

CPD-FES Regional Workshop on

PAYMENTS AND MONETARY COOPERATION IN THE SOUTH ASIAN REGION

3-4 December 1994, Dhaka

Background

A two-day workshop (3-4 December 1994) on Payments and Monetary Cooperation was organised jointly at Dhaka, Bangladesh by the Centre for Policy Dialogue (CPD), a Bangladeshi think tank and the Friedrich Ebert Stiftung (FES) of Germany. The objectives of the workshop were: (a) presentation and dissemination of findings of the study entitled 'Payments and Monetary Cooperation' carried out by Dr. S.S. Colomage which is one of the nine such studies completed by the Coordinating Group for Studies on South Asian Perspectives (CGSSAP), set up by FES, (b) discussion and feedback from panels of experts and (c) formulation of recommendations to strengthen cooperation among countries of the SAARC region in monetary and financial areas.

A panel of core specialists from Bangladesh, India, Maldives, Nepal, Pakistan and Sri Lanka participated in the workshop. Besides, from Bangladesh, a number of distinguished academicians, specialists, researchers, high level policy makers, prominent leaders of business and commerce, top level central and private bank executives, members of Parliament were invited to each of the sessions. A list of issues were put before the participants which helped keep the discussion focused and time bound. The issues for discussion, list of Core participants and list of locally invited panelists in the various sessions are annexed.

Professor Rehman Sobhan, Executive Chairman of CPD, chaired the inaugural and concluding sessions and moderated the discussions in

the various sessions. The workshop was inaugurated by the Honourable Minister for Finance of Bangladesh, Mr. M. Saifur Rahman. In his address Mr. Saifur Rahman highlighted the need for cooperation among the countries of the SAARC region in order to achieve poverty alleviation and faster economic growth in the region and emphasised that formidable difficulties still remain which needs to be surmounted since there was no alternative to regional cooperation based on the principles of reciprocity, good will and mutual benefit.

Welcoming the delegates from various countries of the region and other participants Professor Rehman Sobhan briefly outlined the background of the workshop emphasising the need for, and benefits to be derived from, a closer and effective cooperation in fiscal, monetary and other areas. Dr. Hans J. Esderts, Resident Representative, FES-Pakistan in his welcome speech emphasised the commitment of FES in promoting regional cooperation for a just and democratically legitimised world economic order. In highlighting the background of the workshop on the study he pointed out that the main objectives for conducting such studies were to identify and define common problems of the South Asian countries, to work out scenarios and strategies for intensification of cooperation in the region and to elaborate the benefits each of the regional countries would gain through more effective regional cooperation, and the costs that may be incurred due to non-cooperation.

The following report provides a summary of the major points of the discussion in the various sessions and the recommendations formulated in the workshop. This report was prepared by Professor A. Bayes of the Department of Economics, Jahangirnagar University and Dr. Mustafizur Rahman of the Department of Accounting, Dhaka University, both Fellows of the Centre for Policy Dialogue, who were present at the workshop as reporters.

First Session:

Regional Payments and Clearing Arrangements

The discussion was initiated by Dr. S.S. Colombage who discussed the background to the establishment of the Asian Clearing Union (ACU) in 1974, its evolution as a regional monetary Institution and

facilities provided under the arrangement to the seven member countries (Bangladesh, india, Iran, Nepal, Pakistan, Sri Lanka and Burma). The discussion that followed concentrated on the following issues: (a) A review of ACU's role, (b) The relevance of the ACU in the context of current policy reforms in the member countries and (c) The future role of ACU and the modalities of making ACU into a more effective institution.

Review of ACU's role in the past

The ACU was established at a time of foreign exchange scarcity and foreign exchange control, low foreign exchange reserves and severe balance of payments difficulties in most of the member countries. The major functions were to provide: (a) A facility to multilaterally settle payments for current international transactions among member countries, (b) The use of national currencies in current transactions between, respective countries with a view to economising use of exchange reserves, (c) Use of currency swap arrangements and (d) Increasing monetary cooperation among participating countries.

There was a consensus among the participants that upto 1991 the ACU had been able to carry out its mandate very effectively. ACU contributed to a growth in intra-regional trade, and effectively facilitated transactions among the member countries by providing settlement facilities for two months, which in fact implied that the deficit countries received a two month short term credit. This facility was greatly enhanced when the deficit countries (from 1981) were allowed to obtain unlimited credit. Introduction of SWAP arrangements, which was also a short term financial concession to deficit countries, was also able to effectively help the member countries. Increasing importance of ACU was manifested in the growth of settlements specially in the period between 1984 and 1991. Intra-regional trade settled through the ACU increased from 58 per cent to 77 per cent over this time, There was no default by any

country in terms of settlement which is an important achievement of the ACU.

Some of the participants however pointed out that while ACU was effective in easing intra-regional trade by allowing transactions through multilateral clearing arrangements, which saved time and resources, there is no clear-cut indication that it has contributed to increasing the volume of intra-regional trade. In fact, intra-regional trade as a percentage of total trade by the member countries, specially within the SAARC region, has witnessed a secular decline in recent years. The ACU could not contribute either to trade creation or to trade diversion into the region. It was also pointed out by one participant that for all practical purposes ACU was not of very much help to Nepal whose trade with India (its major trading partner) stayed outside the clearance arrangement under the ACU.

It was pointed out that in routing commercial transactions through the ACU, the exporters and importers have to prepare a large number of documents, which was time consuming. In this respect, the headquarters of the ACU being situated in Tehran was cited as one of the reasons for delay. Some participants were of the opinion that the period of settlement (which is two months) is quite inadequate because after the expiry of this period, settlements are to be made in hard' currency. The participants also pointed out that the efficacy of the system and its coverage is also affected by the fact that travel arrangements remained outside the purview of the ACU, It was also pointed out that a high percentage of actual trade (in the form of informal border trade) remained outside the purview of not only the ACU but outside of the legal framework and this needs to be investigated as to its modalities and implications for intra-regional interactions. Some participants suggested that an in-depth study should be undertaken in order to capture the impact of the ACU in recent years.

Relevance of ACU in the changing context

The participants carried out an in-depth discussion of the issue of ACU's relevance in the context of market-oriented reforms now being carried out in the member countries. The twin issues of trade liberalization and currency convertibility came under close

scrutiny. ACU was established at a time when foreign exchange was scarce and heavily controlled, trade regimes were relatively restricted and foreign exchange reserves were low. At present the situation has changed substantially. In most countries the local currency has been made convertible, partially or wholly, on current account and foreign exchange restrictions have in large part been abolished. The trade regime is relatively open now and foreign exchange reserves are high (about \$19.2 billion in India, \$3.0 billion in Bangladesh; equivalent to nine months' import in Nepal) and official exchange rates are closely following market rates. Besides, some of the regional countries restrict settlements through the ACU of trade in certain commodities, which is also limiting ACU's effectiveness.

In the above context some other participants pointed out that the high reserves currently enjoyed by most regional countries are a result of weak imports due to relatively low GDP growth. Any future upturn in the economy could thus bring down the reserves. Yet another reason for high reserves was the inflow of foreign capital which acts with a high degree of volatility and is not a stable contributor to the accumulation of foreign reserves. It was also mentioned that in view of the projected build-up of the debt-burden and debt servicing liability in coming years these high reserves may not be sustainable.

Future role of ACU

The sense of the discussion was that it is too early to write off the ACU. More creative thinking was needed to explore ways of strengthening those areas of the ACU where its facilities are still relevant and serviceable. Some participants were of the view that in order to make ACU facilities more attractive the current settlement period should be extended to six months. Some other participants thought that 24 months should be the time limit for settlements among ACU countries so as to provide some element of credit to those in deficit. Another participant argued that it is the net surplus (region-wise) which should be settled in the course of dealings under the ACU. In this respect one suggestion for 'Partial' clearing was made which would mean that countries with a trade surplus with respect to another member country would be asked to import from

the deficit country an amount equivalent to a certain percentage of the trade surplus. This would lead to intra-regional trade expansion. It was pointed out in this connection that even the GATT talks recognized efficacy of regional cooperation among developing countries and Article 24 provides for regional arrangements in the global system. Trade enhancing elements, if incorporated, could make the ACU a living and necessary institution. It was further pointed out that travel and tourism, which are at present outside the purview of the ACU should be brought under the umbrella of the arrangement. A suggestion was also made for linking the ACU with ASEAN's clearing and swap facilities.

The sense of the meeting was that ACU's role needs to be evaluated in the context of regional cooperation, strengthening the SAARC spirit and the role of SAPTA. To this end concrete measures should be incorporated into it which could make it a vital regional institution useful to the member countries in the context of the recent macro changes in the regional economies.

Second Session:
Regional Export Financing:

The participants concentrated their discussion on three issues: (a) a review of the current state of export financing in the region; (b) limitations of the present export financing institutions and (c) avenues of regional cooperation in the field of export financing.

The state of export financing in the region:

The participants observed that in the last decade, specially in view of the export-oriented growth strategy being adopted by many countries of the region, a number of financial institutions and arrangements have come into existence in the countries of the region to aid the process. A rise in import content of exports (for example, in India its share rose from 21 p.c. to 38 p.c.) in the 1980s and the need to finance its rising exports has also added importance to this. The areas for financing include: (a) export credit facilities (b)

refinancing facilities, (c) export insurance and export guarantee financing. These facilities are provided by specialized export credit agencies as well as through other institutions such as central banks and commercial banks. In some countries central banks also open special credit lines in foreign currencies which are managed through commercial banks. In some of the countries central banks also refinance such credit. In most of the countries commercial banks provide pre-shipment and post-shipment export credit (usually not exceeding 180 days) which covers the exporters against commercial and political risks. In some of the countries (like Bangladesh) the subsidies given on the interest on export credit is no longer available now. Only one country has a specialised bank that deals exclusively with export/import finance -it is the EXIM bank in India which has indeed been in place for quite a long time, largely to promote non-traditional exports.

Limitations of the current systems of export financing:

The participants engaged in a detailed discussion, which brought out the shortcomings of the present system of export financing. It was pointed out that while in most of the countries short-term financing (up to six months) was not a major problem, institutional facilities were limited for providing medium and long term credit. Existing institutions do not have sufficient financial strength to handle these types of credit. Besides, the existing export financing system in the different countries of South Asia do not adequately address the problems and needs of small scale exporters. There was substantial difficulty in availing of export credit in case of many non-traditional items because of the risks involved. Exporters are not always aware of the facilities available and there is a large gap between the provisions and their availability. EXIM banks would be appropriate for dealing with these types of loans but in the region only India has such a facility. Pakistan is now considering setting up its own EXIM bank.

At a regional level, there is no bank or financial institution for providing export financing services or facilitating export-oriented investment. Such a regional financial institution could play a crucial role in: (a) effectively coordinating export financing activities in the individual countries; (b) providing credit to potential exporters and

(c) serving as a starting point for broader regional monetary cooperation. One participant cautioned that viability of such regional facility would depend to a great extent on availability of foreign exchange which might have to be sourced from outside the region; this may not be easy. Financing from ADB or IFG was suggested in this respect. However another participant pointed out that the World Bank is reluctant to promote such regional institutions.

In this respect, some of the participants pointed out that there are issues other than export financing which inhibit regional cooperation, which are more paramount constraints to expansion of intra-regional trade. These included prevailing tariff and non-tariff barriers in the individual countries, which limit trade. Here it was pointed out that factors such as skill formation, marketing assistance, insurance of credit (in India EXIM banks get cover from EGG schemes) etc. are equally important. Thus measures aimed at facilitating trade should be included with trade financing in any package designed to promote intra-regional trade. Providing of transit facilities, harmonisation of tariffs and removal of non-tariff barriers would more immediately contribute to expansion of trade. Differences in phasing and sequencing of the trade policies also go against the spirit of export expansion. In this respect it was pointed out that the speed of import liberalisation in Bangladesh was faster than that of India (the average trade weighted tariff rates in Bangladesh was 27 p.c. as compared to 45 p.c. in India). There were non-tariff restrictions on the trade between India and Pakistan. The provisions under SAPTA were also being implemented very slowly: till now only offer and request lists have been exchanged. Another participant however pointed out that the provisions under SAPTA are time bound and in future SAPTA will be able to impact positively on expanding intra-regional trade where the importance of regional export financing facilities will rise.

It was observed that there is a middle class of 300 million in the region and its size is growing. This emerging social phenomenon now constitutes an important dynamic for promoting intra-regional trade. There is every indication that if appropriate policy measures are taken then in the foreseeable future both intra-regional and inter-regional trade will grow. Improving the current system of export

financing in the individual countries and in the region, as a whole is thus a task that needs urgent attention. Most of the participants emphasised the overriding primacy of political will in implementing concrete policies directed for promotion of regional cooperation.

Avenues of regional cooperation in the field of export financing:

It was suggested that each of the individual countries should at first develop their own EXIM banks (one participant recommended converting Bangladesh Shilpa Rin Sangstha (BSRS) into an EXIM Bank) which at a later stage could serve as a basis for developing a regional EXIM bank mandated to facilitate intra and inter-regional export financing. Such a regional facility would assist global export financing as well. In view of major shifts in the structure of the region's exports and the emergence of new exporters of non-traditional items who operate on a relatively small scale, such an export financing facility may contribute to export creation both within the region as well as outside of the region.

It was pointed out that setting up an export financing institution was not an end in itself but a means to achieve more trade, promote growth and alleviate poverty. Export financing thus needs to be coordinated with investment promotion and investment financing activities. In this respect the issue of the SAARC Development Fund was discussed. The report of the study as regards the feasibility of this fund has been finalised and may come up for consideration in the next summit of SAARC. The fund has identified certain key areas of investment (environment, social sector and transport infrastructure) and there are also provisions for refinancing facilities to banks for credit provided to exporters.

It was pointed out by one participant that in the case of ASEAN it was not the governments but the private sector which went ahead in promoting regional cooperation in the field of export financing. The participants were informed that the SAARC Chamber of Commerce and Industry is also planning to set up a Development Bank which will finance export-oriented investment and other related development activities.

The sense of the meeting was that specialised export financing institutions such as EXIM banks should be set up in individual countries which may serve as a basis for subsequent development of a regional export financing institution mandated to facilitate and coordinate export-oriented Investment, export financing and other related activities.

Third Session:

Feasibility of Monetary Union

The participants carried out an in-depth discussion on various issues related to the feasibility and desirability of a monetary union among countries of the SAARC region. Such a union would constitute an advanced stage of monetary and payments association compared to the prevailing clearing facilities among countries of the region and regional cooperation in the field of export financing.

It was mentioned during the discussions that a monetary union envisaged: (a) either a common currency or (at least) a fixed exchange rate and (b) a high level of integration of financial and banking sectors at the regional level. Most of the participants were of the view that while the need for a monetary union should not be excluded from the future perspective of the region it is still a premature concept given the context of the current state of development of the essential variables of monetary union. The differences existing in terms of policies and in the levels of economic development of the regional countries also do not support such a step. The participants were of the opinion that any integration at the level of monetary union will have to be preceded by step by step measures of partial integration.

Although most of the regional countries have been implementing policies of trade liberalisation, currency convertibility and other reforms, substantial differences still persist as regards the pacing of the reforms. There are substantial differences in the rates of tariff reduction, exchange rate depreciation, reducing the fiscal deficit and inflation rate, all contributing to variations in the degree of openness of the economy in general. There is a large gap in terms of

size and structure as between economies such as India and the rest of the countries of the region.

The experience of the European Community shows that monetary union tends to be preceded by free movement of such factors as labour, commodities and capital. So what the SAARC countries need at this stage is that concrete steps should be taken to promote cooperation in the fields of investment, financing and trade as well as harmonisation of policies. For this to be achieved SAARC as an organisation needs to be strengthened and SAPT A needs to be materialised at a faster pace. Political will was deemed a very crucial element for achieving those goals.

In this connection it was pointed out that peoples of the region are already realising economic integration through intra-regional movement, albeit informal, of capital, commodities and labour. Such flows were seen to dwarf the official estimates of regional economic interaction but were neither taken into account in official estimates or in official discussions for promoting economic cooperation. It was suggested that a study be carried out to measure the size and role of these informal cross-border transactions. In-depth study on production and trade complementarities of the economies of SAARC countries on both official and informal account was essential as a preparatory step for policy coordination. The impact of GATT on the regional economies also merited attention.

The participants also recommended several ways for improving the level of regional cooperation which included:

- a) *An Annual Summit of Ministers*: It was recommended that an annual meeting of Ministers of Finance, Commerce and Planning of member countries be institutionalized to discuss foreign exchange policies, macro-economic management, interest rate etc. This institutionalisation of a consultative mechanism within SAARC would go a long way in harmonization of economic policies of member countries and also help in identifying common routes to cooperation.
- b) *Meeting of Central Bank Governors*: A biannual (or at least annual) consultative meeting of governors of Central Banks was

suggested with a view to co-ordinating monetary policies in the region.

- c) *Regional Institute of Finance*: It was observed that most of the operators of international finance transactions of the region lack appropriate training and skills needed to do the job. It was recommended that a Regional Institute of Banking and Finance be set up to provide them with on the job training. Such an institute could also include rural financing in its agenda, an area where South Asia has acquired considerable expertise.
- d) *Regional Association of Commercial Banks*: It was recommended that a regional association of Commercial Banks be set up to harmonize commercial activities, facilitate inter-bank transactions and standardise banking practices in the region.

Fourth Session:

Payments and Monetary Cooperation Scenarios

Based on the discussions of the earlier sessions the participants summarised the main points of their discussion, points of agreement and disagreement and formulated the recommendations of the workshop. These recommendations were put before a panel of specialists in the concluding session, who, after a thorough exchange of opinions contributed to the formulation of the Final Recommendations of the Dhaka workshop which is given below. The participants appreciated very much the way the workshop was organised and thanked CPD and FES for making the workshop intellectually stimulating and relevant to the specifics of regional monetary cooperation.

SUMMARY OF ISSUES DISCUSSED AND RECOMMENDATIONS

A. Asian Clearance Union (ACU)

Major Problems

1. Considerable delay in payments
2. Period of settlement is only 2 months
3. Since the HO is located in Tehran communication is difficult for the SAARC countries
4. Does not cover service transactions related with travel/tourism

5. Bilateral payments arrangements

Relevance of ACU under Currency Convertibility and Trade Liberalization.

1. Current account convertibility in most countries has reduced the relevance of ACU
2. Trade liberalization has also reduced ACU's utility
3. High foreign exchange reserves in most of the SAARC countries has reduced the compulsion to bypass the use of hard currencies.

But the ACU is still relevant because:

1. Reserve accumulation in South Asia is in part due to sluggish growth rates which has kept down the rate of import growth. Thus high growth rates in future might erode reserves through increased imports
2. Foreign capital inflows tend to be erratic particularly on portfolio account, thus withdrawals of 'hot' money may eat into reserves
3. ACU reduces dependence of the SAARC region on the outside world
4. The debt burden of individual countries may increase and rising debt service liabilities may lower current foreign exchange reserves

Recommendations:

1. Extending settlement period from 2 months to 6 months and even upto 2 years.
2. Surplus countries should extend suitable lines of credit to accommodate countries in chronic deficit on trade account.
3. Incorporate travel and other transactions on services account into the ACU
4. Modalities for managing the ACU should be streamlined
5. Trade enhancing elements to be incorporated into the ACU
6. Explore possibilities of linkage with ASEAN

B. Regional Export Financing:

Problems:

1. Short term financing is not a major problem but medium and long term financing is still a major problem for the exporters
2. At the national level there are agencies to look after short term export credit (mainly Commercial Banks) but at the regional level there are no export financing agencies
3. Small exporters continue to have difficulties in having access to export financing facilities in their own countries
4. Absence of wider coverage by export credit guarantee schemes

Recommendations:

1. Establishment of EXIM Banks in individual countries of the SAARC region (India already has one; in case of Bangladesh it was suggested that BSRS be converted into an EXIM Bank)
2. Establishment of a Regional EXIM Bank which may also provide reinsurance services and rediscounting facilities.

C. Feasibility of Monetary Union

The feasibility of a South Asian Monetary Union was explored but the 11 general consensus was that it is still premature to set up a Monetary Union in the SAARC region. However establishing such a union should be kept in perspective whilst exploring other less ambitious, opportunities for cooperation. A number of recommendations were made in other fields of monetary cooperation which included:

1. An annual meeting of Ministers of Finance, Planning and Trade should be institutionalised to coordinate trade regimes, foreign exchange policies and macro economic management.
2. An annual consultative meeting of Central Bank governors.
3. Setting up of an Institute of Banking and Finance to train regional operators in international financing. This or a companion facility may include such areas as rural finance where South Asia has built up expertise.

4. Setting up of a Regional Association of Commercial Banks to facilitate banking transactions, promote trade and joint ventures in the SAARC region.
5. Along with state-centric consultations more emphasis on people to people contact at the private level should be encouraged to generate ideas about more cooperation within South Asia.
6. A more vigorous use of existing institutions such as the Project Development Fund; a fuller exploration of the potentialities of the proposed SAARC Development Funds both in the public and private sector. Investigation of the possibility of setting up a SAARC Export Insurance Fund.
7. A more intense effort by institutions such as the SAARC Chamber of Commerce and Industry to generate more vigorous cooperation at the level of the private sector.
8. A great deal of emphasis was placed on the importance of political commitment at the national level towards both the concept underlying SAARC as well as in fructifying particular programmes/projects for promoting South Asian cooperation. .

D. Research Agenda:

A number of studies were proposed to be undertaken in order to facilitate future policy formulations supportive of South Asian cooperation. These included:

- a. The performance of the ACU in the post de-regulation and trade liberalisation phase.
- b. Impact of GATT on the economies of SAARC countries
- c. Production and trade complementarities within the SAARC region
- d. Informal trans-border trade and payments regimes in the SMRC region
- e. The cost of non-cooperation for the countries of the SAARC region.

Annexure A
ISSUES FOR DISCUSSION

I. Regional Payments and Clearing Arrangements

The main institutional mechanism for payments and clearing arrangements in South Asia is the Asian Clearing Union (ACU) which has been in operation for the last two decades. The effectiveness of this mechanism in the present context needs to be re-examined in the light of the economic and financial reforms and other developments in the region as well as in the rest of the world.

1. Contribution of the ACU in the Past

- 1.1 Has the ACU played an effective role in economising the use of hard currencies?
- 1.2 Has the ACU promoted the acceptance of currencies of the member nations as medium of exchange for intra-regional transactions?
- 1.3 Has the ACU facilitated the provision of credit to deficit countries?
- 1.4 Does the ACU act as a forum to develop cooperation among monetary authorities?

2. Exporters' Perception

- 2.1 Does the ACU help effectively to promote exports among the member countries?
- 2.2 Is the ACU acting merely as a clearing house by maintaining book entries?
- 2.3 Does routing the transactions through the ACU cause undue delays?

3. Current Account Convertibility

- 3.1 Can the ACU play any useful role in the present context of current account convertibility?
- 3.2 Could the ACU be a bottleneck under a private' sector oriented economic set up?

4. Future Role of Clearing and Payments Arrangements

- 4.1 Should the present arrangements be continued irrespective of the above developments in order to provide a safeguard for any future balance of payments difficulties of the member nations?

- 4.2 Is it feasible to extend the ACU facilities to cover travel transactions?
- 4.3 Can the ACU mechanism be used to provide more effective credit facilities and to develop mutual understanding among member nations on economic and financial issues?

II. Regional Export Financing

1. Need for Export Finance

- 1.1 What are the stages that require export finance?
- 1.2 Can the exporters obtain adequate export finance under the present export oriented development strategies?

2. Past Experience

- 2.4 Have the national level export financing agencies played a dynamic role?
- 2.5 Has there been any coordination at the regional level to facilitate export finance?

3. Future Outlook

- 3.1 Is there a desirability to set up a regional trade financing body?
- 3.3 Could such a regional body serve to raise more financial resources from other regions?

III. Feasibility of Monetary Union

1. Scope of a Monetary Union

- 1.1 What are the benefits of a Monetary Union?
- 1.3 Will a Monetary Union serve any purpose in the South Asian context?
- 1.4 Is it pre-mature to set up a Monetary Union in the region?

2. Lessons from the European Community

- 2.1 What are the main objectives of the EC?
- 2.2 Has the EC achieved the status of a Monetary Union?

3. Relevance of a Monetary Union to the South Asian Region

- 3.1 What type of Monetary Union will be appropriate to the South Asian region?
- 3.2 Could it be possible to set up at least a rudimentary level of a Monetary Union to realize macroeconomic stability cooperatively and to harness external resources?

IV. Payments and Monetary Cooperation Scenarios

1 Validity of the Scenarios

- 1.1 Are the scenarios presented in the book realistic?
- 1.2 Can the scenarios be improved further?

2. Modification of the scenarios

- 2.1 Will the scenario be different in the future due to the current economic reforms and trade liberalisation?
- 2.2 How will the scenario be affected in response to the recent developments such as financial sector reforms and private capital inflows?

Annexure B

LIST OF CORE PARTICIPANTS

Attending all the Sessions

Bangladesh

1. Mr. M. Syeduzzaman Former Finance Minister, Govt. of Bangladesh
2. Mr. A.K.N. Ahmed Former Governor, Bangladesh Bank
3. Mr. S.B. Chowdhury Former Governor, Bangladesh Bank
4. Mr. A.B.M. Mahbubul Amin Khan Deputy Governor, Bangladesh Bank
5. Prof. Nurul Islam Senior Advisor, IFPRI, Washington and former Deputy Chairman, Bangladesh Planning Commission
6. Mr. S. Ali Kabir Former Deputy Governor, Bangladesh Bank
7. Prof. Rehman Sobhan Executive Chairman, Centre for Policy, Dialogue

India

8. Mr. Muchkund Dubey Former Foreign Secretary, Govt. of India
8. Dr. V.L. Rao Senior Fellow, Research Services for the Non-Aligned and Other Developing Countries, New Delhi

Maldives

9. Mr. Mohommed Jaleel Manager, Research Section, Maldives Monetary Authority

Nepal

11. Dr. Gunanidhi Sharma Prof. of Economics, Tribhuvan University and Member, Governing Board, Central Bank of Nepal

Pakistan

12. Mr. H.U. Beg Former Finance Secretary of Pakistan

13. Mr. S.M. Inam President, SAARC Chamber of Commerce and Industry

14. Dr. Ashfaque H. Khan Chief of Research, Pakistan Institute of Development Economics

Sri Lanka

15. Dr. S.S. Colombage Director of Statistics, Central Bank of Sri Lanka

Friedrich Ebert Stiftung

16. Dr. Hans J. Esderts Resident Representative, FES –Pakistan

Rapporteurs :

1. Prof. Abdul Bayes Dept. of Economics, Jahangirnagar University and Fellow, Centre for Policy Dialogue

2. Dr. Mustafizur Rahman Faculty of Commerce, Dhaka University and Fellow, Centre for Policy Dialogue

Inaugural Session

1. Mr. Saifur Rahman Finance Minister, Govt. of Bangladesh

2. Mr. Habibullah Khan Former Minister, for Jute and former President, MCCI

3. H.E. Mr. K. Raghunath High Commissioner, India

4. H.E. Mr. Anwar Kemal High Commissioner, Pakistan

5. H.E. Mr. Lok B. Shreshtha High Commissioner,
His Majesty's Government of Nepal

6. Mr. Enayetullah Khan Editor, Holiday

7. Mr. Munir-uz-Zaman Former Secretary, ERD

8. Mr. K.A. Mazid Managing Director, National Bank Ltd.

9. Mr. Latifur Rahman President, MCCI

10. Dr. A.M.A. Rahim Former Secretary, Govt. of Bangladesh

11. Mr. S. Khenissi Resident Representative, IMF

12. Mr. S. Sharfuddin Economic and Commercial Councillor,
Pakistan High Commission, Dhaka

13. Mr. Z. Hoque P.O. Radio Bangladesh ..

14. Mr. Abdul Quader FES- Pakistan:

Session I

1. Dr. A.R. Khan Chairman, Deptt. of Economics, University of California, Riverside
2. Mr. Latifur Rahman President, MCCI
3. Mr. Abul Ahsan Former Secretary General, SAARC

Session II

1. Mr. M. Morshed Khan Special Envoy of the Prime Minister and former President, MCCI
2. Mr. M. Munir-uz-Zaman Former Secretary, ERD
4. Mr. Abul Ahsan Former Secretary General, SAARC
- 5.

Session III

1. Mr. Nasimuddin Ahmed Finance Secretary
2. Dr. A.M.A. Rahim Former Secretary
3. Mr. Abul Ahsan Former Secretary General, SAARC
4. Mr. Habibullah Khan Former Minister for Jute and former President, MCCI

Session IV

1. Mr. Jamaluddin Ahmed Former Deputy Prime Minister
2. Mr. M. Munir-uz-Zaman Former Secretary, ERD
3. Mr. K.A. Mazid Managing Director, National Bank Ltd.
4. Mr. Ashfaqur Rahman Director General, SAARC, Ministry of Foreign Affairs

Session V

1. Mr. Mozibor Rahman State Minister for Finance, Govt of Bagladesh
2. Mr. S.A.M.S. Kibria Member, Advisory Council, Awami League and former Executive Secretary, UNESCAP and former Foreign Secretary

3. Mr. Abul Hasan Chowdhury Member of Parliament, Awami League
4. Mr. Jamaluddin Ahmed Former Deputy Prime Minister
5. Mr. Anisul Islam Mahmud Member Presidium, Jatiyo Party and former Foreign Minister
6. Mr. Luthfullahil Majid Secretary, ERD
7. Mr. M.R. Osmany Secretary, Ministry of Foreign Affairs
8. Mr. Mahbubur Rahman Former President, FBCCI and Chairman, National Bank Ltd.
9. Mr. Enayetullah Khan Editor, Holiday
10. Mr. A.Z.M. Haider Editor, UNB
11. Dr. J. Landell-Mils Advisor, Bangladesh Bank