

Advisory Committee. Thereafter, the Prime Minister will make a statement.

[Translation]

THE MINISTER OF HEALTH AND FAMILY WELFARE AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRIMATI SUSHMA SWARAJ) : Mr. Speaker, Sir, I beg to lay 52nd Report of the Business Advisory Committee.

[English]

MR. SPEAKER : The Report is presented. Now, the hon. Prime Minister will make statement.

17.02 hrs.

STATEMENT BY PRIME MINISTER

Prime Minister's recent visit to Germany, St. Petersburg, Evian and China

[Translation]

THE PRIME MINISTER (SHRI ATAL BIHARI VAJPAYEE) : Sir, in the last two months, I have had the opportunity to interact with a number of world leaders during my visits to Germany, Russia, France and China.

I visited Germany from May 27 to 30. I was then in St. Petersburg at the invitation of President Putin for the Tercentenary celebrations of that city. Thereafter, I participated in the G-8 enlarged dialogue in Evian at the invitation of President Chirac. I paid a separate visit to China from June 22 to 27.

The visits to Germany and China were bilateral in nature, while those to Russia and France were for prominent events to which only selected countries were invited. All these visits underscored our on-going dialogue with key countries of Europe and Asia and an increasing acknowledgement of the growing salience of India in international affairs. They helped to consolidate our bilateral ties with these countries and to project our

position on important issues at select international gatherings. Such visits also enable us to understand better the perspectives of others on issues of vital concern to the international community.

My visit to Germany was in response to Chancellor Schroeder's invitation, extended during his visit to India in October 2001. I had useful discussions with the German leadership on expanding and intensifying bilateral relations. We also had a detailed exchange of views on regional and international issues. Germany sees the need for uncompromising global action against the scourge of terrorism wherever it occurs and against whomever it is directed.

India and Germany are both keen to impart further momentum to trade and investment linkages. I highlighted the investment opportunities in India and the wide-ranging complementarities between India and Germany, which encourage greater scientific and technological cooperation. I also had occasion to interact with a wide cross-section of German parliamentarians, business representatives and Indologists. In Munich, I had useful discussions with the Minister-President of Bavaria, Dr. Edmund Stoiber.

We value our continuing high-level contacts with Germany as one of our most important interlocutors in the European Union, a member of G-8 and currently on the Security Council. In line with our agreement to have annual summit meetings, we look forward to welcoming Chancellor Schroeder in India next year.

The 300th anniversary celebrations of St. Petersburg were grand and impressive. The invitation to India for this special event was a mark of the close strategic relationship between India and the Russian Federation. Equally, the extraordinary level of the international participation at these celebrations illustrated the importance of Russia and the international stature of President Putin.

My visit to St. Petersburg provided me the opportunity of bilateral meetings with President Putin, President Chirac of France, President Hu Jintao of China and Prime Minister Tony Blair of the United Kingdom. I also interacted briefly with President Bush of USA.

In my meeting with President Putin, we discussed issues of bilateral, regional and international interest. We agreed to continue the wide-ranging and extensive interaction between the two countries. President Putin reiterated Russia's commitment to further deepen defence relations with India. I hope to pay a bilateral visit to Russia in the near future, as part of our normal sequence of annual summits.

I thanked President Chirac for his initiative in inviting selected developing countries for a broader dialogue with the G-8. There was common understanding of the importance of a multipolar world, for which a restructured UN was essential.

In my discussions with Prime Minister Blair, we expressed satisfaction at the quality of our bilateral relations. Prime Minister Blair demonstrated sensitivity and understanding for our core security concerns.

In my meeting with President Hu Jintao of China, he said the new leadership of China placed great emphasis on developing friendship with India. We agreed that China and India, which comprise one third of humanity, should work together effectively to make the 21st century the Asian century.

India was one of 14 developing countries that was invited to the G-8 Enlarged Dialogue in Evian. The Dialogue enabled a free and unstructured interaction, which could highlight the varied economic, developmental, environmental, security and other concerns of developing countries.

In my remarks, I underlined the immediate urgency for meaningful follow up on the Millennium Development Round to create a global trading regime, which would promote development. I emphasized the need to deliver on existing commitments and to explore new ideas for generation of additional financial resources for development, particularly in the least developed countries. I suggested that though the Kyoto Protocol has not been ratified, the encouragement of clean energy development should be pursued, through incentives and transfer of technologies as envisaged in the Protocol. Developing countries should

be fairly compensated for the use of their biodiversity resources and their traditional knowledge. I drew attention to the stark truth that unless there is immediate and tangible progress in these areas, the political support in developing countries for economic liberalization and responsible environmental measures will rapidly disintegrate.

On the margins of the G-8 Summit I had the opportunity to meet the Presidents of Brazil and Mexico. Both agreed on the need for a strategic alliance on WTO issues, promoting effective cooperation in groupings like the G-15, and strengthening the UN so as to effectively articulate developing countries' concerns.

The G-8 Enlarged Dialogue could develop into a useful forum of communication at the highest level between the developed and the developing world. A number of the participants at Evian felt that this initiative should be continued by future G-8 Presidencies.

I visited China from June 22 to 27 June this year at the invitation of Premier Wen Jiabao. My visit took place almost ten years after the last visit by an Indian Prime Minister to China. It gave me an invaluable opportunity to personally interact with the new Chinese leadership. I was received with great warmth and courtesy and was given the distinct impression that our desire for mutual goodwill and for diversification of our bilateral relationship was fully reciprocated. A recurrent theme in all my meetings was the commitment of both sides to strengthen the ongoing process of building mutual trust and understanding

We concluded ten agreements, a list of which is placed on the Table of the House. For the first time in India-China relations a Joint Declaration was signed by the two Prime Ministers. The text of the Joint Declaration is enclosed and was also placed on the Table of the House. The Declaration outlines the principles and shared perspectives which will guide the future development of our bilateral relations. It also confirms the commitment of our two countries to work more closely together internationally to strengthen the trend towards multi-polarity, on WTO issues and on other areas of concern to developing countries.

[Shri Atal Bihari Vajpayee]

The Declaration reflects the importance both countries attach to the settlement of the India-China boundary question. Principles for an eventual settlement of this question have been under discussion for some time now. Premier Wen Jiabao and I agreed that these discussions should be given a new momentum by exploring the framework of a boundary settlement from the political perspective of the overall bilateral relationship. We appointed Special Representatives for this purpose. The National Security Advisor will be our Special Representative. China has appointed its senior-most Vice Foreign Minister as his counterpart. Premier Wen and I also agreed that the joint work on the clarification of the Line of Actual Control should continue smoothly and that peace and tranquillity in the border areas should continue to be maintained.

There was a special stress on our bilateral economic relations. A large delegation of senior businessmen from CII, FICCI and ASSOCHAM was in China in conjunction with my visit. I addressed two well-attended meetings of Indian and Chinese businessmen in Beijing and Shanghai. Our Minister of Commerce & Industry met his Ministerial counterparts in Beijing. He also had extensive interactive sessions with relevant agencies and with Chinese businessmen. Our Minister of Communications, IT & Disinvestment had similar useful sessions in Shanghai.

There was a clear awareness on both sides of the potential of our economic relationship. This was reflected in the decision to set up a Joint Study Group to identify potential complementarities in bilateral economic cooperation. The JSG will recommend to both governments concrete measures to increase trade, promote investments and encourage greater cooperation between our business communities. We also decided to set up a financial dialogue and cooperation mechanism to strengthen our coordination in this sector.

Another development of significance is the Memorandum on border trade through Nathu La pass on

the India-China boundary. This adds a third point of crossing for border trade between India and China. With this Memorandum, we have also started the process by which Sikkim will cease to be an issue in India-China relations.

On Tibet, I would like to assure this House that there is no change in our decades-old policy. We have never doubted that the Tibet Autonomous Region is a part of the territory of the People's Republic of China. There can, therefore, be no argument against reiterating it. We have said nothing new about the presence of His Holiness the Dalai Lama or of Tibetan refugees in India.

Our cultural relationship also received a new impetus during my visit. We have agreed to establish cultural centres in Delhi and Beijing. I inaugurated a Centre for Indian Studies in Beijing University and announced some contributions from India to facilitate the functioning of this centre. Next year we have agreed to celebrate the 50th Anniversary of Panchsheel which is one of the cornerstones of the India-China relationship. I valued the opportunity of visiting the White Horse Temple in Luoyang which marks the arrival of the first Buddhist monks from India to China and underlines the cultural and historical dimension of our interaction. The Chinese side has also agreed to consider my suggestion for opening of additional routes for the Kailash Mansarovar Yatra.

The twin objectives of my visit – to establish close relations with the new leadership of China, and to impart fresh momentum to our increasingly diversified bilateral cooperation—were fulfilled. We have agreed to a wide-ranging, mutually beneficial engagement with China, even while simultaneously addressing our differences through amicable discussions.

I have reason to be satisfied with the results of all these visits. Our dialogue with Germany has been reinforced. President Putin went out of his way to have a bilateral meeting with me, well after midnight on the very first day, despite his preoccupations as host of a large multilateral event. This signalled the importance he attaches to our bilateral relationship. President Chirac

conducted the Enlarged Dialogue in a manner that highlighted the key importance of our views as a developing country. With China, progress has been made in enhancing mutual trust and understanding.

All the leaders I met naturally showed interest in the situation in South Asia. I was happy to note that all of them expressed support and appreciation for the hand of friendship we have extended to Pakistan and hoped Pakistan would reciprocate. All of them spoke strongly against the menace of terrorism. I believe my interlocutors have a proper appreciation of our policy of promoting peace, regionally and internationally.

[Also placed in Library. See No. LT. 7802/2003]

Annexure

List of Agreements signed during the Prime Minister's visit to the People's Republic of China

- (1) Memorandum of Understanding on Cooperation between the Ministry of Law and Justice of the Government of the Republic of India and the Supreme People's Prosecution Service of the People's Republic of China.
- (2) Executive Programme on Educational Cooperation and between the Ministry of Human Resource Development of the Government of the Republic of India and the Ministry of Education of the People's Republic of China.
- (3) Protocol of Phytosanitary Requirements for Exporting Mangoes from India to China between the Ministry of Agriculture of the Republic of India and General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China.
- (4) Memorandum of Understanding on Simplifying Visa Procedures between the Government of the Republic of India and the Government of the People's Republic of China.

- (5) Memorandum of Understanding for Enhanced Cooperation in the field of Renewable Energy between the Ministry of Non-Conventional Energy Sources, Government of the Republic of India and the Ministry of Water Resources, Government of People's Republic of China.
- (6) Memorandum of Understanding for Cooperation in the field of Ocean Science and Technology between Department of Ocean Development, Government of the Republic of India and State Oceanic Administration, People's Republic of China.
- (7) Memorandum of Understanding between the Department of Science and Technology of the Republic of India and the National Science Foundation of China.
- (8) Memorandum of Understanding between the Government of the Republic of India and the Government of the People's Republic of China on the Reciprocal Establishment of Cultural Centres in their Capitals.
- (9) Executive Programme of Cultural Exchanges between the Government of the Republic of India and the Government of the People's Republic of China for the years 2003-2005.
- (10) Memorandum between the Government of the Republic of India and the Government of the People's Republic of China on Expanding Border Trade.

Declaration on Principles for Relations and Comprehensive Cooperation Between the Republic of India and the People's Republic of China

At the invitation of Premier of the State Council of the People's Republic of China H.E. Wen Jiabao, Prime Minister of the Republic of India H.E. Atal Bihari Vajpayee paid an official visit to the People's Republic of China from 22 to 27 June 2003.