

INAUGURAL SESSION  
(0900 HRS; SATURDAY, 03 AUGUST 2024;  
PARK PREMIER HALL, EXCEL COLOMBO CONVENTION CENTRE)

CONFERENCE ON INVESTMENT COOPERATION AND TRADE FACILITATION:  
ADVANCING THE SAARC AGENDA

STATEMENT BY H. E. MR. MD. GOLAM SARWAR, SECRETARY GENERAL OF SAARC

Hon'ble Chief Guest, His Excellency Mr. M. U. M. Ali Sabry, Minister for Foreign Affairs of the Democratic Socialist Republic of Sri Lanka,  
Respected Chair, Mr. Keerthi Gunawardane, President of the Federation of Chambers of Commerce and Industry of Sri Lanka,  
Business Leaders from SAARC Countries, namely Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka,  
Visiting Business Delegations from Sichuan Province of China,  
Learned Panelists,  
Distinguished Delegates,  
Ladies and Gentlemen,

Good Morning!

It is an honour for me to address such a distinguished gathering of policymakers, business leaders, and experts from the South Asia region, assembled today for the Conference on Investment and Trade Facilitation, organized by the Federation of Chambers of Commerce and Industry (FCCISL) of Sri Lanka.

I thank FCCISL for inviting me to this very important event involving the business leaders from all the SAARC countries.

I convey sincere appreciation to the Hon'ble Chief Guest for gracing this Inaugural Session with his august presence. I am confident that his Inaugural Address will set the tone of this important Conference, aimed at advancing the SAARC agenda of promoting investment cooperation and trade facilitation.

FCCISL deserves applause from all of us for organizing a series of events, including this Conference, on the sidelines of the South Asia Trade Fair and Business Forum, which opened yesterday. We are certain that these activities of FCCISL will not only prove to be beneficial for manufacturers and business entrepreneurs attending these events in Colombo, but will also contribute to the growth of intra-regional trade in the SAARC region.

This Conference provides a welcome opportunity to the distinguished participants to explore avenues for enhancing investment and facilitating trade in South Asia. It marks a significant milestone as we seek to harness the immense potential of our diverse economies and forge pathways towards sustainable development and prosperity for all.

Hon'ble Chief Guest,  
Distinguished Delegates,  
Ladies and Gentlemen,

South Asia is a region of immense promise and potential. With a combined population of around 2 billion people and a rich tapestry of cultures, traditions, and resources, our region possesses the requisite ingredients for dynamic growth and collaboration. Yet, the region faces common challenges that demand collective actions and innovative solutions. It is in this context that this Conference assumes considerable significance for SAARC.

Investment is the lifeblood of economic progress. It fuels innovation, drives productivity, and creates opportunities for our people. By fostering an environment conducive to investment, we can unlock new avenues for job creation, entrepreneurship, and socio-economic advancement. I take this opportunity to urge all stakeholders - governments, private sector entities, and development partners - to intensify SAARC's efforts in creating a predictable, transparent, and investor-friendly climate across South Asia.

Equally crucial is trade facilitation—the backbone of regional economic integration. Streamlining customs procedures, reducing non-tariff barriers, and enhancing logistics infrastructure are essential steps towards promoting seamless cross-border trade. These measures not only bolster economic growth but also empower businesses, particularly small and medium enterprises, to participate more actively in regional and global value chains. As we strive for inclusive and sustainable development, we need to ensure that the benefits of economic growth reach all segments of our society. This requires concerted efforts to empower women entrepreneurs, facilitate youth employment and bridge the digital divide. By promoting social inclusivity alongside economic reforms, we can build more resilient and equitable societies across South Asia.

Ladies and Gentlemen,

The Agreement on the South Asia Free Trade Area (SAFTA), signed in 2004 and implemented in 2006, aimed to promote trade liberalization among the South Asian countries. Since SAFTA came into force, it facilitated the reduction of tariffs on a wide range of goods. This reduction has helped to lower the cost of imported goods and make them more affordable for consumers across the region. Moreover, the Agreement has contributed to increased intra-regional trade within South Asia. By reducing tariffs, it has incentivized countries to trade more with each other. It has encouraged cooperation among the member countries on various fronts, including trade, transportation, and infrastructure development, thereby laying the foundation for broader economic integration.

Despite many commonalities in terms of geography, history, civilization, religion and culture, South Asia remains one of the least integrated regions in trade and connectivity, compared to other regions. For example, intra-regional trade accounts for 50% of total trade in East Asia and the Pacific and 22% in Sub Saharan Africa, while it accounts for only 5% in South Asia. Unfortunately, recent slowness of the SAARC process has also affected the implementation of SAPTA and SAFTA to their full potential to boost economic collaboration and integration.

Moreover, in order to realize the goal of effective regional integration, it is necessary to have better air, road, rail and sea connectivity.

As such, SAFTA continues to face daunting challenges such as non-tariff barriers and implementation issues. As we continue to work together to address these challenges, we must be fully cognizant that SAFTA holds the potential to further enhance economic growth, prosperity, and stability across the region. There is, therefore, an acute need to deepen economic integration under the framework of SAFTA by addressing barriers to trade, enhancing connectivity and infrastructure and promoting intra-regional investments. Since SAFTA's Trade Liberalization Programme offers palpable avenues towards fostering economic cooperation and integration within South Asia, addressing the remaining challenges is essential for realizing the full potential of SAFTA.

Hon'ble Chief Guest, Ladies and Gentlemen,

The challenges ahead are several in number, but the opportunities are even more. By fostering a conducive environment for investment and trade, we can catalyze sustainable development, mitigate poverty, and foster greater regional cooperation. This Conference, which brings together diverse perspectives, expertise, and commitment from across the region, is amply opportune to forge new partnerships, exchange ideas, and chart a course towards a prosperous future for the people of South Asia.

In conclusion, I wish the distinguished delegates fruitful deliberations in further advancing the South Asian agenda of promoting investment cooperation and trade facilitation in the region. I urge the South Asian business insiders, gathered here today, to come up with concrete suggestions and practical solutions for the Leaders of the SAARC region to consider for the shared progress and prosperity of two billion people of South Asia.

Thank you.

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