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**STANDING COMMITTEE ON
EXTERNAL AFFAIRS
(1998-99)**

TWELFTH LOK SABHA

MINISTRY OF EXTERNAL AFFAIRS

**DEMANDS FOR GRANTS
(1998-99)**

FIRST REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 1998/Asadha, 1920 (Saka)

FIRST REPORT
STANDING COMMITTEE ON
EXTERNAL AFFAIRS
(1998-99)

(TWELFTH LOK SABHA)

MINISTRY OF EXTERNAL AFFAIRS
DEMANDS FOR GRANTS (1998-99)

*Presented to Lok Sabha on 6.7.1998
Laid in Rajya Sabha on 7.7.1998*



LOK SABHA SECRETARIAT
NEW DELHI

July, 1998/Asadha, 1920 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE
ON EXTERNAL AFFAIRS
(1998-99)

Shri Inder Kumar Gujral — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jagmohan
3. Shri Dileep Sanghani
4. Shri D.B. Roy
5. Shri Faggan Singh Kulaste
6. Shri Bikram Keshari Deo
7. Smt. Ila Pant
8. Dr. Ashok Patel
9. Shri Tapan Sikdar
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41. Dr. Karan Singh
- *42. Shri N. Thangaraj Pandian
43. Dr. Yoginder K. Alagh
44. Shri Jayant Kumar Malhoutra

SECRETARIAT

1. Dr. Ashok Kumar Pandey — *Additional Secretary*
2. Shri V.N. Gaur — *Director*
3. Shri R.K. Saxena — *Under Secretary*
4. Smt. Anita B. Panda — *Committee Officer*

* Ceased to be a Member of the Committee consequent upon his retirement with effect from 29.6.98.

INTRODUCTION

I, the Chairman, Standing Committee on External Affairs having been authorised by the Committee to submit the report on their behalf, present this First Report on Demands for Grants of the Ministry of External Affairs for the year 1998-99.

2. The Standing Committee on External Affairs was constituted on 5th June, 1998. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Departments and make a report on the same to the Houses. The Report shall not suggest anything of the nature of cut motion.

3. The Committee (1998-99) took evidence of the representatives of the Ministry of External Affairs on 24th & 25th June, 1998 and representatives of Ministry of Home Affairs on 25th June, 1998. The Committee wish to express their thanks to the officers of these Ministries for placing before the Committee the material and information which they desired in connection with the examination of the Demands for Grants of 1998-99 of the Ministry and for giving evidence before the Committee.

4. The Committee (1998-99) considered and adopted the report at their sitting held on 3rd July, 1998.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;
July 3, 1998
Asadha 12, 1920 (Saka)

INDER KUMAR GUJRAL,
Chairman,
Standing Committee on External Affairs.

REPORT

The Demands for Grants of the Ministry of External Affairs were laid on the Table of Lok Sabha on 10th June, 1998. The budgetary provision for the Ministry of External Affairs is entirely non-plan. From the financial year 1996-97 onwards, a 'Plan' Budget head was created with the approval of Union Cabinet for meeting the large expenditure outlay on the Tala Hydro-electric Project in Bhutan being executed with Government of India assistance. Kurichu Hydro-electric project and Dungsum Cement Project, being executed with Government of India assistance in Bhutan will also now be funded from 'Plan' Budget head. Expenditure in 1997-98, under Plan head was Rs. 60 crore. For the financial year 1998-99, the proposed allocation under the Plan head is Rs. 250 crore.

2. Demand No. 25 of the Ministry contains the figures of Revenue as well as Capital expenditure for 1998-99 which are as follows :

(In thousands of Rs.)

	Revenue	Capital	Total
Charged	3,00		3,00
Voted	1891,68,00	229,01,00	2120,69,00

3. The details of the actual Revenue and Capital expenditure for the year 1996-97, Budget Estimates and Revised Estimates for 1997-98 and Budget Estimates for 1998-99 of the Ministry are as under :

(In thousands of Rs.)

Sl. No.	Major Head	Items	1996-97 Actual Non-plan	1997-98 Non-Plan		1998-99 Non-Plan BE
				BE	RE	BE
1	2	3	4	5	6	7
1.	2052	Secretariat Charged		1,00	1,00	1,00
		General Services Voted	68,87,54	70,24,00	70,24,00	81,61,00

1	2	3	4	5	6	7
2.	2061	External Affairs				
		00.101 Embassies and Missions	510,15,69	600,00,00	544,00,00	600,00,00
		Passport and Emigration	47,19,06	69,00,00	54,00,00	86,00,00
		Training	40,15	1,90,00	1,80,00	2,10,00
		Special Diplo- matic Expenditure				
		Charged		1,00	3,00	1,00
		Voted	312,50,61	224,18,00	289,11,00	474,02,00
		International Conferences/ Meetings	2,10,43	4,00,00	6,00,00	4,00,00
		Entertainment Charges	11,25,11	13,00,00	20,00,00	15,00,00
		International Co-operation	20,92,74	27,15,00	22,81,63	28,91,95
		Other Expen- diture	36,87,90	49,38,00	59,63,37	70,01,05
	TOTAL	Major Head "2061"				
		Charged		1,00	19,00	2,00
		Voted	941,41,69	988,61,00	997,20,00	1280,04,00
3.	2075	Miscellaneous General Services	-	1,00	1,00	1,00
4.	3052	Shipping	52,44	1,00	1,00	1,00
5.	3053	Civil Aviation	-	1,00	1,00	1,00
6.	3605	Technical and Economic Co-operation with other countries	220,26,74	274,50,00	345,74,00*	530,00,00**
		Total: Revenue Section				
		Charged	-	2,00	20,00	3,00
		Voted	1231,08,41	1333,38,00	1413,21,00	1891,68,00

1	2	3	4	5	6	7
CAPITAL SECTION:						
7.	4059	Capital outlay on Public works	41,08,99	75,00,00	47,00,00	80,00,00
8.	4216	Capital outlay on Housing	12,01,08	15,00,00	21,00,00	20,00,00
9.	7605	Advances to Foreign Governments	2,23,37	90,01,00	72,00,00#	129,00,00##
10.	7615	Miscellaneous Loans	-	1,00	1,00	1,00
	Total:	Capital Section	55,33,44	180,02,00	140,01,00	229,01,00
GRAND TOTAL :						
		Charged	-	2,00	20,00	3,00
		Voted	1286,41,85	1513,40,00	1553,22,00	2120,69,00

*Include 36,00,00 Plan expenditure in respect of Aid to Bhutan.

**Include 150,00,00 Plan expenditure in respect of Aid to Bhutan

#Include 24,00,00 Plan expenditure in respect of Loan to Bhutan.

##Include 100,00,00 Plan expenditure in respect of Loan to Bhutan.

Overview

4. The BE 1998-99 of Rs. 2120.72 crore is Rs. 607.30 crore more than BE 1997-98 and Rs. 567.30 crore more than the RE 1997-98. The break-up of BE 1998-99 is as under :

(Amount in crores of Rupees)

Revenue	1891.71
Capital	229.01
Total	2120.72

The Revenue allocation includes Rs. 3.00 Lakh as charged expenditure.

5. The expenditure on establishment represents 36.20% of the total budget of the Ministry. This is made up of expenditure on Missions/ Posts abroad (28.29%), Headquarters (3.85%) and Passport & Emigration (4.06%). The break-up on the rest of the expenditure is as follows :

Aid to Foreign Governments	24.99 %
Special Diplomatic Expenditure	22.35 %
Capital Section	10.80 %
Other Activities (Grant-in-aid to various institutions including ICCR)	05.66 %

Expenditure on Headquarters

6. The estimated expenditure on the Headquarters Organisation of the Ministry during the current financial year (1998-99) is expected to be Rs. 81.62 crore which is 4.31% of the total estimated revenue expenditure of this Ministry. Out of this Rs. 26.62 crore will be on Salaries and Wages, Rs. 14.25 crore on Foreign Travel Expenses, Rs. 21.96 crore on Office Expenses, Rs. 12.75 crore on Advertisement and Publicity and Rs. 4.77 crore on Rents, Rates, Taxes.

Expenditure on Missions

7. The total estimated expenditure on Indian Embassies/Missions abroad is expected to be Rs. 600.00 crore during the current financial year which works out to 31.72% of the total estimated Revenue Expenditure of the Ministry. Out of this, an amount of Rs. 293.30 crore is for Salaries (including Foreign Allowance and representational grant), Overtime allowance and Wages, Rs. 59.13 crore for Travel Expenses (Transfer Passages/Home Leave Passages and Local Tours), Rs. 102.03 crore for Office Expenses and Rs. 15.23 crore for Advertising and Publicity and Rs. 130.31 crores for Rent, Rates and Taxes as well as for Repairs and Maintenance of Government owned/ rented accommodation in Missions abroad.

8. The Demands for Grants (1998-99) were discussed by the Committee with the representatives of the Ministry of External Affairs

and salient point arising out of the discussions held are given head-wise in the succeeding paragraphs.

Increase in RE 1997-98 over BE 1997-98

(Rs. in crores)		
	BE 1997-98	RE 1997-98
Revenue Section	1333.40	1413.41
Capital Section	180.02	140.01
TOTAL	1513.42	1553.42

9. The overall increase of Rs. 40.00 crore is primarily due to the following enhancements/decrease at RE stage:—

(i) Increase in RE 1997-98 over BE 1997-98

(a) Special Diplomatic Expenditure	Rs. 64.95 crore
(b) International Conferences/Meeting	Rs. 02.00 crore
(c) Entertainment Charges	Rs. 07.00 crore
(d) Other Expenditure	Rs. 10.25 crore
(e) Aid Programme for Foreign Govt.	Rs. 71.24 crore
TOTAL	Rs.155.44 crore

(ii) Decrease in RE 1997-98 over BE 1997-98

(a) Missions and Post abroad	Rs. 56.00 crore
(b) Passport & Emigration	Rs. 15.00 crore
(c) Training	Rs. 00.10 crore
(d) International Co-operation	Rs. 04.33 crore
(e) Capital Outlay.	Rs. 22.00 crore
(f) Loan to Foreign Govts.	Rs. 18.01 crore
TOTAL	Rs.115.44 crore
Net increase (i)—(ii)	Rs. 40.00 crore

10. The overall increase of Rs. 40.00 crore in the RE 97-98 over the BE 97-98 is primarily due to certain major enhancements in the budgetary provisions for Special Diplomatic Expenditure (Rs. 64.95 crore), International Conference/Meeting (Rs. 2.00 crore), Entertainment Charges (Rs. 7.00 crore), Other Expenditure (Rs. 10.25 crore), Aid Programme for Foreign Governments (Rs. 71.24 crore). There is a decrease in the budgetary provisions for Missions/Posts abroad (Rs. 56.00 crore), Passport & Emigration (Rs. 15.00 crore), Training (Rs. 0.10 crore), International Co-operation (Rs. 4.33 crore); Capital Outlay (Rs. 22.00 crore), Loan to Foreign Government (Rs. 18.01 crore).

Increase in BE 1998-99 over BE 1997-98

11. Against the budget estimates (BE) 97-98 of Rs. 1513.42 crore, the Budget estimates for 98-99 is Rs. 2120.72 crore which means that there is an increase to the tune of Rs. 607.30 crore. The break-up of Rs. 607.30 crore is as under:

	Variation (Rs. in crore)
(a) M.H.`2052' Secretariat-General Services	(+ 11.37
(b) M.H.`2061' External Affairs	(+ 291.44
(c) M.H.`3605' Technical and Economic Co-operation	(+ 255.50
(d) M.H.`4059' Capital Outlay on Public Works	(+ 5.00
(e) M.H. 4216' Capital Outlay on Housing	(+ 5.00
(f) M.H.`7605' Advances to foreign Governments	(+ 38.99

12. It is seen from Demands for Grants that against the Budget Estimates (BE) 1997-98 of Rs. 1513.42 crore for the Ministry of External Affairs, Revised Estimates (RE) for 1997-98 was raised to Rs. 1553.42 crore and BE 1998-99 to Rs. 2120.72 crore. Thus the increase between

BE 1998-99 and BE 1997-98 is more by Rs. 607.30 crore. According to the Ministry, out of the total Budgetary Estimate for the year 1998-99 i.e. Rs. 2120.72 crore, the major amount is to be spent on Salaries and allowances at Headquarters and Missions/Posts (Rs. 304.31 crore), Special Diplomatic Expenditure, (Rs. 474.03 crore), Aids to Bhutan and Nepal (Rs. 401.00 crore.) and Capital outlay on Public Works and Housing, (Rs. 100 crore). Thus allocations under the above four heads works out to be Rs. 1279.34 crore which is more than 60% of the total amount allocated under BE 1998-99. Explaining the framework and the objective laying the guidelines for the budget of the MEA, the Foreign Secretary stated that these objectives were, in the first place, to ensure that our political and security interests are fully understood and supported by all the countries with whom we interact in our foreign policy, and in keeping with that, to ensure that nothing adverse takes place in relation to our interests in these countries.

13. The second objective is to develop our relations with the countries with whom we interact so that we get the maximum possible benefit in economic and commercial terms and also in terms of flow of technology and investment.

14. Viewing in this context, the Committee observe that of the net increase of Rs. 607.30 crore, 84% i.e. Rs. 512.58 crore is accounted for the increase in allocation under the four heads viz. Salaries, Special Diplomatic Expenditure, Aids to Bhutan and Nepal and Capital Outlay.

15. The Committee feel that going by the stated objectives of the MEA, the total allocation of Rs. 2120.72 crore for BE 1998-99 appears to be too little for achieving these objectives. In real terms after taking into account the loss of 10% due to exchange, only about 30% of the BE 1998-99 is available to the Ministry to carry out their normal activities in promoting India's foreign policy objectives and reinforcing a positive image of the country abroad. The Committee are of the view that there is a case for substantial enhancement in the budget of the MEA to enable them to pursue the objectives in a more vigorous, effective and pro-active manner. This should also enable them to modernise our Missions as well as Headquarters with most modern equipments including those for communication. The Committee desire that the matter may be pursued with the Ministry of Finance so that the activities like modernisation are completed at the earliest.

16. The Committee also observe that Rs. 401 crore have been provided in the BE 1998-99 for the hydroelectric projects in Bhutan & Nepal. Reflecting them in the budget of the Ministry of External Affairs gives a very distorted and exaggerated view as this accounts for nearly 19% of the total budget of the Ministry.

17. The Committee, therefore, recommend that the fund allocation to projects like hydroelectric projects in Bhutan & Nepal should be more appropriately reflected in the budget of the concerned Ministry which in this case would be Ministry of Power.

00.101 Embassies and Missions

BE	1997-98	Rs. 600.00 crore
RE	1997-98	Rs. 544.00 crore
BE	1998-99	Rs. 600.00 crore

18. This provision relates to the expenditure on India's representation at 154 Missions and Posts. According to the Ministry, the reason for reduced allocation in RE 1997-98 was due to the fact that the proposal to index the foreign allowance came into effect on January 1, 1998. The proposed allocation for the current financial year has been augmented by Rs. 56 crore as compared to RE 1997-98 on account of increase in salaries as recommended by the Fifth Central Pay Commission, implementation of indexation of Foreign Allowance, increase in Air tariff etc. Besides the enhanced allocation would also cater to the expenditure on account of the proposed opening of new Missions/Posts abroad, considerable depreciation in the rupee value *vis-a-vis* all major foreign currencies and enhanced provisions under "Publicity Expenditure of Missions".

19. According to the Ministry since 1993, after the finalisation of the allocations for BE 1996-97, Missions have been opened in Croatia, Gaza in Palestine authority area, Capetown, Glasgow, Sau Paulo and Port Moresby. Recently two new Missions have been opened in Armenia and Azerbaijan. The Ministry have further stated that reopening of Mission at Fiji is under their active consideration. It is also stated that opening of new Missions is based on our precise needs and requirements.

20. So far as the Foreign Allowance indexation is concerned, the Ministry has informed the Committee that the Indexation scheme has been introduced w.e.f. 1.1.1998. The main objective of the scheme is to

institute objective and transparent system with a mechanism for annual updating. Alongwith the introduction of the indexation scheme, the Ministry have also introduced w.e.f. 1.1.1998, an arrangement under which all payments of pay and allowances will be at the official rate of exchange and not at the emolument rate of exchange, which was the practice earlier. The introduction of indexation will largely do away with the regular system of inspection of Missions so far as the calculation of prices and working out of living standard is concerned. The Ministry have further intimated that inspections will now be on a selective and regional basis and will be largely directed to the important objective of improving the overall efficiency and performance of Missions by identifying weaknesses and recommending corrective measures. This indexation scheme, however, is meant only for the regular staff of the Missions/Posts and not the local employees.

21. The Committee note that after finalisation of the allocation for BE 1998-99, two new Missions in Armenia and Azerbaijan have been opened and reopening Missions at Fiji is being considered. Besides the Ministry is also contemplating the reopening of Indian Missions in Africa particularly in Democratic People's Republic of Congo. Considering that an amount of Rs. 293.30 crore has been earmarked for salaries, overtime allowance and wages, 59.30 crore for travel expenses, Rs. 102.03 crore for office expenses, Rs. 15.23 crore for advertising and publicity and Rs. 130.31 crore for rent, rate of taxes etc., there seems to be hardly any funds left in the provision for BE 1998-99 for the new and proposed Missions unless normal activities are curtailed. The Committee hope that adequate funds would be provided for the setting up and of the new/proposed Missions/Posts and also providing them with necessary infrastructural facilities so that there does not occur any delay in making them operational. The Committee hope that while deciding the posting of the India based officers and staff to the Missions/ Posts abroad consideration is given to the posting of members of SC & ST.

22. One of the main functions of Foreign Service Inspectors was to determine the rate of Foreign Allowance of the employees in Missions/Posts abroad, after taking into consideration the expenditure on commodities in a particular country. Since the Indexation scheme has come into operation with effect from 1.1.1998 the FSI would be required to inspect the Missions/Posts abroad with a view to identifying weaknesses and recommend corrective measures to improve the efficiency and performance of Missions. The Committee

desire that the inspection of Missions be made a regular phenomenon and if any deficiency/lacuna is noticed in any Mission, suitable directions be given and remedial measures taken. The Committee further feel that since the Indexation scheme is not applicable to the local staff employed by the Missions/Posts abroad, a suitable alternative scheme which takes into account the increase in local cost of living may be worked out to provide relief to the local employees working in the Missions/Posts.

08 & 09 Expenditure related to Haj and other Pilgrimages Abroad

08.01 Haj Goodwill Delegation

Actuals 1996-97	Rs. 1.65 crore
BE 1997-98	Rs. 4.70 crore
RE 1997-98	Rs. 2.70 crore
BE 1998-99	Rs. 2.70 crore

08.02 Other Expenditure on Haj

Actuals 1996-97	Rs. 17.24 lakh
BE 1997-98	Rs. 1.00 crore
RE 1997-98	Rs. 0.88 crore
BE 1998-99	Rs. 1.00 crore

09.01 Mansarovar Pilgrimage

Actuals 1996-97	Rs. 90.20 lakh
BE 1997-98	Rs. 23.65 lakh
RE 1997-98	Rs. 23.65 Lakh
BE 1998-99	Rs. 25.00 Lakh

23. During the evidence, representatives of the Ministry informed the Committee that under the allocation of Business Rules of the Government of India, the Ministry of External Affairs has the responsibility of Management of Haj. The Consulate-General in Jeddah,

is the main Field Agency and the Haj Committee in Mumbai, which is constituted under an Act of Parliament to handle responsibilities relating to the Haj within the boundaries of India. The Committee were further informed that there is a steady increase in the number of Haj Pilgrims from India. As per the Ministry, suitable arrangements are being made to provide more and better facilities to Haj pilgrims too through computerised operations. The number of Haj Staff and Medical Personnel has been increased, and the quality of accommodation provided has been improved. The Committee was also informed that the draft of a new Haj Act is presently under the Government's consideration and the reconstitution of Haj Committee has also been taken up. Besides, training camps for the pilgrims are being organised and adequate publicity through films and other means has been undertaken.

24. On being asked about the Kailash Mansarovar Yatra, Nankana Saheb and Punja Saheb pilgrimages, the Ministry informed that during the current year it proposes to send 16 batches of about 600 pilgrims to Kailash Mansarovar. It also informed that there is a bilateral agreement with the Government of China which ensures appropriate arrangements including getting visas and permits from the Chinese Government for the Indian pilgrims. On being enquired about the pilgrimages to Nankana Saheb and Punja Saheb, the Ministry informed that these are covered under a bilateral protocol signed with Pakistan in 1974.

25. The Committee drew the attention of the Ministry to the fact that there has been lot of complaints about the method of selection of Haj pilgrims and making the funds available to them for the pilgrimage. Since the Haj Affairs are looked into by the Ministry of External Affairs, the Committee feel that there should be a clear demarcation of powers of the Mission at Jeddah and Haj Committee to avoid any overlapping between them which, in turn, results in lot of difficulties to the Hajis. As the Haj Committee is still functioning under the old statute, the Committee desire that early steps be taken to review and make necessary amendments in the Central Haj Committee Act.

26. The Committee also desire that necessary measures be taken by the Ministry for making suitable arrangements and providing more facilities for the pilgrims going to Kailash Mansarovar, Nankana Saheb and Punja Saheb. The possibility of providing an alternate

and easier route to the Mansarovar pilgrimage through Nepal under a tripartite visa arrangement with China and Nepal may also be explored.

27. There has been increasing demand for visa for visiting Nankana Saheb & Punja Saheb. However, the Indian pilgrims face considerable difficulties in obtaining visas to visit these places in Pakistan. The matter needs to be taken up with the Government of Pakistan at the earliest.

02.0026 Advertising and Publicity (Secretariat)

BE	1997-98	Rs. 11.00 crore
RE	1997-98	Rs. 11.00 crore
BE	1998-99	Rs. 12.75 crore

00.00.26 Advertising and Publicity (Missions/Posts)

BE	1997-98	Rs. 15.01 crore
RE	1997-98	Rs. 13.74 crore
BE	1998-99	Rs. 15.23 crore

28. According to the Ministry, while the provision under RE 1997-98 for Advertising and Publicity (Headquarters) was kept at the same level as in BE in the same year, this was, in fact, supplemented by an additional Rs. 2.5 crore from the allocation earmarked under a separate head i.e. "Other Expenditure" for organising commemorative activities in connection with the 50th Anniversary of India's Independence. Thus, the actual total allocation for publicity accounted to Rs.13.5 crore during 1997-98, which was fully utilised.

29. The projected BE 1998-99 for Advertising and Publicity in the Missions i.e. Rs. 15.23 crore is Rs. 1.49 crore more than RE 1997-98. According to the Ministry, they would further be needing more money under this Head and would be approaching the Ministry of Finance at RE stage. The Ministry have also stated that in the Post-Pokhran II scenario, the External Publicity Division of the Ministry is under tremendous pressure to ensure that the position of the Government of India on matters relating to Global Nuclear Disarmament, Nuclear Non-proliferation and also matters relating to

the regional cooperation, Indo-Pakistan Relations and all other associated issues is fully understood in foreign countries, particularly by those having a decisive role in shaping the course of events. For this purpose the External Publicity Division is engaged in addressing the foreign governments in a co-ordinated manner by propagating, elaborating and explaining the Indian stand to the host Governments, the Members of the legislators in different countries, the business and financial sectors, the academicians, cultural personalities, Non-resident Indians and the diplomatic corps.

30. The Ministry informed the Committee that keeping in view the significance of lobbying efforts in influencing the U.S. legislators, the Govt. hired the services of one particular lobbying firm known as M/s Raffaelli, Spies, Springer & Smith (RSSS), now called Washington Group in the year 1994. The contract with M/s RSSS expired in December, 1996. After the Presidential and bi-annual Congressional elections in the U.S., the contract with the Washington Group was extended upto the end of 1997-98 and subsequently extended for another six months. Specifying the recent trends, the Ministry have stated that under the present system our lobbying arrangements will necessarily have to be operated with a degree of flexibility keeping in mind the requirements of the changing situation. We will need to augment our lobbying efforts in view of the special circumstances prevailing in the United States.

31. The Committee were informed earlier that some Missions had submitted proposals to step up their publicity activities if backed by adequate financial support. Some of the Missions were selected for allotment of additional funds too. The need to step up information campaigns both at Headquarters & Missions/Posts level are much more today in the changed international scenario. In the opinion of the Committee the increase of Rs.1.49 crore in BE 1998-99 over RE 1997-98 for this purpose at Missions level seems to be insignificant. The Committee feel that sufficient funds should have been projected by the Ministry for augmenting the publicity activities and also for modernisation of communication system in the Missions.

32. Certain measures are stated to have been taken by the Ministry with a view to giving more thrust to external publicity which includes hiring of one lobbying firm in the U.S. However, the Committee are of the view that there is considerable scope for

making professional public relations efforts more effective. To achieve maximum impact particularly in the U.S. the Ministry may explore the feasibility of engaging firms specialising in lobbying with different target groups, and while engaging such firms, the Ministry may carefully evaluate their antecedents and the influence carried by their members. The performance of the lobbying firms in furthering our objectives also needs close and continuous monitoring.

00.105 Passport and Emigration

BE 1997-98	Rs. 69.00 crores
RE 1997-98	Rs. 54.00 crores
BE 1998-99	Rs. 86.00 crores

33. According to the Ministry, a reduced amount to the extent of Rs.15.00 crore was spent in RE 1997-98 as formalities for computerisation of passport offices such as preparation of tender document, technical and financial scrutiny of tender bids and award of contract could not be completed in the previous financial year. However, an enhanced amount of Rs. 86.00 crore has been proposed for BE 1998-99 to cater to additional expenditures involved on the three new passport offices in Ghaziabad, Vishakhapatnam and Thane, for computerisation of passport offices at a cost of Rs.28.68 crore (non-recurring) and Rs.2.03 crore (recurring) besides the increase in salaries and wages, implementation of the recommendation of the Fifth Central Pay Commission, cadre review proposals and modernisation of passport office procedures through the introduction of Machine Readable Passport booklets (MRP booklets) and jumbo passport booklet, passport application forms, visa stickers, data entry of index cards etc.

34. As regards the large number of applications pending in various Passport Offices, the Ministry stated that the delay in issue of passports occurs due to discrepancies in the documents submitted by the applicants or delay in receipt of police reports. It is further stated that the optimum time for issuance of passports is considered to be five weeks. The number of applications pending for more than a period of five weeks can legitimately be said to constitute backlog. According to the Ministry, this backlog is about 8 to 10 per cent of the total number of passports issued every year. When asked about the large number of pending applications in passport offices, the Foreign Secretary stated that generally over 23 lakh passport applications are

received in a year. During 1997, 92 per cent of the passport applications received were processed and dispatched within 5 weeks. He further stated that by and large, the passport offices are functioning effectively keeping in view the size of the country, the number of applications received, the large number of illiterate and semi-literate applicants and frequent migration of applicants from one part of the country to another requiring verification at different places.

35. As regards verification for issuing passports, the Foreign Secretary stated that on the basis of certificates given by the gazetted officers of the rank of Deputy Secretary in the Central Government and above, short validity passports for a year are given. The traditional procedure till now is that police verification is required for issue of a permanent passport. The Home Secretary, who was called during evidence to clarify the position, stated that, if police verification has to be done away with, certain provisions of the Passport Act would have to be changed. He further stated that, a Committee consisting of four eminent Indians has been set up recently to look into the various aspects of police reforms, and that if the Ministry of External Affairs so wish, further simplification of police verification procedure could be considered by the Committee. It transpired that the system of police verification cannot be done away with since the security aspect cannot be overlooked as only the police authorities have the necessary mechanism and infrastructure to cross-check the antecedents of a passport applicant.

36. As regards computerisation, the Ministry in their reply have informed that, tender bids for the new satellite-linked computerisation project have been received and that the comprehensive satellite-linked computerised network, which would further reduce delay in issue of passports, would become operational in a year's time.

37. The Committee recommend to the Government to have a fresh look at the provisions of the Passport Act, some of which have become archaic and obsolete with time. The Committee would like to stress upon the necessity of having such a review done in a time bound manner in order to avoid unnecessary delay and hardships to the passport seekers.

38. The Committee would also like to express their dissatisfaction at the slow progress of the computerisation of passport offices. Although the Ministry have assured the Committee about the early

completion of the said project, the Committee feel that the project was first mooted in the year 1986, yet even today many passport offices remain to be computerised and are still depending upon manual processing of applications. The Committee desire that the computerisation of all the Passport Offices may be done expeditiously. The Committee are also of the opinion that while processing the passport applications received from the disturbed areas, due care should be taken to ensure that the antecedents of the applicants are not doubtful.

11. Grants to Institutions

11.1 Indian Council for Cultural Relations (ICCR)

BE 1997-98	Rs. 25.00 crore
RE 1997-98	Rs. 27.00 crore
BE 1998-99	Rs. 28.00 crore

39. According to the Ministry, in view of the actual expenditure of Rs.25.70 crore during 1996-97, grants-in-aid to ICCR was increased to Rs.27.00 crore in RE 1997-98 to respond to the expending activities of the Council. In BE 1998-99, the allocations have been proposed at Rs.28.00 crore to cater to the requirements of ICCR during the current Financial Year. In addition, a sum of Rs. 6.96 crore was released to ICCR during 1997-98 for organising commemorative activities for the 50th anniversary of India's independence. During the current Financial Year, a sum of Rs.5.04 crore has been placed at the disposal of ICCR for organising commemorative activities.

40. During the evidence, the representatives of the Ministry informed the Committee that the ICCR needs to have additional funds in order to bear the increased financial burden which has resulted principally due to three factors. Firstly, Cultural Centres established by the ICCR are having increased maintenance cost and the Ministry is also contemplating to open new Cultural Centres, for instance, the proposal to have a Centre in Washington is actively being pursued. The Ministry is also planning to add a few more Chairs of Indian Studies particularly in South Africa. Secondly, there has been a very large increase in the registration, tuition fee structure and other charges being levied by the Universities and Academic Institutions where the students sponsored by the ICCR pursue higher studies. It is pertinent

to note here that the ICCR's Budget for expenditure on this account is about Rs.8.75 crore. Thirdly, the Ministry has further stated that if all the ICCR's scholarships are utilised in the current year, additional funds would be required to the tune of Rs. 5 crore and since utilisation is not 100 per cent, they may approximately need another 3 crore. The Ministry have also stated that sponsoring students from abroad generates considerable goodwill among the young generation of foreign countries. Thus, due importance should be attached to this aspect of the ICCR's activities by providing increased budgetary allocation. The Ministry propose to reflect their increased requirements in the RE stage.

41. The Committee are unanimous in their opinion that the role of cultural diplomacy is crucial in projecting India's policies, perceptions and concerns abroad, not only to better the environment of relationship between India and various countries but also to defeat concerted attempts by unfriendly quarters at image distortion. The ICCR is required to project India in an increasingly holistic fashion by not restricting activities only to performing and visual arts but also projecting modern India in its totality. All this is bound to eventually help in an increased interaction and dividends in political, economic and commercial fields. Since the ICCR is one of India's premier institutions for fostering cultural exchanges and mutual understanding with the outside world, the Committee feel that the Ministry of External Affairs need to take up their case properly and effectively with the Ministry of Finance to secure more funds for supplementing the activities of ICCR.

11.05 Indian Council of World Affairs (ICWA)

BE 1997-98	Rs. 1.00 lakh
RE 1997-98	Rs. 1.00 lakh
BE 1998-99	Rs. 1.00 lakh

42. According to the Ministry, the ICWA was a Society established in 1943 under the Societies Registration Act, 1860. For a long time the Ministry of External Affairs was associated with this body and certain great events like the Asian Relations Conference were organised by this Society. However, the ICWA started declining in the 1980s for various reasons. According to the Ministry of External Affairs, the Management of ICWA lacked seriousness in carrying out their

responsibilities. A proposal to improve the ICWA was put up before the Cabinet in 1990 and the Cabinet decided that the Government should takeover this Institution. Accordingly, the Government issued an Ordinance in 1990 for taking over the management of the ICWA. The Bill introduced to replace the Ordinance was passed by the Rajya Sabha on 5th September, 1990 but it could not be passed by the Lok Sabha due to its adjournment on 7th September, 1990. On 10th September, 1990, six days before the Ordinance would have lapsed, it was struck down by the Punjab & Haryana High Court on being challenged by the President of ICWA, Chandigarh Branch. To improve the functioning of the ICWA, the Ministry of External Affairs proposed an Advisory Committee to be appointed by the Governing Body of ICWA but the proposal failed to get any response from the management of the ICWA. Thereafter, the situation has remained unchanged. The Ministry of External Affairs has stated that unless the ICWA is taken over by the Government, the Ministry is in no position to bring about any improvements.

43. While expressing deep concern over the current state of affairs in the ICWA, the Committee are of the view that unless the ICWA is taken over by the Government there would be further deterioration in this Institution which was set up with high hopes of making it a credible and respectable institution which continued to work well till 1980s. The Committee recommend that the Ministry of External Affairs should come forward and make every effort to revive the proposal of take-over of ICWA by the Government.

Expenditure on Policy Research

44. The Committee note that in the detailed Demands for Grants of the Ministry of External Affairs for 1998-99, under the head "Grants to Institutions", the Ministry has allocated Rs. 1.1 crore to the Society for Research & Information System for the Non-aligned & other developing countries and a total of Rs. 22 lakh to five other institutions engaged in policy research. Thus the total amount allocated for policy research is just Rs. 1.32 crore.

45. Regarding the policy planning and research, the Ministry informed that the world over there are two models for policy planning. One is to have an independent, autonomous think-tank, which is manned by non-official scholars who give advise on policy and guidance to the Government. The other model is to have it as a part

of the Government. The Ministry follows the second model. There is a policy planning division in the Ministry of External Affairs which is manned by a very small staff of officials.

46. Noting that the budgetary expenditure 1998-99 on Grants to Institutions is just Rs. 1.32 crores and that there is only a small Policy Cell in the Ministry for policy planning and research, the Committee recommend that the Ministry of External Affairs should present a well worked-out proposal for a proper Research Policy Cell in the context of present very complex challenges to the foreign policy. The Committee also recommend that after finalisation of such proposal, appropriate funds may be asked for in the RE 1998-99 stage.

02. Multilateral Cooperation Programme

02.01 Indian Technical and Economic Co-operation Programme (ITEC)

Actuals 1996-97	Rs.18.86 crore
BE 1997-98	Rs.20.00 crore
RE 1997-98	Rs.18.44 crore
BE 1998-99	Rs.18.59 crore

47. As per the Annual Report of the Ministry of External Affairs (1997-98), the ITEC Programme covers 127 countries in Africa, Asia (including Central Asia), Latin America and Eastern Europe (including Russia). This programme has four major components, viz., (i) training, (ii) projects including feasibility studies and consultancy services, (iii) deputation of experts and (iv) study tours for foreign decision makers to India. Under ITEC, training is provided in various types of courses such as Audit and Accounts, Banking, Diplomacy, Manpower Planning, Parliamentary Studies, Rural Development, Computer and Software, Food Processing Technology etc. Major beneficiaries of ITEC Programme are African countries but the East European and Central Asian countries have also started participating in increased numbers. The Latin American countries too are increasingly benefiting from this programme. Military training for nominees of friendly foreign governments in some of the most prestigious defence institutions of India is another important task undertaken under ITEC programme. Another important aspect is project co-operation with partner countries

which has helped to enhance India's image through sharing of experience and expertise acquired in the past 50 years of our existence as an independent nation. Indian experts are also sent on deputation to various ITEC assisted countries abroad to assist on a broad range of technical and developmental fields.

48. The Committee are of the view that although the ITEC Programme is extremely helpful in promoting technical co-operation at the Government to Government level with developing countries other than our immediate neighbours, the funds allocated for the same, around Rs. 19 crores, do not seem to be sufficient. If a number of proposals under ITEC, particularly on the project side materialise this year, the fund requirements would be much larger. There is a need to strengthen the ITEC Programme in order to sustain our very close relations with the developing world. The Committee, therefore, recommend that additional funds be made available for augmenting the activities under ITEC.

Capital Section

Major Head 4059 and 4216-Capital Outlay on Public Works and Housing

BE 1997-98	Rs. 90.00 crore
RE 1997-98	Rs. 68.00 crore
BE 1998-99	Rs.100.00 crore

49. The Committee have been informed that the Ministry's ongoing programme for Capital Outlay on public works and housing has been further intensified following the recommendation of the Standing Committee, in their Second Report on Demands for Grants for Ministry of External Affairs for the year 1994-95, that the MEA should progressively reduce the annually increasing rental liability by acquiring and constructing our own properties in a planned and phased manner.

50. It is further informed that provision has been made for construction projects *inter alia* at Berlin, Mauritius, Doha, Muscat, Warsaw, Brasilia, Islamabad, Kathmandu, Moscow and Tashkent. It is also expected that proposals for purchase of properties will be finalised in Berne, Buenos Aires, Dhaka, Hong Kong, Madrid, Oslo, Port Moresby, Sao Paulo, Stockholm etc. As it was not possible in some cases to complete purchase procedures/transactions within the financial

year 1997-98 for variety of reasons including instability in the local market currency, completion of local and legal formalities etc., a reduced amount was projected in RE 1997-98 which was however, off-set by a proportionate enhancement of BE 1998-99 in order to cater to the completion of these purchases.

51. During the evidence, the representative of the Ministry informed the Committee that additional fund requirements on the Capital Outlay is anticipated by them. Priority for acquisition of office and residential properties would be given to such place where the property prices are low and rentals are high. Keeping this principle in mind, the Ministry have acquired economically viable properties at Johannesburg, Berlin, Stockholm, Panama city, Sao Paulo, Frankfurt etc. About the construction projects particularly in Berlin and Abu Dhabi, it is also informed that these are getting ready for either floating of tenders or the commencement of actual construction. Construction project for a cultural centre in Mauritius will be completed in the current financial year. It is hoped that these efforts would result in substantial rental savings apart from adding stability to the Indian presence in these countries through permanent properties.

52. The Committee note that the funds earmarked for Capital Outlay on public works and housing are being utilised according to a comprehensive plan for purchase/construction of properties abroad with a view to progressively reducing the escalation of rental liabilities. The Committee desire that the matter may be earnestly pursued and the work is completed according to the planned time schedule so that cost and time overrun could be avoided.

53. The Committee took up discussions on the recent Nuclear Tests conducted by India in Pokhran in May, 1998. The Foreign Secretary presented the Government's point of view on the subject. The Committee decided to continue the discussion on the subject in the next meeting.

NEW DELHI ;
July 3, 1998
Asadha 12, 1920 (Saka)

INDER KUMAR GUJRAL,
Chairman,
Standing Committee on External Affairs.

APPENDIX I

MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON EXTERNAL AFFAIRS HELD ON 24TH JUNE, 1998

The Committee sat from 1100 hrs. to 1320 hrs. and 1400 hrs. to 1630 hrs.

PRESENT

Shri Inder Kumar Gujral — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jagmohan
3. Shri D.B. Roy
4. Shri Faggan Singh Kulaste
5. Shri Bikram Keshari Deo
6. Smt. Ila Pant
7. Dr. Ashok Patel
8. Shri Tapan Sikdar
9. Shri Tarun Gogoi
10. Shri Bhubaneswar Kalita
11. Shri Sushil Kumar Shinde
12. Shri P.A. Sangma
13. Shri K. Natwar Singh
14. Shri Shivraj V. Patil
15. Shri P. Shiv Shanker
16. Shri Suresh Kurup
17. Smt. Minati Sen
18. Shri C. Gopal
19. Shri Heera Lal Rai
20. Smt. Geeta Mukherjee

21. Shri Anant Gangaram Geete
22. Shri N. Dennis
23. Shri Ajay Kumar Sambasadashiv Sarnaik
24. Shri E. Ahamed
25. Shri Arif Mohammed Khan

Rajya Sabha

26. Shri Madhav Sinh Solanki
27. Shri Bhuvnesh Chaturvedi
28. Shri K.M. Khan
29. Dr. Mahesh Chandra Sharma
30. Shri Triloki Nath Chaturvedi
31. Shri Md. Salim
32. Smt. Kamla Sinha
33. Shri N. Thalavai Sundaram
34. Dr. Karan Singh
35. Shri N. Thangaraj Pandian
36. Dr. Yoginder K. Alagh
37. Shri Jayant Kumar Malhoutra

SECRETARIAT

1. Dr. Ashok Kumar Pandey — *Additional Secretary*
2. Shri R.K. Saxena — *Under Secretary*

WITNESSES (MINISTRY OF EXTERNAL AFFAIRS)

1. Shri K. Raghunath — *Foreign Secretary*
2. Shri Lalit Mansingh — *Secretary (West)*
3. Shri S.T. Devare — *Secretary (ER)*
4. Shri R.S. Kalha — *Special Secretary (AD&CPV)*
5. Shri B.N. Jha — *Addl. Secretary (FA)*

At the outset, the Chairman welcomed the Members of the Committee and representatives of the Ministry of External Affairs to the sitting of the Committee.

The Committee then discussed with the representatives of the Ministry of External Affairs the various points arising out of the Demands for Grants (1998-99) of the Ministry. A verbatim record of the proceedings has been kept.

2. As the discussion was not concluded, the Committee decided to meet again on 25th June, 1998 at 11.00 hours.

The Committee then adjourned.

MINUTES OF THE SITTING OF THE STANDING COMMITTEE
ON EXTERNAL AFFAIRS HELD ON 25TH JUNE, 1998

The Committee sat from 1100 hrs. to 1330 hrs. and 1500 hrs. to 1800 hrs.

PRESENT

Shri Inder Kumar Gujral—*Chairman*

MEMBERS

Lok Sabha

2. Shri Jagmohan
3. Shri D.B. Roy
4. Shri Faggan Singh Kulaste
5. Smt. Ila Pant
6. Dr. Ashok Patel
7. Shri Tapan Sikdar
8. Shri Tarun Gogoi
9. Shri Bhubaneswar Kalita
10. Shri K. Natwar Singh
11. Shri Shivraj V. Patil
12. Shri P. Shiv Shanker
13. Shri Suresh Kurup
14. Smt. Minati Sen
15. Shri C. Gopal
16. Shri Heera Lal Rai
17. Shri Bhartruhari Mahtab
18. Smt. Geeta Mukherjee
19. Shri Anant Gangaram Geete
20. Shri Ajay Kumar Sambasdashiv Sarnaik
21. Shri E. Ahamed
22. Shri Arif Mohammad Khan

Rajya Sabha

23. Shri Madhav Sinh Solanki
24. Shri Bhuvanesh Chaturvedi
25. Syed Sibtey Razi
26. Dr. Mahesh Chandra Sharma
27. Shri Triloki Nath Chaturvedi
28. Smt. Kamla Sinha
29. Dr. Karan Singh
30. Dr. Yoginder K. Alagh
31. Shri Jayant Kumar Malhoutra

SECRETARIAT

- | | | |
|---------------------------|---|-----------------------------|
| 1. Dr. Ashok Kumar Pandey | — | <i>Additional Secretary</i> |
| 2. Shri V.N. Gaur | — | <i>Director</i> |
| 3. Shri R.K. Saxena | — | <i>Under Secretary</i> |

WITNESSES

Ministry of Home Affairs

- | | | |
|----------------------|---|--------------------------|
| 1. Shri B.P. Singh | — | <i>Secretary</i> |
| 2. Shri Nikhil Kumar | — | <i>Special Secretary</i> |

Ministry of External Affairs

- | | | |
|------------------------|---|---|
| 1. Shri K. Raghunath | — | <i>Foreign Secretary</i> |
| 2. Shri Lalit Mansingh | — | <i>Secretary (West)</i> |
| 3. Shri S.T. Devare | — | <i>Secretary (ER)</i> |
| 4. Shri R.S. Kalha | — | <i>Special Secretary
(AD&CPV)</i> |
| 5. Shri B.N. Jha | — | <i>Addl. Secretary (FA)</i> |

The Chairman welcomed the Members of the Committee and representatives of the Ministry of Home Affairs and External Affairs to the sitting.

The Committee resumed further discussion on the points arising out of Demands for Grants (1998-99) of the Ministry of External Affairs. The representatives of the Ministries of Home Affairs and External Affairs explained and elaborated relevant queries from the Members.

The verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE SITTING OF THE STANDING COMMITTEE
ON EXTERNAL AFFAIRS HELD ON 3RD JULY, 1998

The Committee sat from 1530 hrs. to 1705 hrs.

PRESENT

Shri Inder Kumar Gujral—*Chairman*

MEMBERS

Lok Sabha

2. Shri Jagmohan
3. Shri Bikram Keshari Deo
4. Smt. Ila Pant
5. Shri Sharad Pawar
6. Shri Sushil Kumar Shinde
7. Shri K. Natwar Singh
8. Shri Shivraj V. Patil
9. Shri P. Shiv Shanker
10. Shri Suresh Kurup
11. Shri Heera Lal Rai
12. Shri Bhartruhari Mahtab
13. Shri Anant Gangaram Geete
14. Shri N. Dennis
15. Shri Vaiko

Rajya Sabha

16. Shri K.M. Khan
17. Dr. Mahesh Chandra Sharma
18. Shri Triloki Nath Chaturvedi
19. Dr. Yoginder K. Alagh

SECRETARIAT

1. Dr. Ashok Kumar Pandey — *Additional Secretary*
2. Shri V.N. Gaur — *Director*
3. Shri R.K. Saxena — *Under Secretary*

At the outset, the Chairman welcomed the Members of the Committee. Thereafter the Committee took up for consideration the draft Report on Demands for Grants of the Ministry of External Affairs for 1998-99. The Chairman invited Members to offer their comments on the draft Report. The Members suggested certain modifications/ amendments and desired that those be suitably incorporated into the body of the Report. The draft Report was then adopted.

The Committee then authorised the Chairman to finalise the Report for presentation to the House.

The Committee then adjourned.

APPENDIX II

STATEMENT OF OBSERVATIONS AND RECOMMENDATIONS

Sl. No.	Para No.	Ministry	Observations/Recommendations
1	2	3	4
1.	15	External Affairs	The Committee feel that going by the stated objectives of the MEA, the total allocation of Rs. 2120.72 crore for BE 1998-99 appears to be too little for achieving these objectives. In real terms after taking into account the loss of 10% due to exchange, only about 30% of the BE 1998-99 is available to the Ministry to carry out their normal activities in promoting India's foreign policy objectives and reinforcing a positive image of the country abroad. The Committee are of the view that there is a case for substantial enhancement in the budget of the MEA to enable them to pursue the objectives in a more vigorous, effective and pro-active manner. This should also enable them to modernise our Missions as well as Headquarters with most modern equipments including those for communication. The Committee desire that the matter may be pursued with

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			the Ministry of Finance so that the activities like modernisation are completed at the earliest.
2.	16-17	External Affairs	<p>The Committee also observe that Rs. 401 crores have been provided in the BE 1998-99 for the hydroelectric projects in Bhutan & Nepal. Reflecting them in the budget of the Ministry of External Affairs gives a very distorted and exaggerated view as this accounts for nearly 19% of the total budget of the Ministry.</p> <p>The Committee, therefore, recommend that the fund allocation to projects like hydroelectric projects in Bhutan & Nepal should be more appropriately reflected in the budget of the concerned Ministry which in this case would be Ministry of Power.</p>
3.	21	-do-	<p>The Committee note that after finalisation of the allocation for BE 1998-99, two new Missions in Armenia and Azerbaijan have been opened and reopening Missions at Fiji is being considered. Besides the Ministry is also contemplating the reopening of Indian Missions in Africa particularly in Democratic People's Republic of Congo. Considering that an</p>

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amount of Rs.293.30 crores has been earmarked for salaries, overtime allowance and wages, 59.30 crores for travel expenses, Rs. 102.03 crores for office expenses, Rs.15.23 crores for advertising and publicity and Rs.130.31 crores for rent, rate of taxes etc., there seems to be hardly any funds left in the provision for BE 1998-99 for the new and proposed Missions unless normal activities are curtailed. The Committee hope that adequate funds would be provided for the setting up and of the new/proposed Missions/ Posts and also providing them with necessary infrastructural facilities so that there does not occur any delay in making them operational. The Committee hope that while deciding the posting of the India based officers and staff to the Missions/Posts abroad consideration is given to the posting of members of SC & ST.

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External Affairs

One of the main functions of Foreign Service Inspectors was to determine the rate of Foreign Allowance of the employees in Missions/Posts abroad, after taking into consideration the expenditure on commodities in a particular country. Since the

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Indexation scheme has come into operation with effect from 1.1.1998 the FSI would be required to inspect the Missions/Posts abroad with a view to identifying weaknesses and recommend corrective measures to improve the efficiency and performance of Missions. The Committee desire that the inspection of Missions be made a regular phenomenon and if any deficiency/lacuna is noticed in any Mission, suitable directions be given and remedial measures taken. The Committee further feel that since the Indexation scheme is not applicable to the local staff employed by the Missions/ Posts abroad, a suitable alternative scheme which takes into account the increase in local cost of living may be worked out to provide relief to the local employees working in the Missions/Posts.

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External Affairs

The Committee drew the attention of the Ministry to the fact that there has been lot of complaints about the method of selection of Haj pilgrims and making the funds available to them for the pilgrimage. Since the Haj Affairs are looked into by the Ministry of External Affairs, the Committee feel that

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there should be a clear demarcation of powers of the Mission at Jeddah and Haj Committee to avoid any overlapping between them which, in turn, results in lot of difficulties to the Hajis. As the Haj Committee is still functioning under the old statute, the Committee desire that early steps be taken to review and make necessary amendments in the Central Haj Committee Act.

6. 26-27 External Affairs

The Committee also desire that necessary measures be taken by the Ministry for making suitable arrangements and providing more facilities for the pilgrims going to Kailash Mansarovar, Nankana Saheb and Punja Saheb. The possibility of providing an alternate and easier route to the Mansarovar pilgrimage through Nepal under a tripartite visa arrangement with China and Nepal may also be explored.

There has been increasing demand for Visa for visiting Nankana Saheb & Punja Saheb. However, the Indian pilgrims face considerable difficulties in obtaining Visas to visit these places in Pakistan. The matter needs to be taken up with the

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			Government of Pakistan at the earliest.
7.	31	External Affairs	The Committee were informed earlier that some Missions had submitted proposals to step up their publicity activities if backed by adequate financial support. Some of the Missions were selected for allotment of additional funds too. The need to step up information campaigns both at Headquarters & Missions/Posts level are much more today in the changed international scenario. In the opinion of the Committee the increase of Rs.1.49 crores in BE 1998-99 over RE 1997-98 for this purpose at Missions level seems to be insignificant. The Committee feel that sufficient funds should have been projected by the Ministry for augmenting the publicity activities and also for modernisation of communication system in the Missions.
8.	32	-do-	Certain measures are stated to have been taken by the Ministry with a view to giving more thrust to external publicity which includes hiring of one lobbying firm in the U.S. However, the Committee are of the view that there is

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considerable scope for making professional public relations efforts more effective. To achieve maximum impact particularly in the U.S. the Ministry may explore the feasibility of engaging firms specialising in lobbying with different target groups, and while engaging such firms, the Ministry may carefully evaluate their antecedents and the influence carried by their members. The performance of the lobbying firms in furthering our objectives also needs close and continuous monitoring.

9.

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External Affairs

The Committee recommend to the Government to have a fresh look at the provisions of the Passport Act, some of which have become archaic and obsolete with time. The Committee would like to stress upon the necessity of having such a review done in a time bound manner in order to avoid unnecessary delay and hardships to the passport seekers.

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-do-

The Committee would also like to express their dissatisfaction at the slow progress of the computerisation of passport offices. Although the Ministry have assured the Committee

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about the early completion of the said project, the Committee feel that the project was first mooted in the year 1986, yet even today many passport offices remain to be computerised and are still depending upon manual processing of applications. The Committee desire that the computerisation of all the Passport Offices may be done expeditiously. The Committee are also of the opinion that while processing the passport applications received from the disturbed areas, due care should be taken to ensure that the antecedents of the applicants are not doubtful.

11.

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External Affairs

The Committee are unanimous in their opinion that the role of cultural diplomacy is crucial in projecting India's policies, perceptions and concerns abroad, not only to better the environment of relationship between India and various countries but also to defeat concerted attempts by unfriendly quarters at image distortion. The ICCR is required to project India in an increasingly holistic fashion by not restricting activities only to performing and visual arts but also projecting modern India in

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			<p>its totality. All this is bound to eventually help in an increased interaction and dividends in political, economic and commercial fields. Since the ICCR is one of India's premier institutions for fostering cultural exchanges and mutual understanding with the outside world, the Committee feel that the Ministry of External Affairs need to take up their case properly and effectively with the Ministry of Finance to secure more funds for supplementing the activities of ICCR.</p>
12.	43	External Affairs	<p>While expressing deep concern over the current state of affairs in the ICWA, the Committee are of the view that unless the ICWA is taken over by the Government there would be further deterioration in this Institution which was set up with high hopes of making it a credible and respectable institution. The Committee recommend that the Ministry of External Affairs should come forward and make every effort to revive the proposal of take-over of ICWA by the Government.</p>
13.	46	-do-	<p>Noting that the budgetary expenditure 1998-99 on Grants to Institutions is less than</p>

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			<p>Rs. 1.5 crores and that there is only a small Policy Cell in the Ministry for policy planning and research, the Committee recommend that the Ministry of External Affairs should present a well worked-out proposal for a proper Research Policy Cell in the context of present very complex challenges to the foreign policy. The Committee also recommend that after finalisation of such proposal, appropriate funds may be asked for in the RE 1998-99 stage.</p>
14.	48	External Affairs	<p>The Committee are of the view that although the ITEC Programme is extremely helpful in promoting technical co-operation at the Government to Government level with developing countries other than our immediate neighbours, the funds allocated for the same, around Rs. 19 crores, do not seem to be sufficient. If a number of proposals under ITEC, particularly on the project side materialise this year, the fund requirements would be much larger. There is a need to strengthen the ITEC Programme in order to sustain our very close relations with the developing world. The Committee, therefore,</p>

1	2	3	4
			recommend that additional funds be made available for augmenting the activities under ITEC.
15.	52	External Affairs	The Committee note that the funds earmarked for Capital Outlay on public works and housing are being utilised according to a comprehensive plan for purchase/construction of properties abroad with a view to progressively reducing the escalation of rental liabilities. The Committee desire that the matter may be earnestly pursued and the work is completed according to the planned time schedule so that cost and time overrun could be avoided.
