

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5866
ANSWERED ON:04.05.2005
INDO- MALAYSIA BILATERAL ECONOMIC PACT
Saradgi Shri Iqbal Ahmed

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether India and Malaysia have set up a joint study group with a political mandate and detailed terms of reference to fashion a bilateral economic pact;
- (b) if so, whether this agreement was reached during the visit of Malaysian Prime Minister to India in the month of December, 2004;
- (c) if so, whether the Malaysian Government was asked to submit its recommendations soon so that these form a part of discussion to be held between the two countries; and
- (d) if so, the current status of the said matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS(SHRI E. AHAMED)

- (a). Yes, Sir. India and Malaysia have set-up a Joint Study Group (JSG) to study the feasibility of concluding a Comprehensive Economic Cooperation Agreement (CECA) between the two countries. The Terms of Reference (TOR) of the Joint Study Group was adopted at the First JSG Meeting held on 2-3 March 2005 in New Delhi.
- (b) Yes, Sir.
- (c) The Joint Study Group, comprising senior officials from India and Malaysia, is mandated to complete its assignment and jointly submit its recommendations to the two Governments for consideration. Both sides have also agreed to simultaneously develop a draft Framework Agreement, subject to feasibility of CECA being established.
- (d) During the First Meeting of the India-Malaysia Joint study Group on 2-3 March 2005 in New Delhi, both sides agreed that the Joint Study Report should be comprehensive and cover trade in goods, investments, services and identify areas of economic cooperation. A work programme for the JSG has also been drawn-up with a time-frame for the completion of the Report. The draft chapters of Joint Study Report are expected to be exchanged in May 2005, prior to the Second Meeting of the JSG scheduled for June 2005 in Kuala Lumpur.