

**STANDING COMMITTEE ON EXTERNAL AFFAIRS
(2002)**

TENTH REPORT

(THIRTEENTH LOK SABHA)

MINISTRY OF EXTERNAL AFFAIRS

[Action taken by the Government on the recommendations/observations contained in the 9th Report of the Committee on Demands for Grants of the Ministry of External Affairs for the year 2002-2003]

**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2002/Agrahayana, 1924 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON EXTERNAL AFFAIRS
(2002)

Chairperson

Smt. Krishna Bose

MEMBERS

LOK SABHA

2. **Shri E. Ahamed**
3. **Shri Kirti Jha Azad \$**
4. **Shri R.L. Bhatia**
5. **Shri Satyavrat Chaturvedi**
6. **Shri Manibhai Ramjibhai Chaudhri \$**
7. **Dr. Daggubati Ramanaidu \$**
8. **Shri Mohan S. Delkar**
9. **Shri Bikram Keshari Deo**
10. **Shri Adv. George Eden ****
11. **Smt. Maneka Gandhi +++**
12. **Mohammad Anwarul Haque**
13. **Dr. A.D.K. Jeyaseelan**
14. **Shri Raghuvir Singh Kaushal \$**
15. **Shri Chandrakant Khaire \$**
16. **Shri V. Dhananjaya Kumar +**
17. **Shri P. Kumarasamy**
18. **Shri Suresh Kurup**
19. **Shri Zora Singh Mann \$\$**
20. **Shri Prakash V. Patil**
21. **Shri Suresh Prabhu ++**
22. **Shri Saiduzzama**
23. **Shri Dileep Sanghani**
24. **Shri P.A. Sangma**
25. **Smt. Minati Sen**
26. **Shri Saleem Iqbal Shervani**
27. **Shri Sushil Kumar Shinde**
28. **Shri Chandra Vijay Singh**
29. **Smt. Shyama Singh**
30. **Dr. S. Venugopal**

MEMBERS

RAJYA SABHA

31. **Shri Suresh Bhardwaj #**
32. **Shri Jayanta Bhattacharya**
33. **Shri R.P. Goenka**
34. **Shri Ranganath Misra**
35. **Shri P.G. Narayanan**

36. Shri Fali S. Nariman
37. Shri Kuldeep Nayyar
38. Shri Mahendra Prasad *
39. Dr.Karan Singh
40. Shri K. Natwar Singh @
41. Dr. L.M. Singhvi
42. Sardar Gurcharan Singh Tohra
43. Vacant ***
44. Vacant @@
45. Vacant ##

SECRETARIAT

Shri John Joseph	-	Additional Secretary
Shri K.V.Rao	-	Joint Secretary
Shri P.K.Grover	-	Director
Shri R.K. Saxena	-	Under Secretary

-
- * Nominated to the Committee w.e.f. 04.01.2002
- ** Nominated to the Committee w.e.f. 28.01.2002
- \$ Nominated to the Committee w.e.f. 19.04.2002
- @ Nominated to the Committee w.e.f. 22.04.2002 vice Shri Arjun Singh who resigned w.e.f. 19.04.2002.
- # Nominated to the Committee w.e.f. 14.05.2002
- *** Dr. Alladi P. Rajkumar ceased to be Member of the Committee w.e.f. 02.05.2002 consequent upon change of his nomination from Standing Committee on External Affairs to Railways
- @@ Smt. Sarla Maheshwari ceased to be a Member of the Committee w.e.f. 22.05.2002 consequent upon change of her nomination from Committee on External Affairs to Information Technology.
- \$\$ Re-nominated to the Committee w.e.f. 08.08.2002. He earlier resigned from the Committee w.e.f. 17.05.2002.
- ## Shri T.N. Chaturvedi ceased to be Member of the Committee w.e.f. 20.08.2002 consequent upon his resignation from the Standing Committee on External Affairs
- + Nominated to the Committee w.e.f. 28.08.2002
- ++ Shri Suresh Prabhu nominated to the Committee w.e.f. 20.11.2002. Smt. Renuka Chowdhury ceased to be Member of the Committee w.e.f. 02.09.2002 consequent upon change of her nomination from Standing Committee on External Affairs to Finance.
- +++ Nominated to the Committee w.e.f. 19.09.2002
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INTRODUCTION

I, the Chairperson, Standing Committee on External Affairs having been authorised by the Committee to submit the report on their behalf, present this Tenth Report on Action Taken by the Government on the Recommendation contained in their 9th Report (13th Lok Sabha) on the Demands for Grants of the Ministry of External Affairs for the year 2002-2003.

2. The 9th Report of the Committee on External Affairs was presented to Lok Sabha on 23rd April, 2002 and was laid in Rajya Sabha on 24th April, 2002. The Government furnished their replies indicating Action Taken on the Recommendations contained in the Report on 29th October, 2002.

3. The Draft Report on the basis of Action Taken Notes was considered and adopted by the Standing Committee on External Affairs (2002) at their sitting held on 11th December, 2002. Minutes of the sitting of the Committee have been reproduced as Appendix I to the Report.

4. An analysis of Action Taken by Government on the Recommendations contained in the 9th Report of the Standing Committee on External Affairs (13th Lok Sabha) is given in Appendix II.

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 and have also been reproduced in consolidated form in Appendix III of the Report.

NEW DELHI;
December, 2002

Agrahayana ,1924 (Saka)

KRISHNA BOSE,
Chairperson,
Standing Committee on External Affairs

CHAPTER – I

Report

1. The report of the Committee deals with the Action Taken by the Government on the observations/recommendations contained in the 9th Report of the Standing Committee on External Affairs (13th Lok Sabha) on Demands for Grants of the Ministry of External Affairs for the year 2002-2003. The 9th Report of the Committee was presented to Lok Sabha on 23rd April, 2002 and laid in Rajya Sabha on 24th April, 2002.

2. Action taken notes have been received from the Ministry of External Affairs on all the observations/recommendations contained in the report. These have been categorised as follows :-

- (i) Recommendations/Observations which have been accepted by Government

Recommendations Sl. Nos. 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 16, 17, 18, 19, 22, 24, 25, 28, and 31.

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government replies.

Recommendations Sl. Nos. 13 and 26.

- (iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee.

Recommendations Sl. Nos. 3, 15, 20, 23, 27, 29 and 30)

- (iv) Recommendations/Observations in respect of which final replies of Government are still awaited.

Recommendation Sl. No. 21.

3. **The Committee desire that the final reply in respect of the recommendation for which only interim reply has been furnished by the Government and the recommendations which have been commented upon by the Committee in Chapter-I should be furnished expeditiously.**

4. The Committee will now deal with the action taken by the Government on some of their observations/recommendations:

A. Foreign Travel Expenses

(Recommendation No. 3, Para No. 21)

5. The Committee had expressed their dissatisfaction over the fact that no separate accounts were being maintained in respect of

expenditure being incurred on foreign travels of different categories of officials and dignitaries under these Heads. They felt that availability of such data was the basic input for the Ministry to identify the cases or class of cases/areas where foreign travels could be curtailed/reduced by them on the basis of the requirement of the situation and the amount of expenditure involved. Therefore, the Committee had recommended that the Ministry should maintain a comprehensive account of expenditure on foreign travels separately in respect of each category of officials/dignitaries under these Heads from financial year 2002-2003 onwards.

6. In their Action taken reply, the Ministry have stated that all foreign travel expenses of the Ministry were booked under the head Foreign Travel expenses. This included visits of officials as well as non-officials proceeding abroad on deputations and temporary duties. The Mission incurred the expenditure and the statement of accounts was sent to the Controller of Accounts for reconciliation. This had been functioning smoothly. The Ministry have further stated it was felt that opening of sub-heads under FTE might complicate problems of accounting and reconciliation both for the Mission and COA. The competent authorities both in MEA and MOF monitored expenditure in respect of each deputation and temporary duty abroad.

7. During the course of examination of Demands for Grants for the year 2002-2003, the Committee had observed that availability of data in respect of expenditure being incurred on foreign travels of different categories of officials and dignitaries was the basic input for the Ministry to identify the cases or class of cases where foreign travels could be curtailed/reduced by them on the basis of the requirement of the situation and the amount of expenditure involved. It was precisely on this ground that the Committee had recommended the Ministry for maintaining a comprehensive account of expenditure on foreign travels separately in respect of each category of officials/dignitaries from financial year 2002-2003 onwards. The Ministry's plea that opening of sub-heads under Foreign Travel Expenditure might complicate problems of accounting and reconciliation for both the Mission and Controller of Accounts is not at all convincing to the Committee. The Committee are of the view that the Ministry should not shy away from evolving new procedure if it results in reduction of burden on the public exchequer merely on the ground of its complexity. The Committee therefore, reiterate their recommendation that the Ministry should maintain a comprehensive account of expenditure on foreign travels separately in respect of each category of officials/dignitaries under these Heads from financial year 2002-2003 onwards.

B. Rents, Rates and Taxes

(Recommendation No. 6, Para No. 30)

8. The Committee had noted from C&AG Report No. 2 of 2001 that the Ministry had not taken any decision for more than three decades in constructing the Embassy complex on the plot gifted by the Government of Brazil in 1965. The Committee were astonished that even after wasting a long period of 37 years, the Ministry were still at the state of assessing economic viability of the project. The Committee were of the firm opinion that no logical reason could have stalled the project for such a long period, particularly when the gifted land was free from all encumbrances. The Committee had strongly deplored the inaction on the part of the Government which had resulted in escalation of costs from an estimated US\$3.37 lakh in 1971 to an estimated US\$20 lakh in June 2000. The Committee had also strongly recommended the Ministry to prepare within three months a schedule of different stages involved in construction of Embassy building on this plot of land, initiate all necessary steps to complete the project on priority basis without any further loss of time and keep the Committee apprised of the progress made in this regard from time to time.

9. In their reply, the Ministry while furnishing the details of the rentals outgo paid by the Mission & Post in Brazil have stated that at this stage the short-listing of Architects after due advertisements in Brazil and in India was awaiting approval. The broad framework of Schedule of Activities and Time required for completion of the construction project in Brasilia were given by the Ministry as under :

Broad framework of Schedule of Activities and Time required for Brasilia Construction Project

	Activities/Tasks	Time Required	From	To
1.	Selection of Concept Design & Architect through design competition	6-9 months	01.07.02	31.12.02
2.	Finalization of terms and conditions with the selected Architect after approval of Finance and L&T Divisions	1 month	01.01.03	01.02.03
3.	Finalization of Preliminary Design and Estimates by the Architect	2 months	01.02.03	31.03.03
4.	Financial approval of the project	3 months	01.04.03	30.06.03

5.	Preparation of detailed drawings, estimates & tender documents	3 months	01.07.03	31.09.03
6.	Calling of tender, approval of the tender and award of work	3 months	01.10.03	31.12.03
7.	Construction period	2 years	01.01.04	31.12.05

10. The Committee note that the Ministry have now drawn up the broad framework of schedule of activities and time required for construction project in Brasilia. However, the Committee observe that the project has already been delayed for over 37 long years resulting in cost escalation from an estimated US\$3.37 lakh in 1971 to an estimated US\$20 lakh in June 2000. Besides, huge expenditure was incurred during all these years on payment of rent which could have been utilised for construction project in Brasilia. The Committee feel that the framework of time for construction has been unduly prolonged. The Committee desire that the time span for the purpose should be substantially shortened. The Ministry should at least now make earnest efforts to complete the construction project in Brazil on priority basis and keep the Committee apprised of the progress of construction from time to time.

C. Professional Services

(Recommendation No. 10, Para No. 47)

11. The Committee had observed that the matter regarding formation of a separate panel of advocates for court cases, particularly extradition proceedings, was stated to have been taken up by the Ministry of External Affairs with the Ministry of Law, Justice and Company Affairs. The Committee had recommended that the Ministry of Law, Justice and Company Affairs should be asked to expedite the formation of panel of advocates. The Committee had also stressed that the extradition cases had wider ramifications on country's international relations and, therefore, the extradition proceedings both in India and abroad should not be treated at par with other general legal matters. The Committee had, therefore, recommended that the best counsels of proven professional competence and also having expertise in local criminal laws of foreign countries should be included in the panel to be formed.

12. The Ministry in their reply have stated that, the professional services of Central Government standing counsels were not found commensurate with the requirements of extradition cases as the fugitives often engaged top legal professionals to fight their cases. As a preparatory step towards formation of a Panel of special counsels for

extradition cases, Ministry of Law's approval was obtained for engaging special counsels in three recent extradition cases. The Ministry further stated that a proposal for formation of a Panel of special government counsels for extradition cases was under the consideration of Ministry of Law.

13. The Committee observe that the approval of the Ministry of Law has been obtained for engaging special counsels in three recent extradition cases. They however find that a proposal for formation of a Panel of special government counsels for extradition cases is still under consideration of Ministry of Law. In view of the urgent need and desirability of having best counsels of proven professional competence to deal with extradition cases, the Committee would like to urge upon the Ministry to pursue vigorously the matter with the Ministry of Law to have the matter expedited for formation of the Panel on priority basis. The Committee would like to reiterate that care should be taken to include in the panel of special Government Counsels of top legal luminaries having expertise in local criminal laws of foreign countries.

D. Decentralisation of Passport Services and its publicity

(Recommendation No. 15, Para No. 67)

14. The Committee while expressing their appreciation of the efforts made by the Ministry to decentralize and bring the passport services closer to the people, had desired that the proposal to authorize/set up passport cells in Speed Post Centres and the offices of the District Magistrate/Superintendent of Police in all the district headquarters of the country might be operationalised in a time bound manner. They had also desired that availability of this facility should be given wide publicity so that the prospective applicants residing even in rural or remote areas of the States became aware of the scheme.

15. In the reply, the Ministry have stated that Department of Posts had been giving wide publicity to the facility available in Speed Post Centres in various newspapers including vernacular dailies. State Governments had also been requested to publicise the scheme in the respective states including in the rural/remote areas.

16. The Committee express displeasure over the fact that the Government's reply is silent on operationalisation of the proposal to authorise/setup passport cells in speed post centres and the offices of the District Magistrate/Superintendent of Police in all the District Headquarters of the country in a time bound manner. The Committee are of the firm view that passport should be made easily

available to all eligible applicants and this could be achieved by appropriate decentralisation of passport services. They would, therefore, like to re-emphasize that the Ministry should further expedite action for authorization/setting up of passport cells in Speed Post Centres and the offices of the District Magistrate/Superintendent of Police in all the remaining district headquarters of the country in a time bound manner.

E. Setting up of a Cultural Centre in Washington

(Recommendation No.20, Para No.82)

17. The Committee had regrettably observed that the Ministry had failed to take prompt action despite specific recommendation made by the Committee in their 5th Report (13th Lok Sabha) for urgently finalizing the proposal regarding setting up of a Cultural Centre in Washington. As a result, the property which was finally recommended for purchase, had been sold to another party. The Committee had deplored that instead of learning lessons from their inaction, the Ministry were again examining a concept plan received from the Mission and a final decision was yet to be taken. This was despite two property teams having already visited Washington entailing an expenditure of Rs. 21.73 lakh. In the Committee's opinion, the extremely bureaucratic, rigid and cumbersome procedures had already cost the country dearly. There was need to review such procedures and replace them with simple and speedy ones so that opportunities did not continue to be lost like what happened in the case of the Cultural Centre in Washington. At the same time, the Committee had, once again strongly urged the Ministry to initiate immediate action on the project on top priority and ensure that a Cultural Centre was opened in Washington during the current financial year.

18. The Ministry in their reply have stated that based on the Concept Papers now received from the Mission availability of the funds to the tune of US\$5 million from the Capital Outlay during the current financial year for purchase of the building for the Indian Cultural Centre in Washington had been confirmed. The ICCR, in consultation with the Embassy of India, Washington and the Ministry would put forth a purchase proposal for examination of the economic viability and necessary financial clearances. To cut down on the procedural delays it was emphasized to the Missions from time to time that the property purchase proposals should be exhaustive, as per performae designed and circulated for the purpose, and there should be multiple options with equitable parameters for consideration of the Ministry.

19. The Committee are constrained to observe that despite their repeated recommendations for early setting up of a Cultural Centre in Washington, the Ministry are still to put forth a purchase proposal for examination of the economic viability and necessary financial clearances. This clearly indicates not only the Ministry's lethargic and lackadaisical approach to the proposal but also their callous attitude towards the Committee's recommendations. While expressing their serious concern over such state of affairs in the Ministry, the Committee strongly reiterate their recommendation for setting up of Cultural Centre in Washington during the current financial year. The Committee understand that the Indian Mission in Washington has identified a very suitable property for the Cultural Centre in Washington. The Committee desire the Ministry to make positive and concrete efforts to finalize the proposal quickly so that the target of opening the Cultural Centre in Washington during the current financial year is achieved. The Committee also reiterate the urgent need to review and simplify the procedures for finalizing the proposals for selection/construction of properties so that viable proposals reach a fruitful conclusion.

F. Indian Council of World Affairs

(Recommendation No. 23, Para No. 92)

20. The Committee had expressed their happiness that after the recommendations made by the Committee in their First Report (12th Lok Sabha), the Government had converted the ICWA as a body corporate by the ICWA Act 2001. They were optimistic that the re-birth of the ICWA would be able to bring substantial changes in the functioning of the Council towards promoting India's interest all over the World. However, the Committee found that the Council and the Governing body were still in the process of being formed and the appointments for the Council could only be made after the formation of the Council. The Committee viewed that the formation of Council and Governing Body of ICWA had taken too long a time and thus, the objective of making the ICWA as a body corporate, had not been achieved. They had, therefore, desired that the Council and its Governing body should be formed urgently and the ICWA rejuvenated so that the infrastructure available with the ICWA could be effectively utilized for strengthening India's international diplomacy. The Committee had also observed that once the Council was formed, the activities of ICWA were likely to be increased manifold and the current budgetary allocations would be insufficient. They had, therefore, recommended that the allocation to the ICWA should be stepped up considerably so that it would achieve its desired objectives.

21. The Ministry have stated in their reply that a draft proposal for formation of the Council had been submitted to the higher authorities.

The Council, once formed, would constitute the Governing Body in terms of the provisions of Section 14 of the ICWA Act, 2001.

22. The Committee are constrained to note that the proposal for formation of the Council is still under consideration despite the ICWA Act having come into effect more than a year ago. The Committee had also made a specific recommendation that the Council and its Governing Body should be formed urgently. The Ministry have also not responded to the Committee's recommendation for enhancing the budgetary allocation for ICWA. The Committee would therefore reiterate that the Council should be formed early. The budgetary allocation for ICWA should also be stepped up.

G. Financial Allocations for Government of Bhutan

(Recommendation No. 27, Para No.108)

23. The Committee had noted that the Government of India had taken a sustained interest in developing the hydro-electric potential in Bhutan as the energy sector continued to be a priority sector for bilateral economic cooperation between the two countries. However, as informed to the Committee, a mere 3% of Bhutan's total hydro-power potential had so far been put to use. The Committee had opined that this situation offered immense scope for collaboration between India and the Government of Bhutan in future hydro-electric projects in that country. They had, therefore, recommended the Ministry to explore the effective exploitation of 97% of Bhutan's untapped hydro-power potential as this would have not only help the socio-economic development of a neighbouring and friendly country but might also bring down substantially the demand-supply gap in the energy sector in our country after availability of surplus power from these projects. In this context, the Committee had pointed out that the Government of Bhutan had already proposed that the Mangdechu (600 MW) and Punatsangchu (800MW) projects be developed in cooperation with India. The Committee had, therefore, desired the Government to take an early decision in the matter under intimation to them.

24. In their reply, the Ministry have stated that as the Tala Project would be requiring funds to the tune of Rs. 2000 crores plus in the next three years, it would be accorded priority by the Ministry. Notwithstanding this, developing of hydro-electricity in Bhutan would continue to be the focus of economic cooperation between India and Bhutan. A preliminary site visit to the Punatsangchhu (800+MW) Project was undertaken in June, 2002 by experts of both sides. The Detailed Project Report of the Project would be initiated shortly and the Project planned in such a way that it could be undertaken after Tala Project was

commissioned. The Ministry also informed that the Mangdechu Project was not being considered for the time being as the security situation in the area continued to cause concern.

25. Although the Government have stated that developing of hydro-electricity in Bhutan would continue to be the focus of economic cooperation between India and Bhutan, they have not submitted any proposed action plan to explore the 97% of Bhutan's untapped hydro power potential. The Committee would reiterate that exploring the substantial untapped hydro power potential of Bhutan will not only help the socio-economic development of neighbouring and friendly country but would also bring down substantially the demand-supply gap in the energy sector in our own country after availability of surplus power from these projects. They would, therefore, urge the Ministry to chalk out a long term action plan in this regard. In regard to the Mangdechu Project, the Committee hope that the adverse security situation in the area would be a temporary phase and therefore the Ministry should make continuous efforts to resume this project at the earliest possible.

H. Second Diplomatic Enclave

(Recommendation No. 29, Para No.118)

26. The Committee had expressed their shock over the fact that the new Diplomatic Enclave for which a proposal was mooted long back in 1970 still remained a distant dream as the Ministry had not been able so far to select/obtain suitable land for this despite elapse of 32 years. Surprisingly, even the pending requests of 31 Diplomatic Missions from 1975 to 1998 for allotment of land in the proposed new Diplomatic Enclave had not been able to motivate the Ministry in this regard. The Committee had opined this as yet another instance of the highly casual and lethargic approach of the Ministry towards important matters. The Committee had, therefore, recommended that the matter be investigated at a high level so as to identify the persons whose negligence/inaction resulted in the abnormal delay in such a prestigious project and take exemplary action against them. The Committee had also recommended that the site for the Diplomatic Enclave should be identified without any further delay and the project should be completed in a time bound manner. The Committee had further desired to be apprised of the progress on both the counts regularly.

27. The Ministry in their reply have stated that the Ministry of External Affairs had laid importance to the establishment of a Second Diplomatic Enclave so as to allot suitable land to those Diplomatic Missions which desired to build their Chancery/Embassy Residence here. With this in view, the Ministry had consistently pursued with the Ministry of Urban Development the matter regarding allotment of a suitable plot of land for

this purpose. The Ministry had even conveyed its agreement for land south of Vasant Vihar (Vasant Kunj, Phase-II) in February, 1991 for the project but this was not made available. This matter had been raised by this Ministry at the level of Committee of Secretaries and a request for allotment of suitable land for this purpose has been made at the level of Minister for External Affairs to the Minister for Urban Development. The Ministry further stated that the plot of land for the Second Diplomatic Enclave had to be selected carefully keeping in view its access, availability of utility services and security. The entire exercise of selecting a plot of land for this purpose would be defeated if the proposed Diplomatic Enclave was not acceptable to the foreign Diplomatic Missions who would eventually have to buy this land on payment of its assessed value and build their Chancery/Embassy Residence. The Ministry also stated that the exercise for setting up a second diplomatic enclave had been held up not due to lack of effort by this Ministry, but because suitable land for this purpose had not been made available. As regards the latest position on the subject, the Ministry stated that they had recently been informed by the Ministry of Urban Development and Poverty alleviation that they were considering redevelopment plan of the area surrounded by Netaji Nagar, R.K. Puram, Moti Bagh, Shanti Path and Safdarjung Railway Station and the proposal for making provision of Second Diplomatic Enclave in it would be duly considered.

28. The Committee express their deep anguish over the fact that despite elapse of more than 32 years, the Ministry is yet to obtain a suitable plot of land for establishment of a Second Diplomatic Enclave. The Committee are of the opinion that by no stretch of reasoning, the delay of 32 years could be justified. The fact that the project has got delayed badly itself is an indication of the casual and lethargic approach of the Ministry towards development of Second Diplomatic Enclave. The Committee would therefore like to impress upon the Ministry to now vigorously pursue with the Ministry of Urban Development and Poverty Alleviation for taking early positive decision on the proposal for allotment of land for the Second Diplomatic Enclave and complete the proposed project in a time bound manner.

I. Construction of Videsh Bhavan

(Recommendation No. 30, Para No. 119)

29. The Committee had pointed out another instance of the lackadaisical approach of the Ministry in the construction of Videsh Bhawan. A plot of land was allotted to the Ministry of External Affairs in two phases in 1992 and 1994 for the purpose and the Parliamentary Committee had also desired in Para 32 of their 5th Report (13th Lok Sabha) for preparation of a detailed time frame for completion of the

project with stringent monitoring of the pace of progress so as to avoid cost overrun. However, the Committee were anguished to observe that the Ministry were still at the stage of selection of an architect. After the encroachments were removed in 1997, the project should have been started in right earnest. But the Committee found that no sincere efforts seemed to have been made for expeditious completion of different stages of execution of the project. The Committee apprehended that the project which had not yet been taken up, was not likely to come up in the near future. It was due to the urgency of having a suitable accommodation for the Ministry of External Affairs that the Committee had recommended in their 2nd Report (13th Lok Sabha) that the possibility to take over the Ashok Hotel in New Delhi should be explored by the Ministry. Since the prospects of the Videsh Bhawan coming up early appeared very bleak, the Committee once again renewed their earlier recommendation and desired that the Ashoka Hotel, New Delhi which was a magnificent and prestigious building should be taken over by the Ministry of External Affairs. This would be suitable not only from the points of view of infrastructure facilities, approach roads, security, etc. but also would be convenient for the Diplomatic Missions as well as visitors from within and outside the country. The Committee also impressed upon the Ministry to expedite the completion of Videsh Bhawan project in Kolkata.

30. The Government in their reply have stated that the Ministry was keen to have its own building as per approved concept design and specific functional requirements. The last design competition had to be cancelled as no suitable entries were received. Now the terms of the fresh design brief and a jury for the fresh competition were awaiting approval of the EAM and the Ministry wished to proceed earnestly towards acquisition of its own building expeditiously. The Ministry further stated that as the space requirements of the Ministry would be fulfilled on construction of the Videsh Bhawan and the approved retention of South Block and Shastri Bhawan, there would be no need for the Ministry to acquire Ashoka Hotel or Akbar Bhawan. For the Videsh Bhawan in Kolkata necessary inputs sought by the Committee of Secretaries for Non-Plan Expenditure (CNE) had now been received from the various quarters involved and the proposal was being re-submitted for the CNE approval.

31. According to the Ministry their space requirements would be fulfilled on the construction of the Videsh Bhawan and the approved retention of South Block and Shastri Bhawan and as such there would be no need for the Ministry to acquire Ashok Hotel or Akbar Bhawan. However, it is clear from the submission of the Ministry that the proposed Videsh Bhawan alone would not be able to meet the entire requirement of the Ministry. The Committee also find from the reply of the Ministry that the proposal for construction of Videsh Bhawan is still at the approval stage. The pace with which the Ministry is moving towards this project, the Committee doubt

early construction of the building. The Committee would therefore, reiterate their earlier recommendation and suggest that the Ashok-Samrat Hotels Complex, New Delhi being suitable from the point of view of its space, location, infrastructural facilities, approach roads, security, convenience for the Diplomatic Missions and Visitors, should be taken over by the Ministry to accommodate all its offices at one central place. The Committee would also reiterate their recommendation for expeditious completion of Videsh Bhavan Project in Kolkata.

APPENDIX II

[Vide Introduction of Report]

**ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE NINTH
REPORT OF STANDING COMMITTEE ON EXTERNAL AFFAIRS
(13TH LOK SABHA)**

I.	Total Number of Recommendations:	31
II.	Observations/Recommendations which have been accepted by Government:	
	Para Nos. 14, 20, 28, 29, 30, 40, 41, 46, 47, 52, 64, 66, 68, 69, 80, 81, 84, 98, 106, 117 & 125.	
	Total	21
	Percentage	67.74 %
III.	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:	
	Para No. 65 & 107	
	Total	2
	Percentage	6.45%
IV.	Observations/Recommendations in respect of which replies of the Government have not been accepted and which require reiteration:	
	Para No. 21, 67, 82, 92, 108, 118 & 119	
	Total	7
	Percentage	22.58%
V.	Observations/Recommendations in respect of which final replies of the Government are still awaited:	
	Para No. 83	
	Total	1
	Percentage	3.23%

APPENDIX –III
Statement of Observations and Recommendations

Sl. No.	Para No.	Ministry	Observations/Recommendations
1	2	3	4
1.	7	External Affairs	During the course of examination of Demands for Grants for the year 2002-2003, the Committee had observed that availability of data in respect of expenditure being incurred on foreign travels of different categories of officials and dignitaries was the basic input for the Ministry to identify the cases or class of cases where foreign travels could be curtailed/reduced by them on the basis of the requirement of the situation and the amount of expenditure involved. It was precisely on this ground that the Committee had recommended the Ministry for maintaining a comprehensive account of expenditure on foreign travels separately in respect of each category of officials/dignitaries from financial year 2002-2003 onwards. The Ministry's plea that opening of sub-heads under Foreign Travel Expenditure might complicate problems of accounting and reconciliation for both the Mission and Controller of Accounts is not at all convincing to the Committee. The Committee are of the view that the Ministry should not shy away from evolving new procedure if it results in reduction of burden on the public exchequer merely on the ground of its complexity. The Committee therefore, reiterate their recommendation that the Ministry should maintain a comprehensive account of expenditure on foreign travels separately in respect of each category of officials/dignitaries under these Heads from financial year 2002-2003 onwards.
2.	10	- do -	The Committee note that the Ministry have now drawn up the broad framework of schedule of activities and time required for construction project in Brasilia. However, the Committee observe that the project has already been delayed for over 37 long years resulting in cost escalation from an estimated US\$3.37 lakh in 1971 to an estimated US\$20 lakh in June 2000. Besides, huge expenditure was incurred during all these years on payment of rent which could have been utilised for construction project in Brasilia. The Committee feel that the framework of time for construction has been unduly prolonged. The Committee desire that the time span for the purpose should be substantially shortened. The Ministry should at least now make earnest efforts to complete the construction project in Brazil on priority basis and keep the Committee apprised of the progress of construction from time to time.
3.	13	External Affairs	The Committee observe that the approval of the Ministry of Law has been obtained for engaging special counsels in three recent extradition cases. They however find that a proposal for formation of a Panel of special government counsels for extradition cases is still under consideration of Ministry of Law. In view of the urgent need and desirability of having best counsels of proven professional competence to deal with extradition cases, the Committee would like to urge upon the Ministry to pursue vigorously the matter with the Ministry of Law to have the matter expedited for formation of the Panel on priority basis. The Committee would like to reiterate that care should be taken to include in the panel of special Government Counsels of top legal luminaries having expertise in local criminal laws of foreign countries.
4.	16	- do -	The Committee express displeasure over the fact that the Government's reply is silent on operationalisation of the proposal to authorise/setup passport cells in speed post centres and the offices of the District

			Magistrate/Superintendent of Police in all the District Headquarters of the country in a time bound manner. The Committee are of the firm view that passport should be made easily available to all eligible applicants and this could be achieved by appropriate decentralisation of passport services. They would, therefore, like to re-emphasize that the Ministry should further expedite action for authorization/setting up of passport cells in Speed Post Centres and the offices of the District Magistrate/Superintendent of Police in all the remaining district headquarters of the country in a time bound manner.
5.	19	- do -	The Committee are constrained to observe that despite their repeated recommendations for early setting up of a Cultural Centre in Washington, the Ministry are still to put forth a purchase proposal for examination of the economic viability and necessary financial clearances. This clearly indicates not only the Ministry's lethargic and lackadaisical approach to the proposal but also their callous attitude towards the Committee's recommendations. While expressing their serious concern over such state of affairs in the Ministry, the Committee strongly reiterate their recommendation for setting up of Cultural Centre in Washington during the current financial year. The Committee understand that the Indian Mission in Washington has identified a very suitable property for the Cultural Centre in Washington. The Committee desire the Ministry to make positive and concrete efforts to finalize the proposal quickly so that the target of opening the Cultural Centre in Washington during the current financial year is achieved. The Committee also reiterate the urgent need to review and simplify the procedures for finalizing the proposals for selection/construction of properties so that viable proposals reach a fruitful conclusion.
6.	22	External Affairs	The Committee are constrained to note that the proposal for formation of the Council is still under consideration despite the ICWA Act having come into effect more than a year ago. The Committee had also made a specific recommendation that the Council and its Governing Body should be formed urgently. The Ministry have also not responded to the Committee's recommendation for enhancing the budgetary allocation for ICWA. The Committee would therefore reiterate that the Council should be formed early. The budgetary allocation for ICWA should also be stepped up.
7	25	- do -	Although the Government have stated that developing of hydro-electricity in Bhutan would continue to be the focus of economic cooperation between India and Bhutan, they have not submitted any proposed action plan to explore the 97% of Bhutan's untapped hydro power potential. The Committee would reiterate that exploring the substantial untapped hydro power potential of Bhutan will not only help the socio-economic development of neighbouring and friendly country but would also bring down substantially the demand-supply gap in the energy sector in our own country after availability of surplus power from these projects. They would, therefore, urge the Ministry to chalk out a long term action plan in this regard. In regard to the Mangdechu Project, the Committee hope that the adverse security situation in the area would be a temporary phase and therefore the Ministry should make continuous efforts to resume this project at the earliest possible.
8.	28	- do -	The Committee express their deep anguish over the fact that despite elapse of more than 32 years, the Ministry is yet to obtain a suitable plot of land for establishment of a Second Diplomatic Enclave. The Committee are of the opinion that by no stretch of reasoning, the delay of 32 years could be justified. The fact that the project has got delayed badly itself is an

			<p>indication of the casual and lethargic approach of the Ministry towards development of Second Diplomatic Enclave. The Committee would therefore like to impress upon the Ministry to now vigorously pursue with the Ministry of Urban Development and Poverty Alleviation for taking early positive decision on the proposal for allotment of land for the Second Diplomatic Enclave and complete the proposed project in a time bound manner.</p>
9.	31	External Affairs	<p>According to the Ministry their space requirements would be fulfilled on the construction of the Videsh Bhawan and the approved retention of South Block and Shastri Bhavan and as such there would be no need for the Ministry to acquire Ashok Hotel or Akbar Bhavan. However, it is clear from the submission of the Ministry that the proposed Videsh Bhavan alone would not be able to meet the entire requirement of the Ministry. The Committee also find from the reply of the Ministry that the proposal for construction of Videsh Bhavan is still at the approval stage. The pace with which the Ministry is moving towards this project, the Committee doubt early construction of the building. The Committee would therefore, reiterate their earlier recommendation and suggest that the Ashok-Samrat Hotels Complex, New Delhi being suitable from the point of view of its space, location, infrastructural facilities, approach roads, security, convenience for the Diplomatic Missions and Visitors, should be taken over by the Ministry to accommodate all its offices at one central place. The Committee would also reiterate their recommendation for expeditious completion of Videsh Bhavan Project in Kolkata.</p>