galvanizing the efforts of the South Asian nations to fulfill and protect the rights of children;

REALISING further that, together, the Member States of SAARC can move towards a comprehensive South Asian vision for the well-being of their children;

HEREBY AGREE as follows

PART I - DEFINITIONS, PURPOSE AND GUIDING PRINCIPLES

Article I - Definitions

For the purposes of this Convention:

'Rights of the Child' shall mean the rights of children embodied in the UN Convention on the Rights of the Child.

'Child' shall mean a national of any Member State of the South Asian Association for Regional Cooperation (SAARC), below the age of eighteen years unless, under the national law, majority is attained earlier.

Article II - Purposes and Objectives

The purposes and objectives of the present Convention shall be to:

1. Unite the States Parties in their determination of redeeming the promises made by them to the South Asian Child at the World Summit for Children and at various other national and international conferences and successive SAARC Summits;
2. Work together with commitment and diligence, to facilitate and help in the development and protection of the full potential of the South Asian child, with understanding of the rights, duties and responsibilities as well as that of others;
3. Set up appropriate regional arrangements to assist the Member States in facilitating, fulfilling and protecting the rights of the Child, taking into account the changing needs of the child.

Article III - Guiding Principles

For the establishment of regional arrangements, States Parties shall be guided by the following principles:

1. States Parties to this Convention shall consider survival, protection, development and participatory rights of the child as a vital pre-requisite for:
 - a) Accelerating the process of their peoples' realisation of human rights and fundamental freedoms; and
 - b) Achieving economic and social development in South Asia.
2. States Parties shall reaffirm the right of the child to enjoy all rights and freedoms guaranteed by the national laws and regionally and internationally binding instruments.
3. States Parties consider the UN Convention on the Rights of the Child as a comprehensive international instrument concerning the rights and well-being of the child and shall, therefore, reiterate their commitment to implement it.
4. States Parties shall uphold 'the best interests of the child' as a principle of paramount importance and shall adhere to the said principle in all actions concerning children.
5. States Parties, while recognising that the primary responsibility of looking after the well-being of

the child rests with the parents and family, shall uphold the principle that the State has the right and authority to ensure the protection of the best interests of the child.

6. States Parties shall consider this Convention as a guiding force for all national laws and bilateral or multilateral agreements that are entered into in the field of child welfare.
7. States Parties shall always consider gender justice and equality as key aspirations for children, the realization of which, collectively by the governments, would enhance the progress of South Asia.

PART II - REGIONAL PRIORITIES AND ARRANGEMENTS

Article IV - Regional Priorities

1. Without prejudice to the indivisibility of the rights enshrined in the UN Convention on the Rights of the Child and other international and national instruments and law, States Parties shall place special emphasis on the important areas for child development and well-being as regional priorities that can benefit immensely from bilateral and regional cooperation.
2. Recognising basic services such as education, health care, with special attention to the prevention of diseases and malnutrition, as the cornerstone of child survival and development, States Parties shall pursue a policy of development and a National Programme of Action that facilitate the development of the child. The policy shall focus on accelerating the progressive universalization of the child's access to the basic services and conditions.
3. States Parties shall ensure that appropriate legal and administrative mechanisms and social safety nets and defenses are always in place to:
 - a) Ensure that their national laws protect the child from any form of discrimination, abuse, neglect, exploitation, torture or degrading treatment, trafficking and violence;
 - b) Discourage entry of children into hazardous and harmful labour and ensure implementation of the Ninth SAARC Summit decision to eliminate the evil of child labour from the SAARC region. In doing so, States Parties shall adopt a multi-pronged strategy including the provision of opportunities at the primary level and supportive social safety nets for families that tend to provide child labourers;
 - c) Administer juvenile justice in a manner consistent with the promotion of the child's sense of dignity and worth, and with the primary objective of promoting the child's reintegration in the family and society. In doing so, States Parties shall provide special care and treatment to children in a country other than the country of domicile and expectant women and mothers who are detained along with infants or very young children, and shall promote, to the best possible extent, alternative measures to institutional correction, keeping in mind the best interest of the child;
 - d) States Parties shall make civil registration of births, marriages and deaths, in an official registry, compulsory in order to facilitate the effective enforcement of national laws, including the minimum age for employment and marriage.
4. Recognising the evolving capacities of the child, States Parties shall encourage and support administrative and judicial institutions to arrange for suitable mechanisms at appropriate levels and in accordance with local customs and traditions, to provide opportunities and access for the child to:

- a) Seek and receive information;
- b) Express views, directly or through a representative, and receive due weight and consideration for them, in accordance with age and maturity, in all matters affecting them;
- c) Participate fully and without hindrance or discrimination in the school, family and community life.

5. States Parties shall encourage the mass media to disseminate information and material of social and cultural benefit to the child. They shall also endeavour to give wide publicity to the Convention as well as other regional and international instruments having a bearing on the child.

Article V - Regional Arrangements

To ensure consistent focus on and pursuance of the regional priorities delineated above, States Parties shall promote solidarity, cooperation and collective action between and among SAARC Member States in the arena of child rights and development. States Parties view such cooperation as mutually reinforcing and capable of enhancing the quality and impact of their national efforts to create the enabling conditions and environment for full realisation of child rights and attainment of the highest possible standard of child well-being. In pursuance hereof, States Parties shall:

- a) provide opportunities for appropriate bilateral and multilateral sharing of information, experience and expertise;
- b) facilitate human resource development through planned annual schedule of SAARC Advanced Training Programmes on Child Rights and Development;
- c) make special arrangements for speedy completion and disposal, on priority basis, of any judicial or administrative inquiry or proceeding involving a child who is a national of another SAARC Member State, and for the transfer of children who are nationals of SAARC countries, accused of infringing the penal code, back to their country of legal residence for trial and treatment, provided that the alleged offence has not imperiled the national security of the country where it has been allegedly committed;
- d) strengthen the relevant SAARC Bodies dealing with issues of child welfare to formulate and implement regional strategies and measures for prevention of inter-country abuse and exploitation of the child, including the trafficking of children for sexual, economic and other purposes;
- e) set up a South Asian nutrition initiative aimed at enhancing knowledge and promoting greater awareness, practice and attainment of higher levels of nutrition, particularly for children and women, through mass education, adequate training and ensuring food security and equitable distribution of food at the family level.

PART III - RELATIONSHIPS AND COOPERATION

Article VI - Bilateral and Multilateral Cooperation

States Parties shall encourage and support bilateral and multilateral agreements and cooperation

that would have positive impact on regional and national efforts in facilitating, fulfilling and protecting the rights and well-being of the child.

Article VII - Relations with National Law and International Instruments

1. The States Parties to the Convention shall adopt, in accordance with their respective Constitutions, the legislative and other measures necessary to ensure the implementation of the Convention.
2. Nothing in this Convention shall affect any provisions which are more conducive to the realisation of the rights of the South Asian child and which may be contained in national laws or international agreements that are in force.

Article VIII - Relations with Non-Governmental Bodies

State Parties, while implementing the provisions of the Convention, may encourage and support the participation of non-Governmental bodies including community-based organisations.

Article IX - Cooperation with UN Agencies and Other International Agencies

Recognising their nature and scope, States Parties may encourage cooperation with UN and other international agencies.

Article X - Political Commitment

States Parties shall provide the necessary political support to ensure that appropriate measures are taken, to help fulfill the provisions of this Convention. The measures, inter-alia, could include legislative reform and promulgation of appropriate new policies and legislation, trained manpower, adequately equipped institutions and adequate allocation of human and financial resources.

PART IV

Article XI - Signature and Ratification

The Convention shall be open for signature by the Member States of SAARC at the Eleventh SAARC Summit in Kathmandu, and thereafter, at the SAARC Secretariat in Kathmandu. It shall be subject to ratification. The Instruments of Ratification shall be deposited with the SAARC Secretary-General.

Article XII - Entry into Force

The Convention shall enter into force on the fifteenth day following the date of deposit of the Seventh Instrument of Ratification with the Secretary-General of the South Asian Association for Regional Cooperation (SAARC).

Article XIII - Depository

The Secretary-General shall be the Depository of this Convention and shall notify the Member States of signatures to this Convention and all deposits of Instruments of Ratification. The Secretary General shall transmit certified copies of such instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Convention will have entered into force in accordance with Article XII.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Convention.

DONE at Kathmandu on this Fifth Day of January Two Thousand and Two, in nine originals, in the English Language, all texts being equally authentic.

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

JIGMI Y. THINLEY
Minister of Foreign Affairs
Kingdom of Bhutan

JASWANT SINGH
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

RAM SHARAN MAHAT
Minister of Finance and Leader
of the Delegation of Nepal
Kingdom of Nepal

ABDUL SATTAR
Minister of Foreign Affairs
Islamic Republic of Pakistan

TYRONNE FERNANDO
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SAARC CONVENTION ON PREVENTING AND COMBATING TRAFFICKING IN WOMEN AND CHILDREN FOR PROSTITUTION

THE MEMBER STATES OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION (SAARC), PARTIES TO THE PRESENT CONVENTION

EMPHASISING that the evil of trafficking in women and children for the purpose of prostitution is incompatible with the dignity and honour of human beings and is a violation of basic human rights;

RECALLING the decision of the Ninth SAARC Summit (May, 1997) that the feasibility of a regional Convention to combat the grave crime of trafficking in women and children for prostitution should be explored;

RECALLING ALSO the relevant international legal instruments relating to prevention of trafficking in women and children, including the Convention for the Suppression of Trafficking in Persons and of the Exploitation of Prostitution of Others, 1949; Convention on the Elimination of All Forms of Discrimination against Women, 1979; International Covenant on Civil and Political Rights, 1966; and the Convention on the Rights of the Child, 1989;

GIVING due regard to the implementation of the recommendations of the various pertinent International Bodies and Conferences including the Fourth World Conference on Women at Beijing (1995);

NOTING with concern the increasing exploitation by traffickers of women and children from SAARC countries and their increasing use of these countries as sending, receiving and transit points;

RECOGNISING in this regard the importance of establishing effective regional cooperation for preventing trafficking for prostitution and for investigation, detection, interdiction, prosecution and punishment of those responsible for such trafficking;

EMPHASISING the need to strengthen cooperation in providing assistance, rehabilitation and repatriation to victims of trafficking for prostitution;

HAVE AGREED as follows:

Article I **DEFINITIONS**

For the purpose of this Convention:

- 1) “Child” means a person who has not attained the age of 18 years;
- 2) “Prostitution” means the sexual exploitation or abuse of persons for commercial purposes;
- 3) “Trafficking” means the moving, selling or buying of women and children for prostitution within and outside a country for monetary or other considerations with or without the consent of the person subjected to trafficking;
- 4) “Traffickers” means persons, agencies or institutions engaged in any form of trafficking;

- 5) “Persons subjected to trafficking” means women and children victimised or forced into prostitution by the traffickers by deception, threat, coercion, kidnapping, sale, fraudulent marriage, child marriage, or any other unlawful means;
- 6) “Protective home” means a home established or recognised by a Government of a Member State for the reception, care, treatment and rehabilitation of rescued or arrested persons subjected to trafficking.
- 7) “Repatriation” means return to the country of origin of the person subjected to trafficking across international frontiers.

Article II **SCOPE OF THE CONVENTION**

The purpose of this Convention is to promote cooperation amongst Member States so that they may effectively deal with the various aspects of prevention, interdiction and suppression of trafficking in women and children; the repatriation and rehabilitation of victims of trafficking and prevent the use of women and children in international prostitution networks, particularly where the countries of the SAARC region are the countries of origin, transit and destination.

Article III **OFFENCES**

1. The State Parties to the Convention shall take effective measures to ensure that trafficking in any form is an offence under their respective criminal law and shall make such an offence punishable by appropriate penalties which take into account its grave nature.
2. The State Parties to the Convention, in their respective territories, shall provide for punishment of any person who keeps, maintains or manages or knowingly finances or takes part in the financing of a place used for the purpose of trafficking and knowingly lets or rents a building or other place or any part thereof for the purpose of trafficking.
3. Any attempt or abetment to commit any crime mentioned in paras 1 and 2 above or their financing shall also be punishable.

Article IV **AGGRAVATING CIRCUMSTANCES**

1. The State Parties to the Convention shall ensure that their courts having jurisdiction over the offences committed under this Convention, can take into account factual circumstances which make the commission of such offences particularly grave, viz.
 - a) the involvement in the offences of an organised criminal group to which the offender belongs;
 - b) the involvement of the offender in other international organised criminal activities;
 - c) the use of violence or arms by the offender;
 - d) the fact that the offender holds a public office and that the offence is committed in misuse of that office;

- e) the victimisation or trafficking of children;
- f) the fact that the offence is committed in a custodial institution or in an educational institution or social facility or in their immediate vicinity or in other places to which children and students visit for educational, sports, social and cultural activities;
- g) previous conviction, particularly for similar offences, whether in a Member State or any other country.

Article V **JUDICIAL PROCEEDINGS**

In trying offences under this Convention, judicial authorities in Member States shall ensure that the confidentiality of the child and women victims is maintained and that they are provided appropriate counselling and legal assistance.

Article VI **MUTUAL LEGAL ASSISTANCE**

1. The State Parties to the Convention shall grant to each other the widest measure of mutual legal assistance in respect of investigations, inquiries, trials or other proceedings in the requesting State in respect of offences under this Convention. Such assistance shall include:

- a) taking of evidence and obtaining of statements of persons;
- b) provision of information, documents and other records including criminal and judicial records;
- c) location of persons and objects including their identification;
- d) search and seizures;
- e) delivery of property including lending of exhibits;
- f) making detained persons and others available to give evidence or assist investigations;
- g) service of documents including documents seeking attendance of persons; and
- h) any other assistance consistent with the objectives of this Convention.

2. Requests for assistance shall be executed promptly in accordance with their national laws and in the manner requested by the Requesting State. In the event that the Requested State is not able to comply in whole or in part with a request for assistance or decides to postpone execution it shall promptly inform the Requesting State and shall give reasons for the same.

Article VII **EXTRADITION OR PROSECUTION**

1. The offences referred to in the present Convention shall be regarded as extraditable offences in any extradition treaty which has been or may hereinafter be concluded, between any of the

Parties to the Convention.

2. If a State Party which makes extradition conditional on the existence of a treaty, receives a request for extradition from another State Party with which it has no extradition treaty, the Requested State shall, if so permitted by its laws, consider this Convention as the basis for extradition in respect of the offences set forth in Article III.
3. Extradition shall be granted in accordance with the laws of the State to which the request is made.
4. The State Party in whose territory the alleged offender is present shall, if it does not extradite him or her, submit, without exception whatsoever and without undue delay, the case to its competent authorities for the purpose of prosecution in accordance with the laws of that State.
5. In States where extradition of their nationals is not permitted under their law, nationals who have committed offences under the present Convention shall be prosecuted and punished by their courts.

Article VIII
**MEASURES TO PREVENT AND INTERDICT TRAFFICKING
IN WOMEN AND CHILDREN**

1. The State Parties to the Convention shall provide sufficient means, training and assistance to their respective authorities to enable them to effectively conduct inquiries, investigations and prosecution of offences under this Convention.
2. The State Parties to the Convention shall sensitize their law enforcement agencies and the judiciary in respect of the offences under this Convention and other related factors that encourage trafficking in women and children.
3. The State Parties to the Convention shall establish a Regional Task Force consisting of officials of the Member States to facilitate implementation of the provisions of this Convention and to undertake periodic reviews.
4. The State Parties to the Convention may also, by mutual agreement, set up bilateral mechanisms to effectively implement the provisions of the Convention, including appropriate mechanisms for cooperation to interdict trafficking in women and children for prostitution.
5. The State Parties to the Convention shall exchange, on a regular basis, information in respect of agencies, institutions and individuals who are involved in trafficking in the region and also identify methods and routes used by the traffickers through land, water or air. The information so furnished shall include information of the offenders, their fingerprints, photographs, methods of operation, police records and records of conviction.
6. The State Parties to the Convention may consider taking necessary measures for the supervision of employment agencies in order to prevent trafficking in women and children under the guise of recruitment.
7. The State Parties to the Convention shall endeavour to focus preventive and development efforts on areas which are known to be source areas for trafficking.

8. The State Parties to the Convention shall promote awareness, *inter-alia*, through the use of the media, of the problem of trafficking in women and children and its underlying causes including the projection of negative images of women.

Article IX
**CARE, TREATMENT, REHABILITATION AND
REPATRIATION OF THE VICTIMS**

1. The State Parties to the Convention shall work out modalities for repatriation of the victims to the country of origin.
2. Pending the completion of arrangements for the repatriation of victims of cross-border trafficking, the State Parties to the Convention shall make suitable provisions for their care and maintenance. The provision of legal advice and health care facilities shall also be made available to such victims.
3. The State Parties to the Convention shall establish protective homes or shelters for rehabilitation of victims of trafficking. Suitable provisions shall also be made for granting legal advice, counselling, job training and health care facilities for the victims.
4. The State Parties to the Convention may also authorise the recognised non-governmental organisations to establish such protective homes or shelters for providing suitable care and maintenance for the victims of trafficking.
5. The State Parties to the Convention shall encourage recognised non-governmental organisations in efforts aimed at prevention, intervention and rehabilitation, including through the establishment of such protective homes or shelters for providing suitable care and maintenance for the victims of trafficking.

Article X
IMPLEMENTATION

The State Parties to the Convention shall adopt, in accordance with their respective Constitutions, the legislative and other measures necessary to ensure the implementation of the Convention.

Article XI
HIGHER MEASURES

The measures provided for in the Convention are without prejudice to higher measures of enforcement and protection accorded by relevant national laws and international agreements.

Article XII
SIGNATURE AND RATIFICATION

The Convention shall be open for signature by the Member States of SAARC at the Eleventh SAARC Summit at Kathmandu and thereafter, at the SAARC Secretariat at Kathmandu. It shall be subject to ratification. The Instruments of Ratification shall be deposited with the Secretary-General.

Article XIII
ENTRY INTO FORCE

This Convention shall enter into force on the fifteenth day following the day of the deposit of the seventh Instrument of Ratification with the Secretary-General.

Article XIV
DEPOSITORY

The Secretary-General shall be the depository of this Convention and shall notify the Member States of signatures to this Convention and all deposits of Instruments of Ratification. The Secretary-General shall transmit certified copies of such instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Convention will have entered into force in accordance with Article XIII.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Convention.

DONE at Kathmandu on this Fifth Day of January Two Thousand and Two, in nine originals, in the English Language, all texts being equally authentic.

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

JIGMI Y. THINLEY
Minister of Foreign Affairs
Kingdom of Bhutan

JASWANT SINGH
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

RAM SHARAN MAHAT
Minister of Finance and Leader
of the Delegation of Nepal
Kingdom of Nepal

ABDUL SATTAR
Minister of Foreign Affairs
Islamic Republic of Pakistan

TYRONNE FERNANDO
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

**ADDITIONAL PROTOCOL
TO THE SAARC REGIONAL CONVENTION
ON SUPPRESSION OF TERRORISM**

THE MEMBER STATES OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL CO-OPERATION (SAARC)

MINDFUL of the purposes and the principles of co-operation enshrined in the SAARC Charter and the Charter of the United Nations;

RECALLING the Declaration of the Eleventh SAARC Summit adopted at Kathmandu on 6th January 2002;

FURTHER RECALLING that, at the Eleventh SAARC Summit, the Heads of State or Government, reiterated their support to the United Nations Security Council Resolution 1373 of September 28, 2001 and affirmed their determination to re-double efforts collectively as well as individually, to prevent and suppress terrorism in all its forms and manifestations, including, by increased co-operation and full implementation of the relevant international conventions relating to terrorism to which they are parties and called on all Member States, inter-alia, to prevent and suppress the financing of terrorist acts by criminalizing the provision, acquisition and collection of funds for such acts;

BEARING IN MIND the decision of the SAARC Council of Ministers at its Twenty Third Session in Kathmandu on 22nd August, 2002, wherein the Council mandated the preparation of an Additional Protocol to the SAARC Regional Convention on Suppression of Terrorism, recognizing the importance of updating the Convention, in order to meet the obligations devolving in terms of Security Council Resolution 1373 (2001);

HAVE AGREED as follows:

**Article 1
Objectives and Purposes**

The purpose of this Additional Protocol is to strengthen the SAARC Regional Convention on Suppression of Terrorism, particularly by criminalizing the provision, collection or acquisition of funds for the purpose of committing terrorist acts and taking further measures to prevent and suppress financing of such acts. Towards this end, State Parties agree to adopt necessary measures to strengthen co-operation among them, in accordance with the terms of this Additional Protocol.

**Article 2
Definitions**

1. "Funds" means assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including, but not limited to, bank credits, travelers cheques, bank cheques, money orders, shares, securities, bonds, drafts and letters of credit.
2. "Proceeds" means any funds derived from or obtained, directly or indirectly, through the commission of an offence set forth in Article 3.

Article 3

Offences

1. Any person commits an offence within the meaning of this Additional Protocol if that person by any means, directly or indirectly, unlawfully and willfully, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out :
 - (a) An act which constitutes an offence within the scope of and as defined in one of the treaties listed in the Annex to this Protocol; or
 - (b) Any other act intended to cause death or serious bodily injury to a civilian, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or to abstain from doing any act; or
 - (c) An offence within the scope of any Convention to which SAARC Member States concerned are parties and which obliges the parties to prosecute or grant extradition.
2. (a) On depositing its instrument of ratification, acceptance, approval or accession, a State Party which is not a party to a treaty listed in the annex may declare that, in the application of this Convention to the State Party, the treaty shall be deemed not to be included in the annex referred to in paragraph 1, subparagraph (a). The declaration shall cease to have effect as soon as the treaty enters into force for the State Party, which shall notify the depository of this fact;
- (b) When a State Party ceases to be a party to a treaty listed in the annex, it may make a declaration as provided for in this article, with respect to that treaty.
3. For an act to constitute an offence set forth in paragraph 1, it shall not be necessary that the funds were actually used to carry out an offence referred to in paragraph 1, subparagraph (a), (b) or (c).
4. Any person also commits an offence if that person attempts to commit an offence as set forth in paragraph 1 of this article.
5. Any person also commits an offence if that person:
 - (a) Participates as an accomplice in an offence as set forth in paragraph 1 or 4 of this article;
 - (b) Organizes or directs others to commit an offence as set forth in paragraph 1 or 4 of this article;
 - (c) Contributes to the commission of one or more offences as set forth in paragraph 1 or 4 of this article by a group of persons acting with a common purpose. Such contribution shall be intentional and shall either:
 - i. be made with the aim of furthering the criminal activity or criminal purpose of the group, where such activity or purpose involves the commission of an offence as set forth in paragraph 1 of this article; or
 - ii. be made in the knowledge of the intention of the group to commit an offence as set forth in paragraph 1 of this article.

Article 4

Domestic Measures

States Parties, in accordance with the provisions of their respective Constitutions, shall endeavour to become Parties to the international instruments listed in the Annex to which they are not yet a Party.

Article 5

Liability of legal entities

1. Each State Party, in accordance with its domestic legal principles, shall take the necessary measures to enable a legal entity located in its territory or organized under its laws to be held liable when a person responsible for the management or control of that legal entity has, in that capacity, committed an offence as set forth in Article 3. Such liability may be criminal, civil or administrative.
2. Such liability is incurred without prejudice to the criminal liability of an individual or individuals who have committed the offences.
3. Each State Party shall ensure, in particular, that legal entities liable in accordance with paragraph 1 above are subject to effective, proportionate and dissuasive criminal, civil or administrative sanctions. Such sanctions may include monetary sanctions.

Article 6

Measures to prevent, suppress and eradicate the financing of terrorism

1. State Parties shall consider and take all practical measures at the national level, inter-alia by adapting their domestic legislation to prevent, suppress and eradicate the financing of terrorism, and for effective international cooperation with respect thereto including:
 - a) A comprehensive domestic regulatory and supervisory regime for banks, other financial institutions and other entities deemed particularly susceptible to being used for the financing of terrorist activities. This regime shall require banks and other financial institutions and other entities to utilize effective measures for the identification of customers, paying special attention to unusual or suspicious transactions and to report promptly to the Competent Authorities, all complex, unusual large transactions and unusual patterns of transactions, which have no apparent economic or obviously lawful purpose;
 - b) Measures to detect and monitor movements across national borders, of cash, bearer negotiable instruments and other appropriate movements of value. These measures shall be subject to safeguards to ensure proper use of information and should not impede legitimate capital movements;
 - c) Measures of assistance in connection with criminal investigations or criminal proceedings relating to the financing or support of any act constituting an offence within the scope of the international instruments listed in Article 3 of this Additional Protocol, including assistance in obtaining evidence in their possession, necessary for the proceedings;
 - d) Establishing and monitoring channels of communication between their competent agencies and services to facilitate the secure and rapid exchange of information concerning all aspects of offences set forth in Article 3, within the conditions prescribed by domestic law.
2. Towards facilitating the above, each State Party shall consider measures to establish and maintain a

financial intelligence unit to serve as a national center for the collection, analysis and dissemination of pertinent money laundering and terrorist financing information.

Article 7

Seizure and confiscation of funds or other assets

1. Each State Party shall take appropriate measures, in accordance with its domestic legal principles, for the identification, detection and freezing or seizure of any funds used or allocated for the purpose of committing the offences set forth in Article 3 as well as the proceeds derived from such offences, for purposes of possible forfeiture.
2. Each State Party shall take appropriate measures, in accordance with its domestic legal principles, for the forfeiture of funds used or allocated for the purpose of committing the offences set forth in Article 3 and the proceeds derived from such offences.
3. Each State Party concerned may give consideration to concluding agreements on the sharing with other State Parties, on a regular or case-by-case basis, of the funds derived from the forfeiture referred to in this Article.
4. The provisions of this Article shall be implemented without prejudice to the rights of third parties acting in good faith.
5. The measures referred to in paragraph 1 shall apply with respect to offences committed both within and outside the jurisdiction of a State Party.

Article 8

Predicate offences to money laundering

1. State Parties shall take the necessary measures to ensure that its domestic money laundering legislation also includes as predicate offences those offences set forth in Article 3 of this Additional Protocol.
2. Money laundering predicate offences referred to in paragraph 1, shall include those committed both within and outside the jurisdiction of a State Party.

Article 9

Co-operation on immigration and customs controls

1. States Parties, consistent with their respective domestic legal and administrative regimes, shall promote co-operation and the exchange of information in order to improve immigration and customs control measures to detect and prevent the international movement of terrorists and trafficking in arms or other materials intended to support terrorist activities.
2. To this end, they shall promote co-operation and the exchange of information to improve their controls on the issuance of travel and identify documents and to prevent their counterfeiting, forgery, or fraudulent use.
3. Such co-operation shall be carried out without prejudice to applicable international commitments in relation to the free movement of people and the facilitation of commerce.

Article 10
Co-operation among law enforcement authorities

States Parties shall work closely with one another, consistent with the respective domestic legal and administrative systems, to enhance the effectiveness of law enforcement action to combat the offences established in the international instruments listed in Article 3.

Article 11
Mutual legal assistance

The provisions of Article VIII of the 1987 SAARC Regional Convention on Suppression of Terrorism, relating to Mutual Legal Assistance shall apply, mutatis mutandis, in respect of the offences set forth in Article 3 of this Additional Protocol.

Article 12
Extradition

1. The provisions of Article III of the 1987 SAARC Regional Convention on Suppression of Terrorism shall apply, mutatis mutandis, in respect of the offences set forth in Article 3 of this Additional Protocol
2. The provisions of Article IV of the 1987 SAARC Regional Convention on Suppression of Terrorism relating to the duty to extradite or prosecute shall apply, mutatis mutandis, in respect of the offences set forth in Article 3 of this Additional Protocol.

Article 13
Exclusion of Fiscal Offence exception

None of the offences set forth in Article 3 shall be regarded, for the purpose of extradition or mutual legal assistance, as a fiscal offence. Accordingly, State Parties may not refuse a request for extradition or for mutual legal assistance on the sole ground that it concerns a fiscal offence.

Article 14
Exclusion of political offence exception

For the purpose of extradition or mutual legal assistance, none of the offences established in the international instruments set forth in Article 3, shall be regarded as a political offence or an offence connected with a political offence or an offence inspired by political motives. Accordingly, a request for extradition or mutual assistance may not be refused on the sole ground that it concerns a political offence or an offence connected with a political offence or an offence inspired by political motives.

Article 15
Denial of refuge status

Each State Party shall take appropriate measures, consistent with the relevant provisions of national and international law, for the purpose of ensuring that refugee status is not granted to any person in respect of whom there are serious reasons for considering that he or she has committed an offence set forth in Article 3 of this Additional Protocol.

Article 16

Non-discrimination

None of the provisions of this Additional Protocol shall be interpreted as imposing an obligation to extradite or to provide mutual legal assistance, if the requested State Party has substantial grounds to believe that the request to extradite or to provide mutual legal assistance, has been made for the purpose of prosecuting or punishing a person on account of that person's race, religion, nationality, ethnic origin or political opinion, or that compliance with the request would cause prejudice to that person's position for any of these reasons.

Article 17

Principles of Sovereign Equality and Territorial Integrity

1. State Parties shall carry out their obligations under this Additional Protocol in a manner consistent with the principles of sovereign equality and territorial integrity of states and that of non-intervention in the domestic affairs of other states.
2. Nothing in this Additional Protocol entitles a State Party to undertake in the territory of another State Party exercise of jurisdiction or performance of functions that are exclusively reserved for the authorities of that other State Party by its domestic law.

Article 18

Rights and Obligations under International Law

Nothing in this Additional Protocol shall be interpreted as affecting other rights and obligations and responsibilities of States and individuals under international law, in particular, the purposes and principles of the Charter of the United Nations, international humanitarian law, and international human rights law.

Article 19

Technical Co-operation

State Parties shall promote, where appropriate, technical co-operation and training programmes with other regional and international organizations conducting activities related to the objectives and purposes of this Additional Protocol.

Article 20

Consultations

State Parties shall hold periodic consultations, as appropriate, with a view to facilitating:

- (a) The effective implementation of this Additional Protocol; and
- (b) The exchange of information and experiences on effective means and methods to prevent, detect, investigate and punish offences within the scope of the Additional Protocol.

Article 21

Relationship to SAARC Convention

This Additional Protocol supplements the SAARC Regional Convention on Suppression of Terrorism, done at Kathmandu on 4th November, 1987. The 1987 SAARC Regional Convention and

this Additional Protocol shall be read and interpreted together as a single instrument.

Article 22

Signature and ratification

This Additional Protocol is open for signature by all Member States of SAARC at the SAARC Secretariat in Kathmandu. It shall be subject to ratification. Instruments of Ratification shall be deposited with the Secretary-General of SAARC.

Article 23

Entry into Force

The Additional Protocol shall enter into force on the thirtieth day following the date of deposit of the seventh Instrument of Ratification with the Secretary-General of SAARC.

Article 24

Depositary

The Secretary-General of SAARC shall be the depositary of this Additional Protocol and shall notify Member States of signatures to this Additional Protocol and all deposits of Instruments of Ratification. The Secretary-General shall transmit certified copies of such instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Additional Protocol will have entered into force in accordance with Article 23.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments have signed this Additional Protocol.

DONE in ISLAMABAD, PAKISTAN, On This The Sixth Day of January Of the Year Two Thousand Four and in Nine Originals in the English Language all texts being equally authentic.

M. MORSHED KHAN

Minister of Foreign Affairs
Republic of Bangladesh

LYONPO NADO RINCHHEN

Minister of Foreign Affairs
Kingdom of Bhutan

YASHWANT SINHA

Minister of External Affairs
Republic of India

FATHULLA JAMEEL

Minister of Foreign Affairs
Republic of Maldives

DR. BHEKH B. THAPA

Ambassador-at-Large
His Majesty's Government of Nepal

KHURSHID M. KASURI

Minister of Foreign Affairs
Islamic Republic of Pakistan

TYRONNE FERNANDO

Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

- A.** Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970.
- B.** Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September 1971.
- C.** Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, approved by the General Assembly of the United Nations on 14 December 1973.
- D.** International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on 17 December 1979.
- E.** Convention on the Physical Protection of Nuclear Material, signed at Vienna on 3 March 1980.
- F.** Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 24 February 1988.
- G.** Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March 1988.
- H.** Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf, done at Rome on 10 March 1988.
- I.** International Convention for the Suppression of Terrorist Bombings, approved by the General Assembly of the United Nations on 15 December 1997.
- J.** International Convention for the Suppression of the Financing of Terrorism, approved by the General Assembly of the United Nations on 9 December 1999.

SAARC Convention on Mutual Assistance in Criminal Matters

The Member States of the South Asian Association for Regional Cooperation (SAARC) hereinafter referred to as the States Parties;

Mindful of the principles of cooperation enshrined in the SAARC Charter;

Reaffirming the principles of sovereignty, territorial integrity and non-interference in internal affairs of States.

Recalling the Declaration of the Fourteenth SAARC Summit to work on the modalities to implement the provisions of the existing SAARC Conventions and reiterating the need for law enforcement authorities of Member States to enhance cooperation in the prevention, suppression and prosecution of offences under these instruments.

Concerned about the rising trends in criminal acts including organized crime, and determined to effectively curb the commission of such acts, both national and transnational;

Convinced that the establishment of regional arrangements for mutual assistance in criminal matters will greatly contribute to the development of more effective cooperation for the control of criminality;

Conscious of the need to respect human dignity and recalling the rights conferred upon every person involved in criminal proceedings, as embodied in international instruments including the Universal Declaration of Human Rights;

Recognizing the importance of a convention on mutual assistance in criminal matters as an effective way of dealing with the complex aspects and serious consequences of crime in its new forms and dimensions;

Recalling the discussions in SAARC on cooperation measures for combating criminal activities including those related to terrorism;

Desirous of extending to each other the widest measures of cooperation in combating crime by strengthening cooperation in the prevention, investigation and prosecution of crimes.

Have agreed as follows:

Part I – General Provisions

Article 1

Scope of Application

1. The States Parties to this Convention shall, subject to their national laws, and in accordance with the provisions of the Convention, provide to each other the widest possible measures of mutual legal assistance in criminal matters, namely investigations, prosecution and resulting proceedings.
2. Mutual assistance shall be provided by the requested State Party to the requesting State Party in respect of offences the punishment of which at the time of the request for assistance, falls within the jurisdiction of the judicial authorities of the requesting State and irrespective of whether the assistance is sought or is to be provided by a court or other competent authority.
3. Assistance may be provided without regard to whether the conduct, which is the subject of the

investigation, prosecution or proceedings in the requesting State Party, would constitute an offence under the laws of the requested State Party.

4. Mutual assistance to be rendered by the requested State Party in accordance with the present Convention shall include:

- (i) locating and identifying persons and objects;
- (ii) service of judicial documents;
- (iii) providing information, documents and records;
- (iv) providing objects, including lending exhibits;
- (v) search and seizure;
- (vi) taking evidence and obtaining statements;
- (vii) making detained persons available to give evidence or assist investigations;
- (viii) facilitating the appearance of witnesses or the assistance of persons in investigations;
- (ix) taking measures to locate, restrain or forfeit the proceeds and instruments of crime;
- (x) taking measures to locate, freeze and confiscate any funds or finances meant for the financing of all criminal acts in the territory of either State Party; and
- (xi) Any other assistance consistent with the objectives of this Convention and the laws of the requested State Party, as may be mutually agreed upon.

5. This Convention shall apply to all requests for assistance after its entry into force and subject to laws and or concurrence of the concerned States Parties, even if the relevant criminal acts occurred before its entry into force prior to that date.

6. The provisions of this Convention shall not create any right on the part of any private person to obtain, suppress or exclude any evidence or to impede the execution of any request for assistance.

7. This Convention shall not apply to:

- (i) The arrest or detention of any person with a view to the extradition of that person;
- (ii) The transfer of persons in custody to serve sentences;
- (iii) The transfer of proceedings in criminal matters;
- (iv) The enforcement in the requested State Party of judgments in criminal matters passed in the requesting State Party, except to the extent permitted by the law of the requested State Party; and
- (v) Offences under military law, which are not offences under ordinary criminal law.

8. Nothing in this Convention entitles a State Party to undertake in the territory of another State Party the exercise of jurisdiction and performance of functions that are reserved exclusively for the authorities of that other State Party by its domestic laws.

Article 2

Definitions

For the purpose of this Convention:

1. 'Criminal Matter' means investigations, inquiries, trials or other proceedings relating to an offence created by the legislature of the requesting State Party and includes investigations, prosecutions and proceedings relating to economic or fiscal offences concerning taxation, duties, customs and foreign exchange.
2. 'Proceeds of Crime' means any property derived or obtained directly or indirectly by any person as a result of criminal activity including crime involving currency transfers or the value of any such property.
3. 'Property' means property and assets of every description whether corporeal or incorporeal, movable or immovable, tangible or intangible and deeds and instruments evidencing title to, interest in, such property or assets derived or used in the commission of an offence and includes property obtained through proceeds of crime.

Article 3

Other Conventions/Treaties

This Convention shall not affect the rights and obligations of the States Parties arising from other conventions/treaties concerning mutual assistance in criminal matters to which they are parties.

Article 4

Execution of Requests

1. Requests for assistance shall be executed promptly in accordance with the laws and practice of the requested State Party and, insofar as not prohibited by such laws, in the manner specified by the requesting State Party.
2. The requested State Party shall, upon request, inform the requesting State Party of the date and place of execution of the request for assistance.
3. The requested State Party shall not refuse to execute a request on the ground of bank secrecy.

Article 5

Refusal and Postponement of Assistance

1. Assistance may be refused if:
 - (i) in the opinion of the requested State Party, the execution of the request would impair its sovereignty, security, public order, or other essential interests or prejudice the safety of any person;
 - (ii) the execution of the request would be contrary to the domestic law of the requested State Party;
 - (iii) the request relates to an offence in respect of which the accused person has already been tried and as a result convicted or acquitted, or he has been pardoned in respect of that offence;
 - (iv) the request seeking restraint, forfeiture or confiscation of proceeds or instruments of activity which, had it occurred within the jurisdiction of the requested State Party, would not have

been an activity in respect of which a confiscation order could have been made;

(v) there are substantial grounds for believing that the request for assistance has been made for the purpose of prosecuting a person on account of that person's race, religion, gender, nationality, ethnic origin or political opinions or that that person's position may be prejudiced for any of those reasons;

(vi) the offence is regarded by the requested State as being of a political nature. An offence shall not be deemed to be an offence of a political nature if it is an offence within the scope of an international convention to which the requesting and the requested Parties are State Parties.

2. Assistance may be postponed by the requested State Party if execution of the request would interfere with an ongoing investigation or prosecution in the requested State Party.

3. The requested State Party shall promptly inform the requesting State Party of its decision not to comply in whole or in part with a request for assistance, or to postpone execution, and shall give reasons for that decision.

4. Before refusing a request for assistance or before postponing the execution of a request, the requested State Party shall consider whether assistance may be provided subject to such conditions, as it deems necessary. If the requesting State Party accepts assistance subject to those conditions, it shall comply with them.

Part II – Specific Provisions

Article 6

Service of Documents

1. The requested State Party shall serve any document relating to a criminal matter transmitted to it for the purpose of service.

2. The requesting State Party shall transmit a request for the service of a document pertaining to a response or appearance in the requesting State Party within a reasonable time, before the scheduled response or appearance.

3. The requested State Party shall return a proof of service in the manner required by the requesting State Party, to the extent not prohibited by the law of the requested State Party.

Article 7

Obtaining Documents, Records, Objects and Information

1. The requested State Party shall provide copies of publicly available information, documents and records of government departments and agencies.

2. The requested State Party may provide any information, documents, records and objects in the possession of a government department or agency, but not publicly available, to the extent and under the conditions they would be available to its own law enforcement and judicial authorities.

3. The requested State Party may provide certified copies of documents or records, unless the requesting State Party specifically requests originals.

4. Original documents, records or objects provided to the requesting State Party shall be returned, to the requested State Party as soon as possible unless the latter waives its right of return thereof.
5. In so far as not prohibited by the law of the requested State Party, documents, records or objects shall be provided in a form or accompanied by such certification as may be specified by the requesting State Party in order to make them admissible according to the law of the requesting State Party.

Article 8

Search and Seizure

The requested State Party shall, to the full extent permissible by its laws and subject to provisions of Article 5, execute requests for search and seizure and delivery of any material to the requesting State Party for evidentiary purposes, provided that the rights of bona-fide third parties are protected.

Article 9

Taking Evidence in the Requested State Party

The requested State Party, shall subject to its domestic laws and upon request, take the sworn or affirmed testimony, documents or records or otherwise obtain statements of persons including a person in custody or require them to produce items of evidence relating to a criminal offence for transmission to the requesting State Party.

Article 10

Making Detained Persons Available to give Evidence or to Assist in Investigation

1. Upon request, a detained person in the requested State Party may, subject to its domestic laws and practice be temporarily transferred to the requesting State Party to assist investigations or to testify, provided that person consents to it.
2. While the person transferred is required to be held in custody under the law of the requested State Party, the requesting State shall hold that person in custody and shall return that person in custody to the requested State Party immediately after the conclusion of the matter in relation to which transfer was sought or at such earlier time as the person's presence is no longer required.
3. When the sentence imposed expires, or where the requested State Party advises the requesting State Party that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as a person present in the requesting State Party pursuant to a request seeking that person's attendance in terms of Article 11.
4. The period during which a person transferred is in custody in the requesting State Party shall be deemed to be service in the requested State Party of an equivalent period of sentence/custody in that country for all purposes.
5. Transfer may be refused if there are any overriding grounds for not transferring him to the territory of the requesting State Party.

Article 11

Giving Evidence or Assisting Investigations in the Requesting State Party

1. The requesting State Party may request the assistance of the requested State Party in inviting a person;

- a. to appear in proceedings in relation to a criminal matter in the requesting State Party unless that person is the person charged; or
- b. to assist in the investigations in relation to a criminal matter in the requesting State Party.

2. The requested State Party shall invite the person to assist in the investigation or to appear as a witness in the proceedings and seek that person's concurrence thereto. That person shall be informed of any expenses and allowances payable. Where appropriate, the requested State Party shall satisfy itself that satisfactory arrangements have been made for the person's safety.

3. A person whose appearance as a witness is the subject of a request and who does not agree to appear shall not by reason thereof be made liable to any penalty or measure of compulsion in either the requesting or the requested State Party.

Article 12

Safe Conduct

1. Subject to the provisions of Article 10, a person present in the requesting State Party in response to a request shall not be prosecuted, detained or subjected to any other restriction of personal liberty in that State Party for any acts or omissions which preceded that person's departure from the requested State Party, nor shall that person be obliged to give evidence in any proceedings other than to which the request relates.

2. Paragraph 1 of this Article shall cease to apply if a person, being free to leave the requesting State Party, has not left within fifteen (15) days after receiving official notification that the person's attendance is no longer required, or having left, has voluntarily returned. In such cases, the date and place of release of the person in question should be officially notified to the requested State Party.

3. Any person who fails to appear in the requesting State Party may not be subjected to any sanction or compulsory measure in the requested State Party.

Article 13

Funds Meant for Financing of Criminal Acts

Where a State Party has reason to believe that any person or group of persons in its jurisdiction has collected or has been collecting or has contributed or has been contributing to any funds meant, directly or indirectly, for the financing or furthering criminal acts in the territory of the other State Party including offences within the scope of the SAARC Conventions relating to the Suppression of Terrorism and Trafficking in Narcotic Drugs and of multilateral conventions subscribed to by the Parties relating to the suppression of crimes, it shall bring these facts to the notice of the other State Party and shall take steps as permitted by its law for search, seizure or confiscation of such funds and the prosecution of the person(s) or group(s) involved.

Article 14

Proceeds and Instruments of Crime

1. The requested State Party shall, upon request, endeavour to ascertain whether any proceeds or instruments of the alleged crime are located within its jurisdiction and shall notify the requesting State Party of the results of its inquiries. In making the request, the requesting State Party shall notify the requested State Party of the basis of its belief that such proceeds or instruments of crime are located within its jurisdiction.

2. In pursuance of a request made under paragraph 1 of the present Article, the requested State Party

shall endeavour to trace assets, investigate financial dealings, and obtain other information or evidence that may help to secure the recovery of proceeds or instruments of crime.

3. Where pursuant to paragraph 1 of the present Article, suspected proceeds or instruments of crime are found, the requested State Party shall, upon request, take such measures as are permitted by its law to prevent any dealing in, transfer or disposal of those suspected proceeds or instruments of crime, pending a final determination in respect of those proceeds or instruments by the requesting State Party.

4. Subject to the provisions of domestic laws of the requested State Party, property forfeited or confiscated pursuant to the present Article shall accrue to the requesting State Party unless otherwise agree in each particular case.

5. The requested State Party shall, to the extent permitted by its law, give effect to or permit enforcement of a final order forfeiting or confiscating the proceeds or instruments of crime made by the requesting State Party or take other appropriate action to secure the proceeds or instruments of crime following a request by the requesting State Party.

6. The Parties shall ensure that the rights of bonafide third parties shall be respected in the application of the present article.

Part III – Procedure

Article 15 Central Authorities

1. Each State Party shall designate a Central Authority to transmit, receive, examine and process for execution requests for assistance under this Convention.

2. The designation of Central Authorities shall be made at the time of the deposit of its instrument of ratification or soon thereafter.

3. Each State Party shall expeditiously notify the others of any change in the designation of its Central Authority.

Article 16 Contents of Requests

1. The requests for assistance under the Convention shall include:

- (i) the name of the competent authority conducting the investigation, prosecution or other proceedings to which the request relates;
- (ii) the nature of the investigation, prosecution or other proceedings including a summary of the facts and copies of the provisions of relevant laws; and where applicable a description of the offence to which the request relates, and a description of the evidence;
- (iii) the purpose of the request and the nature of the information or assistance sought;
- (iv) the degree of confidentiality required and the reasons for that; and
- (v) any time limit within which the request should be executed.

- (vi) such other information as may be required under the domestic laws of the requested State Party or which is otherwise necessary for the proper execution of the request.

2. In the following cases, requests for assistance shall also include:

- (i) in the case of requests for the taking of evidence, search and seizure, or the location, restraint or forfeiture of proceeds or instruments of crime, or of funds meant for financing of criminal acts, a statement indicating the basis for belief that evidence or proceeds or instruments may be found in the requested State Party;
- (ii) The request shall specify, as appropriate and so far as the circumstance of the case permit:
 - (a) the documents, records, property or computer data to be inspected, preserved, photographed, copied or transmitted;
 - (b) the samples of any property or computer data to be taken, examined or transmitted; and
 - (c) the site to be viewed or photographed
- (iii) in the case of requests to take evidence from a person, an indication as to whether sworn or affirmed statements are required and a description of the subject matter of the evidence or statement sought;
- (iv) in the case of lending of exhibits, the current location of the exhibits in the requested State Party and an indication of the person or class of persons who will have custody of the exhibits in the requesting State Party, the place to which the exhibit is to be removed, any tests to be conducted and the date by which the exhibit will be returned;
- (v) in the case of making detained persons available, an indication of the person or class of persons who will have custody during the transfer, the place to which the detained person is to be transferred and the probable date of that person's return; and
- (vi) in case of requests for seizure and confiscation of funds meant for financing of criminal acts, the basis for belief that the funds are being so used.
- (vii) any court order pertaining to the assistance requested and a statement relating to the finality of that order.

3. If necessary, and where possible, requests for assistance shall include:

- (i) the identity, nationality and location of a person or persons who is/are the subject of the investigation, prosecution or other proceedings; and
- (ii) details of any particular procedure or requirement that the requesting State Party wishes to be followed and the reasons for that.

4. If the requested State Party considers that the information is not sufficient to enable the request to be executed, it may request additional information to enable the request to be dealt with.

5. A request for assistance shall be made in writing. However, in urgent circumstances or where otherwise permitted by the requested State Party, a request may be made orally but shall be confirmed in writing promptly thereafter.

Article 17

Confidentiality

1. The requested State Party may require, after consultation with the requesting State Party, that information or evidence furnished or the source of such information or evidence be kept confidential, disclosed or used only subject to such terms and conditions as it may specify.
2. The requesting State Party may require that the request, its contents, supporting documents and any action taken pursuant to the request be kept confidential. If the request cannot be executed without breaching the confidentiality requirement, the requested State Party shall so inform the requesting State Party prior to executing the request and the latter shall then determine whether the request should nevertheless be executed.

Article 18

Limitation of Use

The requesting State Party shall not disclose or use information or evidence furnished for purposes other than those stated in the request, without the prior consent of the requested State Party. However, in cases where the charge is altered, the material provided may be used in respect of the altered charge, provided a ground for refusal of assistance under the Convention is not attracted.

Article 19

Authentication

Documents, records or objects transmitted pursuant to this Convention shall not require any form of authentication, except as specified in Article 7 pertaining to the obtaining of documents, records, objects and information as required by the requesting State Party.

Article 20

Language

1. Requests for assistance under the Convention shall be submitted in the English language.
2. Supporting documents, and other communications, if not in the English language, shall be accompanied by an English translation.

Article 21

Expenses

1. Unless otherwise agreed by the concerned Parties, the requested State Party shall meet the cost of executing the request for assistance, except that the requesting State Party shall bear:
 - (i) the expenses associated with conveying any person to or from the territory of the requested State Party at the request of the requesting State Party, and any expenses payable to that person while in the requesting State Party pursuant to a request under the Convention;
 - (ii) the expenses and fees of experts either in the requested State Party or the requesting State Party;
 - (iii) the expenses of translation, interpretation and transcription; and
 - (iv) the expenses associated with the taking of evidence from the requested State Party to the requesting State Party via video, satellite or other technological means.

2. If the execution of the request requires or is likely to require expenses of an extraordinary nature, the requesting and the requested States Parties shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article 22

Consultation

The States Parties shall consult as and when necessary, at the request of any State Party, on matters concerning the interpretation and application of this Convention. The concerned States Parties shall also consult promptly in relation to a particular case at the request of either State Party in order to promote the most effective implementation of the Convention.

Part IV – Final Clauses

Article 23

Signature

The Convention shall be open for signature by the Member States of SAARC at the Fifteenth SAARC Summit at Colombo and thereafter at the SAARC Secretariat at Kathmandu.

Article 24

Entry into Force

This Convention is subject to ratification and shall enter into force on the thirtieth day after the date of deposit of the last instrument of ratification in accordance with Article 26.

Article 25

Amendment

A State Party may propose an amendment to the present Convention to the Secretary General of SAARC, who shall communicate the proposal to other States Parties to the Convention for consideration. Any amendment to the Convention shall be adopted by consensus.

Article 26

Depository

The Secretary General of SAARC shall be the depository for this Convention. The Secretary General shall notify the Member States of signatures of this Convention and the deposit of instruments of ratification and shall transmit certified copies of instruments of ratification to each Member State. The Secretary General shall also notify the Member States of the date of entry into force of the Convention in accordance with Article 24.

IN WITNESS WHEREOF, the undersigned plenipotentiaries, being duly authorised by their respective Governments, have signed this Convention.

**DONE at Colombo, Sri Lanka On This The Third Day of August Two Thousand Eight, In Ten
Originals In English Language, All Texts Being Equally Authentic.**

Rangin Dadfar Spanta
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Iftekhhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Foreign Affairs
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Abdulla Shahid
Minister of Foreign Affairs
Republic of Maldives

Ram Sharan Mahat
Minister for Finance
Federal Democratic Republic of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SAARC CONVENTION ON COOPERATION ON ENVIRONMENT

The Member States of the South Asian Association for Regional Cooperation (SAARC), comprising the Islamic Republic of Afghanistan, the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka, hereinafter referred to as the Parties;

Mindful of the objectives as enshrined in the SAARC Charter;

Recalling the decision of the Twelfth SAARC Summit on the importance of an early and effective implementation of the SAARC Environment Plan of Action and drafting a Regional Environment Treaty;

Also recalling the Thirteenth SAARC Summit Declaration to consider modalities for having a Regional Environment Treaty in furthering environmental cooperation among the SAARC Member States while expressing deep concern at the continuing degradation of environment and reaffirming the importance of concerted efforts in the protection and preservation of environment;

Recognizing the interest of the Parties to promote sustainable management of environment and natural resources;

Taking into consideration the deep concerns of the Member States on the unabated degradation of the environment and the adverse impacts of climate change in the region and their shared interest in its conservation for the well being of present and future generations;

Determined to promote closer cooperation among the Parties for the protection and preservation, management and enhancement of environment;

Have agreed as follows:

Article I Objective

The objective of this Convention is to promote cooperation among the Parties in the field of environment and sustainable development, on the basis of equity; reciprocity and mutual benefit, taking into account the applicable policies and legislation in each Member State.

Article II Scope

Cooperation will extend to exchange of best practices and knowledge, capacity building and transfer of eco-friendly technology in the following areas but not limited to:

- a) Afforestation and reforestation;
- b) Air Quality Management;
- c) Biological diversity;
- d) Climate Change;
- e) Coastal Zone Management;
- f) Coral reef management;
- g) Eco-system management for sustainable livelihoods;
- h) Global environmental issues;
- i) Land Degradation and Desertification;
- j) Mountain eco-system glaciers and glacial lake including high altitude hydrological monitoring;

- k) River eco system including river cleaning;
- l) Seawater and Freshwater Quality Management;-
- m) ~~Strengthening disaster management capabilities;-~~
- n) Waste Management;
- o) Wildlife conservation and combating illegal trade in wildlife and bio-resources;
- p) Water management and conservation;
- q) Environmental Impact Assessment Studies;
- r) Soil erosion and sedimentation;
- s) Role/impact of human activity;

Article III Forms of Cooperation

1. Cooperation among the Parties may be carried out in the following form:
 - a) Collaboration among Parties and their agencies;
 - b) Collaboration among academic and research institutions in the Member States; exchange of information and dissemination of research findings;
 - c) Collaboration among SAARC Regional Centres on issues related to the environment;
 - d) Encourage collaboration between private sector institutions and civil societies of the Member States;
 - e) Any other form of cooperation, as agreed by the Parties;
2. The modalities for collaboration under this Article shall be developed by the Governing Council.

Article IV Funding

The financial terms of cooperation shall be based on the norms followed in SAARC and as may be decided by the Governing Council.

Article V Coordination and Implementation of the Convention

1. There shall be a Governing Council comprising Environment Ministers of the Member States. The Governing Council shall be facilitated by Senior Officials to ensure full and effective implementation of the Convention.
2. The Governing Council shall meet at least once in two years and the Senior Officials shall meet once a year.
3. All decisions of the Governing Council shall be taken on the basis of unanimity.
4. The Governing Council shall ensure the full and effective implementation of the Convention by the Parties.
5. The Governing Council, among others, will:
 - (a) provide policy direction and guidance;
 - (b) monitor and adopt recommendations, plans and programmes on the areas of cooperation;

- (c) commission studies and scientific data collection and facilitate transfer of technology on the areas of cooperation;
- (d) Adopt and periodically review the implementation arrangements, including access to funds following SAARC Development Fund (SDF) criteria for this Convention;
- (e) establish and maintain cooperation with other relevant international and regional organizations; and
- (f) take such other decisions as may be deemed necessary for the fulfilment of the objectives of this Convention;

Article VI Other Treaties and Agreements

This Convention shall not affect the rights and obligations of the Parties under other bilateral or multilateral Treaties and Agreements to which they are a Party.

Article VII Settlement of Disputes

Any dispute, between or among Parties arising out of the interpretation or application of this Convention shall be settled through negotiations.

Article VIII Entry into Force

This Convention shall come into force thirty days following the date of deposit of the eighth Instrument of Ratification with the Depository.

Article IX Ratification

This Convention shall be subject to ratification and the Instruments of Ratification by the Parties, shall be deposited with the Depository.

Article X Amendments

This Convention may be amended at any time by unanimous agreement of the Parties. Such amendment shall enter into force upon ratification by all Parties.

Article XI Depository

The Secretary General of SAARC shall be the depository for this Convention. The Secretary General shall notify the Member States of signatures of this Convention and the deposit of instruments of ratification and shall transmit certified copies of instruments of ratification to each Member State. The Secretary General shall also notify the Member States of the date of entry into force of the Convention in accordance with Article VIII.

Article XII
Authentic Texts

IN WITNESS WHEREOF, the undersigned plenipotentiaries, being duly authorized by their respective Governments have signed this Convention.

DONE in Thimphu, Bhutan On This Twenty-ninth Day of April Two Thousand Ten In Ten Originals In The English Language, All Texts Being Equally Authentic.

Dr. Zalmay Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, M.P.
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

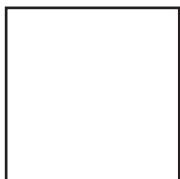
Ahmed Shaheed
Minister of Foreign Affairs
Republic of Maldives

Sujata Koirala
Deputy Prime Minister and
Minister for Foreign Affairs
Government of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

Regional Agreements



AGREEMENT ON ESTABLISHING THE SAARC FOOD SECURITY RESERVE

Preamble

The Governments of Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka;

Recalling the Declaration on South Asian Regional Cooperation signed in New Delhi in August 1983, which called for cooperative action with a view to promoting economic and social development in South Asia;

Reaffirming their commitment to the realization of this objective by joining together in the establishment of the South Asian Association for Regional Cooperation and adopting a Charter in Dhaka in December 1985;

Recognizing the importance of regional and sub-regional collective self-reliance with respect to food security as a means of combating the adverse effect of natural and man-made calamities;

Recognizing further that the establishment of an emergency food security reserve by Member Countries of the South Asian Association for Regional Cooperation based on the principle of collective self-reliance would improve their food security;

NOW THEREFORE, in a spirit of solidarity and mutual cooperation, have agreed as follows:

Article I

Establishment of the SAARC Food Security Reserve

1. The Member Countries hereby agree to establish a SAARC Food Security Reserve (hereinafter referred to as “the Reserve”) on the conditions and for the purpose described in this Agreement.
2. The Reserve shall be administered by the SAARC Food Security Reserve Board (hereinafter referred to as “the Board”) provided for in Article VII

Article II

The Reserve

1. The Reserve shall consist of wheat or rice or a combination thereof, (hereinafter referred to as “foodgrains”) earmarked by the Member Countries exclusively for the purpose described in Article III.

The foodgrains forming part of the Reserve shall remain the property of the Member Country that has earmarked them and shall be in addition to any national reserve that may be maintained by that Member Country.

2. Each Member Country undertakes to earmark as its share of the Reserve the amount of foodgrains allocated to it in the Schedule of this Agreement. The said Schedule shall be an integral part of this Agreement.
3. The Member Countries shall keep the Schedule under review and may amend it in the light of operating experience in accordance with the procedure laid down in Article XI
4. A Member Country may, at any time, voluntarily earmark for the purpose provided for in this

Agreement, foodgrains exceeding the amount allocated to it in the Schedule. In such a case the Member Country concerned may only withdraw the amount in excess of its allocation by giving six months' advance written notice to the Board.

5. The quality of all foodgrains earmarked by the Member Countries shall be at least of "fair average quality", or comply with any other quality standards laid down by the Board.
6. The Member Countries undertake to provide adequate storage facilities for the foodgrains that they have earmarked; to inspect the food grains periodically and to apply appropriate quality control measures, including turnover of the foodgrains, if necessary, with a view to ensuring that all times the foodgrains satisfy the required quality standards; and to replace forthwith any foodgrains that do not satisfy the said standards. In addition, the Member Countries agree to make every effort to comply with any guidelines on storage methods or quality control measures adopted by the Board.

Article III

Withdrawal of Foodgrains in an Emergency

Each Member Country shall be entitled, on the conditions and in accordance with the procedures laid down in Article IV and/or Article VI, to draw on foodgrains forming part of the Reserve in the event of an emergency. An emergency shall mean a state or condition in which a Member Country, having suffered a severe and unexpected natural or man-made calamity, is unable to cope with such a state or condition by using its national reserve and is unable to procure the foodgrains it requires through normal trading transactions on account of balance of payments constraints.

Article IV

Procedure for the Release of Foodgrains from the Reserve

1. The Member Country in need shall directly notify the other Member Country or countries of the emergency it is facing and the amount of foodgrains required.
2. The other Member Country or countries on being so requested shall take immediate steps to make necessary arrangements to ensure immediate and speedy release of the required foodgrains, subject to availability in the combination requested.
3. The prices, terms and conditions of payment in kind or otherwise in respect of the foodgrains so released shall be the subject of direct negotiations between the Member Countries concerned.
4. The requesting Member Country shall at the same time inform the Board of its request to the other Member Country or countries.

Article V

Replenishment of the Reserve

1. A Member Country that has released all or part of the foodgrains forming its share of the Reserve shall replace such foodgrains as soon as practicable and, in any event, not later than one calendar year following the date on which the release of the foodgrains took place.
2. A Member Country that has released all or part of the foodgrains forming its share of the Reserve shall notify the Board of such release, of the terms and conditions on which it was effected, and the date on which the foodgrains that had been released were replaced.

Article VI

Procedure for the Withdrawal of Foodgrains by a Member Country from its Own Share of the Reserve

1. A Member Country in need shall be entitled to withdraw foodgrains from its own share of the Reserve.
2. In doing so it shall inform the Member Countries and the Board of such withdrawal.
3. It shall replace such foodgrains as soon as practicable and in any event not later than two calendar years following the date on which the release of the foodgrains took place.

Article VII

The SAARC Food Security Board

1. There shall be a Board of which each Member Country shall be a member.
2. Decisions of the Board shall be taken on the basis of unanimity.
3. The Board shall elect a Chairman and Vice-Chairman based on the principle of rotation among Member Countries whose terms of office shall be two years. Rules of Procedure for the meetings of the Board shall be the same as for other SAARC meetings.
4. The Board shall meet at least once a year.
5. The Board shall normally meet at the same place and time as the Standing Committee, preceding the annual Summit.

Article VIII

Functions of the Board

The function of the Board shall include:

1. Undertaking a periodic review and assessment of the food situation and prospects in the region including factors such as production, consumption, trade, prices, quality and stocks of foodgrains. These periodic assessment reports shall be disseminated to all the Member Countries.
2. Examining immediate, short term and long term policy actions as may be considered necessary to ensure adequate supplies of basic food commodities in the region and to submit, on the basis of such examination, recommendations for appropriate action to the Council of Ministers.
3. Reviewing implementation of the provisions of the agreement, calling for such information from Member Countries as may be necessary for the effective administration of the Reserve and issuing of guidelines of technical matters such as maintenance of stocks, storage conditions and quality control.
4. Keeping the Schedule to this Agreement under review.
5. Suggesting amendment to the Agreement, as and when considered necessary, in accordance with the procedure specified in article XI.

Article IX
Secretariat

The Board shall be assisted by the SAARC Secretariat. The Secretariat's responsibilities shall include monitoring all matters relating to the release of foodgrains from the Reserve and convening and servicing meetings of the Board.

Article X
Entry into Force

This Agreement shall enter into force on a date to be determined by the Council of Ministers provided that the Member Countries have collectively earmarked at least one hundred and twenty-five thousand metric tons of foodgrains on that date for the purpose of this Agreement.

Article XI
Amendment

1. A Member Country may propose any amendment to this Agreement by submitting the proposed amendment to the Board through SAARC Secretariat.
2. The Board may enclose the proposed amendment and submit it to the Council of Ministers for approval. Unless otherwise specifies, amendments shall enter into force as from the date of their approval by the Council of Ministers.

Article XII
Depositary

1. An original of this Agreement shall be deposited in the SAARC Secretariat.
2. The Secretary-General shall be the depositary of this Agreement and amendments thereto.

IN WITNESS WHEREOF, the undersigned plenipotentiaries being duly authorized thereto have signed this Agreement.

SIGNED at Kathmandu on the Fourth Day of November One Thousand Nine Hundred and Eighty Seven in Eight originals in the English language.

HUMAYUN RASHEED CHOUDHURY
Minister of Foreign Affairs
People's Republic of Bangladesh

DAWA TSERING
Minister of Foreign Affairs
Kingdom of Bhutan

K. NATWAR-SINGH
Minister of State for External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

SHAILENDRA KUMAR UPADHYAYA
Minister for Foreign Affairs & Land Reforms
His Majesty's Government of Nepal

ZAIN NOORANI
Minister of State for Foreign Affairs
Islamic Republic of Pakistan

A.C. SHAHUL HAMEED
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SCHEDULE

<u>Country</u>	<u>Share of the Reserve in metric tons</u>
Bangladesh	21,000
Bhutan	180
India	1,53,200
Maldives	20
Nepal	3,600
Pakistan	19,000
Sri Lanka	2,800
Total:	<u>1,99,800</u>

SAARC FOOD SECURITY RESERVE Position of the Reserve as on 1st January, 2002

<u>Country</u> <u>in metric tons</u>	<u>Share of the Reserve</u>
Bangladesh	40,000
Bhutan	180
India	1,53,200
Maldives	200
Nepal	4,000
Pakistan	40,000
Sri Lanka	4,000
Total:	<u>2,41,580</u>

ADDENDUM

Amendment to Article III of the Agreement

The SAARC Council of Ministers at its Twenty-second session held in Kathmandu, Nepal, on 2-3 January 2002, approved the amendment to Article III of the Agreement on Establishing the SAARC Food Security Reserve with immediate effect.

The amended Article now reads as follows:

Article III **Withdrawal of Foodgrains in an Emergency**

Each Member Country shall be entitled, on the conditions and in accordance with the procedures laid down in Article IV and/or Article VI, to draw on foodgrains forming part of the Reserve in the event of an emergency. An emergency shall mean a state or condition in which a Member Country, having suffered a severe and unexpected natural or man-made calamity, is unable to cope with such a state or condition by using its national reserve.

AGREEMENT ON SAARC PREFERENTIAL TRADING ARRANGEMENT (SAPTA)

Preamble

The Government of the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States",

Motivated by the commitment to promote regional co-operation for the benefit of their peoples, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Aware that the expansion of trade could act as a powerful stimulus to the development of their national economies, by expanding investment and production, thus providing greater opportunities of employment and help securing higher living standards for their population;

Convinced of the need to establish and promote regional preferential trading arrangement for strengthening intra-regional economic cooperation and the development of national economies;

Bearing in mind the urgent need to promote the intra-regional trade which presently constitutes a negligible share in the total volume of the South Asian trade;

Recalling the direction given at the Fourth SAARC Summit meeting held in Islamabad in December 1988 that specific areas be identified where economic cooperation might be feasible immediately;

Guided by the declared commitment of the Heads of State or Government of the Member Countries at the Sixth SAARC Summit held in Colombo in December 1991 to the liberalisation of trade in the region through a step by step approach in such a manner that countries in the region share the benefits of trade expansion equitably;

Cognizant of the mandate given by the Sixth SAARC Summit in Colombo to formulate and seek agreement on an institutional framework under which specific measures for trade liberalisation among SAARC Member States could be furthered and to examine the Sri Lankan proposal to establish the SAARC Preferential Trading Arrangement (SAPTA) by 1997;

Recognising that a preferential trading arrangement is the first step towards higher levels of trade and economic cooperation in the region,

Have agreed as follows:

Article - 1 Definitions

For the purpose of this Agreement:

- (1) **"Least Developed Country"** means a country designated as such by the United Nations.
- (2) **"Contracting State"** means any Member State of the South Asian Association for Regional Cooperation (SAARC) which has entered into this Agreement.
- (3) **"Serious injury"** means significant damage to domestic producers, of like or similar products

resulting from a substantial increase of preferential imports in situations which cause substantial losses in terms of earnings, production or employment unsustainable in the short term. The examination of the impact on the domestic industry concerned shall also include an evaluation of other relevant economic factors and indices having a bearing on the state of the domestic industry of that product.

- (4) **“Threat of serious injury”** means a situation in which a substantial increase of preferential imports is of a nature to cause “serious injury” to domestic producers, and that such injury, although not yet existing, is clearly imminent. A determination of threat of serious injury shall be based on facts and not on mere allegation, conjecture, or remote or hypothetical possibility.
- (5) **“Critical circumstances”** means the emergence of an exceptional situation where massive preferential imports are causing or threatening to cause “serious injury” difficult to repair and which calls for immediate action.
- (6) **“Sectoral basis”** means agreements amongst Contracting States regarding the removal or reduction of tariff, non-tariff and para-tariff barriers as well as other trade promotion or cooperative measures for specified products or groups of products closely related in end-use or in production.
- (7) **“Direct trade measures”** means measures conducive to promoting mutual trade of Contracting States such as long and medium-term contracts containing import and supply commitments in respect of specific products, buy-back arrangements, state trading operations, and government and public procurement.
- (8) **“Tariffs”** means customs duties included in the national tariff schedules of the Contracting States.
- (9) **“Para-tariffs”** means border charges and fees, other than “tariffs”, on foreign trade transactions of a tariff-like effect which are levied solely on imports, but not those indirect taxes and charges, which are levied in the same manner on like domestic products. Import charges corresponding to specific services rendered are not considered as para-tariff measures.
- (10) **“Non-tariffs”** means any measure, regulation, or practice, other than “tariffs” and “para-tariffs”, the effect of which is to restrict imports, or to significantly distort trade.
- (11) **“Products”** means all products including manufactures and commodities in their raw, semi-processed and processed forms.

Article - 2

Establishment and Aims

1. By the present Agreement, the Contracting States establish the SAARC Preferential Trading Arrangement (SAPTA) to promote and sustain mutual trade and the economic cooperation among the Contracting States, through exchanging concessions in accordance with this Agreement.
2. SAPTA will be governed by the provisions of this Agreement and also by the rules, regulations, decisions, understandings and protocols to be agreed upon within its framework by the Contracting States.

Article - 3

Principles

SAPTA shall be governed in accordance with the following principles:-

- (a) SAPTA shall be based and applied on the principles of overall reciprocity and mutuality of advantages in such a way as to benefit equitably all Contracting States, taking into account their respective levels of economic and industrial development, the pattern of their external trade, trade and tariff policies and systems;
- (b) SAPTA shall be negotiated step by step, improved and extended in successive stages with periodic reviews;
- (c) The special needs of the Least Developed Contracting States shall be clearly recognised and concrete preferential measures in their favour should be agreed upon;
- (d) SAPTA shall include all products, manufactures and commodities in their raw, semi-processed and processed forms.

Article - 4

Components

SAPTA may, inter-alia, consist of arrangements relating to:-

- (a) tariffs;
- (b) para-tariffs;
- (c) non-tariff measures;
- (d) direct trade measures.

Article - 5

Negotiations

1. The Contracting States may conduct their negotiations for trade liberalisation in accordance with any or a combination of the following approaches and procedures:-

- (a) Product-by-product basis;
- (b) Across-the-board tariff reductions;
- (c) Sectoral basis;
- (d) Direct trade measures.

2. Contracting States agreed to negotiate tariff preferences initially on a product-by-product basis.

3. The Contracting States shall enter into negotiations from time to time with a view to further expanding SAPTA and the fuller attainment of its aims.

Article - 6

Additional Measures

1. Contracting States agree to consider, in addition to the measures set out in Article 4, the adoption of trade facilitation and other measures to support and complement SAPTA to mutual benefit.

2. Special consideration shall be given by Contracting States to requests from Least Developed Contracting

States for technical assistance and cooperation arrangements designed to assist them in expanding their trade with other Contracting States and in taking advantage of the potential benefits of SAPTA. The possible areas for such technical assistance and cooperation are listed in **Annex - I**.

Article - 7 **Schedules of Concessions**

The tariff, para-tariff and non-tariff concessions negotiated and exchanged amongst Contracting States shall be incorporated in the National Schedules of Concessions. The initial concessions agreed to by the Contracting States are attached as **Annex - II**.

Article - 8 **Extension of Negotiated Concessions**

The concessions agreed to under SAPTA, except those made exclusively to the Least Developed Contracting States in pursuance of Article 10 of this Agreement, shall be extended unconditionally to all Contracting States.

Article - 9 **Committee of Participants**

A Committee of Participants, hereinafter referred to as the Committee, consisting of representatives of Contracting States, is hereby established. The Committee shall meet at least once a year to review the progress made in the implementation of this Agreement and to ensure that benefits of trade expansion emanating from this Agreement accrue to all Contracting States equitably. The Committee shall also accord adequate opportunities for consultation on representations made by any Contracting State with respect to any matter affecting the implementation of the Agreement. The Committee shall adopt appropriate measures for settling such representations. The Committee shall determine its own rules of procedures.

Article - 10 **Special Treatment for the** **Least Developed Contracting States**

1. In addition to other provisions of this Agreement, all Contracting States shall provide, wherever possible, special and more favourable treatment exclusively to the Least Developed Contracting States as set out in the following sub-paragraphs:

- (a) Duty-free access, exclusive tariff preferences or deeper tariff preferences for the export products,
- (b) The removal of non-tariff barriers,
- (c) The removal, where appropriate, of para-tariff barriers,
- (d) The negotiations of long-term contracts with a view to assisting Least Developed Contracting States to achieve reasonable levels of sustainable exports of their products,
- (e) Special consideration of exports from Least Developed Contracting States in the application of safeguard measures,
- (f) Greater flexibility in the introduction and continuance of quantitative or other restrictions provisionally and without discrimination in critical circumstances by the Least Developed Contracting States on imports from other Contracting States.

Article - 11

Non-application

Notwithstanding the measures as set out in Articles 4 and 6, the provisions of this Agreement shall not apply in relation to preferences already granted or to be granted by any Contracting State to other Contracting States outside the framework of this Agreement, and to third countries through bilateral, plurilateral and multilateral trade agreements, and similar arrangements. The Contracting States shall also not be obliged to grant preferences in SAPTA which impair the concession extended under those agreements.

Article - 12

Communication, Transport and Transit

Contracting States agree to undertake appropriate steps and measures for developing and improving communication system, transport infrastructure and transit facilities for accelerating the growth of trade within the region.

Article - 13

Balance-of-Payments Measures

1. Notwithstanding the provisions of this Agreement, any Contracting State facing serious economic problems including balance of payments difficulties may suspend provisionally the concessions as to the quantity and value of merchandise permitted to be imported under the Agreement. When such action has taken place, the Contracting State which initiates such action, shall simultaneously notify the other Contracting States and the Committee.

2. Any Contracting State which takes action according to paragraph 1 of this Article shall afford, upon request from any other Contracting State, adequate opportunities for consultations with a view to preserving the stability of the concessions negotiated under the SAPTA. If no satisfactory adjustment is effected between the Contracting States concerned within 90 days of such notification, the matter may be referred to the Committee for review.

Article - 14

Safeguard Measures

If any product, which is a subject of a concession with respect to a preference under this Agreement, is imported into the territory of a Contracting State in such a manner or in such quantities as to cause or threaten to cause, serious injury in the importing Contracting State, the importing Contracting State concerned may, with prior consultations, except in critical circumstances, suspend provisionally without discrimination, the concession accorded under the Agreement. When such action has taken place the Contracting State which initiates such action shall simultaneously notify the other Contracting State(s) concerned and the Committee shall enter into consultations with the concerned Contracting State and endeavour to reach mutually acceptable agreement to remedy the situation. In the event of the failure of the Contracting States to resolve the issue within 90 days of the receipt of original notification, the Committee of Participants shall meet within 30 days to review the situation and try to settle the issue amicably. Should the consultations in the Committee of Participants fail to resolve the issue within 60 days, the parties affected by such action shall have the right to withdraw equivalent concession(s) or other obligation(s) which the Committee does not disapprove of.

Article - 15

Maintenance of the Value of Concessions

Any of the concessions agreed upon under this Agreement shall not be diminished or nullified, by the application of any measures restricting trade by the Contracting States except under the provisions as spelt out in other Articles of this Agreement.

Article - 16

Rules of Origin

Products contained in the National Schedules of Concessions annexed to this Agreement shall be eligible for preferential treatment if they satisfy the rules of origin, including special rules of origin, in respect of the Least Developed Contracting States, which are set out in **Annex - III**.

Article - 17

Modification and Withdrawal of Concessions

1. Any Contracting State may, after a period of three years from the day the concession was extended, notify the Committee of its intention to modify or withdraw any concession included in its appropriate schedule.
2. The Contracting State intending to withdraw or modify a concession shall enter into consultation and/or negotiations, with a view to reaching agreement on any necessary and appropriate compensation, with Contracting States with which such concession was initially negotiated and with any other Contracting States that have a principal or substantial supplying interest as may be determined by the Committee.
3. Should no agreement be reached between the Contracting States concerned within six months of the receipt of notification and should the notifying Contracting State proceed with its modification or withdrawal of such concessions, the affected Contracting States as determined by the Committee may withdraw or modify equivalent concessions in their appropriate schedules. Any such modification or withdrawal shall be notified to the Committee.

Article - 18

Withholding or Withdrawal of Concessions

A Contracting State shall at any time be free to withhold or to withdraw in whole or in part any item in its schedule of concessions in respect of which it determines that it was initially negotiated with a State which has ceased to be a Contracting State in this Agreement. A Contracting State taking such action shall notify the Committee, and upon request, consult with Contracting States that have a substantial interest in the product concerned.

Article - 19

Consultations

1. Each Contracting State shall accord sympathetic consideration to and shall afford adequate opportunity for consultations regarding such representations as may be made by another Contracting State with respect to any matter affecting the operation of this Agreement.
2. The Committee may, at the request of a Contracting State, consult with any Contracting State in respect of any matter for which it has not been possible to find a satisfactory solution through such consultation under paragraph 1 above.

Article - 20

Settlement of Disputes

Any dispute that may arise among the Contracting States regarding the interpretation and application of the provisions of this Agreement or any instrument adopted within its framework shall be amicably settled by agreement between the parties concerned. In the event of failure to settle a dispute, it may be referred to the Committee by a party to the dispute. The Committee shall review the matter and make a recommendation

thereon within 120 days from the date on which the dispute was submitted to it. The Committee shall adopt appropriate rules for this purpose.

Article - 21

Withdrawal from SAPTA

1. Any Contracting State may withdraw from this Agreement at any time after its entry into force. Such withdrawal shall be effective six months from the day on which written notice thereof is received by the SAARC Secretariat, the depositary of this Agreement. That Contracting State shall simultaneously inform the Committee of the action it has taken.
2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date.
3. Following the withdrawal by any Contracting State, the Committee shall meet within 30 days to consider action subsequent to withdrawal.

Article - 22

Entry into Force

This Agreement shall enter into force on the thirtieth day after the notification issued by the SAARC Secretariat regarding completion of the formalities by all Contracting States.

Article - 23

Reservations

This Agreement may not be signed with reservations nor shall reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

Article - 24

Amendments

This Agreement may be modified through amendments to this Agreement. All amendments shall become effective upon acceptance by all Contracting States.

Article - 25

Depositary

This Agreement shall be deposited with the Secretary- General of SAARC who shall promptly furnish a certified copy thereof to each Contracting State.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on the SAARC Preferential Trading Arrangement.

Done at **DHAKA** this **ELEVENTH** day of **APRIL** One Thousand Nine Hundred Ninety Three in eight originals in the English language.

A.S.M. MOSTAFIZUR RAHMAN
Minister of Foreign Affairs
People's Republic of Bangladesh

DAWA TSERING
Minister of Foreign Affairs
Kingdom of Bhutan

DINESH SINGH
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

MAHESH ACHARYA
State Minister of Finance
His Majesty's Government of Nepal

MOHAMMAD SIDDIQUE KHAN KANJU
Minister of State for Foreign Affairs
Islamic Republic of Pakistan

HAROLD HERAT
Minister of Foreign Affairs.
Democratic Socialist Republic of Sri Lanka

**ADDITIONAL MEASURES IN FAVOUR OF
LEAST DEVELOPED CONTRACTING STATES**

- (a) The identification, preparation and establishment of industrial and agricultural projects in the territories of Least Developed Contracting States which could provide the production base for the expansion of exports of Least Developed Contracting States to other Contracting States, possibly linked to co-operative financing and buy-back arrangements;
- (b) the setting up of manufacturing and other facilities in Least Developed Contracting States to meet intra-regional demand under co-operative arrangements;
- (c) the formulation of export promotion policies and the establishment of training facilities in the field of trade to assist Least Developed Contracting States in expanding their exports and in maximising their benefits from SAPTA;
- (d) the provision of support to export marketing of products of Least Developed Contracting States by enabling these countries to share existing facilities (for example, with respect to export credit insurance, access to market information) and by institutional and other positive measures to facilitate imports from Least Developed Contracting States into their own markets;
- (e) bringing together of enterprises in other Contracting States with project sponsors in the Least Developed Contracting States (both public and private) with a view to promoting joint ventures in projects designed to lead to the expansion of trade;
- (f) the provision of special facilities and rates in respect to shipping.

National Schedules of Concessions

(published separately. Can also be accessed at Secretariat's website <http://www.saarc-sec.org>)

RULES OF ORIGIN

(as amended by Twenty-first Session of SAARC Council of Ministers, Nuwara Eliya, Sri Lanka, 18-19 March 1999)

RULE 1: Originating products - Products covered by preferential trading arrangements within the framework of the SAPTA imported into the territory of a Contracting State from another Contracting State which are consigned directly within the meaning of Rule 5 hereof, shall be eligible for preferential concessions if they conform to the origin requirement under any one of the following conditions:

- (a) Products wholly produced or obtained in the exporting Contracting State as defined in Rule 2; or
- (b) Products not wholly produced or obtained in the exporting Contracting State, provided that the said products are eligible under Rule 3 or Rule 4.

RULE 2: Wholly produced or obtained - Within the meaning of Rule 1 (a) the following shall be considered as wholly produced or obtained in the exporting Contracting State:

- (a) raw or mineral products extracted from its soil, its water or its seabeds: ¹
- (b) agricultural products harvested there; ²
- (c) animals born and raised there;
- (d) products obtained from animals referred to in paragraph (c) above;
- (e) products obtained by hunting or fishing conducted there;
- (f) products of sea fishing and other marine products taken from the high seas by its vessels; ^{3/4}
- (g) products processed and/or made on boards its factory ships ^{4/5} exclusively from products referred to in paragraph (f) above;
- (h) used articles collected there, fit only for the recovery of raw materials;
- (i) waste and scrap resulting from manufacturing operations conducted there;
- (j) goods produced there exclusively from the products referred to in paragraph (a) to (i) above.

RULE 3 : Not wholly produced or obtained

- (a) Within the meaning of Rule 1(b), products worked on or processed as a result of which the total value of the materials, parts or produce originating from non-Contracting States or of undetermined origin used does not exceed 60 per cent of the f.o.b. value of the products produced or obtained and the final process of manufacture is performed within the territory of the exporting Contracting State shall be eligible for preferential concessions subject to the provisions of Rule 3(c) and Rule 4.

- (b) Sectoral agreements ⁶
- (c) The value of the non-originating materials, parts or produce shall be:
 - (i) The c.i.f. value at the time of importation of materials parts or produce where this can be proven: or
 - (ii) The earliest ascertainable price paid for the materials, prices or produce of undetermined origin in the territory of the Contracting State where the working or processing takes place.

RULE 4: Cumulative rules of origin - Products which comply with origin requirements provided for in Rule 1 and which are used by a Contracting State as input for a finished product eligible for preferential treatment by another Contracting State shall be considered as a product originating in the territory of the Contracting State where working or processing of the finished product has taken place provided that the aggregate content originating in the territory of the Contracting State is not less than 50 percent of its f.o.b. value⁷.

RULE 5 : Direct consignment - The following shall be considered as directly consigned from the exporting Contracting State to the importing Contracting State:

- (a) if the products are transported without passing through the territory of any non-Contracting State:
- (b) the products whose transport involves transit through one or more intermediate non-Contracting States with or without transshipment or temporary storage in such countries, provided that:
 - (i) the transit entry is justified for geographical reason or by considerations related exclusively to transport requirements;
 - (ii) the products have not entered into trade or consumption there; and
 - (iii) the products have not undergone any operation there other than unloading and reloading or any operation required to keep them in good condition.

RULE 6: Treatment of packing - When determining the origin of products, packing should be considered as forming a whole with the product it contains. However, packing may be treated separately if the national legislation so required.

RULE 7: Certificate of Origin - Products eligible for preferential concessions shall be supported by a Certificate of Origin⁸ issued by an authority designated by the government of the exporting Contracting State and notified to the other Contracting States in accordance with the Certification Procedures appearing on pages 15 and 16 of this Annex.

RULE 8:

- (a) In conformity with Article 15 of the Agreement on SAPTA and national legislations, any Contracting State may prohibit importation of products containing any inputs originating from States with which it does not have economic and commercial relations.
- (b) Contracting States will do their best to co-operate in order to specify origin of inputs in the Certificate of Origin.

RULE 9: Review - These Rules may be reviewed as and when necessary upon request of one-third of the Contracting States and may be open to such modifications as may be agreed upon.

RULE 10: Special criteria percentage - Products originating in Least Developed Contracting States can be allowed a favourable 10 percentage points applied to the percentage established in Rules 3 and 4. Thus, for Rule 3, the percentage would not exceed 70 per cent, and for Rule 4, the percentage would not be less than 40 per cent.

- ¹ Include mineral fuels, lubricants and related materials as well as mineral of metal ores.
- ² Include forestry products.
- ³ “Vessels” - shall refer to fishing vessels engaged in commercial fishing, registered in a Contracting State’s country and operated by a citizen or citizens or governments of Contracting State or partnership, corporation or association, duly registered in such Contracting State’s country, at cost 60 per cent of equity of which is owned by a citizen or citizens and/or government of such Contracting State or 75 percent by citizens and/or governments of the Contracting States. However, the products taken from vessels engaged in commercial fishing under bilateral agreements which provide for chartering/leasing of such vessels and/or sharing of catch between Contracting States will also be eligible for preferential concessions.
- ⁴ In respect of vessels or factory ships operated by government agencies the requirement of flying the flag of a Contracting State does not apply.
- ⁵ For the purpose of this Agreement, the term “factory ship” means any vessels, as defined, used for processing and/or making on board products exclusively from those products referred to in paragraph (f) above.
- ⁶ In respect of products traded within the framework of sectoral agreements negotiated under SAPTA, provision may need to be made for special criteria to apply. Consideration may be given to these criteria as and when the sectoral agreements are negotiated.
- ⁷ “Partial” cumulation as implied by Rule 4 above means that only products which have acquired originating status in the territory of one Contracting State may be taken into account when used as inputs for a finished product eligible for preferential treatment in the territory of another Contracting State.
- ⁸ A standard Certificate of Origin to be used by all Contracting States is annexed and approved by the Contracting States.

Format of Certificate of Origin

I. General Conditions

To qualify for preference, products must :

- a) fall within a description of products eligible for preference in the schedule of concessions of SAPTA country of destination;
- b) comply with SAPTA Rules of Origin. Each article in a consignment must qualify separately in its own right; and
- c) comply with the consignment conditions specified by the SAPTA Rules of Origin. In general, products must be consigned directly within the meaning of Rule 5 hereof from the country of exportation to the country of destination.

II. Entries to be made in Box 8

Preference products must be wholly produced or obtained in the exporting Contracting State in accordance with Rule 2 of the SAPTA Rules of Origin, or where not wholly produced or obtained in the exporting Contracting States must be eligible under Rule 3 or Rule 4.

- a) Products wholly produced or obtained; enter the letter “A” in Box 8.
- b) Products not wholly produced or obtained: the entry in Box 8 should be as follows :
 - 1. Enter letter “B” in Box 8, for products which meet the origin criteria according to Rule 3. Entry of letter would be followed by the sum of the value of materials, parts or produce originating from non-Contracting States, or undetermined origin used, expressed as a percentage of the f.o.b. value of the products; (example “B” 50 per cent);
 - 2. Enter letter “C” in Box 8 for products which meet the origin criteria according to Rule 4. Entry of letter “C” would be followed by the sum of the aggregate content originating in the territory of the exporting Contracting State expressed as a percentage of the f.o.b. value of the exported product; (example “C” 60 per cent);
 - 3. Enter letter “D” in Box 8 for products which meet the special origin criteria according to Rule 10.

Amendment to the SAPTA Rules of Origin

The SAARC Council of Ministers at its Twenty-first Session held in Nuwara Eliya, Sri Lanka on 18-19 March 1999 approved the amendments to the Rules 3(a), 4 and 10 relating to the Rules of Origin (Annex-II) of the SAARC Preferential Trading Arrangement (SAPTA) with immediate effect.

The new amended rules now read as follows : -

Rule 3: Not wholly produced or obtained –

Within the meaning of Rule 1(b), products worked on or processed as a result of which the total value of the materials, parts or produce originating from non-Contracting States or of undetermined origin used **does not exceed 60 per cent of the f.o.b. value** of the products produced or obtained and the final process of manufacture is performed within the territory of the exporting Contracting State shall be eligible for preferential concessions subject to the provisions of Rule 3(c) and Rule 4.

Rule 4: Cumulative rules of origin –

Products which comply with origin requirements provided for in Rule 1 and which are used by a Contracting State as input for a finished product eligible for preferential treatment by another Contracting State shall be considered as a product originating in the territory of the Contracting State where working or processing of the finished product has taken place provided that the aggregate content originating in the territory of the Contracting State **is not less than 50 percent of its f.o.b. value**.

Rule 10: Special criteria percentage – Products originating in Least Developed Contracting States can be allowed a favourable 10 percentage points applied to the percentage established in Rules 3 and 4. **Thus, for Rule 3, the percentage would not exceed 70 per cent, and for Rule 4, the percentage would not be less than 40 per cent.**

AGREEMENT ON SOUTH ASIAN FREE TRADE AREA (SAFTA)

- The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States"

Motivated by the commitment to strengthen intra-SAARC economic cooperation to maximise the realization of the region's potential for trade and development for the benefit of their people, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Noting that the Agreement on SAARC Preferential Trading Arrangement (SAPTA) signed in Dhaka on the 11th of April 1993 provides for the adoption of various instruments of trade liberalization on a preferential basis;

Convinced that preferential trading arrangements among SAARC Member States will act as a stimulus to the strengthening of national and SAARC economic resilience, and the development of the national economies of the Contracting States by expanding investment and production opportunities, trade, and foreign exchange earnings as well as the development of economic and technological cooperation;

Aware that a number of regions are entering into such arrangements to enhance trade through the free movement of goods;

Recognizing that Least Developed Countries in the region need to be accorded special and differential treatment commensurate with their development needs; and

Recognizing that it is necessary to progress beyond a Preferential Trading Arrangement to move towards higher levels of trade and economic cooperation in the region by removing barriers to cross-border flow of goods;

Have agreed as follows:

Article – 1

Definitions

For the purposes of this Agreement:

1. **Concessions** mean tariff, para-tariff and non-tariff concessions agreed under the Trade Liberalisation Programme;
2. **Direct Trade Measures** mean measures conducive to promoting mutual trade of Contracting States such as long and medium-term contracts containing import and supply commitments in respect of specific products, buy-back arrangements, state trading operations, and government and public procurement;
3. **Least Developed Contracting State** refers to a Contracting State which is designated as a "Least Developed Country" by the United Nations;

4. **Margin of Preference** means percentage of tariff by which tariffs are reduced on products imported from one Contracting State to another as a result of preferential treatment.
5. **Non-Tariff Measures** include any measure, regulation, or practice, other than “tariffs” and “para-tariffs”.
6. **Para-Tariffs** mean border charges and fees, other than “tariffs”, on foreign trade transactions of a tariff-like effect which are levied solely on imports, but not those indirect taxes and charges, which are levied in the same manner on like domestic products. Import charges corresponding to specific services rendered are not considered as para-tariff measures;
7. **Products** mean all products including manufactures and commodities in their raw, semi-processed and processed forms;
8. **SAPTA** means Agreement on SAARC Preferential Trading Arrangement signed in Dhaka on the 11th of April 1993;
9. **Serious injury** means a significant impairment of the domestic industry of like or directly competitive products due to a surge in preferential imports causing substantial losses in terms of earnings, production or employment unsustainable in the short term;
10. **Tariffs** mean customs duties included in the national tariff schedules of the Contracting States;
11. **Threat of serious injury** means a situation in which a substantial increase of preferential imports is of a nature to cause “serious injury” to domestic producers, and that such injury, although not yet existing, is clearly imminent. A determination of threat of serious injury shall be based on facts and not on mere allegation, conjecture, or remote or hypothetical possibility.

Article – 2

Establishment

The Contracting States hereby establish the South Asian Free Trade Area (SAFTA) to promote and enhance mutual trade and economic cooperation among the Contracting States, through exchanging concessions in accordance with this Agreement.

Article – 3

Objectives and Principles

1. The Objectives of this Agreement are to promote and enhance mutual trade and economic cooperation among Contracting States by, inter-alia:
 - a) eliminating barriers to trade in, and facilitating the cross-border movement of goods between the territories of the Contracting States;
 - b) promoting conditions of fair competition in the free trade area, and ensuring equitable benefits to all Contracting States, taking into account their respective levels and pattern of economic development;
 - c) creating effective mechanism for the implementation and application of this Agreement, for its joint administration and for the resolution of disputes; and

- d) establishing a framework for further regional cooperation to expand and enhance the mutual benefits of this Agreement.

2. SAFTA shall be governed in accordance with the following principles:

- a) SAFTA will be governed by the provisions of this Agreement and also by the rules, regulations, decisions, understandings and protocols to be agreed upon within its framework by the Contracting States;
- b) The Contracting States affirm their existing rights and obligations with respect to each other under Marrakesh Agreement Establishing the World Trade Organization and other Treaties/Agreements to which such Contracting States are signatories;
- c) SAFTA shall be based and applied on the principles of overall reciprocity and mutuality of advantages in such a way as to benefit equitably all Contracting States, taking into account their respective levels of economic and industrial development, the pattern of their external trade and tariff policies and systems;
- d) SAFTA shall involve the free movement of goods, between countries through, inter alia, the elimination of tariffs, para tariffs and non-tariff restrictions on the movement of goods, and any other equivalent measures;
- e) SAFTA shall entail adoption of trade facilitation and other measures, and the progressive harmonization of legislations by the Contracting States in the relevant areas; and
- f) The special needs of the Least Developed Contracting States shall be clearly recognized by adopting concrete preferential measures in their favour on a non-reciprocal basis.

Article – 4

Instruments

The SAFTA Agreement will be implemented through the following instruments:-

- 1. Trade Liberalisation Programme
- 2. Rules of Origin
- 3. Institutional Arrangements
- 4. Consultations and Dispute Settlement Procedures
- 5. Safeguard Measures
- 6. Any other instrument that may be agreed upon.

-

Article – 5

National Treatment

Each Contracting State shall accord national treatment to the products of other Contracting States in accordance with the provisions of Article III of GATT 1994.

Article – 6

Components

SAFTA may, inter-alia, consist of arrangements relating to:

- a) tariffs;
- b) para-tariffs;
- c) non-tariff measures;
- d) direct trade measures.

Article – 7

Trade Liberalisation Programme

1. Contracting States agree to the following schedule of tariff reductions:
 - a) The tariff reduction by the Non-Least Developed Contracting States from existing tariff rates to 20% shall be done within a time frame of 2 years, from the date of coming into force of the Agreement. Contracting States are encouraged to adopt reductions in equal annual installments. If actual tariff rates after the coming into force of the Agreement are below 20%, there shall be an annual reduction on a Margin of Preference basis of 10% on actual tariff rates for each of the two years.
 - b) The tariff reduction by the Least Developed Contracting States from existing tariff rates will be to 30% within the time frame of 2 years from the date of coming into force of the Agreement. If actual tariff rates on the date of coming into force of the Agreement are below 30%, there will be an annual reduction on a Margin of Preference basis of 5 % on actual tariff rates for each of the two years.
 - c) The subsequent tariff reduction by Non-Least Developed Contracting States from 20% or below to 0-5% shall be done within a second time frame of 5 years, beginning from the third year from the date of coming into force of the Agreement. However, the period of subsequent tariff reduction by Sri Lanka shall be six years. Contracting States are encouraged to adopt reductions in equal annual installments, but not less than 15% annually.
 - d) The subsequent tariff reduction by the Least Developed Contracting States from 30% or below to 0-5% shall be done within a second time frame of 8 years beginning from the third year from the date of coming into force of the Agreement. The Least Developed Contracting States are encouraged to adopt reductions in equal annual installments, not less than 10% annually.
2. The above schedules of tariff reductions will not prevent Contracting States from immediately reducing their tariffs to 0-5% or from following an accelerated schedule of tariff reduction.
3.
 - a) Contracting States may not apply the Trade Liberalisation Programme as in paragraph 1 above, to the tariff lines included in the Sensitive Lists which shall be negotiated by the Contracting States (for LDCs and Non-LDCs) and incorporated in this Agreement as an integral part. The number of products in the Sensitive Lists shall be subject to maximum ceiling to be mutually agreed among the Contracting States with flexibility to Least Developed Contracting States to seek derogation in respect of the products of their export interest; and
 - b) The Sensitive List shall be reviewed after every four years or earlier as may be decided by

SAFTA Ministerial Council (SMC), established under Article 10, with a view to reducing the number of items in the Sensitive List.

4. The Contracting States shall notify the SAARC Secretariat all non-tariff and para-tariff measures to their trade on an annual basis. The notified measures shall be reviewed by the Committee of Experts, established under Article 10, in its regular meetings to examine their compatibility with relevant WTO provisions. The Committee of Experts shall recommend the elimination or implementation of the measure in the least trade restrictive manner in order to facilitate intra-SAARC trade¹.
5. Contracting Parties shall eliminate all quantitative restrictions, except otherwise permitted under GATT 1994, in respect of products included in the Trade Liberalisation Programme.
6. Notwithstanding the provisions contained in paragraph 1 of this Article, the Non-Least Developed Contracting States shall reduce their tariff to 0-5% for the products of Least Developed Contracting States within a timeframe of three years beginning from the date of coming into force of the Agreement.

Article – 8

Additional Measures

Contracting States agree to consider, in addition to the measures set out in Article 7, the adoption of trade facilitation and other measures to support and complement SAFTA for mutual benefit. These may include, among others: --

- a) harmonization of standards, reciprocal recognition of tests and accreditation of testing laboratories of Contracting States and certification of products;
- b) simplification and harmonization of customs clearance procedure;
- c) harmonization of national customs classification based on HS coding system;
- d) Customs cooperation to resolve dispute at customs entry points;
- e) simplification and harmonization of import licensing and registration procedures;
- f) simplification of banking procedures for import financing;
- g) transit facilities for efficient intra-SAARC trade, especially for the land-locked Contracting States;
- h) removal of barriers to intra-SAARC investments;
- i) macroeconomic consultations;
- j) rules for fair competition and the promotion of venture capital;
- k) development of communication systems and transport infrastructure;
- l) making exceptions to their foreign exchange restrictions, if any, relating to payments for products under the SAFTA scheme, as well as repatriation of such payments without prejudice to their rights under Article XVIII of the General Agreement on Tariffs and Trade (GATT) and the relevant provisions of Articles of Treaty of the International Monetary Fund (IMF); and
- m) Simplification of procedures for business visas.

Article – 9

Extension of Negotiated Concessions

Concessions agreed to, other than those made exclusively to the Least Developed Contracting States,

¹ The initial notification shall be made within three months from the date of coming into force of the Agreement and the COE shall review the notifications in its first meeting and take appropriate decisions.

shall be extended unconditionally to all Contracting States.

Article – 10

Institutional Arrangements

1. The Contracting States hereby establish the SAFTA Ministerial Council (hereinafter referred to as SMC).
2. The SMC shall be the highest decision-making body of SAFTA and shall be responsible for the administration and implementation of this Agreement and all decisions and arrangements made within its legal framework.
3. The SMC shall consist of the Ministers of Commerce/Trade of the Contracting States.
4. The SMC shall meet at least once every year or more often as and when considered necessary by the Contracting States. Each Contracting State shall chair the SMC for a period of one year on rotational basis in alphabetical order.
5. The SMC shall be supported by a Committee of Experts (hereinafter referred to as COE), with one nominee from each Contracting State at the level of a Senior Economic Official, with expertise in trade matters.
6. The COE shall monitor, review and facilitate implementation of the provisions of this Agreement and undertake any task assigned to it by the SMC. The COE shall submit its report to SMC every six months.
7. The COE will also act as Dispute Settlement Body under this Agreement.
8. The COE shall meet at least once every six months or more often as and when considered necessary by the Contracting States. Each Contracting State shall chair the COE for a period of one year on rotational basis in alphabetical order.
9. The SAARC Secretariat shall provide secretarial support to the SMC and COE in the discharge of their functions.
10. The SMC and COE will adopt their own rules of procedure.

Article – 11

Special and Differential Treatment for the Least Developed Contracting States

In addition to other provisions of this Agreement, all Contracting States shall provide special and more favorable treatment exclusively to the Least Developed Contracting States as set out in the following subparagraphs:

- a) The Contracting States shall give special regard to the situation of the Least Developed Contracting States when considering the application of anti-dumping and/or countervailing measures. In this regard, the Contracting States shall provide an opportunity to Least Developed Contracting States for consultations. The Contracting States shall, to the extent practical, favourably consider accepting price undertakings offered by exporters from Least Developed Contracting States. These constructive remedies shall be available until the trade liberalisation programme has been completed by all Contracting States.

- b) Greater flexibility in continuation of quantitative or other restrictions provisionally and without discrimination in critical circumstances by the Least Developed Contracting States on imports from other Contracting States.
- c) Contracting States shall also consider, where practical, taking direct trade measures with a view to enhancing sustainable exports from Least Developed Contracting States, such as long and medium-term contracts containing import and supply commitments in respect of specific products, buy-back arrangements, state trading operations, and government and public procurement.
- d) Special consideration shall be given by Contracting States to requests from Least Developed Contracting States for technical assistance and cooperation arrangements designed to assist them in expanding their trade with other Contracting States and in taking advantage of the potential benefits of SAFTA. A list of possible areas for such technical assistance shall be negotiated by the Contracting States and incorporated in this Agreement as an integral part. -
- e) The Contracting States recognize that the Least Developed Contracting States may face loss of customs revenue due to the implementation of the Trade Liberalisation Programme under this Agreement. Until alternative domestic arrangements are formulated to address this situation, the Contracting States agree to establish an appropriate mechanism to compensate the Least Developed Contracting States for their loss of customs revenue. This mechanism and its rules and regulations shall be established prior to the commencement of the Trade Liberalisation Programme (TLP).

Article – 12

Special Provision for Maldives

Notwithstanding the potential or actual graduation of Maldives from the status of a Least Developed Country, it shall be accorded in this Agreement and in any subsequent contractual undertakings thereof treatment no less favourable than that provided for the Least Developed Contracting States.

Article – 13

Non-application

Notwithstanding the measures as set out in this Agreement its provisions shall not apply in relation to preferences already granted or to be granted by any Contracting State to other Contracting States outside the framework of this Agreement, and to third countries through bilateral, plurilateral and multilateral trade agreements and similar arrangements. -

Article – 14

General Exceptions

- a) Nothing in this Agreement shall be construed to prevent any Contracting State from taking action and adopting measures which it considers necessary for the protection of its national security.
- b) Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the similar conditions prevail, or a disguised restriction on intra-regional trade, nothing in this Agreement shall be construed to prevent any Contracting State from taking action and adopting measures which it considers necessary for the protection of :

- (i) public morals;

- (ii) human, animal or plant life and health; and
- (iii) articles of artistic, historic and archaeological value.

Article – 15

Balance of Payments Measures

1. Notwithstanding the provisions of this Agreement, any Contracting State facing serious balance of payments difficulties may suspend provisionally the concessions extended under this Agreement.
2. Any such measure taken pursuant to paragraph 1 of this Article shall be immediately notified to the Committee of Experts.
3. The Committee of Experts shall periodically review the measures taken pursuant to paragraph 1 of this Article.
4. Any Contracting State which takes action pursuant to paragraph 1 of this Article shall afford, upon request from any other Contracting State, adequate opportunities for consultations with a view to preserving the stability of concessions under SAFTA.
5. If no satisfactory adjustment is effected between the Contracting States concerned within 30 days of the beginning of such consultations, to be extended by another 30 days through mutual consent, the matter may be referred to the Committee of Experts.
6. Any such measures taken pursuant to paragraph 1 of this Article shall be phased out soon after the Committee of Experts comes to the conclusion that the balance of payments situation of the Contracting State concerned has improved.

Article – 16

Safeguard Measures

1. If any product, which is the subject of a concession under this Agreement, is imported into the territory of a Contracting State in such a manner or in such quantities as to cause, or threaten to cause, serious injury to producers of like or directly competitive products in the importing Contracting State, the importing Contracting State may, pursuant to an investigation by the competent authorities of that Contracting State conducted in accordance with the provisions set out in this Article, suspend temporarily the concessions granted under the provisions of this Agreement. The examination of the impact on the domestic industry concerned shall include an evaluation of all other relevant economic factors and indices having a bearing on the state of the domestic industry of the product and a causal relationship must be clearly established between “serious injury” and imports from within the SAARC region, to the exclusion of all such other factors.
2. Such suspension shall only be for such time and to the extent as may be necessary to prevent or remedy such injury and in no case, will such suspension be for duration of more than 3 years.
3. No safeguard measure shall be applied again by a Contracting State to the import of a product which has been subject to such a measure during the period of implementation of Trade Liberalization Programme by the Contracting States, for a period of time equal to that during which such measure had been previously applied, provided that the period of non-application is at least two years.
4. All investigation procedures for resorting to safeguard measures under this Article shall be consistent

with Article XIX of GATT 1994 and WTO Agreement on Safeguards

5. Safeguard action under this Article shall be non-discriminatory and applicable to the product imported from all other Contracting States subject to the provisions of paragraph 8 of this Article.
6. When safeguard provisions are used in accordance with this Article, the Contracting State invoking such measures shall immediately notify the exporting Contracting State(s) and the Committee of Experts.
7. In critical circumstances where delay would cause damage which it would be difficult to repair, a Contracting State may take a provisional safeguard measure pursuant to a preliminary determination that there is clear evidence that increased imports have caused or are threatening to cause serious injury. The duration of the provisional measure shall not exceed 200 days, during this period the pertinent requirements of this Article shall be met.
8. Notwithstanding any of the provisions of this Article, safeguard measures under this article shall not be applied against a product originating in a Least Developed Contracting State as long as its share of imports of the product concerned in the importing Contracting State does not exceed 5 per cent, provided Least Developed Contracting States with less than 5% import share collectively account for not more than 15% of total imports of the product concerned.

Article – 17

Maintenance of the Value of Concessions

Any of the concessions agreed upon under this Agreement shall not be diminished or nullified, by the application of any measures restricting trade by the Contracting States, except under the provisions of other articles of this Agreement.

Article – 18

Rules of Origin

Rules of Origin shall be negotiated by the Contracting States and incorporated in this Agreement as an integral part. -

Article – 19

Consultations

1. Each Contracting State shall accord sympathetic consideration to and will afford adequate opportunity for consultations regarding representations made by another Contracting State with respect to any matter affecting the operation of this Agreement.
2. The Committee of Experts may, at the request of a Contracting State, consult with any Contracting State in respect of any matter for which it has not been possible to find a satisfactory solution through consultations under paragraph 1.

Article – 20

Dispute Settlement Mechanism

1. Any dispute that may arise among the Contracting States regarding the interpretation and application of the provisions of this Agreement or any instrument adopted within its framework concerning the rights and obligations of the Contracting States will be amicably settled among the parties concerned

through a process initiated by a request for bilateral consultations.

2. Any Contracting State may request consultations in accordance with paragraph 1 of this Article with other Contracting State in writing stating the reasons for the request including identification of the measures at issue. All such requests should be notified to the Committee of Experts, through the SAARC Secretariat with an indication of the legal basis for the complaint.
3. If a request for consultations is made pursuant to this Article, the Contracting State to which the request is made shall, unless otherwise mutually agreed, reply to the request within 15 days after the date of its receipt and shall enter into consultations in good faith within a period of no more than 30 days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution.
4. If the Contracting State does not respond within 15 days after the date of receipt of the request, or does not enter into consultations within a period of no more than 30 days, or a period otherwise mutually agreed, after the date of receipt of the request, then the Contracting State that requested the holding of consultations may proceed to request the Committee of Experts to settle the dispute in accordance with working procedures to be drawn up by the Committee.
5. Consultations shall be confidential, and without prejudice to the rights of any Contracting State in any further proceedings.
6. If the consultations fail to settle a dispute within 30 days after the date of receipt of the request for consultations, to be extended by a further period of 30 days through mutual consent, the complaining Contracting State may request the Committee of Experts to settle the dispute. The complaining Contracting State may request the Committee of Experts to settle the dispute during the 60-day period if the consulting Contracting States jointly consider that consultations have failed to settle the dispute.
7. The Committee of Experts shall promptly investigate the matter referred to it and make recommendations on the matter within a period of 60 days from the date of referral. -
8. The Committee of Experts may request a specialist from a Contracting State not party to the dispute selected from a panel of specialists to be established by the Committee within one year from the date of entry into force of the Agreement for peer review of the matter referred to it. Such review shall be submitted to the Committee within a period of 30 days from the date of referral of the matter to the specialist.
9. Any Contracting State, which is a party to the dispute, may appeal the recommendations of the Committee of Experts to the SMC. The SMC shall review the matter within the period of 60 days from date of submission of request for appeal. The SMC may uphold, modify or reverse the recommendations of the Committee of Experts.
10. Where the Committee of Experts or SMC concludes that the measure subject to dispute is inconsistent with any of the provisions of this Agreement, it shall recommend that the Contracting State concerned bring the measure into conformity with this Agreement. In addition to its recommendations, the Committee of Experts or SMC may suggest ways in which the Contracting State concerned could implement the recommendations.
11. The Contracting State to which the Committee's or SMC's recommendations are addressed shall within 30 days from the date of adoption of the recommendations by the Committee or SMC, inform the Committee of Experts of its intentions regarding implementation of the recommendations. Should the said Contracting State fail to implement the recommendations within 90 days from the date of

adoption of the recommendations by the Committee, the Committee of Experts may authorize other interested Contracting States to withdraw concessions having trade effects equivalent to those of the measure in dispute.

Article – 21

Withdrawal

1. Any Contracting State may withdraw from this Agreement at any time after its entry into force. Such withdrawal shall be effective on expiry of six months from the date on which a written notice thereof is received by the Secretary-General of SAARC, the depositary of this Agreement. That Contracting State shall simultaneously inform the Committee of Experts of the action it has taken.
2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date.
3. Following the withdrawal by any Contracting State, the Committee shall meet within 30 days to consider action subsequent to withdrawal.

Article – 22

Entry into Force

1. This Agreement shall enter into force on 1st January 2006 upon completion of formalities, including ratification by all Contracting States and issuance of a notification thereof by the SAARC Secretariat. This Agreement shall supercede the Agreement on SAARC Preferential Trading Arrangement (SAPTA).
2. Notwithstanding the supercession of SAPTA by this Agreement, the concessions granted under the SAPTA Framework shall remain available to the Contracting States until the completion of the Trade Liberalisation Programme.

Article – 23

Reservations

This Agreement shall not be signed with reservations, nor will reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

Article – 24

Amendments

This Agreement may be amended by consensus in the SAFTA Ministerial Council. Any such amendment will become effective upon the deposit of instruments of acceptance with the Secretary General of SAARC by all Contracting States.

Article – 25

Depository

This Agreement will be deposited with the Secretary General of SAARC, who will promptly furnish a certified copy thereof to each Contracting State.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

DONE in ISLAMABAD, PAKISTAN, On This The Sixth Day Of the Year Two Thousand Four, In Nine Originals In The English Language All Texts Being Equally Authentic.

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

NADO RINCHHEN
Officiating Minister for
Foreign Affairs
Kingdom of Bhutan

YASHWANT SINHA
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

DR. BHEKH B. THAPA
Ambassador-at-large
for Foreign Affairs
His Majesty's Government of Nepal

KHURSHID M. KASURI
Minister of Foreign Affairs
Islamic Republic of Pakistan

TYRONNE FERNANDO
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SAARC AGREEMENT ON MUTUAL ADMINISTRATIVE ASSISTANCE IN CUSTOMS MATTERS

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States",

MOTIVATED by the commitment to promote regional cooperation for the benefit of their peoples, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

RECALLING the common desire to promote the South Asian Free Trade Area (SAFTA) which is to come into effect on 1st January 2006 and convinced that closer cooperation amongst their Customs Administrations will facilitate intra-regional trade;

RECOGNIZING the need for regional co-operation in matters related to the application and enforcement of their Customs laws;

CONSIDERING the importance of accurate assessment of Customs duties and other taxes and of ensuring proper enforcement by Customs Administrations of prohibitions, restrictions and measures of control in respect of specific goods;

CONSIDERING that offences against Customs law are prejudicial to the security of the Contracting States and their economic, commercial, fiscal, social, public health and cultural interests;

CONVINCED that action against Customs offences can be made more effective by close co-operation between their Customs Administrations based on clear legal provisions;

HAVING REGARD to the relevant instruments of the Customs Cooperation Council (World Customs Organisation);

HAVING REGARD also to international Agreements containing prohibitions, restrictions and special measures of control in respect of specific goods;

Have agreed as follows:

CHAPTER-I Definitions

Article 1

For the purposes of this Agreement

- 1 "Customs Administration" shall mean the Customs authority and any other authority of a Contracting State authorized under national law and designated by that Contracting State to apply any provision of this Agreement.
2. "Customs law" shall mean any legal and administrative provisions applicable or enforceable by the Customs Administration of a Contracting State in connection with the importation, exportation, transshipment, transit, storage and movement of goods, including legal and administrative provisions relating to measures of prohibition, restriction and control;

3. “Customs offence” shall mean any breach or attempted breach of Customs law;
4. “person” shall mean both natural and legal persons, unless the context otherwise;
5. “personal data” shall mean any data concerning an identified or identifiable natural person;
6. “information” shall mean any data, whether or not processed or analysed, and documents, reports, and other communications in any format, including electronic, or certified or authenticated copies thereof;
7. “intelligence” shall mean information which has been processed and / or analyzed to provide an indication relevant to a Customs offence;
8. “requesting Administration” shall mean the Customs Administration which requests assistance;
9. “requested Administration” shall mean the Customs Administration from which assistance is requested;
10. “official” shall mean any Customs officer or other government functionary designated by a Customs Administration;

CHAPTER-II

Scope of the Agreement

Article 2

1. The Contracting States shall through their Customs Administrations provide each other administrative assistance under the terms set out in this Agreement, for the proper application of Customs law and for the prevention, investigation and combating of Customs offences.
2. All assistance under this Agreement by a Contracting State shall be performed in accordance with its national legal and administrative provisions and within the limits of its Customs Administration’s competence and available resources.
3. This Agreement only covers mutual administrative assistance between the Contracting States and is not intended to have an impact on mutual legal assistance agreements between them. If mutual assistance is to be provided by other authorities of a requested Contracting State, the requested Administration shall indicate those authorities and, where known, the relevant agreement or arrangement applicable.
4. The provisions of this Agreement shall not give rise to a right on the part of any person to impede the execution of a request for assistance.

CHAPTER-III

Scope of assistance

Article 3

1. The Customs Administrations shall provide each other, either on request or on their own initiative, with information and intelligence which helps to ensure proper application of the Customs law and the prevention, investigation and combating of Customs offences.

2 The Customs Administrations shall, in making inquiries on behalf of the other Customs Administrations, act as if they were being made on its own account or at the request of another authority in that Contracting State.

Article 4

The Customs Administrations shall provide each other, either on request or on their own initiative, with information which helps to ensure proper application of Customs law and the prevention, investigation and combating of Customs offences. Such information may include :

- (a) new enforcement techniques having proved their effectiveness;
- (b) new trends, means or methods of committing Customs offences;
- (c) goods known to be the subject of Customs offences, as well as transport and storage methods used in respect of those goods;
- (d) persons known to have committed a Customs offence or suspected of being about to commit a Customs offence;
- (e) any other data that can assist Customs Administrations with risk assessment for control and facilitation purposes.

CHAPTER-IV

Special Assistance

Article 5

1. On request, the requested Administration shall, in support of the proper application of Customs law or in the prevention of Customs fraud, provide information to assist a requesting Administration that has reasons to doubt the truth or accuracy of a declaration.
2. The request shall specify the verification procedures that the requesting Administration has undertaken or attempted and the specific information requested.
3. On request, the requested Administration shall provide the requesting Administration, who has reason to doubt the accuracy of information provided to it in a Customs matter, with information relative to:
 - (a) whether goods imported into the territory of the requesting Contracting State have been lawfully exported from the territory of the requested Contracting State;
 - (b) whether goods exported from the territory of the requesting Contracting State have been lawfully imported into the territory of the requested Contracting State and the Customs procedure, if any, under which the goods have been placed.

Article 6

On request, the requested Administration shall, to the extent possible, maintain surveillance over and provide the requesting Administration with information on:

- (a) goods either in transport or in storage known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting State;
- (b) means of transport known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting State;

- (c) premises known to have been used or suspected of being used in connection with the commission of a Customs offence in the territory of the requesting Contracting State;
- (d) persons known to have committed or suspected of being about to commit a Customs offence in the territory of the requesting Contracting State, particularly those moving into and out of the territory of the requested Contracting State.

Article 7

1. The Customs Administrations shall provide each other, either on request or on their own initiative, with information and intelligence on transactions, completed or planned, which constitute or appear to constitute a Customs offence.
2. In serious cases that could involve substantial damage to the economy, public health, public security or any other vital interest of one Contracting State, the Customs Administration of the other Contracting State shall, wherever possible, supply information and intelligence on its own initiative.

Article 8

The Customs Administrations shall:

- a) assist each other with respect to the execution or provisional measures and proceedings, including the seizing, freezing or forfeiture of property;
- b) dispose of property proceeds or instrumentalities forfeited as a result of the assistance provided for under this Agreement, in accordance with the national legal and administrative provisions of the Contracting State in control of the property, proceeds or instrumentalities.

CHAPTER-V

Information and Intelligence

Article 9

1. Original information shall only be requested in cases where certified or authenticated copies would be insufficient, and shall be returned as soon as possible; rights of the requested Administration or of third parties relating thereto shall remain unaffected. Any document accompanying such requests shall be translated, to the extent necessary, into English.
2. Any information and intelligence to be exchanged under this Agreement shall be accompanied by all relevant information for interpreting or utilizing it.

CHAPTER-VI

Experts and witnesses

Article 10

On request, the requested Administration may authorize its officials to appear before a court or tribunal in the territory of the requesting Contracting State as experts or witnesses in a matter related to the application of Customs law.

CHAPTER-VII

Communication of requests

Article 11

1. Requests for assistance under this Agreement shall be communicated directly between the Customs Administrations concerned. Each Customs Administration shall designate an official Nodal Point (s) for this purpose and shall provide details thereof to the SAARC Secretariat, which shall communicate this information and any updates thereof to the other Customs Administrations. Each Customs Administration shall furnish a quarterly return to the SAARC Secretariat informing the number of requests made to different Customs Administrations and the responses received.
2. Requests for assistance under this Agreement shall be made in writing or electronically, and shall be accompanied by any information deemed useful for the purpose of complying with such requests. The requested Administration may require written confirmation of electronic requests. Where the circumstances so require, requests may be made verbally. Such requests shall be confirmed as soon as possible either in writing or, if acceptable to the requested and requesting Administrations, by electronic means.
3. Requests shall be made in English language. Any document accompanying such requests shall be translated, to the extent necessary, into English language.
4. Requests made pursuant to paragraph 2 of this Article, shall include the following details:
 - (a) the name of the requesting Administration;
 - (b) the matter at issue, type of assistance requested, and reasons for the request;
 - (c) a brief description of the case under review and the legal and administrative provisions that apply;
 - (d) the names and addresses of the persons to whom the request relates, if known;
 - (e) a reference in accordance with paragraph 2 of Article 15, if applicable;
 - (f) the verifications made in accordance with paragraph 2 of Article 5.
5. Where the requesting Administration requests that a certain procedure or methodology be followed, the requested Administration shall comply with such a request, subject to its national legal and administrative provisions.

CHAPTER-VIII

Execution of requests

Article 12

1. If the requested Administration does not have the information requested, it shall in accordance with its national legal and administrative provisions, either:
 - a) initiate inquiries to obtain that information; or
 - b) promptly transmit the request to the appropriate agency; or
 - c) indicate which relevant authorities are concerned.
2. Any inquiry under paragraph 1 of this Article may include the taking of statements from persons from whom information is sought in connection with a Customs offence and from witnesses and experts.

Article 13

1. On request, officials specially designated by a requesting Administration may, with the authorization of the requested Administration and subject to conditions the latter may impose, for the purpose of investigating a Customs offence:
 - (a) examine, in the offices of the requested Administration, documents and any other information in respect of that Customs offence, and be supplied with copies thereof;
 - (b) be present during an inquiry conducted by the requested Administration in the territory of the requested Contracting State which is relevant to the requesting Administration; these officials shall only have an advisory role.
2. When officials of the requesting Administration are present in the territory of the other Contracting State in the circumstances provided for in paragraph 1 of this Article, they must at all times be able to furnish proof of their official capacity.
3. Officials shall, while in the territory of another Contracting State under the terms of this Agreement, be responsible for any offence they may commit and shall enjoy, to the extent provided by that State's national laws, the same protection as accorded to its own Customs officers.

CHAPTER-IX

Use and Confidentiality of Information

Article 14

1. Any information communicated under this Agreement shall be used only by the Customs Administration for which it was intended and solely for the purpose of administrative assistance under the terms set out in this Agreement.
2. On request, the Contracting State that supplied the information may, notwithstanding paragraph 1 of this Article, authorize its use for other purposes or by other authorities, subject to any terms and conditions it may specify. Such use shall be in accordance with the legal and administrative provisions of the Contracting State which seeks to use the information. The use of information for other purposes includes its use in criminal investigations, prosecutions or proceedings.
3. Any information communicated under this Agreement shall be treated as confidential and shall, at least, be subject to the same protection and confidentiality as the same kind of information is subject to under the national legal and administrative provisions of the Contracting State where it is received.
4. Personal data exchange between two or more Contracting States under this Agreement shall not begin until the Contracting States concerned have, by mutual arrangement in accordance with paragraph 2 of Article 17, decided that such data will be afforded, in the territory of the receiving Contracting State, a level of protection that satisfies the requirements of the national law of the supplying Contracting State.

CHAPTER-X

Exemption

Article 15

1. Where any assistance requested under this Agreement may infringe the sovereignty, laws and treaty obligations, security, public policy or any other substantive national interest of a requested Contracting State, or prejudice any legitimate commercial or professional interests, such assistance may be declined by that Contracting State or provided subject to any terms or conditions it may require.
2. Where a requesting Administration would be unable to comply if a similar request were made by the requested Administration, it shall draw attention to that fact in its request. Compliance with such a request shall be at the discretion of the requested Administration.
3. Assistance may be postponed if there are grounds to believe that it will interfere with any ongoing investigation, prosecution or proceeding. In such a case, the requested Administration shall consult with the requesting Administration to determine if assistance can be given subject to such terms or conditions as the requested Administration may specify.
4. If the requested Administration considers that the effort required to fulfill a request is clearly disproportionate to the perceived benefit to the requesting Administration, it may decline to provide the requested assistance.
5. Where assistance is declined or postponed, reasons for declining or postponement shall be given.

CHAPTER-XI

Costs

Article 16

1. Subject to paragraphs 2 and 3 of this Article, the costs incurred in the application of this Agreement shall be borne by the requested Contracting State.
2. Expenses and allowances paid to experts and witnesses, as well as costs of translators and interpreters, other than Government employees, shall be borne by the requesting Contracting State.
3. If the execution of a request requires expenses of a substantial or extraordinary nature, the Contracting States shall consult to determine the terms and conditions under which the request will be executed as well as the manner in which the costs shall be borne.

CHAPTER-XII

Implementation and Dispute Settlement

Article 17

1. The Customs Administrations shall take measures so that their officials responsible for the investigation or combating of Customs offences maintain personal and direct relations with

each other.

2. The Customs Administrations may decide on mutual arrangements to facilitate the implementation and application of this Agreement, between them.

Article 18

1. The Customs Administrations shall endeavor to resolve by mutual accord any problem or doubt arising from the interpretation or application of this Agreement.
2. The Contracting States shall hold periodic consultations, as appropriate, of Nodal Points and other relevant officials, with a view to facilitating the effective implementation of this Agreement and resolving disputes, if any.
3. The Heads of Customs Administrations may address any disputes referred by the Nodal Points.
4. Disputes for which no solutions are found shall be settled through Diplomatic channels.

CHAPTER-XIII

Application

Article 19

This Agreement shall be applicable to the Customs territories of the Contracting States as defined in their national legal and administrative provisions.

CHAPTER-XIV

Withdrawal

Article 20

1. Any Contracting State may withdraw from this Agreement at any time after its entry into force. Such withdrawal shall be effective six months from the day on which written notice thereof is received by the SAARC Secretariat, the depositary of this Agreement.
2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date with the exception that ongoing proceedings at the time of termination shall nonetheless be completed in accordance with the provisions of this Agreement.

CHAPTER-XV

Entry into force

Article 21

This Agreement shall enter into force on 1st January 2006 upon completion of formalities including ratification by all Contracting States and the issuance of notification thereof by the SAARC Secretariat.

CHAPTER-XVI

Reservations

Article – 22

This Agreement shall not be signed with reservations, nor will reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

CHAPTER-XVI

Amendments

Article – 23

This Agreement may be amended by consensus. Any such amendment will become effective upon the deposit of instruments of acceptance with the Secretary General of SAARC by all Contracting States.

CHAPTER-XVIII

Review

Article 24

The Contracting States shall meet in order to review this Agreement on request or at the end of five years from the date of its entry into force, unless they notify one another in writing that no such review is necessary.

CHAPTER-XIX

Depository

Article – 25

This Agreement will be deposited with the Secretary General of SAARC, who will promptly furnish a certified copy thereof to each Contracting State.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this SAARC Agreement on Mutual Administrative Assistance in Customs Matters.

DONE at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five in Nine Originals in the English Language All Texts Being Equally Authentic

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

KHANDU WANGCHUK
Minister for Foreign Affairs
Kingdom of Bhutan

E. EHAMED
Minister of State for External Affairs
Republic of India

DR. AHMED SHAHEED
Minister of Foreign Affairs
Republic of Maldives

RAMESH NATH PANDEY
Minister for Foreign Affairs
Kingdom of Nepal

KHURSHID M. KASURI
Minister of Foreign Affairs
Islamic Republic of Pakistan

ANURA BANDARANAIKE, M.P.
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

**SAARC LIMITED MULTILATERAL AGREEMENT
ON AVOIDANCE OF DOUBLE TAXATION AND
MUTUAL ADMINISTRATIVE ASSISTANCE
IN TAX MATTERS**

PREAMBLE

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka;

Desiring to conclude an Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in tax matters with a view to promoting economic cooperation amongst the SAARC Member States

Have agreed as follows:

**ARTICLE 1
GENERAL DEFINITIONS**

1. For the purposes of this Agreement, unless the context otherwise requires:
 - (a) the term "Member State" means one of the States as per **Schedule-I**;
 - (b) the term "person" includes an individual, a company, a body of persons and any other entity which is treated as a taxable unit under the taxation laws in force in the respective Member States;
 - (c) the term "tax" means, tax (es) covered as per **Schedule-II**, as the context requires;
 - (d) the term "Competent Authority" means Competent Authority as per **Schedule III**;
 - (e) the term "national" means any individual possessing the nationality of a Member State; and
 - (f) the term "fiscal year" means the year as defined in **Schedule IV**.
2. As regards the application of the Agreement at any time by a Member State any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Member State for the purposes of the taxes to which the Agreement applies and any meaning under the applicable tax laws of that Member State prevailing over a meaning given to the term under other laws of that Member State.

**ARTICLE 2
PERSONS COVERED**

This Agreement shall apply to persons who are residents of one or more of the Member States, in respect of which it has entered into force in accordance with Article 16.

**ARTICLE 3
TAXES COVERED**

1. This Agreement shall apply to taxes on income imposed by or on behalf of the Member States.
2. There shall be regarded as taxes on income all taxes imposed on total income, or on elements of

income, including taxes on gains from the alienation of movable or immovable property and taxes on the total amounts of wages or salaries paid or deemed to be paid by enterprises.

3. The existing taxes to which the Agreement shall apply are listed in **Schedule-II**.
4. The Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The Competent Authorities of the Member States shall notify the SAARC Secretariat of any significant changes that have been made in their respective taxation laws.

ARTICLE 4 RESIDENT

1. For the purposes of this Agreement, the term “resident of a Member State” means any person who, under the laws of that Member State, is liable to tax therein by reason of his domicile, residence, place of management or any other criterion of a similar nature, and also includes that Member State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that Member State in respect only of income from sources in that Member State.
2. Where, by reason of the provisions of paragraph 1, an individual is a resident of more than one Member State, his/her status shall be determined as follows:
 - a) he/she shall be deemed to be a resident only of the Member State in which he/she has a permanent home available to him/her; if he/she has a permanent home available to him/her in more than one Member State, he/she shall be deemed to be a resident only of the Member State with which his/her personal and economic relations are closer (centre of vital interests);
 - b) if the Member State in which he/she has his/her centre of vital interests cannot be determined, or if he/she has not a permanent home available to him/her in any Member State, he/she shall be deemed to be a resident only of the Member State in which he/she has an habitual abode;
 - c) if he/she has an habitual abode in more than one Member State or in neither of them, he/she shall be deemed to be a resident only of the Member State of which he/she is a national;
 - d) if he/she is a national of more than one Member State or of none of them, the Competent Authorities of the concerned Member States shall settle the question by mutual agreement.
3. Where, by reason of the provisions of paragraph 1, a person other than an individual is a resident of more than one Member State, it shall be deemed to be a resident only of the Member State in which its place of effective management is situated. If the Member State in which its place of effective management is situated cannot be determined, then the Competent Authorities of the concerned Member States shall settle the question by mutual agreement.

ARTICLE 5 EXCHANGE OF INFORMATION

1. The Competent Authorities of the Member States shall exchange such information, including documents and public documents or certified copies thereof, as is necessary for carrying out the provisions of this Agreement or of the domestic laws of the Member States concerning taxes covered by this agreement insofar as the taxation thereunder is not contrary to the Agreement. Any information received by a Member State shall be treated as secret in the same manner as information obtained under the domestic laws of that

Member State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to the taxes covered by the agreement. Such persons or authorities shall use the information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions.

2. In no case shall the provisions of paragraph 1 be construed so as to impose on a Member State the obligation:

- (a) to carry out administrative measures at variance with the laws and administrative practices of that or of the other Member State;
- (b) to supply information, including documents and public documents or certified copies thereof, which are not obtainable under the laws or in the normal course of the administration of that or of the other Member State;
- (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information, the disclosure of which would be contrary to public policy (*ordre public*).

ARTICLE 6

ASSISTANCE IN THE COLLECTION OF TAXES

1. The Member States shall lend assistance to each other in the collection of revenue claims. The Competent Authorities of the Member States may, by mutual agreement, settle the mode of application of this Article.

2. The term “revenue claim” as used in this Article means an amount owed in respect of taxes covered by the Agreement together with interest, penalties and costs of collection or conservancy related to such amount.

3. When a revenue claim of a Member State is enforceable under the laws of that Member State and is owed by a person who, at that time, cannot, under the laws of that Member State, prevent its collection, that revenue claim shall, at the request of the Competent Authority of that Member State, be accepted for purposes of collection by the Competent Authority of the other Member State, and that revenue claim shall be collected by that other Member State in accordance with the provisions of its laws applicable to the enforcement and collection of its own taxes as if the revenue claim were a revenue claim of that other Member State.

4. When a revenue claim of a Member State is a claim in respect of which that Member State may, under its law, take measures of conservancy with a view to ensure its collection, that revenue claim shall, at the request of the Competent Authority of that Member State, be accepted for purposes of taking measures of conservancy by the Competent Authority of the other Member State. That other Member State shall take measures of conservancy in respect of that revenue claim in accordance with the provisions of its laws as if the revenue claim were a revenue claim of that other Member State even if, at the time when such measures are applied, the revenue claim is not enforceable in the first-mentioned Member State or is owed by a person who has a right to prevent its collection.

5. The provisions of this Article shall be invoked on request of a Member State only after all permissible measures of recovery under the domestic laws of that Member State have been exhausted.

6. Notwithstanding the provisions of paragraphs 3 and 4, a revenue claim accepted by a Member State for purposes of paragraph 3 or 4 shall not, in that Member State, be subject to the time limits or accorded any priority applicable to a revenue claim under the laws of that Member State by reason of its nature as such. In addition, a revenue claim accepted by a Member State for the purposes of paragraph 3 or 4 shall not, in that Member State, have any priority applicable to that revenue claim under the laws of the other Member State.
7. Proceedings with respect to the existence, validity or the amount of a revenue claim of a Member State shall only be brought before the courts or administrative bodies of that Member State. Nothing in this Article shall be construed as creating or providing any right to such proceedings before any court or administrative body of the other Member State.
8. Where, at any time after a request has been made by a Member State under paragraph 3 or 4 and before the other Member State has collected and remitted the relevant revenue claim to the first-mentioned Member State, the relevant revenue claim ceases to be:
 - (a) in the case of a request under paragraph 3, a revenue claim of the first-mentioned Member State that is enforceable under the laws of that Member State and is owed by a person who, at that time, cannot, under the laws of that Member State, prevent its collection, or
 - (b) in the case of a request under paragraph 4, a revenue claim of the first-mentioned Member State in respect of which that Member State may, under its laws, take measures of conservancy with a view to ensure its collection. The Competent Authority of the first-mentioned Member State shall promptly notify the Competent Authority of the other Member State of that fact and, at the option of the other Member State, the first-mentioned Member State shall either suspend or withdraw its request.
9. In no case shall the provisions of this Article be construed so as to impose on a Member State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Member State;
 - (b) to carry out measures which would be contrary to public policy (ordre public);
 - (c) to provide assistance if the other Member State has not pursued all reasonable measures of collection or conservancy, as the case may be, available under its laws or administrative practices;
 - (d) to provide assistance in those cases where the administrative burden for that Member State is clearly disproportionate to the benefit to be derived by the other Member State.

ARTICLE 7

SERVICE OF DOCUMENTS

1. At the request of the applicant Member State the requested Member State shall serve upon the addressee, documents and public documents including those relating to judicial decisions, which emanate from the applicant Member State and which relate to a tax covered by this Agreement.
2. The requested Member State shall effect service of documents, including public documents:
 - (a) by a method prescribed by its domestic laws for the service of documents of a substantially similar nature;

- (b) to the extent possible, by a particular method requested by the applicant Member State or the closest to such method available under its own laws.

3. A Member State may effect service of documents directly through the post on a person in another Member State.

4. Nothing in the Agreement shall be construed as invalidating any service of documents by a Member State in accordance with its laws.

5. When a document is served in accordance with this Article and it is not in English language, the same should be accompanied by a translation into English.

ARTICLE 8

PROFESSORS, TEACHERS AND RESEARCH SCHOLARS

1. A professor, teacher or research scholar who is or was a resident of the Member State immediately before visiting the other Member State for the purpose of teaching or engaging in research, or both, at a university, college or other similar approved institution in that other Member State shall be exempt from tax in that other Member State on any remuneration for such teaching or research for a period not exceeding two years from the date of his/her arrival in that other Member State.

2. For the purposes of this Article, an individual shall be deemed to be a resident of a Member State if he/she is resident in that Member State in the fiscal year in which he/she visits the other Member State or in the immediately preceding fiscal year.

3. For the purposes of paragraph 1 “approved institution” means an institution which has been approved in this regard by the Government of the concerned Member State.

ARTICLE 9

STUDENTS

1. A student who is or was a resident of one of the Member States immediately before visiting the other Member State and who is present in that other Member State solely for the purpose of his/her education or training shall, besides grants, loans and scholarships and any payments received from sources outside that State for the purpose of his/her maintenance, education or training, be exempt from tax in that other Member State on remuneration which he/she derives from an employment which he/she exercises in the other Member State if the employment is directly related to his/her studies.

2. The exemption available under paragraph 1 above in respect of remuneration from employment shall not exceed an amount equal to US\$ 3000/- per annum.

3. The benefits of this Article shall extend only for such period of time as may be reasonable or customarily required to complete the education or training undertaken, but in no event shall any individual have the benefits of this Article, for more than six consecutive years from the date of his/her first arrival in that other Member State.

ARTICLE 10

TRAINING

1. The Member States shall endeavour to hold and organise training programmes, seminars and workshops for the tax administrators with the objective of:

- (i) providing a common forum for senior tax administrators to meet and discuss problems of common concern;
- (ii) enhancing the technical and administrative knowledge and skills of tax administrators; and
- (iii) evolving strategies to combat common tax problems like tax avoidance/evasion in the SAARC region.

ARTICLE 11 SHARING OF TAX POLICY

1. Each Member State shall endeavour to bring out a yearly report on changes made in its tax laws. This may also cover introduction of new systems or techniques for circulation among the Member States.
2. A Member State may, on request, make available its pool of talented experts to other Member States for the purposes of drafting and organising legislation, tax procedures, operational management, on-the-job training programmes, information system and technology etc.

ARTICLE 12 IMPLEMENTATION

The Member States shall hold periodic consultations, as appropriate, of Competent Authorities, with a view to facilitating the effective implementation of this Agreement.

ARTICLE 13 REVIEW

The Member States shall meet in order to review this Agreement on request or at the end of five years from the date of its entry into force, unless they notify the SAARC Secretariat, in writing, that no such review is necessary.

ARTICLE 14 AMENDMENTS

This Agreement may be amended by consensus. Any such amendment will become effective upon the deposit of instrument(s) of acceptance with the Secretary-General of SAARC by all Member States and issuance of notification thereof by the SAARC Secretariat. Such an amendment shall have effect in the Member States from the date of commencement of their respective fiscal year following the issuance of notification by the SAARC Secretariat.

ARTICLE 15 DEPOSITARY

This Agreement will be deposited with the Secretary General of SAARC, who will furnish a certified copy thereof to each Member State.

ARTICLE 16 ENTRY INTO FORCE

1. This Agreement shall enter into force on the thirtieth day after the notification issued by the SAARC Secretariat regarding completion of all formalities, including ratification, wherever applicable, by all

Member States.

2. The provisions of this Agreement shall have effect:

(i) **In Bangladesh**

- (a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;
- (b) with regard to other taxes, in respect of tax years beginning on or after the first day of July next following the date upon which the Agreement enters into force;

(ii) **In Bhutan**

- (a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;
- (b) with regard to other taxes, in respect of tax years beginning on or after the first day of July next following the date upon which the Agreement enters into force

(ii) **In India**, in respect of income derived in any fiscal year on or after the first day of April next following the date upon which the Agreement enters into force;

(iv) **In Maldives** in respect of income derived in any fiscal year on or after the first day of January next following the date upon which the Agreement enters into force;

(v) **In Nepal** in respect of income arising in any year of income beginning on or after the first day of Nepalese fiscal year starting mid-July next following the date upon which the Agreement enters into force;

(vi) **In Pakistan:**

- (a) in respect of taxes withheld at source, in respect of amounts paid or credited on or after the first day of July next following the date upon which the Agreement enters into force;
- (b) with regard to other taxes, in respect of tax years beginning on or after the first day of July next following the date upon which the Agreement enters into force; and

(vii) **In Sri Lanka** in respect of income derived on or after the first day of April of the year next following the date upon which the Agreement enters into force;

ARTICLE 17 TERMINATION

This Agreement shall remain in force indefinitely until terminated by a Member State. A Member State may terminate the Agreement, through diplomatic channels, by giving notice of termination at least six months before the end of any calendar year beginning after the expiration of five years from the date of

entry into force of the Agreement. In such event, the Agreement shall cease to have effect:

- (i) **In Bangladesh**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given;
- (ii) **In Bhutan**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given;
- (iii) **In India**, in respect of income derived in any fiscal year on or after the first day of April next following the expiration of six months period from the date on which the written notice of termination is given;
- (iv) **In Maldives**, in respect of income derived in any fiscal year on or after the first day of January next following the expiration of six months period from the date on which the written notice of termination is given;
- (v) **In Nepal**, in respect of income derived in any fiscal year on or after the first day of mid-July next following the expiration of six months period from the date on which the written notice of termination is given;
- (vi) **In Pakistan**, in respect of income derived in any fiscal year on or after the first day of July next following the expiration of six months period from the date on which the written notice of termination is given; and
- (vii) **In Sri Lanka**, in respect of income derived on or after the first day of April of the year next following the expiration of six months period from the date on which the written notice of termination is given;

IN WITNESS WHEREOF, the undersigned, duly authorized thereto, have signed this Agreement.

DONE at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five, In Nine Originals In English Language, All Texts Being Equally Authentic.

M. MORSHED KHAN

Minister for Foreign Affairs
People's Republic of Bangladesh

KHANDU WANGCHUK

Minister for Foreign Affairs
Kingdom of Bhutan

E. EHAMED

Minister of State for External Affairs
Republic of India

DR. AHMED SHAHEED

Minister of Foreign Affairs
Republic of Maldives

RAMESH NATH PANDEY

Minister for Foreign Affairs
Kingdom of Nepal

KHURSHID M. KASURI

Minister of Foreign Affairs
Islamic Republic of Pakistan

ANURA BANDARANAIKE, M.P.

Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

PROTOCOL

On formalization, this SAARC Limited Multilateral Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters shall be applicable only in the Member States where an adequate Direct Tax Structure is in place. Further, in case of a Member State where such a structure is not in place, this Agreement shall become effective from the date on which such a Member State introduces a proper Direct Tax Structure and notifies the SAARC Secretariat to this effect.

Further that in the event of a conflict between the provisions of this Limited Multilateral Agreement and that of any bilateral Double Taxation Avoidance Agreement between the Member States, the provisions of the Agreement signed or amended at a later date shall prevail. -

DONE at Dhaka, Bangladesh, On This The Thirteenth Day of November Two Thousand Five, In Nine Originals In English Language, All Texts Being Equally Authentic.

M. MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

KHANDU WANGCHUK
Minister for Foreign Affairs
Kingdom of Bhutan

E. EHAMED
Minister of State for External Affairs
Republic of India

DR. AHMED SHAHEED
Minister of Foreign Affairs
Republic of Maldives

RAMESH NATH PANDEY
Minister for Foreign Affairs
Kingdom of Nepal

KHURSHID M. KASURI
Minister of Foreign Affairs
Islamic Republic of Pakistan

ANURA BANDARANAIKE, M.P.
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

MEMBER STATES TO THE AGREEMENT

1.	The People's Republic of Bangladesh
2.	Kingdom of Bhutan
3.	Republic of India
4.	Republic of Maldives
5.	Kingdom of Nepal
6.	Islamic Republic of Pakistan
7.	Democratic Socialist Republic of Sri Lanka

TAXES COVERED

The existing taxes to which this Agreement shall apply:

1.	In Bangladesh	Taxes on income that is direct tax
2.	In Bhutan	Income Tax imposed under Income Tax Act 2001 and the rules thereof
3.	In India	Income Tax, including any surcharge thereon
4.	In Maldives	Taxes on income that is direct tax
5.	In Nepal	Income Tax imposed under the Income Tax Act, 2058
6.	In Pakistan	Taxes on Income
7.	In Sri Lanka	Income tax including the income tax based on the turnover of enterprises licensed by the Board of Investment

COMPETENT AUTHORITY

The term "Competent Authority" means :

1.	In Bangladesh	National Board of Revenue or its authorized representative
2.	In Bhutan	The Ministry of Finance or its authorized representative
3.	In India	The Finance Minister, Government of India, or its authorized representative
4.	In Maldives	Department of Inland Revenue, Ministry of Finance and Treasury
5.	In Nepal	His Majesty's Government of Nepal, Ministry of Finance or its authorized representative
6.	In Pakistan	Central Board of Revenue or its authorized representative
7.	In Sri Lanka	Commissioner General of Inland Revenue

FISCAL YEAR

The term “fiscal year” means:

1.	In case of Bangladesh	1 st July – 30 th June
2.	In case of Bhutan	1 st July – 30 th June
3.	In case of India	1 st April – 31 st March
4.	In case of Maldives	1 st January – 31 st December
5.	In case of Nepal	The fiscal year beginning mid-July
6.	In case of Pakistan	1 st July – 30 th June
7.	In case of Sri Lanka	1 st April – 31 st March

AGREEMENT ON ESTABLISHING THE SAARC FOOD BANK

PREAMBLE

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka hereinafter referred to as “Member Countries”;

Recalling the Declaration on South Asian Regional Cooperation signed in New Delhi in August 1983, which called for cooperative action with a view to promoting economic and social development in South Asia;

Reaffirming their commitment to the realization of this objective by joining together in the establishment of the South Asian Association for Regional Cooperation and adopting a Charter in Dhaka in December 1985;

Recognizing the importance of regional and sub-regional collective self-reliance with respect to food security as a means of combating the adverse effect of natural and man-made calamities;

Recognizing further that the establishment of a regional food reserve by Member Countries based on the principle of collective self-reliance would improve their food security;

NOW THEREFORE, in a spirit of solidarity and mutual cooperation, have agreed as follows:

ARTICLE I Establishment of the SAARC Food Bank

1. The Member Countries hereby agree to establish a SAARC Food Bank (hereinafter referred to as “the Food Bank”) for the purposes and on the conditions described in this Agreement.
2. The Food Bank shall be administered by the SAARC Food Bank Board (hereinafter referred to as “the Board”), as provided for in **Article X**.

ARTICLE II Objectives

The objectives of the Food Bank shall be:

- a. to act as a regional food security reserve for the SAARC Member Countries during normal time food shortages and emergencies; and
- b. to provide regional support to national food security efforts; foster inter- country partnerships and regional integration, and solve regional food shortages through collective action.

ARTICLE III

The Reserve

1. The Reserve, to be maintained under the Food Bank (hereinafter referred to as “the Reserve”), shall consist of wheat or rice or a combination thereof (hereinafter referred to as “food grains”) earmarked by the Member Countries exclusively for the purpose described in **Article V**.
2. The Reserve shall remain the property of the Member Country that has earmarked it and shall be in addition to any national reserve that may be maintained by that Member Country.
3. Each Member Country undertakes to earmark as its assessed share of the Reserve the amount of food grains allocated to it in the **Schedule-I** of this Agreement and to keep the Board informed of the quantum of its reserve with locations of the designated godowns.
4. The Member Countries shall keep the **Schedule-I** under review and may amend it in the light of operating experience in accordance with the procedure laid down in **Article XV**.
5. A Member Country may, at any time, voluntarily earmark for the purpose provided for in this Agreement food grains exceeding the amount allocated to it in the **Schedule-I**.

ARTICLE-IV

Quality of the Reserve

1. The quality of all earmarked food grains shall be of “fair average quality”, or comply with any other quality standards laid down by the Board. Each Member Country undertakes to maintain its reserve as per specifications in the **Schedule-II** of this Agreement. The Board shall review the specifications periodically.
2. Each Member Country undertakes to: (a) provide adequate storage facilities for the food grains that it has earmarked; (b) inspect the food grains periodically; (c) apply appropriate quality control measures, including turnover of the food grains, if necessary, with a view to ensuring that all times the food grains satisfy the required quality standards; and (d) replace forthwith any food grains that do not satisfy the said standards. In addition, each Member Country agrees to undertake every effort to comply with any guidelines on storage methods or quality control measures adopted by the Board.

ARTICLE V

Withdrawal of Food Grains

1. Each Member Country shall be entitled, on the conditions and in accordance with the procedures laid down in Article III, Article VI and/or Article VIII, to draw on food grains forming part of the Reserve in the event of a food emergency and/or shortage.
2. A food emergency shall mean a state or condition in which a Member Country, having suffered a severe and unexpected natural or man made calamity, is unable to cope with such a state of condition by using its national reserve.
3. A food shortage shall mean a state or condition in which a Member Country has suffered a production shortfall and /or storage shortfall, and finds it difficult to cope with such a state or condition by using its national reserve, provided that the production of food grains in the current year is lower than the average of the production of the previous three years by 8 percent. However, on specific cases a Member Country may initiate a request on seasonal basis considering the impact of such seasonal shortfall on annual production.

4. The Board, based on the experiences of operations of the Food Bank, shall periodically review the minimum agreed percentage of shortfall as mentioned in Paragraph 3 of this Article.

ARTICLE VI

Procedure for the Release of Food Grains from the Reserve

1. The Member Country in need shall directly notify, through its designated Nodal Point(s), the other Member Country or countries of the food emergency or shortage it is facing and the amount of food grains required.
2. The other Member Country or countries on being so requested shall take immediate steps to make necessary arrangements to ensure immediate and speedy release of the required food grains, subject to availability in the combination requested.
3. The requesting Member Country shall at the same time inform the Board of its request to the other Member Country or countries to coordinate.

ARTICLE VII

Replenishment of the Reserve

1. A Member Country that has released all or part of the food grains forming its share of the Reserve shall replace such food grains as soon as practicable and, in any event, not later than one calendar year following the date on which the release of the food grains took place.
2. A Member Country that has released all or part of the food grains forming its share of the Reserve shall at an early date notify the Board of such release, of the terms and conditions on which it was effected, and the date on which the food grains that had been released were replaced.

ARTICLE VIII

Procedure for the Withdrawal of Food Grains by a Member Country from its Own Share of the Reserve

1. A Member Country in need shall be entitled to immediate withdrawal of food grains from its assessed reserve in case of emergencies under intimation to the Member Countries and the Board, and in any other cases by giving three months' advance notice to the Member Countries and the Board of such withdrawal.
2. It shall replace such food grains as soon as practicable and in any event not later than two years following the date on which the release of the food grains took place.
3. A Member Country in need shall be entitled to immediate withdrawal of food grains from its voluntary reserve in case of emergencies under intimation to the Member Countries and the Board, and in other cases by giving at least one month's advance written notice to the Member Countries and the Board.

ARTICLE- IX

Determination of Price

1. The prices, terms and conditions of payment, in kind or otherwise, in respect of the food grains so released shall be the subject of direct negotiations between the Member Countries concerned, based on the guidelines to be approved by the Board for determination of price, which shall be reviewed periodically.

2. The requesting Member Country shall specify the need (i.e. food shortage or emergency) while making the request. In the case of emergency, the humanitarian aspects would be given due importance while determining prices.

3. The determination of prices shall be done in accordance with the following broad principles:

- a. Price quoted, in general, shall be lower than prices generally charged or quoted for countries beyond the region;
- b. Price shall be representative of the market, both domestic and international, and may be adjusted suitably to reflect seasonal variations and the price movements in the recent past; and
- c. A responding Member Country shall endeavour to accord, as far as possible, national treatment in respect of calculating the cost components such as the ones related to storage, internal freight, interests, insurance and overhead charges, margin of losses etc., while maintaining its reserve and making releases.

ARTICLE X

Institutional Arrangements

1. There shall be a Board, of which each Member Country shall be a member, to administer functioning of the Food Bank and for its policy making.
2. Rules of Procedure for the meetings of the Board shall be the same as for other SAARC meetings.
3. Decisions and recommendations of the Board shall be taken on the basis of unanimity.
4. The Board shall elect a Chairperson based on the principle of rotation among Member Countries whose terms of office shall be the duration from one annual meeting to the next annual meeting.
5. The Board shall meet at least once a year or more often as considered necessary.
6. Each Member country shall designate Nodal Point(s), responsible for transacting all business at the national level related to operations of the Food Bank.
7. Private sector importer(s) in a Member Country in need may apply to the designated Nodal Point(s) of that country, who shall transact all activities on behalf of the private sector importer(s) and shall be responsible for the transaction(s). The Member Countries may develop appropriate guidelines for involving the private sector, in conformity with its national legislations, procedures and requirements.

ARTICLE XI

Functions of the Board

The functions of the Board shall include:

1. Undertaking a periodic review and assessment of the food situation and prospects in the region, including factors, such as production, consumption, trade, prices, quality and stocks of food grains. These periodic assessment reports shall be disseminated to all the Member Countries.
2. Examining immediate, short term and long term policy actions as may be considered necessary to ensure adequate supplies of food grains in the region and to submit, on the basis of such examination, recommendations for appropriate action to the Council of Ministers.

3. Reviewing implementation of the provisions of the Agreement, calling for such information from Member Countries as may be necessary for the effective administration of the Food Bank and issuing of guidelines on technical matters, such as maintenance of stocks, storage conditions, quality control and price.
4. Assessing the demands of food grains and identification of institutions and organizations in Member Countries that are to be contacted in case of release and withdrawal from its Reserves.
5. Devising appropriate mechanism(s) to collect, compile, generate, analyse, and disseminate information to facilitate its own work.
6. Resolving any dispute or difference regarding the interpretation and application of the provisions of this Agreement and functioning of the Food Bank.
7. Keeping the Schedules to this Agreement under review.
8. Recommending amendment(s) to the Agreement, as and when considered necessary, in accordance with the procedure specified in **Article XV**.

ARTICLE-XII

Miscellaneous

1. **Schedule-I** and **Schedule-II** shall be integral parts of this Agreement.
2. Expenditures relating to the functioning of the Food Bank shall be borne by the Member Countries proportionately as part of the SAARC Secretariat budget.

ARTICLE XIII

Secretariat

1. The Board shall be assisted by the SAARC Secretariat, which shall coordinate the work of the Board, monitor all matters relating to the release of food grains, and convene and service meetings of the Board.
2. The establishment of a Permanent Headquarters of the Food Bank with dedicated staff may be considered by the Council of Ministers at a future date, in the event of such a request made by the Board based on the experiences of operations of the Food Bank.

ARTICLE XIV

Entry into Force

1. This Agreement shall enter into force on a date to be determined by the Council of Ministers upon completion of all requisite formalities, including ratification by all the Member Countries and issuance of a notification thereof by the Secretary General of SAARC.
2. This Agreement shall supersede the Agreement on Establishing the SAARC Food Security Reserve.

ARTICLE XV
Amendment

1. A Member Country may propose any amendment to this Agreement by submitting the proposed amendment to the Board through the SAARC Secretariat.
2. The Board may examine the proposed amendment and submit its recommendation(s) to the Council of Ministers for consideration. Unless otherwise specified, amendments shall enter into force as from the date of their approval by the Council of Ministers.

ARTICLE XVI
Depositary

1. The Secretary General of SAARC shall be the depositary of this Agreement and amendments thereto.
2. An original of this Agreement shall be deposited with the Secretary General of SAARC.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

SIGNED at New Delhi on the Third Day of April Two Thousand and Seven in Nine originals in the English language.

Rangin Dadfar Spanta
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Iftekhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Labour and
Human Resources
Kingdom of Bhutan

Pranab Mukherjee
Minister for External Affairs
Republic of India

Ahmed Shaheed
Minister of Foreign Affairs
Republic of Maldives

K. P. Sharma Oli
Deputy Prime Minister and
Minister for Foreign Affairs
Government of Nepal

Khurshid M. Kasuri
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of
Sri Lanka

SCHEDULE-I**THE SAARC FOOD BANK****Assessed Shares of Food Grains for the Reserve
(In Metric Tons)**

Afghanistan	----
Bangladesh	40,000
Bhutan	180
India	1,53,200
Maldives	200
Nepal	4,000
Pakistan	40,000
Sri Lanka	4,000
Total:	2,41,580?

SCHEDULE- II**THE SAARC FOOD BANK****Specifications¹ of Food Grains (wheat and rice)****Wheat**

Quality Grade Factors	Grade II FAQ*	Recommended specification
Moisture content, % (maximum)	9.0 - 10.0	13.5
Test weight Kg/Hecto-Litre (minimum)	74.1 - 75	75.0
Foreign matter, % (maximum)	0.5 - 1.0	1.0
Broken and shriveled, % (maximum)	2.0 - 3.0	7.0
Other food grains, % (maximum)	1.5 - 3.0	3.0
Damaged grains, % (maximum)	0.5 - 1.0	2.0
Gluten (wet), % (minimum)	26 - 27	26.0
Protein, % (minimum)	10.0 - 11.0	10.0

*Fair Average Quality

1 Definitions are contained at the Annex

Rice

Quality Grade Factors	Grade II for Coarse Rice	Recommendation (for par-boiled rice)	Recommendation (for non-parboiled rice)
Moisture content, % (maximum)	14.0	14.0	14.0
Damaged shriveled and yellow, % (maximum)	2.5	4.0	3.0
Broken grains, % (maximum)	10.0	16.0	25.0
Chalky grains, % (maximum)	6.0	Not applicable	6.0
Foreign matter, % (maximum)	0.8	0.8	0.8
Paddy grains, % (maximum)	0.4	0.4	0.4
Red stripped grains, % (maximum)	2.5	3.0	3.0
Under-milled (de-husked), % (maximum)	-	12.0	12.0

Definitions of Refractions for Raw and Parboiled Rice

Foreign Matter

Includes organic and inorganic matters. The inorganic matter shall include sand, gravel, dirt, pebbles, stones, lumps of earth, clay and mud, glass and metallic pieces. The organic matter shall include chaff, weed seeds, straw and inedible grains.

Brokens

a. Small Broken

Pieces of kernels that are broken up to one fourth of the size of full kernel

b. Big Broken

Pieces of kernels that are broken above one fourth of the size and less than three fourth of the size of the full kernel

Slightly damaged grains

Kernels or pieces of kernels that are damaged or discoloured superficially so as not to affect the quality of the material

Damaged grains

Kernels or pieces of kernels that are sprouted or internally damaged as a result of heat, microbes, moisture or weather

De-husked grain (under-milled grains)

Shall be the rice kernels, whole or broken, which have more than one fourth of the surface covered with bran

Chalky grains

Kernels or pieces of kernel of which at least half the portion is opaque, milky white colour and brittle in nature

Discoloured grain

Kernels or pieces of kernels that have changed the colour as a result of deteriorative changes

Red grain

Kernels or pieces of kernel having more than one fourth of the surface covered with red cuticle

Degree of milling

The reasonably well milled means milling of paddy from which the husk, the germ, the outer bran layers and the greater part of the inner bran layers have been removed, part of the lengthwise streaks of the bran layers may still be present on not more than 30 percent of the kernels.

Definitions of Refractions for Wheat

Foreign Matter

Includes organic and inorganic matters. The inorganic matter shall include sand, gravel, dirt, pebbles, stones, lumps of earth, clay and mud, glass and metallic pieces. The organic matter shall include chaff, weed seeds, straw and inedible grains.

Shrivelled Grains

Kernels or pieces of kernels that are not fully developed

Broken

Pieces of kernels that are less than three fourth of the size of full kernel

Weevilled grains

Kernels that are partially or wholly bored

Slightly damaged grains

Kernels or pieces of kernels that are damaged or discoloured superficially so as not to affect the quality of the material

Damaged grains

Kernels or pieces of kernels that are sprouted or internally damaged as a result of heat, microbes, moisture or weather

Other Food grains

Any food grains other than wheat

**PROTOCOL
OF
ACCESSION OF ISLAMIC REPUBLIC OF AFGHANISTAN
TO AGREEMENT
ON SOUTH ASIAN FREE TRADE AREA (SAFTA)**

**The Governments of SAARC (South Asian Association for Regional Cooperation) Member
States hereinafter referred to as “Contracting States”**

TAKING NOTE of Islamic Republic of Afghanistan having joined the South Asian Association for Regional Cooperation as its eighth Member on 3rd April 2007 during the Fourteenth SAARC Summit held in New Delhi on 3-4 April 2007;

NOTING that the Islamic Republic of Afghanistan has agreed to subscribe or accede, as the case may be, to the provisions of the SAARC Charter, all legal instruments of SAARC, all SAARC Declarations, all Agreements and Decisions of SAARC; and

ALSO NOTING that Article 24 of the Agreement on South Asian Free Trade Area (SAFTA) provides for amendments by consensus.

HAVE AGREED AS FOLLOWS:

1. The Government of Islamic Republic of Afghanistan shall be a Contracting State of the Agreement on SAFTA.
2. The Government of Islamic Republic of Afghanistan shall accept all the rights and obligations under the Agreement on SAFTA as accorded on the date of entry of this Protocol.
3. Islamic Republic of Afghanistan shall extend the tariff concessions to all other Contracting States as are being extended at the date of coming into force of this Protocol by Least Developed Contracting States and shall continue the tariff reduction programme in favour of all other Contracting States in accordance with the provisions of Articles 7(b) and 7(d) and the schedule agreed during the first meeting of the SAFTA Committee of Experts held in Dhaka on 18-19 April 2006.
4. Islamic Republic of Afghanistan may not apply the tariff reduction programme as in paragraph 3 above, to the tariff lines included in its Sensitive List attached at Annex-I, which shall be treated as an integral part of the Agreement on SAFTA.
5. All other Contracting States shall extend tariff concessions to Islamic Republic of Afghanistan as are being extended at the date of coming into force of this Protocol to all Least Developed Contracting States and shall continue the tariff reduction programme in favour of Islamic Republic of Afghanistan in accordance with the provisions of Article 7 of the Agreement on SAFTA and the schedule agreed during the first meeting of the SAFTA Committee of Experts held in Dhaka on 18-19 April 2006.
6. As far as the Annex-III of SAFTA Agreement i.e. Mechanism for Compensation of Revenue Loss (MCRL) under SAFTA is concerned, it has been agreed that Afghanistan will get compensation, if due, from Sri Lanka for a period of four years; from Pakistan for a period of five years; and from India for a period of six years.
7. This Protocol shall enter into force on 90th day after issuance of a notification thereof by the

SAARC Secretariat upon completion of formalities, including ratification by all Contracting States, by which all Contracting States shall issue necessary customs notifications extending the tariff concessions in accordance with the provisions of this Protocol.

8. This Protocol shall form an integral part of the SAFTA Agreement.

DONE at Colombo, Sri Lanka On This The Third Day of August Two Thousand Eight, In Ten Originals In English Language, All Texts Being Equally Authentic.

Rangin Dadfar Spanta
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Iftexhar Ahmed Chowdhury
Adviser for Foreign Affairs
(Foreign Minister)
People's Republic of Bangladesh

Ugyen Tshering
Minister for Foreign Affairs
Kingdom of Bhutan

Pranab Mukherjee
Minister of External Affairs
Republic of India

Abdulla Shahid
Minister of Foreign Affairs
Republic of Maldives

Ram Sharan Mahat
Minister for Finance
Federal Democratic Republic of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Rohitha Bogollagama
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

SAARC AGREEMENT ON TRADE IN SERVICES (SATIS)

Preamble

The Governments of the South Asian Association for Regional Cooperation (SAARC) Member States comprising the Islamic Republic of Afghanistan, People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to individually as "Contracting State" and collectively as "Contracting States";

Being committed to strengthen SAARC economic cooperation to maximise the realization of the region's potential for trade and development for the benefit of their people, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Recognising that regional trading arrangements both in goods and services in SAARC shall act as avenues for achieving objectives of economic development and growth in the region by expanding intraregional investment and production opportunities;

Noting that the Agreement on South Asian Free Trade Area (SAFTA) provides for trade liberalization on a preferential basis in trade in goods;

Being convinced of the increasing role that the services sector is playing in the economies and trade of the Contracting States; and immense potential to augment intra-regional trade in services in a mutually beneficial manner; and also

Recognizing further that Least Developed Countries in the region need to be accorded special and differential treatment commensurate with their development needs;

Have agreed as follows:

Article 1

Definitions

For the purposes of this Agreement:

1. **a juridical person** is:
 - 1.1 **owned** by persons of a Contracting State if more than 50 per cent of the equity interest in it is beneficially owned by persons of that Contracting State;
 - 1.2 **controlled** by persons of a Contracting State if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;
 - 1.3 **affiliated** with another person when it controls, or is controlled by, that other person, or when it and the other person are both controlled by the same person;
2. **a service supplied in the exercise of governmental authority** means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers;
3. **aircraft repair and maintenance services** mean such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

4. **commercial presence** means any type of business or professional establishment, including through:
- 4.1 the constitution, acquisition or maintenance of a juridical person, or
 - 4.2 the creation or maintenance of a branch or a representative office,
- within the territory of a Contracting State for the purpose of supplying a service;
5. **computer reservation system (CRS) services** mean services provided by computerized systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;
6. **direct taxes** comprise all taxes on total income, on total capital or on elements of income or of capital, including taxes on gains from the alienation of property, taxes on estates, inheritances and gifts, and taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation;
7. **juridical person** means any legal entity duly constituted or otherwise organized under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association; -
8. **juridical person of the other Contracting States** means a juridical person which is either:
- 8.1 constituted or otherwise organized under the law of the other Contracting States, and is engaged in substantive business operations in the territory of the other Contracting States,
 - 8.2 in the case of the supply of a service through commercial presence, owned or controlled by:
 - 8.2.1 natural persons of the other Contracting States; or
 - 8.2.2 juridical persons of the other Contracting States, identified under paragraph 8.1.
9. **measure** means any measure by a Contracting State, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form;
10. **measures by Contracting States** means measures taken by:
- 10.1 central, regional, or local governments and authorities; and
 - 10.2 non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;
11. **measures by Contracting States affecting trade in services** include measures in respect of:
- 11.1 the purchase, payment or use of a service;
 - 11.2 the access to and use of, in connection with the supply of a service, services which are required by the Contracting States to be offered to the public generally;
 - 11.3 the presence, including commercial presence, of persons of a Contracting State for the supply of a service in the territory of the other Contracting State;
12. **monopoly supplier of a service** means any person, public or private, which in the relevant market of the territory of a Contracting State is authorized or established formally or in effect by that Contracting State as the sole supplier of that service;
13. **natural person of a Contracting State** means a natural person who resides in the territory of the Contracting State or elsewhere and who under the law of that Contracting State is a national of that Contracting State.

14. **person** means either a natural person or a juridical person;
15. **sector** of a service means,
- (i) with reference to a specific commitment, one or more, or all, subsectors of that service, as specified in a Schedule of the Contracting States,
 - (ii) otherwise, the whole of that service sector, including all of its subsectors;
16. **services** includes any service in any sector except services supplied in the exercise of governmental authority;
17. **selling and marketing of air transport services** mean opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services nor the applicable conditions;
18. **service consumer** means any person that receives or uses a service;
19. **service of the other Contracting States** means a service which is supplied:
- 19.1 from or in the territory of the other Contracting States, or in the case of maritime transport, by a vessel registered under the laws of the other Contracting States, or by a person of the other Contracting States which supplies the service through the operation of a vessel and/or its use in whole or in part; or
 - 19.2 in the case of the supply of a service through commercial presence or through the presence of natural persons, by a service supplier of the other Contracting States;
20. **service supplier** means any person that supplies a service;¹
21. **supply of a service** includes the production, distribution, marketing, sale and delivery of a service; and
22. **trade in services** is defined as the supply of a service:
- 22.1 from the territory of a Contracting State into the territory of the other Contracting State (**cross-border**);
 - 22.2 in the territory of a Contracting State to the service consumer of the other Contracting State (**consumption abroad**);
 - 22.3 by a service supplier of a Contracting State, through commercial presence in the territory of the other Contracting State (**commercial presence**);
 - 22.4 by a service supplier of a Contracting State, through presence of natural persons of a Contracting State in the territory of the other Contracting State (**presence of natural persons**)

1 Where the service is not supplied directly by a juridical person but through other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such presence be accorded the treatment provided for service suppliers under this Agreement. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

Article 2

Objectives, Principles and Guidelines

1. The objectives of this Agreement are to promote and enhance trade in services among the Contracting States in a mutually beneficial and equitable manner by establishing a framework for liberalising and promoting trade in services within the region in accordance with Article V of General Agreement on Trade in Services.
-
2. Negotiations for schedule of specific commitments shall take place keeping in view the national policy objectives, the level of development and the size of economies of Contracting States both overall and in individual sectors.
3. In light of the priority accorded to services by all Contracting States, the Agreement shall progressively cover liberalization of trade in services with broad-based and deeper coverage of majority of services sectors/sub-sectors with a view to fulfilling the objectives of Article V of GATS.
4. A positive list approach shall be followed. Negotiations for specific commitments for progressive liberalization would be based on “request-and-offer” approach.

Article 3

Scope

1. This Agreement applies to measures by Contracting States as defined in Article 1.10 and measures by the Contracting States affecting trade in services as defined in Article 1.11.
 2. This Agreement shall not apply to:
 - (a) government procurement;
 - (b) services supplied in the exercise of governmental authority; and
 - (c) transportation and non-transportation air services, including domestic and international services, whether scheduled or non-scheduled, and related services in support of air services² other than:
 - (i) aircraft repair and maintenance services
 - (ii) the selling and marketing of air transport services; and
 - (iii) computerized reservation system services.
 3. The supply of services which are not technically or technologically feasible when this Agreement comes into force shall, when they become feasible, also be considered for possible incorporation during the review process under Article-10.
-
 4. This Agreement shall not apply to measures affecting natural persons seeking access to the employment market of a Contracting State, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.
 5. Nothing in this Agreement shall prevent a Contracting State from applying measures to regulate the
- 2 The Contracting States understand that ground handling services are part of related services in support of air services.

entry of natural persons of the other Contracting State into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to the other Contracting State under the terms of - a specific commitment undertaken under this Agreement.³

Article 4

MFN Treatment

1. Subject to the provisions of Article 22.b, commitments undertaken under Article 8 of this Agreement shall be extended to all Contracting States on a most favoured nation basis.
2. If, after this Agreement enters into force, a Contracting State enters into any agreement on trade in services with a non-Contracting State, it shall give consideration to a request by the other Contracting State for the incorporation herein of treatment no less favourable than that provided under the aforesaid agreement. Any such incorporation should maintain the overall balance of commitments undertaken by each Contracting State under this Agreement.

Article 5

National Treatment

1. In the sectors inscribed in its Schedule, and subject to any conditions and qualifications set out therein, each Contracting State shall accord to services and service suppliers of any other Contracting State, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers⁴.
2. A Contracting State may meet the requirement of paragraph 1 by according to services and service suppliers of the other Contracting State, either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.
3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of a Contracting State compared to like services or service suppliers of the other Contracting State.

Article 6

Market Access

1. With respect to market access through the modes of supply defined in paragraph 22 of Article 1, each Contracting State shall accord services and service suppliers of the other Contracting State treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of specific commitments⁵.

3 The sole fact of requiring visa for natural persons of certain Contracting State and not for those of other Contracting States shall not be regarded as nullifying or impairing benefits under a specific commitment.

4 Specific commitments assumed under this Article shall not be construed to require any Contracting State to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

5 If a Contracting State undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in Article 1 (22) and if the cross-border movement of capital is an essential part of the service itself, that Contracting State is thereby committed to allow such movement of capital. If a Contracting State undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in Article 1(22) (iii), it is thereby

2. In sectors where market access commitments are undertaken, the measures which a Contracting State shall not maintain or adopt either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in its Schedule of specific commitments, are defined as:
- (a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;
 - (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;
 - (c) limitations on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test⁶;
 - (d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;
 - (e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and
 - (f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

Article 7

Additional Commitments

The Contracting States may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 5 or 6, including those regarding qualifications, standards or licensing matters. Such commitments shall be inscribed in a Contracting State's Schedule of specific commitments.

Article 8

Schedule of Specific Commitments

1. Each Contracting State shall set out in a schedule the specific commitments it undertakes under Articles 5, 6 and 7. With respect to sectors where such commitments are undertaken, each Schedule shall specify:
 - a. terms, limitations and conditions on market access;
 - b. conditions and qualifications on national treatment;
 - c. undertakings relating to additional commitments;
 - d. where appropriate the time-frame for implementation of such commitments; and
 - e. the date of entry into force of such commitments
2. Measures inconsistent with both Articles 5 and 6 shall be inscribed in the column relating to Article 6. In this case the inscription will be considered to provide a condition or qualification to Article 5 as well.
3. The Contracting States' schedules of specific commitments shall be annexed to this Agreement upon completion of the negotiations and shall form an integral part thereof.

committed to allow related transfers of capital into its territory.

6 This paragraph 2(c) does not cover measures of a Contracting State which limit inputs for the supply of services.

Article 9

Modification of Schedules

1. A Contracting State may modify or withdraw any commitment in its Schedule, at any time after three years have elapsed from the date on which that commitment entered into force, in accordance with the provisions of this Article. It shall notify the other Contracting States of its intent to so modify or withdraw a commitment no later than three months before the intended date of implementation of the modification or withdrawal.
2. At the request of the other Contracting States, the modifying Contracting State shall enter into negotiations with a view to reaching agreement on any necessary compensatory adjustment. In such negotiations and agreement, the Contracting State shall endeavour to maintain a general level of mutually advantageous commitments not less favourable to trade than that provided for in Schedules of specific commitments prior to such negotiations. The Contracting States shall endeavour to conclude negotiations on such compensatory adjustment to mutual satisfaction within six months, failing which recourse may be had to the provisions of Article 26 of this Agreement.
3. Compensatory adjustments shall be made on a most-favoured-nation basis.
4. The modifying Contracting State may not modify or withdraw its commitment until it has made compensatory adjustment with the requesting country or in accordance with the decision taken following the procedure of Article 26 of this Agreement.

Article 10

Progressive Liberalisation

The Schedules of Specific Commitments annexed to the Agreement shall be reviewed after every three years, or earlier if mandated by SAFTA Ministerial Council (SMC). -

Article 11

Domestic Regulations

1. In sectors where specific commitments are undertaken, each Contracting State shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.
2. Each Contracting State shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier of the other Contracting State, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Contracting State shall ensure that the procedures in fact provide for an objective and impartial review.
3. The provisions of paragraph 2 shall not be construed to require a Contracting State to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system.
4. Where authorization is required for the supply of a service on which a specific commitment has been made, the competent authorities of a Contracting State shall, within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations,

inform the applicant of the decision concerning the application. At the request of the applicant, the competent authorities of the Contracting State shall provide, without undue delay, information concerning the status of the application.

5. With the objective of ensuring that domestic regulation, including measures relating to qualification requirements and procedures, technical standards and licensing requirements, do not constitute unnecessary barriers to trade in services, the Contracting States shall jointly review the results of the negotiations on disciplines on these measures, pursuant to Article VI.4 of the WTO General Agreement on Trade in Services (GATS), with a view to their incorporation into this Agreement. The Contracting States note that such disciplines aim to ensure that such requirements are *inter alia*:
 - (a) based on objective and transparent criteria, such as competence and the ability to supply the service;
 - (b) not more burdensome than necessary to ensure the quality of the service;
 - (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.
6. Pending the incorporation of disciplines pursuant to paragraph 5, in sectors where a Contracting State has undertaken specific commitments, a Contracting State shall not apply licensing and qualification requirements and technical standards that nullify or impair such specific commitments in a manner which:
 - (a) does not comply with the criteria outlined in paragraphs 5(a), 5(b) or 5(c); and
 - (b) could not reasonably have been expected of that Contracting State at the time the specific commitments in those sectors were made.
7. In determining whether a Contracting State is in conformity with the obligation under paragraph 6, account shall be taken of international standards of relevant international organizations⁷ applied by that Contracting State.
8. In sectors where specific commitments regarding professional services are undertaken, each Contracting State shall provide for adequate procedures to verify the competence of professionals of any other Contracting State.

Article 12

Recognition

1. For the purposes of the fulfilment of its standards or criteria for the authorisation, licensing or certification of services suppliers, a Contracting State may recognise the education or experience obtained, requirements met, or licenses or certifications granted in the other Contracting State.
2. After the entry into force of this Agreement, upon a request being made in writing by a Contracting State to any other Contracting State(s) in any regulated service sector, the Contracting State shall ensure that their respective professional bodies negotiate and conclude, within a reasonable time, in that service sector for mutual recognition of education, or experience obtained, requirements met, or licenses or certifications granted in that service sector, with a view to the achievement of early outcomes. Such recognition, which may be achieved through harmonization or otherwise, may be based upon an agreement or arrangement among the Contracting States. Any delay or failure

⁷ The term “relevant international organizations” refers to international bodies whose membership is open to the relevant bodies of all Contracting States.

by these professional bodies to reach and conclude agreement on the details of such agreement or arrangements shall not be regarded as a breach of a Contracting State's obligations under this paragraph and shall not be subject to Article 26 relating to dispute settlement in this Agreement. Progress in this regard will be continually reviewed by the Parties in the course of the review of this Agreement pursuant to Article 10.

3. Where a Contracting State recognizes, by agreement or arrangement, the education or experience obtained, requirements met or licenses or certifications granted in the territory of a country that is not a Contracting State to this Agreement, that Contracting State shall accord the other Contracting State, upon request, adequate opportunity to negotiate its accession to such an agreement or arrangement or to negotiate comparable ones with it. Where a Contracting State accords recognition autonomously, it shall afford adequate opportunity for the other Contracting State to demonstrate that the education or experience obtained, requirements met or licenses or certifications granted in the territory of that other Contracting State should also be recognized.
4. Settlement of disputes arising out of or under the Agreements or Arrangements for mutual recognition concluded by the respective professional, standard-setting or self-regulatory bodies under the provisions of this Article shall be the responsibility of the entities signing the Agreements or Arrangements for mutual recognition.
5. Wherever appropriate and if possible Members shall endeavour to base recognition on regionally agreed criteria. In appropriate cases, Contracting States shall work in cooperation with relevant inter-governmental and non-governmental organizations towards the establishment and adoption of common regional standards and criteria for recognition and common regional standards for the practice of relevant services trades and professions.

Article 13

Monopolies and Exclusive Service Suppliers

1. Each Contracting State shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Contracting State's Schedule of specific commitments.
2. Where a Contracting State's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Contracting State's Schedule of specific commitments, the Contracting State shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.
3. If a Contracting State has reason to believe that a monopoly supplier of a service of the other Contracting State is acting in a manner inconsistent with paragraphs 1 or 2 above, it may request that Contracting State establishing, maintaining or authorizing such supplier to provide specific information concerning the relevant operations in its territory.
4. The provisions of this Article shall also apply to cases of exclusive service suppliers, where a Contracting State, formally or in effect:
 - (a) authorizes or establishes a small number of service suppliers; and
 - (b) substantially prevents competition among those suppliers in its territory.

Article 14

Business Practices

1. The Contracting States recognize that certain business practices of service suppliers, other than those falling under Article 13, may restrain competition and thereby restrict trade in services.
2. A Contracting State shall, at the request of another Contracting State, enter into consultations with a view to eliminating practices referred to in paragraph 1. The Contracting State addressed shall accord full and sympathetic consideration to such a request and shall co-operate through the supply of publicly available non-confidential information of relevance to the matter in question. The Contracting State addressed shall also provide other information available to the requesting Contracting State, subject to its domestic law and to the conclusion of satisfactory agreement concerning the safeguarding of its confidentiality by the requesting Contracting State.

Article 15

Safeguard Measures

1. The Contracting States note the multilateral negotiations pursuant to Article X of the GATS on the question of emergency safeguard measures based on the principle of non-discrimination. Upon the conclusion of such multilateral negotiations, the Contracting States shall conduct a review for the purpose of discussing appropriate amendments to this Agreement so as to incorporate the results of such multilateral negotiations.
2. In the event that the implementation of this Agreement causes substantial adverse impact to a service sector of a Contracting State before the conclusion of the multilateral negotiations referred to in paragraph 1 of this Article, the affected Contracting State may request for consultations with the other Contracting State for the purposes of discussing any measure with respect to the affected service sector. Any measure taken pursuant to this paragraph shall be mutually agreed by the Contracting States concerned. The Contracting States concerned shall take into account the circumstances of the particular case and give sympathetic consideration to the Contracting State seeking to take a measure.

Article 16

Subsidies

1. Except where provided in this Article, this Agreement shall not apply to subsidies or grants provided by a Contracting State, or to any conditions attached to the receipt or continued receipt of such subsidies or grants, whether or not such subsidies or grants are offered exclusively to domestic services, service consumers or service suppliers. If such subsidies or grants significantly affect trade in services committed under this Agreement, any Contracting State may request for consultations which shall be accorded sympathetic consideration.
2. Pursuant to this Agreement, the Contracting States may, on request, provide information on subsidies related to trade in services committed under this Agreement to any requesting Contracting State.
3. The Contracting States shall review the treatment of subsidies when relevant disciplines are developed by the WTO.

4. Provisions of dispute settlement under this Agreement shall not apply to any request made or consultations held under the provisions of this Article or to any dispute that may arise between the Contracting States out of or under the provisions of Paragraphs-1&2 of this Article.

Article 17

Payments and Transfers

1. Except under the circumstances envisaged in Article 18 a Contracting State shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments.
2. Nothing in this Agreement shall affect the rights and obligations of the Contracting States as members of the International Monetary Fund under the Articles of Agreement of the Fund, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Contracting State shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article 18 or at the request of the Fund.

Article 18

Restrictions to Safeguard the Balance of Payments

1. In the event of serious balance of payments and external financial difficulties or threat thereof, a Contracting State may adopt or maintain restrictions on trade in services in respect of which it has obligations under Articles 5 and 6 or has made Additional Commitments including on payments or transfers for transactions relating to such commitments. It is recognized that particular pressures on the balance of payments of a Contracting State in the process of economic development may necessitate the use of restrictions to ensure, *inter alia*, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development.
2. The restrictions referred to in paragraph 1 shall:
 - (a) not discriminate among the Contracting States
 - (b) be consistent with the Articles of Agreement of the International Monetary Fund;
 - (c) avoid unnecessary damage to the commercial, economic and financial interests of the other Contracting States;
 - (d) not exceed those necessary to deal with the circumstances described in paragraph 1;
 - (e) be temporary and be phased out progressively as the situation specified in paragraph 1 improves;
3. Any restrictions adopted or maintained under paragraph 1, or any changes therein, shall be promptly notified to the other Contracting States.
4. The Contracting State adopting any restrictions under paragraph 1 shall commence consultations with the other Contracting States in order to review the restrictions adopted by it.

Article 19

Transparency

1. Each Contracting State may publish promptly and, except in emergency situations, at least fourteen days prior to the entry into force of all relevant measures of general application which pertain to or affect the operation of this Agreement. International agreements pertaining to or affecting trade in services to which a Contracting State is a signatory shall also be published.

2. Where publication as referred to in paragraph 1 is not practicable, such information shall be made otherwise publicly available.
3. Each Contracting State shall respond promptly to all requests by the other Contracting State for specific information on any of its measures of general application or international agreements within the meaning of paragraph 1. Each Contracting State shall also establish one or more enquiry points to provide specific information to other Contracting State, upon request, on all such matters. Enquiry Points need not be depositories of laws and regulations.

Article 20

Disclosure of Confidential Information

Nothing in this Agreement shall require any Contracting State to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

Article 21

Areas for Cooperation

With a view to augmenting trade in services among Contracting States, measures outlined below would be focused upon within an agreed timeframe:

- (i) Development of regulatory capacity: The Contracting States would provide for cooperation among respective regulatory bodies of the Contracting States for exchange of experiences and best practices. For facilitating the cooperation, working groups may be formed for specific sectors of interest comprising the relevant national authorities and stakeholders. These working groups could report to the institutional mechanisms for overseeing the implementation of this Agreement as provided in Article 27.
- (ii) Cooperation for collection and exchange of statistics and regulations: A Working Group under the SAARCSTAT comprising central bank officials and others concerned would be constituted. They would also develop a compendium of domestic regulations and seek to improve collection of trade statistics in services.
- (iii) Cooperation in WTO/GATS Negotiations: Contracting States shall cooperate and coordinate their positions in the GATS negotiations, as far as possible.

Article 22

Special and Differential Treatment for LDCs -

In addition to other provisions of this Agreement, all Contracting States shall provide, wherever possible, special and more favourable treatment to least developed contracting states as stated in the following sub-paragraphs:

- a. There shall be appropriate flexibility for Least Developed Contracting States for opening fewer sectors, liberalizing fewer types of transactions, and progressively extending market access in line with their development situation.
- b. All Contracting States shall, wherever possible, consider providing special concessions to

Least Developed Contracting States while undertaking commitments on a request-offer basis.

- c. Technical assistance shall be provided to LDC Contracting States for enhancing their supply capabilities in service sectors and infrastructure development; for research and capacity building programmes; and for catering to the institutional and regulatory needs with a view to strengthening their domestic service capacity, efficiency and competitiveness. Such technical assistance may be provided bilaterally or through sub-regional/regional projects under Economic Window of SAARC Development Fund as per its Charter and Bye-laws. A detailed plan of action including timeframe for technical assistance in these areas shall be prepared on a priority basis within a reasonable timeframe after entry into force of the Agreement.

Article 23

General Exceptions

1. Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination against any Contracting State, or a disguised restriction on trade in services, nothing in this Agreement shall be construed to prevent the adoption or enforcement by either Contracting State of measures:
 - (a) necessary to protect public morals or to maintain public order;⁸
 - (b) necessary to protect human, animal or plant life or health;
 - (c) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement including those relating to:
 - (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on services contracts;
 - (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts;
 - (iii) safety;
 - (d) inconsistent with Article 5, provided that the difference in treatment is aimed at ensuring the equitable or effective⁹ imposition or collection of direct taxes in respect of services or service suppliers of other Contracting States.

8 The public order exception may be invoked by a Contracting State, including its legislative, governmental, regulatory or judicial bodies, only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

9 Measures that are aimed at ensuring the equitable or effective imposition or collection of direct taxes include measures taken by a Contracting State under its taxation system which:

- (i) apply to non-resident service suppliers in recognition of the fact that the tax obligation of non-residents is determined with respect to taxable items sourced or located in the Contracting State's territory; or
- (ii) apply to non-residents in order to ensure the imposition or collection of taxes in the Contracting State's territory; or
- (iii) apply to non-residents or residents in order to prevent the avoidance or evasion of taxes, including compliance measures; or
- (iv) apply to consumers of services supplied in or from the territory of the other Contracting State in order to ensure the imposition or collection of taxes on such consumers derived from sources in the Contracting State's territory; or
- (v) distinguish service suppliers subject to tax on world-wide taxable items from other service suppliers, in recognition of the difference in the nature of the tax base between them; or
- (vi) determine, allocate or apportion income, profit, gain, loss, deduction or credit of resident persons or branches, or between related persons or branches of the same person, in order to safeguard the Contracting State's tax base.

Tax terms or concepts in paragraph 1(d) of this Article and in this footnote are determined according to tax definitions and concepts, or equivalent or similar definitions and concepts, under the domestic law of the Contracting State taking the measure.

Article 24

Security Exceptions

1. Nothing in this Agreement shall be construed:
 - (a) to require a Contracting State to furnish any information, the disclosure of which it considers contrary to its essential security interests; or
 - (b) to prevent a Contracting State from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;
 - (ii) relating to fissionable and fusionable materials or the materials from which they are derived;
 - (iii) taken in time of war or other emergency in international relations;
 - (iv) relating to protection of critical public infrastructure, including communications, power and water infrastructure from deliberate attempts intended to disable or degrade such infrastructure;
 - (c) to prevent a Contracting State from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.
2. Each Contracting State shall inform the other Contracting States to the fullest extent possible of measures taken under paragraphs 1(b) and (c) and of their termination.

Article 25

Denial of Benefits

1. Subject to prior notification and consultation, a Contracting State may deny the benefits of this Agreement:
 - (a) to the supply of a service, if it establishes that the service is supplied from or in the territory of a country that is not a Contracting State to this Agreement;
 - (b) in the case of the supply of a maritime transport service, if it establishes that the service is supplied:
 - (i) by a vessel registered under the laws of a non-Contracting State, and
 - (ii) by a person which operates and/or uses the vessel in whole or in part but which is of a non-Contracting State;
2. Contracting State may deny the benefits of this Agreement to a service provider of the other Contracting State where the Contracting State establishes that the service is being provided by an enterprise that is owned or controlled by persons of a non-Contracting State and that has no substantive business operations in the territory of the other Contracting State.

3. In case of special concessions, if any, provided exclusively to LDC Contracting States as per Article 22.b, subject to prior notification and consultation, Contracting State may deny the benefits of those special concessions to a service provider of the LDC Contracting State where the Contracting State establishes that the service is being provided by an enterprise that is owned or controlled by persons of a non-LDC Contracting State and that has no substantive business operations in the territory of that LDC Contracting State.

Article 26

Dispute Settlement and Enforcement

For the purposes of this Agreement the mechanisms available as per Articles 19 and 20 of the Agreement on South Asian Free Trade Area (SAFTA) would be applicable and enforced through Article 27 of this Agreement.

Article 27

Institutional Mechanism

The SAFTA Ministerial Council (SMC) constituted under the Article 10 of SAFTA Agreement shall be the highest decision-making body for the purpose of this Agreement and shall be responsible for administration and implementation of this Agreement and all decisions and arrangements made within its legal framework.

The SAFTA Committee of Experts (CoE) shall monitor, review and facilitate implementation of the provisions of this Agreement and undertake any task assigned to it by the SMC. The SAFTA COE shall submit this report to SMC every six months.

Article 28

Withdrawal

Any Contracting State may withdraw from this Agreement at any time after its entry into force as per Article 21 of the SAFTA Agreement.

Article 29

Entry into Force

This Agreement shall enter into force on completion of formalities, including ratification by all Contracting States and issuance of a notification thereof by the SAARC Secretariat. This Agreement shall be an adjunct to the SAFTA Agreement.

Article 30

Annexes

The following Annexes attached to this Agreement form an integral part of this Agreement:

- a. The General Understanding on Principles and Guidelines for the Negotiations - **(Annex-I)**
- b. Schedules of Specific Commitments of Contracting States as referred to in Article 8 (3) - **(Annex-II)**

Article 31

Amendments

This Agreement may be amended by consensus in the SAFTA Ministerial Council. Any such amendment will become effective upon the deposit of instruments of acceptance with the Secretary General of SAARC by all Contracting States.

Article 32

Depository

This Agreement will be deposited with the Secretary General of SAARC, who will promptly furnish a certified copy thereof to each Contracting State.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

DONE in Thimphu, Bhutan On This Twenty-ninth Day of April Two Thousand Ten In Ten Originals In The English Language, All Texts Being Equally Authentic.

Dr. Zalmay Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, M.P.
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

Ahmed Shaheed
Minister of Foreign Affairs
Republic of Maldives

Sujata Koirala
Deputy Prime Minister and
Minister for Foreign Affairs
Government of Nepal

Makhdoom Shah Mehmood Qureshi
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka

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GENERAL UNDERSTANDING ON
PRINCIPLES AND GUIDELINES FOR THE NEGOTIATIONS ON
SAARC AGREEMENT ON TRADE IN SERVICES (SATIS)

1. This Agreement shall provide real and effective market access to all Contracting States in an equitable manner.-
2. Negotiations for schedule of specific commitments shall take place keeping in view the national policy objectives, the level of development and the size of economies of Contracting States both overall and in individual sectors.
3. In light of the priority accorded to services by all Contracting States, the Agreement shall progressively cover liberalization of trade in services with broad-based and deeper coverage of majority of services sectors/sub-sectors with a view to fulfilling the objectives of Article V of GATS.
4. A positive list approach shall be followed. Negotiations for specific commitments for progressive liberalization would be based on “request-and-offer” approach.
5. There may be specific texts in mutually agreed areas.
6. MTN/GNS/W/120 (WTO Secretariat’s Services Sectoral Classification List) could be a basis for, but may not be limited to, the sectoral coverage of the sector specific commitments.
7. Initial offers of the WTO-Member Contracting States shall be in addition to their existing levels of multilateral commitments with substantial sectoral and modal improvement over those commitments.
8. Agreement and schedules of specific commitments shall be subject to review periodically.

SAARC AGREEMENT ON MULTILATERAL ARRANGEMENT ON RECOGNITION OF CONFORMITY ASSESSMENT

The Governments of SAARC Member States:

CONSIDERING the traditional links of friendship that exist amongst SAARC Member States;

DESIRING to facilitate trade amongst SAARC Member States;

RECOGNIZING that one of the objectives and functions of South Asian Regional Standards Organization (SARSO) is to promote Mutual Recognition Arrangements (MRAs) on Conformity Assessment procedures amongst the SAARC Member States;

RECOGNIZING that mutual recognition of conformity assessment could be an important means of eliminating technical barriers to trade and enhancing market access amongst the Member States;

RECOGNIZING that any such mutual recognition requires confidence in the other Party's capacity and competence to assess conformity to a Party's own requirement;

RECOGNIZING the importance of maintaining each Member State's high levels of health, safety, environmental and consumer protection;

RECOGNIZING the different levels of infrastructure for standards and conformity assessment and economic development of the Member States;

NOTING that this Agreement is not intended to displace private sector bilateral and multilateral Arrangements amongst conformity assessment bodies or to affect regulatory regimes;

HAVE AGREED AS FOLLOWS:

ARTICLE 1 DEFINITIONS

For the purpose of this Agreement, the following definitions shall apply:

1. "Board for Conformity Assessment (BCA)" means the Board consisting of one representative from each Party.
2. "Conformity Assessment (CA)" means systematic examination through activities of inspection, testing or audit, to determine the extent to which a product and/or process fulfills specified requirements.
3. "Conformity Assessment Body (CAB)" means a body which carries out inspection, testing or audit activities.
4. "Certification Body" means a body which has been authorized by SAARC Member State to grant Licence/Certificate.

5. “Licence/Certificate” means a document issued under the rules of certification system indicating that adequate confidence is provided that a product and/or process is in conformity with a specific standard.
6. “Licensee/Certificate Holder” means a person/an entity who has been granted Licence/Certificate.
7. “Party” means National Standards Body nominated by a Member State as described in Statutes and Rules of Procedures of South Asian Regional Standards Organisation (SARSO).
8. “Product” means result of a process.
NOTE: Product also includes Service.
9. “Regulatory Authority” means an entity that has legal powers and rights and is responsible for enforcing regulations.
10. “SARSO” means South Asian Regional Standards Organization.
11. “Sector” means a sector identified by Board for Conformity Assessment (BCA) for Conformity Assessment.
12. “Sectoral Conformity Assessment Committee (SCAC)” means Committee of technical experts for the Conformity Assessment for the Sector from SAARC Member States.

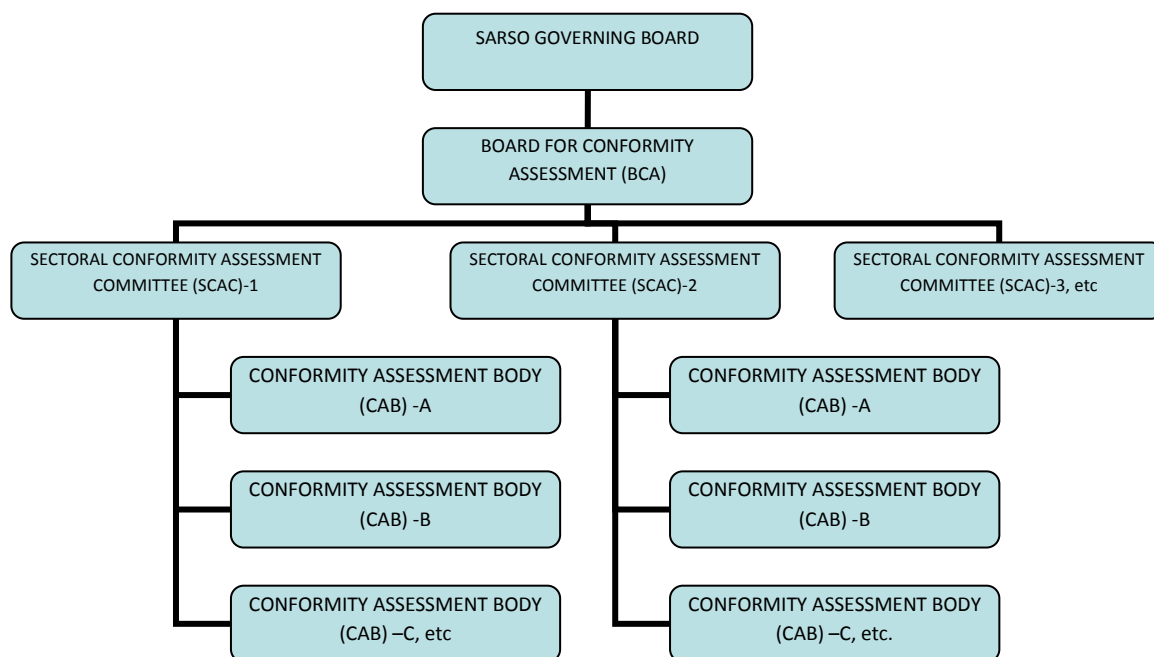
ARTICLE 2

OBJECTIVES

The objective of this Agreement is to facilitate the Parties to accept results of conformity assessment with a view to eliminate technical barriers to trade within SAARC.

ARTICLE 3

ORGANOGRAM FOR SAARC CONFORMITY ASSESSMENT



ARTICLE 4

SCOPE OF THE AGREEMENT

This Agreement covers the following:

1. Product coverage;
2. Board for Conformity Assessment (BCA)
3. Sectoral Conformity Assessment Committees (SCACs);
4. Procedure for listing of CABs;
5. Monitoring of listed CABs;
6. Suspension of listed CABs;
7. Withdrawal of listed CABs;
8. Exchange of information;
9. Phases of conformity assessment of products;
10. Preservation of Regulatory Authority;
11. Confidentiality;
12. Fee;
13. Settlement of disputes;
14. Institutional arrangements;
15. Technical assistance;
16. Complaints;
17. Official Language;
18. Entry into Force of the Agreement;
19. Depositary;
20. Reservations; and
21. Amendment.

ARTICLE 5

PRODUCT COVERAGE

This Agreement pertains to the products identified and listed in respect of each Member State with the written consent of the Parties (hereinafter referred to as 'The List'). The List may be amended and replaced at anytime by written consent of the concerned Parties.

ARTICLE 6

BOARD FOR CONFORMITY ASSESSMENT (BCA)

1. The Parties hereby establish a Board for Conformity Assessment (BCA), consisting of one representative from each Party, responsible for the planning, coordinating and monitoring of all conformity assessment work of SARSO.
2. BCA shall make its decisions by unanimous consent. BCA shall determine its own rules and procedures subject to the approval of SARSO Governing Board.
3. BCA may consider any matter relating to the effective functioning of this Agreement. In particular it shall be responsible for:
 - a) listing, suspension, withdrawal of CABs in accordance with this Agreement;
 - b) establishing SCAC(s) as and when necessary
 - c) amending arrangements including transitional arrangements in different SCACs as and when necessary;
 - d) resolving any questions relating to the application of this Agreement not otherwise resolved in the respective SCAC;
 - e) providing a forum for discussion on issues that may arise concerning the implementation of this Agreement;
 - f) considering ways to enhance the operation of this Agreement;
 - g) proposing any amendment to this Agreement as and when necessary;
 - h) reviewing the progress made in implementation of various phases of conformity assessment of products (Article 13), and recommending necessary actions in this respect to SARSO Governing Board;
 - i) preparing, reviewing and updating the documents required by all SCACs; and
 - j) resolving disputes, if any, between the SCACs.
4. A Party may introduce new procedures or modify the existing ones in a given sector, subject to the approval of BCA.-

ARTICLE 7

SECTORAL CONFORMITY ASSESSMENT COMMITTEES (SCACs)

1. SCACs shall comprise of technical experts for the conformity assessment for the sector from SAARC Member States.

2. SCAC shall recommend to BCA about listing, subsequent monitoring, suspension, withdrawal and verification of CABs.
3. Each Party shall appoint and confirm in writing contact point to be responsible for activities under respective SCAC(s).

ARTICLE 8

PROCEDURE FOR LISTING OF CONFORMITY ASSESSMENT BODIES

The following procedure shall apply with regard to the listing of CABs in a Sector:

1. SCAC shall ensure that CABs identified for listing have adequate knowledge of the applicable standards and experience in conformity assessment, in accordance with the procedures and criteria set forth for that Sector. Assessment of technical competence/compliance to the procedures may be done by SCAC through verification.
2. Each SCAC shall forward in writing required details of CABs that had been identified, to SARSO Secretariat. The SARSO secretariat shall circulate these details to all the Parties for their confirmation, opposition, or abstention for the listing of identified CABs.
3. The Parties shall indicate their position regarding their confirmation or their opposition, to the SARSO Secretariat within 60 days after issuance of SARSO Secretariat communication.
4. The responses received from the Parties shall be forwarded to BCA by SARSO Secretariat within 7 working days of expiry of 60 days as at 8.3 above.
5. BCA shall take following actions after receipt of responses from SARSO Secretariat:
 - a. list CAB when confirmation is received from all the Parties.
 - b. list CAB when there is no opposition and abstention without any comment from any Party. Abstention without comment shall be treated as confirmation. Opposition without comment will be treated as non-opposition.
 - c. resolve cases of opposition and/or abstention with comments.
6. Any opposition should be given in writing with justification and evidence if any. Any Party may request for visit for verification of technical competence of CAB. The BCA shall take final view and may decide for verification of the technical competence or compliance of a proposed CAB.

ARTICLE 9

MONITORING OF LISTED CONFORMITY ASSESSMENT BODIES

The following procedure shall apply with regard to the monitoring of conformity assessment bodies in a sector:

1. Each SCAC shall ensure that its conformity assessment bodies are capable and remain capable of properly carrying out conformity assessment. -
2. SCACs shall monitor the performance of the conformity assessment and the decision-making processes of CABs at least once a year. Such monitoring may include on-site assessments, review of assessment reports, feedback of CABs from their clients, etc and taking appropriate action.

3. In cases where assessments by CAB involve subjects in jurisdiction of more than one SCACs, the monitoring team shall consist of relevant experts from the concerned SCACs.
- 4.

ARTICLE 10

SUSPENSION OF LISTED CONFORMITY ASSESSMENT BODIES

The following procedure shall apply with regard to the suspension of a CAB listed in a Sector:

1. Proposal for suspension of listed CAB shall only be considered when it comes from any Party in writing.
2. Such a proposal can only be made if the Party contests the technical competence of the CAB or contests the compliance to prescribed procedures by the CAB. Such contestation shall be made only when it is supported by objective evidence in a reasoned manner.
3. Such a proposal shall be made to SARSO Secretariat, which shall promptly inform about the proposal to the relevant SCAC (s) and the concerned CAB.
4. In case the CAB wishes to refute the contestation, it shall be given an opportunity to present its case before the concerned SCAC.
5. In case the CAB agrees with the contestation, it shall intimate the corrections made and corrective actions taken to the concerned SCAC.
6. Any such contestation shall be discussed by the relevant SCAC, which shall send its recommendations to BCA. SCAC may give its recommendation, if necessary, based on verification visit to the CAB for assessing its technical competence or compliance to the procedures.
7. In case the CAB does not respond within 21 days from the date of receipt of suspension proposal from SARSO Secretariat, the relevant SCAC shall recommend to BCA suspension of the CAB.
8. Efforts should be made by BCA to take a decision on the suspension proposal within 60 days of receipt of the suspension proposal from the Party.
9. Upon the suspension of a CAB in the relevant Sector, the Party(ies) is/are no longer obliged to accept or recognize the results of conformity assessment performed by that CAB subsequent to suspension. Parties shall continue to accept the results of conformity assessment procedures performed by that CAB prior to suspension; and
10. The suspension shall remain in effect until an agreement has been reached by BCA on the future status of that CAB.

ARTICLE 11

WITHDRAWAL OF LISTED CONFORMITY ASSESSMENT BODIES

The following procedure shall apply with regard to the withdrawal of a CAB listed in a Sector:

At CAB's behest:

1. In case a listed CAB wishes to withdraw from the list, it shall make a written request to that effect with reasons to SARSO Secretariat. SARSO Secretariat shall promptly refer the matter to relevant SCAC for its recommendation. SCAC shall send its recommendation to

BCA within 30 days of receipt of such reference. BCA shall communicate about its decision promptly to SARSO Secretariat.

2. SARSO Secretariat shall promptly inform the decision of BCA to the Parties, relevant SCAC(s) and the concerned CAB; and this information should also be made public (e.g. SARSO website).

At Party's behest:

1. Proposal for withdrawal of listed CAB shall only be considered when it comes from any Party in writing.
2. Such a proposal can only be made if the Party contests the technical competence of the CAB or contests the compliance to prescribed procedures by the CAB. Such contestation shall be made only when it is supported by objective evidence in a reasoned manner.
3. Such a proposal shall be made to SARSO Secretariat, which shall promptly inform about the proposal to the relevant SCAC(s) and the concerned CAB.
4. In case the CAB wishes to refute the contestation, it shall do so in writing with justification to the relevant SCAC within 21 days. SCAC shall then give an opportunity to the CAB to present its case within 30 days.
5. In case the CAB agrees with the contestation, it shall intimate the corrections made and corrective actions taken to the concerned SCAC within 15 days.
6. Any such contestation shall be discussed by the relevant SCAC, which shall send its recommendations to BCA. SCAC may give its recommendation, if necessary, based on verification visit to the CAB for assessing its technical competence or compliance to the procedures.
7. Depending upon the seriousness of the deficiency assessed SCAC may even recommend suspension of the CAB.
8. In case the CAB does not respond within 21 days from the date of receipt of suspension proposal from SARSO Secretariat, the relevant SCAC shall recommend to BCA withdrawal of the CAB.
9. Efforts should be made by BCA to take a decision on the proposal for withdrawal within 60 days of its receipt from the Party. Upon the withdrawal of a CAB in the relevant Sector(s), the Party(ies) is/are no longer obliged to accept or recognize the results of conformity assessment performed by that CAB subsequent to withdrawal. Parties shall continue to accept the results of conformity assessment procedures performed by that CAB prior to withdrawal.

**ARTICLE 12
EXCHANGE OF INFORMATION**

1. The Parties shall exchange information concerning the implementation of the legislative, regulatory, and administrative provisions as applicable to various Sectors under SARSO.
2. Each Party shall notify all other Parties about legislative, regulatory and administrative changes related to the subject matter of this Agreement at least 60 days before their entry into force. Where

considerations of safety, health or environmental protection require urgent action, the Party shall notify about it to the others as soon as practicable.

3. Each Party shall promptly notify any other change in itself and relevant to this Agreement to the SARSO Secretariat.

ARTICLE 13

PHASES OF CONFORMITY ASSESSMENT OF PRODUCTS

Within the framework of the conditions mentioned in paras 5 to 7 of this Article, the following areas of cooperation shall be pursued and given effect in a phased manner. As can be seen, each phase is a step forward and would include the cooperation agreed to in all previous phases.

1. Phase 1

A Party shall authorize a listed CAB in the other Member State, where the licensee manufacturing premises is situated to carry out surveillance inspection and drawal of samples for sending to the Party. The inspection report of the CAB shall be accepted by the Party for the purpose of operation of licence.

2. Phase 2

A Party shall authorize a listed CAB in the other Member State, where the licensee manufacturing premises is situated to carry out pre-certification inspection and drawal of samples for sending to the Party. The inspection report of the CAB shall be accepted by the Party for the purpose of grant of licence.

3. Phase 3

The Parties shall permit testing of samples drawn during the pre-certification or surveillance inspection in laboratories (located in the Member State where the applicant/ licensee manufacturing premises is situated), which have an accreditation against ISO/IEC 17025, for the tests as per Party's standards for test methods, from a body which is a signatory to ILAC/APLAC MRA. The Parties shall accept the test results subject to condition that testing has been carried out for all the requirements of the Standard of the Certifying Party.

4. Phase 4

Wherever the Standards are harmonized, the Parties shall accept the inspection reports and test reports for all requirements from laboratory(ies) accredited from a body which is a signatory to ILAC/APLAC MRA (as per Phase 3 above). These reports will be used by a Party for the purposes of granting their licences in the Member State of the other Party; and for taking decisions relating to extension of scope, renewal, suspension, cancellation of licences and other operational issues.

5. The issuance of the Licence/Certificate by any Party shall be at its sole discretion. It shall be done after satisfying itself that applicable national regulatory requirements and the relevant standards of the Party have been fully complied with.
6. The Parties shall have the authority to take necessary actions as per their Certification Scheme on the basis of inspection and test reports received from the listed CAB.
7. A Party shall facilitate visits by the other Party(ies) to an applicant or licensee unit or CAB if desired at any stage due to any reason which shall be communicated in advance.

ARTICLE 14
PRESERVATION OF REGULATORY AUTHORITY

1. Nothing in this Agreement shall be construed to limit the authority of a Party to determine, through its legislative, regulatory and administrative measures, the level of protection it considers appropriate for safety; for protection of human, animal, or plant life or health; for the environment; for consumers; and otherwise with regard to risks within the scope of this Agreement.
2. Nothing in this Agreement shall be construed to limit the authority of a Regulatory Authority of a Member State to take appropriate and immediate measures whenever it ascertains that a product may:
 - (a) compromise the health and/or safety of persons in its territory; or
 - (b) not meet the legislative, regulatory, or administrative provisions within the scope of this Agreement; or
 - (c) otherwise fail to satisfy a requirement within the scope of the Agreement.

Such measures may include withdrawing the products from the market, prohibiting their placement on the market, restricting their free movement, initiating a product recall, and preventing the recurrence of such problems, including prohibition on imports. If the Regulatory Authority takes such action, it shall inform its counterpart in the other Member States.

ARTICLE 15
CONFIDENTIALITY

1. Each Party agrees to maintain, to the extent required under its laws, the confidentiality of information exchanged under this Agreement.
2. In particular, none of the Parties shall disclose to the public, or permit a CAB to disclose to the public, information exchanged under this Agreement that constitutes trade secrets; confidential, technological, commercial or financial information; or information that relates to an ongoing investigation.
3. A Party or a CAB may, upon exchanging information with the other Party or with a CAB of the other Party, designate the portions of the information that it considers to be exempted from disclosure.
4. Each Party shall take appropriate precautions necessary to protect information exchanged under this Agreement from unauthorized disclosure.
5. The confidentiality obligations imposed upon the Parties under this Agreement shall not apply to information which:
 - a) is or becomes part of the public domain for no fault of the Parties;
 - b) is in the possession of one of the Parties prior to the receipt of the information under this Agreement ;
 - c) is received by one of the Parties from a third party with a good legal title thereto;
 - d) is required by law or by a court order.

ARTICLE 16

FEE

The fee related to any activity of Conformity Assessment under this Agreement shall be charged on the principle of National Treatment.

ARTICLE 17

SETTLEMENT OF DISPUTES

Differences between Parties under this Agreement concerning the interpretation or application of this Agreement, as far as possible should be settled amicably between the Parties concerned. If a settlement cannot be reached, it shall be referred to the relevant SCAC. Even then if settlement is not reached, the same shall be referred to the BCA. Still if no settlement is reached, it shall be referred to SARSO Governing Board. The decision of the SARSO Governing Board shall be binding on all Parties. In case of dispute remaining unresolved, it shall be referred by the SARSO Governing Board to the higher SAARC bodies for resolution.

ARTICLE 18

INSTITUTIONAL ARRANGEMENTS

SARSO Secretariat shall provide all the support for coordinating and reviewing the implementation of this Agreement, including that to BCA and SCACs.

ARTICLE 19

TECHNICAL ASSISTANCE

1. The Parties shall, if requested, advise the other Parties, and shall provide them technical assistance on mutually agreed terms and conditions, where applicable, on building up and/or maintaining technical competence of relevant CABs in their territories so that they can fulfill the obligations as specified under this Agreement.
2. The Parties which are members or participants of international or regional systems for conformity assessment shall, if requested, advise the other Parties, and shall provide them technical assistance on mutually agreed terms and conditions, where applicable regarding the establishment of the institutions and legal framework which would enable them to fulfill the obligations of membership or participation under this Agreement.
3. Expenses incurred as a result of any activity for providing technical assistance by a Party to another will be as mutually agreed between the Parties.

ARTICLE 20

COMPLAINTS

1. The Parties shall investigate complaint on conformity assessment, whenever requested by the other Party and submit the investigation report to the requesting Party.
2. The expenses incurred in this regard shall be mutually agreed between the concerned Parties.

ARTICLE 21

OFFICIAL LANGUAGE

English shall be the official language for operation of this Agreement.

ARTICLE 22
ENTRY INTO FORCE OF THE AGREEMENT

This Agreement shall enter into force on completion of formalities, including ratification, by all Member States and upon issuance of notification thereof by the SAARC Secretariat.

ARTICLE 23
DEPOSITARY

This Agreement shall be deposited with the Secretary General of SAARC.

ARTICLE 24
RESERVATIONS

This Agreement shall not be subject to reservations either at the time of signature or at the time of notification to the SAARC Secretariat of the completion of formalities.

ARTICLE 25
AMENDMENT

This Agreement may be amended by consensus amongst the Member States on the recommendation of the SARSO Governing Board. Any Member State proposing amendment(s) shall notify the other Member States through the SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification, by all the Member States.

ARTICLE 26
SAVINGS

This Agreement shall not affect the rights and obligations of the individual Parties under any other international Agreement.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on Multilateral Arrangement on Recognition of Conformity Assessment.

**Done in Addu, Maldives On This Eleventh Day of November Two Thousand Eleven in Ten
Originals In The English Language, All Texts Being Equally Authentic.**

Dr. Zalmay Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, MP
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

Ahmed Naseem
Minister of Foreign Affairs
Republic of Maldives

Narayan Kaji Shrestha 'Prakash'
Deputy Prime Minister and
Minister for Foreign Affairs
Nepal

Hina Rabbani Khar
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of External Affairs
Democratic Socialist Republic of Sri Lanka

AGREEMENT ON ESTABLISHING THE SAARC SEED BANK

PREAMBLE

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States, comprising Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka, hereinafter referred to as “Member States”;

Recognizing the importance of regional and sub-regional collective self-reliance in Agriculture with respect to attaining Seed Security as a means of ensuring Food Security, particularly addressing the adverse effect of natural and man-made calamities;

Inspired by the directives of the Thirty-seventh session of the Standing Committee and Sixteenth SAARC Summit (*Thimphu, 28-29 April 2010*) for expeditious action on regional collaboration in the seed sector in mutual spirit and benefit and based on the principle of collective self-reliance;

Recognizing further that the establishment of a Regional Seed Bank *inter alia* may contribute to the objective of harmonized seed testing and certification, facilitate seed trade within the region by Member States, and would thereby contribute to attaining respective Food Security;

NOW, THEREFORE, in the spirit of solidarity and mutual cooperation, have agreed as follows:

ARTICLE I

Establishment of the SAARC Seed Bank

1. The Member States hereby agree to establish a SAARC Seed Bank (*hereinafter referred to as “the Seed Bank”*) for the purposes and on the conditions described in this Agreement.
2. The Seed Bank shall be administered by the SAARC Seed Bank Board (*hereinafter referred to as “the Board”*), as provided for in **Article XIII**.

ARTICLE II

Objectives

1. The objectives of the Seed Bank shall be:
 - a. to provide regional support to national seed security efforts; address regional seed shortages through collective actions and foster inter-country partnerships.
 - b. to promote increase of Seed Replacement Rate (SRR) with appropriate varieties at a faster rate as far as possible so that the use of quality seed for crop production can be ensured; and
 - c. to act as a regional seed security reserve for the Member States.

ARTICLE III

The Seed Replacement Rate

1. The Member States will undertake planned approach to increase Seed Replacement Rate at a faster rate, as far as possible, to ensure supply of quality seed.

2. The Member States will produce quality seed beyond the quantity planned to meet the SRR and the Seed Reserve.

ARTICLE IV

The Common Varieties

1. Member States will collaborate with each other in the development of list of a common variety(ies) of major priority/identified crops while recognizing the need to preserve-the local/indigenous varieties, as may be appropriate.
2. Member States, in order to develop a list of common variety(ies), will take part in adaptive trial in agreed/identified agro-ecological areas/zones in the Region, to be facilitated by the Seed Bank.
3. To operationalise the Regional Seed Bank, the Framework for Material Transfer, shall be applicable with a view to facilitate easy movement of seed and plant materials across the Member States.

ARTICLE V

Maintaining Seed Quality

1. Member States will develop a Common Minimum Seed Quality Standard (CMQS) and Seed Testing Procedures for different quality attributes (of all the crops) e.g. genetic purity, germination capacity, physical purity, moisture content, seed health or others as specified by the Board, keeping conformity with the ISTA procedures.
2. Member States will seek to develop a common Seed Certification system and standard.
3. Member States will designate respective Nodal Laboratory(ies) and undertake activities to improve Seed Testing capacities and capabilities in each country.
4. Member States will update and harmonize, in due course, the relevant Acts, Rules/Regulations, Orders regarding all aspects of Seed e.g. Quality Control, Seed System Management.
5. Member States will seek to develop harmonized procedure on transgenic varieties in due course.

ARTICLE VI

The Reserve

1. The Seed Reserve, to be maintained under the Seed Bank (*hereinafter referred to as “the Reserve”*), shall consist of quality seeds of the Common Variety(ies) of rice, wheat, maize, pulses, and oilseeds¹ (*hereinafter referred to as “seeds”, as referred to in Art. IV*) earmarked by the Member States, exclusively for the purpose described in **Article VIII**.
2. The Reserve shall remain the property of the Member State, which has earmarked it, and shall be in addition to any national reserve that may be maintained by that Member State.
3. Each Member State undertakes to earmark, as its assessed share of the Reserve, the amount of quality seeds allocated to it in the **Schedule-I** of this Agreement; and to keep the Board informed of the quantum of its reserve with locations of the designated seed storage.

¹ Initially, collaboration would begin with Rice, Wheat, Pulses and Oilseeds as they remain most critical w.r.t. attaining Food Security and ensuring Nutrition Security. Gradually, other crops may be considered.

4. The Member States shall keep the **Schedule-I** under review and may amend it in the light of operating experience.

ARTICLE-VII

Quality of the Reserve

1. The quality of all earmarked seed shall be as per the quality standards/requirement of the recipient Member State.
2. Each Member State shall undertake to: (a) provide adequate storage facilities for the quality seed earmarked quantum; (b) inspect the quality seed stock periodically; (c) apply appropriate quality control measures, as necessary, with a view to ensuring that at all times the seeds meet the required quality standards; and (d) replace forthwith any quality seed stock that do not satisfy the said standards. In addition, each Member State agrees to undertake every effort to comply with any guidelines on seed procedures and preservation methods or quality control measures adopted by the Board.

ARTICLE VIII

Withdrawal of Seed

Each Member State shall be entitled, on the conditions and in accordance with the procedures laid down in Articles VII and IX, to draw on Seeds forming part of the Reserve in the event of requirement of seeds.

ARTICLE IX

Procedure for the Release of Seed from the Reserve

1. The Member State in need shall directly notify, through its designated Nodal Point(s), the other Member State(s) of the amount of seed required.
2. The other Member State(s), on being so requested, shall take immediate steps to make necessary arrangements to ensure immediate and speedy release of the required quality seed, subject to availability.
3. The requesting Member State shall, at the same time, inform the Board of its request to the other Member State(s) to coordinate.

ARTICLE X

Replenishment of the Reserve

1. A Member State that has released all or part of the seed forming its share of the Reserve shall replace such quantity as soon as practicable and, in any event, not later than one calendar year following the date on which the release of the seed took place.
2. A Member State that has released all or part of the seed forming its share of the Reserve shall notify the Board at an early date of such release, of the terms and conditions on which it was effected and the date on which the seed that had been released were replaced.

ARTICLE- XI

Determination of Price

1. The prices, terms and conditions of payment, in kind or otherwise, in respect of the seed so released, shall be the subject of direct negotiations between the Member States concerned, based on the guidelines to

be approved by the Board for determination of price, which shall be reviewed periodically.

2. The requesting Member State shall specify the need while making a request. In the case of emergency, humanitarian aspects would be given due importance while determining prices.
3. The determination of prices shall be done in accordance with the following broad principles:
 - a. Price shall be representative of the market, both domestic and international, and may be adjusted suitably to reflect seasonal variations and the price movements in the recent past;
 - b. Price quoted, in general, shall be lower than prices generally charged or quoted for countries beyond the region;
 - c. A responding Member State shall endeavor to accord, as far as possible, national treatment in respect of calculating the cost components e.g. related to storage, internal freight, interests, insurance and overhead charges, margin of losses etc., while maintaining its reserve and making releases; and
 - d. Provision of deferred payment may be made.

ARTICLE XII

Institutional Arrangements

1. There shall be a Board consisting of one member from each Member State, one farmers' representative, on rotational basis from a Member State, and two members from the private sector² to administer functioning of the Seed Bank and for its policy making.
2. Rules of Procedure for the meetings of the Board shall be the same as for other SAARC meetings.
3. Decisions and recommendations of the Board shall be taken on the basis of unanimity.
4. The Board shall elect a Chairperson preferably based on the principle of rotation among Member States whose terms of office shall be the duration from one annual meeting to the next annual meeting.
5. The Board shall meet at least once a year or, more often, as considered necessary.
6. Each Member State shall designate a Nodal Point responsible for transacting all business at the national-level related to operations of the Seed Bank.
7. Private sector entrepreneurs/traders in a Member State may apply to the designated Nodal Point of that country, who shall transact all activities on behalf of the provider(s)/recipient(s) and shall be responsible for the transaction(s). Member States may develop appropriate guidelines for involving the private sector, in conformity with its national legislations, procedures and requirements.
8. The Board may constitute committee(s) to perform different supporting activities, as assigned by the Board, for smooth conduct of the functions of the Board.

ARTICLE XIII

Functions of the Board

The functions of the Board shall include:

² Private sector representation will, for instance, be from SAARC Seed Forum - not from some other platform not formally constituted under SAARC.

1. Undertake activities to develop a list of common crop varieties, quality testing method, Common Seed Certification Standard and Procedures.
2. Facilitate harmonization of legislative measures like Acts, Rules/Regulations, Orders and Procedures concerning seed system and make appropriate recommendations.
3. Undertake a periodic review and assessment of the Seed Replacement Rate and prospects in the region, including factors e.g. production, consumption, trade, prices, quality and stocks of seeds. These periodic assessment reports shall be disseminated to all Member States.
4. Examine immediate, short term and long term policy actions, as may be considered necessary, to ensure adequate supplies of quality seeds in the region; and to submit, on the basis of such examination, recommendations for appropriate action to the SAARC Agriculture Ministers.
5. Review implementation of the provisions of the Agreement, calling for such information from Member States, as may be necessary, for effective administration of the Seed Bank and issuance of guidelines on technical matters e.g. maintenance of stocks, storage conditions, quality control and price.
6. Assess the demands of seeds and identification of institutions and organizations in Member States that are to be contacted in case of release and withdrawal from its Reserves.
7. Devise appropriate mechanism(s) to collect, compile, generate, analyse and disseminate information to facilitate its own work.
8. Facilitate strengthening of capacities and capabilities in Member States, including mobilising resources.
9. Resolve any dispute or difference regarding the interpretation and application of the provisions of this Agreement and functioning of the Seed Bank.
10. Keep the Schedules to this Agreement under review.
11. Recommend amendment(s) or developing protocol(s) to the Agreement, as and when considered necessary.

ARTICLE-XIV Miscellaneous

1. **Schedule-I** shall be an integral part of this Agreement.
2. Expenditures relating to the functioning of the Seed Bank shall be borne by the Member States proportionately. Certain additional expenditure, as relevant, may be met out of the Budget of the SAARC Agriculture Centre (SAC).

ARTICLE XV Secretariat

1. The Board shall be assisted by the SAARC Secretariat, which shall coordinate the work of the Board, monitor all matters relating to the functions of the Seed Bank and convene and service meetings of the Board.
2. The establishment of a permanent setup of the Seed Bank with dedicated staff may be considered by the Council of Ministers at a future date, in the event of such a request made by the Board based on the

experiences of operations of the Seed Bank.

ARTICLE XVI
Entry into Force

This Agreement shall enter into force on completion of formalities including ratification by all Member States and upon issuance of a notification thereof by the Secretary General of SAARC.

ARTICLE XVII
Amendment

Any amendment to this Agreement may be submitted by a Member State to the Board and recommended by consensus to the Meeting of SAARC Agriculture Ministers. Such amendment(s) will be effective upon deposit of the instruments of acceptance with the Secretary General of SAARC.

ARTICLE XVIII
Depositary

The Secretary General of SAARC shall be the depositary of this Agreement and amendments thereto.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

Done in Addu, Maldives On This Eleventh Day of November Two Thousand Eleven in Ten Originals In The English Language, All Texts Being Equally Authentic.

Dr. Zalmay Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, MP
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

Ahmed Naseem
Minister of Foreign Affairs
Republic of Maldives

Narayan Kaji Shrestha 'Prakash'
Deputy Prime Minister and
Minister for Foreign Affairs
Nepal

Hina Rabbani Khar
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of External Affairs
Democratic Socialist Republic of Sri Lanka

SAARC SEED BANK
Assessed Shares³ of Quality Seeds for the Reserve
(In Metric Tons)

Afghanistan	—
Bangladesh	---
Bhutan	--
India	--
Maldives	--
Nepal	--
Pakistan	--
Sri Lanka	--
Total:	-----

³ Member States would maintain at least one percent of seed stock of the common varieties under the Seed Bank reserves.

FRAMEWORK FOR MATERIAL TRANSFER AGREEMENT
as applicable to operationalisation of the SAARC Seed Bank Agreement

PREAMBLE

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka hereinafter referred to as “Member Countries”;

Reaffirming the spirit of cooperation and commitment of the Member Countries to realise the objectives as enshrined in the SAARC Charter;

Recognizing the significance of ensuring food and nutritional security in the SAARC region to enhance the quality of life of South Asian people;

Acknowledging the crucial linkage between agriculture, food security and poverty alleviation in the region;

Appreciating the urgent need to foster food production;

Realizing fully that there is a dearth of quality seed availability throughout the region and that exchange of genetic materials could contribute to enhancing productivity;

Recalling the emphasis laid down by the Sixteenth SAARC Summit Declaration (*Thimphu, 28-29 April 2010*) on early establishment of a seed bank;

Desiring to operate a Seed Bank for ensuring Food Security in the Region; now, therefore, has agreed as follows to address the matter of exchange of materials from the Seed Bank among the Member States:

SECTION 1
OBJECTIVES AND PRINCIPLES

1. The objective of the Framework is to facilitate supply/exchange of seeds of common crop varieties among the Member Countries for the purpose of achieving Food Security in the Region.
2. The Framework shall be performed in accordance with the existing law, regulations and guidelines of SAARC Member States and the International Treaty on Plant Genetic Resources for Food and Agriculture.
3. A Format for Material Transfer Agreement shall be used to exchange materials amongst the Member States, as at *ANNEX-A*.

SECTION 2
NATIONAL FOCAL POINT

There shall be a nominated National Focal Point in each Member State through whom the Member State shall conduct the business of material transfer.

SECTION 3
DISPUTE SETTLEMENT

1. Any dispute that may arise among the Member States/parties regarding the interpretation and application of the provisions of this Agreement and the Format for Material Transfer Agreement concerning

the Rights and Obligations shall be amicably settled through a request for bilateral consultation. The request for such consultation shall be sent to the concerned Member Country/ies in writing and stating the reason for the request routed through the National Focal Point. The requested Member State would respond within thirty days extending up to sixty days by mutual consent and thereafter resume consultations to resolve the issue. Consultations should be confidential and without prejudice to the rights of the Member Countries in any further proceedings.

2. If the dispute is not resolved by consultations, the concerned Member State may seek mediation through the Seed Bank Board. The Board shall make recommendations within sixty days from the date of referral.

3. If the recommendations are not acceptable to the aggrieved Member State, it may then be referred to the SAARC Arbitration Council for final resolution.

FORMAT FOR MATERIAL TRANSFER AGREEMENT

PARTY TO THE AGREEMENT

The present Format for Material Transfer is hereinafter referred to as the “Material Transfer Agreement (MTA)”. Any two Member States may wish to affect an exchange/transfer/supply of materials as in *ANNEX-I*.

1.1 This Agreement is:

BETWEEN

.....(*Name and Address of the provider or providing institution , n a m e
of authorized official , contact information for authorized official*) (hereinafter referred to as ☐ the
“Provider”),

AND(*Name and Address of the recipient or recipient
institution, name of authorized official, contact information for authorized official*)
(hereinafter referred to as ☐ the “Recipient”).

(*Provider & Recipient may be Ministry of Agriculture/Research Council/Research
Institutes etc.*)

1.2 The parties to this Agreement hereby agree as follows:

SUBJECT MATTER OF THE AGREEMENT

2. The Plant Genetic Resources for Food and Agriculture, Germplasm, Genetic materials, Genetic component, specified in Annex-A of this Agreement (*hereinafter referred to as the “Material”*) and the available related information referred to in Article 4.3 and in Annex 1, are hereby transferred from the Provider to the Recipient subject to the terms and conditions set out in this Agreement.

RIGHTS AND OBLIGATIONS OF THE PROVIDER

3. The Provider (first party) undertakes that the Material is transferred in accordance with the following terms and provisions of the MTA:

3.1 Access shall be accorded expeditiously, without the need to track individual accessions and free of charge, or, when a fee is charged, it shall not exceed the minimal cost involved;

3.2 Access to the material(s) or visit, monitoring and evaluation as per desire of the Provider;

3.3 All available passport data and, subject to applicable law, any other associated available non-confidential descriptive information, shall be made available with the Plant Genetic Resources for Food and Agriculture be provided;

3.4. Access to Plant genetic Resources for Food and Agriculture under Development, including material(s) being developed by farmers, shall be at the discretion of its developer, during the period of its development;

3.5 Access to Plant Genetic Resources for Food and Agriculture protected by intellectual and other property rights shall be consistent with relevant international agreements, and with relevant national laws;

3.6 Right to withdraw the material from the recipient for their indiscriminate uses, if any.

RIGHTS AND OBLIGATIONS OF THE RECIPIENT

4. The Recipient (Second Party) undertakes that the Material is transferred in accordance with the following terms and provisions of the Agreement:

4.1 The Recipient undertakes that the Material shall be used or conserved only for the purposes of research, breeding and training for food and agriculture. Such purposes shall not include chemical, pharmaceutical and/or other non-food/feed industrial uses.

4.2 The importer/recipient (Second Party) agrees to provide a concept note of research project in which the MATERIAL(s) will be used, including the manner in which to be used. The importer/recipient (2nd party) agrees to cease any use of the material in case of suspension of research project at the instance of either party or due to factors beyond the control of either party. Upon such suspension of further research work, both parties will mutually agree for adopting a suitable provision for their preservation. In case of failure of the parties to arrive at an agreement, the materials, including derivatives will be destroyed upon 90 days notice from Provider.

4.3 All information material supplied by the provider shall be deemed to have been disclosed or provided to the recipient in confidence. The recipient agrees to preserve the confidential status of the material and information.

4.4 The germplasm MATERIAL(s) or its/their part(s), components or derivatives (including live or dead tissue/DNA) that can be used to retrieve whole DNA/fragment or, sequence or, any other genetic information shall not be distributed or transferred to any third country/party, except those directly engaged in research under direct supervision of the recipient (second party), without prior written approval of the Provider.

4.5 Any development of commercial product based on research on gene manipulation/selective breeding programme for genetic improvement shall not be undertaken without written consent of Provider. Modalities of undertaking any such work will be worked out before its conduct.

4.6 If any third country/party is to be associated with any commercial development arising out of the germplasm accessed, permission from Provider shall be sought.

4.7 The recipient agrees to acknowledge explicitly the name, original identity and source of the material, if used directly or indirectly, in all research publication(s) or other publications, such as, monographs, bulletins, books, etc. and shall send a copy of each of the publications to the Provider.

4.8 The recipient agrees to supply the feedback information on the performance/ utilization/research outcome of the material(s) to the provider.

4.9 The recipient agrees not to claim any intellectual property right over the MATERIAL(S) received including its related information and knowledge without prior written approval of the Provider.

4.10 The intellectual property protection or benefit sharing in respect of derivatives of the material(s) received/accessed, where applicable, shall be as per the IPR/ existing laws of the providing country.

4.11 The recipient agrees to hold the entire responsibility for the quarantine/SPS clearance of the material accessed as specified herein above. The recipient shall abide by the bio-safety guidelines of _____ (name of the importing country/ organization) and shall not hold Provider and to defend and indemnify them from all claims and damages/recoveries arising from the use, storage or handling of the material.

4.12 The MTA is non-assignable. The recipient agrees to abide by any other conditions that may be set in any conveyed to them from providers in respect of this germplasm access/exchange or any Law, Rules, Regulations, etc. enacted by Providing country from time to time.

ADDITIONAL ITEMS

Warranty

5.1 The Provider makes no warranties as to the safety of or title to the Material, nor as to the accuracy or correctness of any passport or other data provided with the Material. Neither does it make any warranties as to the quality, viability, or purity (genetic or mechanical) of the Material being furnished. The phytosanitary condition of the Material is warranted only as described in any attached phytosanitary certificate. The Recipient assumes full responsibility for complying with the recipient nation's quarantine and bio-safety regulations and rules as to import or release of genetic material.

Duration of Agreement

5.2 This Agreement shall remain in force so long as the two parties agree to.

Date of initiation (D/M/Y)	Date of completion (D/M/Y)

SIGNATURE / ACCEPTANCE

The provider and the recipients may choose the methods of acceptance unless either party requires this agreement to be signed.

I, _____ (Full Name of the Authorized Official), represent and warrant that I have the authority to execute this Agreement on behalf of the Provider and acknowledge my institution's responsibility and obligation to abide by the provisions of this Agreement, both by letter and in principle, in order to promote the conservation and sustainable use of Plant Genetic Resources for Food and Agriculture.

Signature

Date

Name of the Provider

Address

I, _____ (*Full Name of the authorized official*), represent and warrant that I have the authority to execute this Agreement, on behalf of the Recipient, and acknowledge my institution's responsibility and obligation to abide by the provisions of this Agreement, both by letter and in principle, in order to promote the conservation and sustainable use of Plant Genetic Resources for Food and Agriculture.

[*Signature*]

[*Date*]

[*Name of the Recipient*]

[*Official Address*]

MATERIALS⁴ UNDER THE AGREEMENT**FOOD CROPS: Cereal (i.e. Rice, Wheat)**

Crops	Genus	Types of Materials	Observation
e.g. Rice	<i>Oryza</i>	Seed/tissue	
...

OTHER CROPS: (e.g. Pulses, Oilseed, Vegetables)

Crops	Genus	Types of Materials	Observation
e.g. Jute	<i>Chorcorus</i>	Seed/tissue	
...

⁴ The detailed description of the material(s) requested for has to be provided by the requested party.

SAARC AGREEMENT ON RAPID RESPONSE TO NATURAL DISASTERS

The Member States of the South Asian Association for Regional Cooperation (SAARC), comprising the Islamic Republic of Afghanistan, the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka, hereinafter referred to as the Parties;

Reaffirming their commitment to the objectives and principles of the South Asian Association for Regional Cooperation (SAARC) as enshrined in its Charter;

Concerned at the increasing frequency and scale of natural disasters in the South Asian region and their damaging impacts both short-term and long-term;

Reiterating the commitment of the SAARC Comprehensive Framework on Disaster Management to develop an efficient disaster management system which professionalizes disaster management system and strengthens emergency response system in the Region;

Guided by the Declaration of Fifteenth SAARC Summit to create a Natural Disaster Rapid Response Mechanism to adopt a coordinated and planned approach to provide timely relief and humanitarian assistance in emergencies arising out of natural disasters;

Convinced that the regional cooperation on disaster response should be institutionalized through an Agreement among the Member States;

Have agreed as follows:

PART A - GENERAL PROVISIONS

Article I Definitions

For the purposes of this Agreement:

1. "Assisting Party" means a State that renders assistance to a Requesting Party in the event of a disaster emergency.
2. "Competent Authorities" means one or more entities designated and authorized by each Party to act on its behalf in the implementation of this Agreement.
3. "Natural Disaster" (hereinafter "Disaster") means a natural hazard event causing serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources.
4. "Disaster management" means the range of activities, prior to, during and after the disasters, designed to maintain control over disasters and to provide a framework for helping at-risk persons and/or communities to avoid, minimize or recover from the impact of the disasters.
5. "Head of Assistance Operation" is the designated person of Assisting Party who shall exercise such supervision in cooperation with the competent authorities of the Requesting Party.

6. “National Focal Point” means an entity/entities designated and authorized by each Party to receive, transmit and exchange information pursuant to the provisions of this Agreement.
7. “Member State” means a Member Country of the South Asian Association for Regional Cooperation (SAARC).
8. “Requesting Party” means a Party that requests assistance from another Party or Parties in the event of a disaster emergency.
9. “Response” means provision of assistance during or immediately after a disaster to reduce loss of life and assets and provide humanitarian assistance in the affected area. Such response should be for a period as agreed upon by Assisting and Requesting Parties.

Article II Objective

The objective of this Agreement is to provide effective regional mechanisms for rapid response to disasters to achieve substantial reduction of disaster losses in lives and in the social, economic and environmental assets of the Parties, and to jointly respond to disaster emergencies through concerted national efforts and intensified regional cooperation based on the Principles outlined in Article III.

Article III Principles

The Parties shall be guided by the following principles in the implementation of this Agreement:

1. Each affected Party shall have the primary responsibility to respond to disasters occurring within its territory and external assistance shall only be provided upon the request and with the consent of the affected Party.
2. The Requesting Party shall exercise the overall direction, coordination and supervision of the assistance within its territory.
3. The sovereignty, territorial integrity and national unity of the Parties shall be respected, in accordance with the SAARC Charter in the implementation of this Agreement.
4. The Secretary General of SAARC, (hereinafter referred to as Secretary General) shall be the overall coordinator of the Rapid Response Mechanism in accordance with this Agreement. The Secretary General may utilize the expertise of existing SAARC mechanisms and institutions including the SAARC Disaster Management Centre (SDMC) in the discharge of his/her responsibilities as the overall coordinator. This should be done in consultation with and consent of concerned Member States.

Article IV General Obligations

In pursuing the objective of this Agreement, the Parties shall:

1. Cooperate in developing and implementing measures for Disaster Risk Reduction (DRR) including identification of disaster risk, development of monitoring, assessment and early warning systems, standby arrangements for disaster relief and emergency response, exchange of information and the provision of mutual assistance;

2. Immediately respond to a disaster occurring within their territories and share information if the disaster is likely to impact other Member State(s), with a view to minimizing the consequences;
3. Promptly respond to a request for assistance from an affected Party;
4. Share technical know-how and information on the best practices and lessons learnt in reducing disaster losses; and
5. Take legislative, administrative and other measures as necessary to implement their obligations under this Agreement within the framework of the legal system prevailing in the respective Member States.

PART B - DISASTER PREPAREDNESS

Article V

Standard Operating Procedures

1. The Parties shall, jointly or individually, develop strategies and contingency/response plans to reduce losses from disasters.
2. The Parties shall, as appropriate, by consensus and according to their respective national legislation prepare Standard Operating Procedures (SOPs) for regional cooperation and national action required under this Agreement including the following:
 - a. regional standby arrangements for disaster relief and emergency response;
 - b. utilization of personnel, transportation and communication equipment, facilities, goods and services and facilitation of their smooth and expeditious movement; and
 - c. coordination of disaster relief and emergency response operations.
3. The Parties shall enhance their national capacities, as appropriate, *inter alia*, to:
 - a. facilitate mobilization of national resources to support such regional standby arrangements for disaster relief and emergency response;
 - b. conduct training and exercises to attain and maintain the relevance and applicability of such Standard Operating Procedures.
4. Member State(s) shall organize periodic mock drills/forums wherein other Member States may be invited to test the effectiveness of regional preparedness for response.
5. The Secretary General shall facilitate the establishment, maintenance and periodical review of regional standby arrangements for disaster relief and emergency response.
6. The Secretary General shall facilitate periodic review of regional standard operating procedures.

Article VI

Standby Arrangements for Disaster Relief and Emergency Response

1. On a voluntary basis, each Party shall earmark assets and capacities, which may be available for the regional standby arrangements for disaster relief and emergency response, such as:

- a. emergency response/search and rescue directory;
 - b. emergency stockpiles of disaster relief items; and
 - c. disaster management expertise and technologies.
2. Such earmarked assets and capacities shall be communicated to each Party through the Secretary General and updated as necessary by the Party concerned.
3. The Secretary General shall consolidate, update and disseminate the data on such earmarked assets and capacities, and communicate with the Parties for their utilization.
4. To facilitate the utilization of assets provided for in Article VI, Clause 1, each Party shall designate entry points for supplies and expertise from Assisting Parties.

PART C - EMERGENCY RESPONSE

Article VII National Emergency Response

1. Each Party shall ensure according to its national legislation that the necessary measures are taken to mobilize equipment, facilities, materials, human and financial resources required to respond to disasters.
2. Each Party may inform the Secretary General and other Parties of such measures.

Article VIII Joint Emergency Response through Provision of Assistance

1. If a Party needs assistance in the event of a disaster emergency within its territory, it may request such assistance from any Member State, directly under intimation to or through the Secretary General.
2. The Requesting Party shall specify the scope and type of assistance required and, where practicable, provide the Assisting Party with such details as may be necessary for that Party to determine the extent to which it is able to meet the request. In the event that it is not practicable for the Requesting Party to specify the scope and type of assistance required, the Requesting Party and Assisting Party shall, in consultation, jointly assess and decide upon the scope and type of assistance required.
3. Each Party to which a request for assistance is directed shall promptly decide and notify the Requesting Party, directly or through the Secretary General, whether it is in a position to render the assistance requested, and of the scope and terms of such assistance.
4. Each Party to which an offer of assistance is directed shall promptly decide and notify the Assisting Party, directly under intimation to or through the Secretary General, whether it is in a position to accept the assistance offered, and of the scope and terms of such assistance.
5. The Parties shall, within the limits of their capabilities, identify and notify the Secretary General of personnel, experts, equipment, facilities and materials which could be made available for the provision of assistance to other Parties in the event of a disaster emergency as well as the terms under which such assistance could be provided.

Article IX Direction and Control of Assistance

Unless otherwise agreed:

1. The Requesting Party shall exercise the overall direction, coordination and supervision of the

assistance within its territory. The Assisting Party shall, where the assistance involves personnel, designate in consultation with the Requesting Party, a person who shall be in charge of and retain immediate operational supervision over the personnel and the equipment provided by it. The designated person, referred to as the Head of Assistance Operation, shall exercise such supervision in consultation and cooperation with the appropriate authorities of the Requesting Party.

2. The Requesting Party shall provide, to the extent possible, local facilities and services for the proper and effective administration of the assistance. It shall also ensure the protection of personnel, equipment and materials brought into its territory by or on behalf of the Assisting Party for such purposes. Such personnel shall not carry any type of weapons, explosives, arms, ammunition or surveillance equipment.

3. The Assisting Party and the Requesting Party shall consult and coordinate with each other with regard to any claims, other than an act of gross negligence or contractual claims against each other, for damage, loss or destruction of the other's property or injury or death to personnel of both Parties arising out of the performance of their official duties.

4. The relief goods and materials provided by the Assisting Party should meet the quality and validity requirements of the Parties concerned for consumption and utilization.

Article X

Respect of National Laws and Regulations

1. The Members of the assistance operation shall:
 - a. Refrain from any action or activity incompatible with the nature and objective of this Agreement;
 - b. Respect and abide by all national laws and regulations of the Requesting Party. The Head of the Assistance Operation shall take all appropriate measures to ensure observance of national laws and regulations;
 - c. Be sensitive to and respect the local customs and traditions of the Requesting Party; and
 - d. Be limited in their operation to the disaster affected area, as defined by the Requesting Party.

Article XI

Exemptions and Facilities in Respect of the Provision of Assistance

In accordance with its national laws and regulations, the Requesting Party shall:

1. Accord the Assisting Party exemptions from taxation, duties and other charges of a similar nature on the importation and use of equipment including vehicles and telecommunications, facilities and materials brought into the territory of the Requesting Party for the purpose of the assistance;
2. Facilitate the entry into, stay in and departure from its territory of personnel and of equipment, facilities and materials involved or used in the assistance; and
3. Cooperate with the Secretary General, where appropriate, to facilitate the processing of exemptions and facilities in respect of the provision of assistance.

Article XII

Identification

1. Personnel involved in the assistance operation shall be permitted to wear uniforms with distinctive identification while performing official duties.
2. For the purpose of entry into and departure from the territory of the Requesting Party, members of the assistance operation shall be required to have:
 - a. An individual or collective movement order issued by or under the authority of the Head of Assistance Operation or any appropriate authority of the Assisting Party; and
 - b. A personal identity card issued by the appropriate authorities of the Assisting Party.
3. All modes of transportation used by the personnel of the Assisting Party may use their registration and easily identifiable license plates.
4. All modes of transportation used by the personnel of the Assisting Party into the territories of the concerned Parties shall be according to immigration laws and fulfilling legal/visa formalities. The Requesting Party shall facilitate visa, customs and other formalities. Details of the type of the equipment on board aircraft and vessels shall be shared with all Parties concerned, prior to its entry/landing in the territory of the Requesting Party. The Requesting Party shall reserve the right to inspect equipment/luggage on board aircraft and vessels.

Article XIII

Movement of Personnel, Equipment, Facilities and Materials in Respect of the Provision of Assistance

1. Each Party shall, according to its national legislation, at the request of the Party concerned, facilitate the movement of duly notified personnel, equipment, facilities and materials involved or used only in the humanitarian assistance to the Requesting Party. The Party concerned shall exempt from taxation, duties and other charges of a similar nature for such equipment, facilities and materials. However, such personnel, equipment, facilities and materials may be inspected by the transit Member State concerned to deny any undue exemption or movement.
2. Such request for facilitation of movement may only be for rapid response under this Agreement. The details of the movement shall be decided by the transit Member State.
3. The Secretary General, where possible and appropriate, shall facilitate the processing of movement of personnel, equipment, facilities and materials in respect of the provision of assistance.

PART D - INSTITUTIONAL ARRANGEMENTS

Article XIV

National Focal Point and Competent Authorities

1. Each Party shall designate a National Focal Point and one or more Competent Authorities for the purpose of implementation of this Agreement.
2. Each Party shall inform other Parties and the Secretary General, of its National Focal Point and Competent Authorities, and of any subsequent changes in their designations.

3. The Secretary General shall regularly and expeditiously provide to the Parties the information referred to in Article XIV, Clause 2.

Article XV Financial Arrangements

1. Each Assisting Party shall incur from its own sources all the expenses required for rendering assistance to a Requesting Party in the event of a disaster emergency.

2. Expenses incurred by the Secretary General in coordinating regional response shall be debited to the Secretariat's budget.

PART E - FINAL CLAUSES

Article XVI Amendments

A Party may propose an amendment to the Agreement to the Secretary General of SAARC, who shall communicate the proposed amendment to all Parties for consideration. Any amendment to the Agreement shall be adopted by consensus. Such amendment shall enter into force upon ratification by all Parties.

Article XVII Relationship with other Treaties, Conventions and Agreements

This Agreement shall not affect the rights and obligations of the Parties under other bilateral or multilateral Treaties, Conventions and Agreements to which they are a Party.

Article XVIII Settlement of Disputes

Any dispute between Parties as to the interpretation or application of, or compliance with, this Agreement or any protocol thereto, shall be settled amicably by consultation or negotiation. In case a settlement cannot be reached, the dispute shall be referred to the higher SAARC mechanisms for resolution.

Article XIX Ratification

This Agreement shall be subject to ratification by all Parties and the Instruments of Ratification by the Parties shall be deposited with the Depository as defined in Article XX.

Article XX Depository

The Secretary General of SAARC shall be the Depository for this Agreement.

Article XXI Entry into Force

This Agreement shall enter into force on the thirtieth day after the date of deposit of the eighth Instrument of Ratification. The Secretary General shall notify the Member States of signatures of this Agreement and the deposit of Instruments of Ratification and shall transmit certified copies of the Instruments of Ratification to each Member State. The Secretary General shall also notify Member States of the date of entry into force of the Agreement.

Article XXII
Authentic Texts

IN WITNESS WHEREOF, the undersigned plenipotentiaries, being duly authorized by their respective Governments have signed this Agreement.

**Done in Addu, Maldives On This Eleventh Day of November Two Thousand Eleven in Ten
Originals In The English Language, All Texts Being Equally Authentic.**

Dr. Zalmi Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, MP
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

Ahmed Naseem
Minister of Foreign Affairs
Republic of Maldives

Narayan Kaji Shrestha 'Prakash'
Deputy Prime Minister and
Minister for Foreign Affairs
Nepal

Hina Rabbani Khar
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of External Affairs
Democratic Socialist Republic of Sri Lanka

SAARC AGREEMENT ON IMPLEMENTATION OF REGIONAL STANDARDS

PREAMBLE

The Governments of SAARC Member States

Appreciating the importance of Standardization with reference to trade within and outside the Member States;

Recognising the need to improve cooperation and coordination amongst Member States in implementation of SAARC Standards in respect of products and/or processes;

Aspiring to facilitate intra-Regional trade within Member States; and

Desiring to enhance their access to the Global markets.

Have agreed as follows:

Article 1 Terms and Definitions

The terms used in this agreement shall have the same meaning as given in the definitions contained in the Agreement on the Establishment of South Asian Regional Standards Organisation (SARSO). For the terms which are not defined in the SARSO Agreement, the definitions shall be the same as given in ISO/IEC Guide 2.

Article 2 Objective

The objective of this agreement is to provide the framework as well as the guiding principles for implementation of the SAARC Standards.

Article 3 General Provisions

- 1.1 The National Standards Bodies of the Member States will follow the Code of Good Practice for preparation, development, adoption and application of Standards as given in the Annex 3 of the WTO Agreement on the Technical Barriers to Trade.
- 1.2 For SAARC to emerge as a single market and to strengthen the trade position of the region with reference to the global supply chain, the Member States shall take either or both the following measures:
 - a) Harmonize the National Standards with the relevant SAARC Standards, subject to Article 4.3, on priority.
 - b) Participate actively in the development of those International Standards that are related to the products and/or processes having trade implications for the Member States.

Article 4

Adoption of SAARC Standards

- 1.1 While preparing a new standard or revising an existing National Standard, the Member States shall adopt the relevant SAARC Standard, in case it is available.
- 1.2 Latest version of ISO/IEC Guide 21-1: Regional or National Adoption of International Standards or other International Deliverables - Part 1: Adoption of International Standards, shall be the basis for harmonization of the existing National Standards with the SAARC Standards.
- 1.3 To fulfill legitimate objectives which may include *inter alia* national security requirements, prevention of deceptive practices, protection of human health and safety, animal or plant life or health, or the environment, the National Standards can differ from the relevant SAARC Standards, but in such an eventuality, the concerned Member State shall provide to the other Member States the details of such differences along with the reasons thereof.
- 1.4 The Member States shall ensure that:
 - a) No modification is made in any National Standard so that it becomes more stringent than the corresponding SAARC Standard and thus creating technical barriers to trade.
 - b) The National Standards that differ from the SAARC Standards are not more restrictive than necessary to fulfil legitimate objectives.

Article 5

Implementation of SAARC Standards

- 5.1 SAARC Standards are formulated by the South Asian Regional Standards Organisation (SARSO). They constitute a collective contribution by the Member States to harmonize National Standards amongst themselves on the basis of consensus.
- 5.2 SAARC Standards are “Regional Standards” within the sense of the ISO/IEC Guide 2 definition.
- 5.3 SAARC Standards exist in their own right and are issued in the operational language, English.
- 5.4 The SARSO Secretariat shall be the guardian of the authoritative versions of the SAARC Standards and shall be responsible for keeping master texts of SAARC Standards, both in hard and soft form.
- 5.5 The SARSO Secretariat shall be responsible for making SAARC Standards available to the Member States, countries other than the SAARC Member States and international and regional standards organizations, etc.
- 5.6 Member States shall be responsible for making SAARC Standards available for sale, distribution, etc, at the national level.
- 5.7 Member States shall be responsible for implementing the SAARC Standards.
- 5.8 Approval of a SAARC Standard implies that Member States have an obligation to give it the status of a National Standard.

- 5.8.1 If a Member State is prevented from implementing a SAARC Standard by regulations or in any other situation outside its competence, it shall try to bring about such changes necessary to allow implementation of the SAARC Standard.
- 5.8.2 In urgent cases relating to safety, health, etc, if a Member State publishes an amendment to an existing national Standard, it shall notify this action to SARSO Secretariat immediately.
- 5.9 SARSO Secretariat shall arrange for taking actions to provide technical assistance for implementation of SAARC Standards amongst the Member States.
- 5.10 For implementation of the SAARC Standards through Conformity Assessment, the SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment shall be referred.

Article 6

Official Language

English shall be the official language for operation of this Agreement.

Article 7

Entry into Force of the Agreement

This Agreement shall enter into force on completion of formalities, including ratification, by all Member States and upon issuance of notification thereof by the SAARC Secretariat.

Article 8

Depositary

This Agreement shall be deposited with the Secretary General of SAARC.

Article 9

Reservations

This Agreement shall not be subject to reservations either at the time of signature or at the time of notification to the SAARC Secretariat of the completion of formalities.

Article 10

Amendment

This Agreement may be amended by consensus amongst the Member States on the recommendation of the SARSO Governing Board. Any Member State proposing amendment(s) shall notify the other Member States through the SAARC Secretariat. Such amendment(s) shall become effective upon the notification issued by the SAARC Secretariat on completion of formalities, including ratification, by all the Member States.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments have signed this Agreement on Implementation of Regional Standards.

**Done in Addu, Maldives On This Eleventh Day of November Two Thousand Eleven in Ten
Originals In The English Language, All Texts Being Equally Authentic.**

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Dr. Zalmay Rassoul
Minister of Foreign Affairs
Islamic Republic of Afghanistan

Dr. Dipu Moni, MP
Minister for Foreign Affairs
People's Republic of Bangladesh

Khandu Wangchuk
Minister-in-Charge of Foreign Affairs
Kingdom of Bhutan

S.M. Krishna
Minister of External Affairs
Republic of India

Ahmed Naseem
Minister of Foreign Affairs
Republic of Maldives

Narayan Kaji Shrestha 'Prakash'
Deputy Prime Minister and
Minister for Foreign Affairs
Nepal

Hina Rabbani Khar
Minister for Foreign Affairs
Islamic Republic of Pakistan

Prof. Gamini Lakshman Peiris
Minister of External Affairs
Democratic Socialist Republic of Sri Lanka