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Growth Zones In South Asia: The Potential Of The South Asian Growth Quadrangle

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INTRODUCTION

Growth zones have been the focus of attention in East and South East Asia where a number of such zones covering countries and adjacent parts of countries have not only attracted the attention of the governments of the region, but also of the multilateral agencies such as the Asian Development Bank (ADB), and the World Bank. More recently the prospects of such growth zones within South Asia has been given focus by the initiative of the Government of Nepal in promoting the idea of a South Asia Growth Quadrangle (SAGQ), which bring together Bangladesh, Bhutan, India and Nepal to collaborate around a variety of shared enterprises within this growth zone. The idea of a SAGQ has also inspired the inherent in the SAGQ transforming one of the most backward sub-regions in the world.

This paper on the subject of developing growth zones in the SAGQ region was thus moved by a belief that growth zones are indeed, at an institutional level, a natural loci for more purposeful endeavours at promoting intra-regional cooperation, which could readily lend itself to dynamising the development prospects of one of the less developed sub-regions of South Asia. This study argues that the eastern regions of South Asia preside over a collective potential whose full realisation will only be accessible through cooperation within the framework of a growth zone in the SAGQ region. South Asia is the immediate neighbour of East and South East Asia which, notwithstanding their recent financial crisis, potentially constitutes the most dynamic region of the world which could emerge over the next quarter of a century as the new centre of the global economic universe. South Asia provides the land link for this dynamic region to the enormous natural wealth of Central Asia, the energy resources of West Asia and the markets and technology of Europe. In its own right South Asia provides a market for goods and capital for its Eastern neighbours, a source of labour and a potential for complementary development within the framework of a *flying geese* model of global economic restructuring.

If South Asia is to realise its full development potential it must address the specific limitations of its eastern region which embraces

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Bangladesh, Bhutan, Nepal and the eastern regions of India, which collectivity constitute a zone of underdevelopment because of their inability to realise their own unique potential. It is this eastern region of South Asia which constitutes the immediate nexus with East and South East Asia so that the integration of South Asia with East Asia can never fully consolidate itself unless this backward region of South Asia is sufficiently energized to become a dynamic growth zone.

The possibility for transforming the economic fortunes of the eastern region of South Asia are no pipe dream but draws its inspiration from the integrating influence of geography which has invested this region with a wealth of natural resources locked up in the waters of the Ganges Brahmaputra-Meghna (GBM) basin and the mineral and agricultural wealth of the area, which serve both to unify this area and to provide its resource base. However, this enormous natural wealth can only realise its full potential through collective endeavour between the countries unified by this resource base. The potential of this backward Eastern zone of South Asia coming together, bound by its shared natural inheritance, strategic access to Myanmar and beyond to South East Asia, as also to China, thereby emerging as a dynamic region of opportunity for its peoples, provides the underlying premise to the potential of the SAGQ as a growth zone.

This paper, is designed to stimulate both debate and more intensive study, since it touches upon an idea which is responsive to both the felt needs of governments as well as the people of this area. The novelty of the idea does, however, pose conceptual and analytical problems and unresolved political concerns which need to be addressed through a fuller understanding and transparency in public discussion of the issues involved. Much of the process of public education will be facilitated by a better appreciation of the on-going experience of East and South East Asia with growth zones.

CONCEPTUAL ISSUES

At the outset we need to define the conceptual terrain which provides the basis for mapping out the territorial scope of the discussion in this paper. Sobhan's (1999) original study made a conscious distinction between sub-regional cooperation and the concept of economic growth zones. It argued that growth zones put their emphasis on geographical contiguity which provided for a shared infrastructure and resource base whose optimal utilisation may demand transborder cooperation. This suggests that countries and sub-regions within countries, which remain physically proximate, can be brought together within a common growth zone in order to enhance their development potential. The current literature on regional economic cooperation has indeed provided some empirical evidence to suggest that physical proximity between cooperating countries is more likely to be conducive to effective economic cooperation. This, proximity, furthermore, contributes to a reduction in transaction costs between economic areas within a Growth Zone.

Within this definition of a growth zone we need to look at the economies of Bangladesh, Bhutan, India, with particular reference to North East India and West Bengal and Nepal which are deemed to constitute the component units of the SAGQ. The SAGQ region is bonded by the inheritance of geography which give it a shared natural resource base and ecology and of history, which gave it a shared transport infrastructure as well as a tradition of interaction between peoples moving across the frontiers for purposes of trade and settlement.

It is argued that the emergence of a SAGQ growth bloc is without prejudice to the involvement of its component regions within a wider nation state, North East India, or countries who remain members of a broader regional groupings, SAARC. The point of differentiation between a growth zone and a programme of regional or sub-regional cooperation lies in the fact that the focus of activity within a growth zone remains project based cooperation. Such projects usually transcend national boundaries. Such projects depend on deriving their economic externalizes from a shared approach to using natural resources such as water, or management of a shared ecology, or to develop the transport and energy infrastructure of the growth zone. To the extent that the SAGQ growth zone provides a link between the bigger, more dynamic, economies of South Asia, South East Asia and China, its very location emerges as a strategic resource which needs to be utilised through joint efforts.

THE EAST ASIAN EXPERIENCE WITH GROWTH ZONES

The concept of a SAGQ growth zone draws its inspiration from the experiences of East and South East Asia, which have taken the lead within Asia in pioneering growth zones. Sobhan's (1999) study had attempted to distinguish between the market driven growth zones of East Asia and those which have emerged out of the enterprise of multilateral agencies. The market driven growth zones are seen to be founded on economic complementarities. These particular zones include :

The Southern China Growth Triangle

SCGT which brought together the coastal provinces of Guandong and Fijian in Southern China with Hongkong and Taiwan Province. The SCGT sought to combine the capital and technology of the latter two areas with the abundant, low cost labour of China. The SCGT encouraged a dramatic relocation of labour intensive enterprises from Hong Kong and Taiwan into Southern China.

The Singapore-Johor (In Malaysia) and Riau (In Indonesia) Triangle

SJRT was also driven by the capital, technology and global market access of Singapore. The SJRT was designed to drawn upon Singapore capital and expertise to utilise the natural resource wealth, lower cost labour and advantageous location of continuous regions within the neighbouring countries of Indonesia and Malaysia. Both there triangles, whilst being market driven, received strong backing from the concerned governments, in the way of building an enabling policy environment and investments in infrastructure development. The fact that the partners countries in the SJRT were members of ASEAN did not prejudice their association with the wider regional grouping and was, if anything, encouraged by their interaction within ASEAN. The extent to which fate of the SJRT has been influenced by the Asian financial crisis merits examination.

The Asian Development Bank Initiatives

The initiatives in the South East Asia region received a strong impetus from the Asian Development Bank (ADB) who pioneered the Greater Mekong Sub–region (GMS) programme and the Indonesia-Malaysia-Thailand triangle (IMT). The GMS brought together Yunnan Province in the South West of China, with the Indo-Chinese states of Vietnam, Cambodia and Laos PDR along with Thailand and Myanmar. The unifying feature of the GMS lay in the advantage of exploiting shared natural resources such as the Mekong River which originates in Yunnan province, the enormous natural wealth of these countries, the advantages of a shared market space and the mutual advantages to be derived from integrating and developing their infrastructures. The GMS is quite advanced in its project development and ability to mobilise resource (Annexure I).

The IMT is the second such venture of the ADB which brings together territorially contiguous sub-regions in Indonesia, Malaysia and Thailand. Here quite elaborage work has been done by the ADB in defining the logic, scope and concrete implications of cooperation in this region. However, since the IMT was conceived prior to the breaking of the financial crisis in 1997, in the three IMT countries, the progression of the ADB programme remains uncertain and needs to be closely reviewed to see how far such initiatives can survive downturns in economic activity as well political turmoil.

The Tumen River Area Development

TRAD project is a UNDP enterprise which brought together the Democratic Peoples Republic of Korea (DPRK), the regions of Northern China bordering DPRK and the eastern region of Russia along with

Northern Japan. These areas are bounded by the Tumen River basin and demonstrate manifest complementarities. However, this growth zone's development has been inhibited by serious political constraints in taking this idea forward because of the uncertainties governing the relationship of DPRK with its partners. The recent opening up of the DPRK's relations with the ROK, as well as its neighbours and the U.S.A., could breathe new life into the Tumen River Basin initiative.

Apart from the four growth zones spelt out above there are a number of other growth zones in the region, which appeared to be in a less evolved state, and have not been discussed here. Outside Asia, growth zones have emerged in Africa, Latin America, the Caribbean and even the Arab world, with varying objectives, levels of activity and outcomes.

THE STRUCTURAL FEATURES OF THE SAGQ COUNTRIES

Size And Complementary

In order to review the scope and implications of the SAGQ growth zone the structural features of the economies need to be examined to explore the scope for cooperation (Annexures 2 and 3). If we see India as the main partner within the SAGQ growth zone it acquires a clear preponderance in the zone because of the size and diversity of its economy. However, if we recognize the North Eastern region of India and West Bengal as the operational partners in the growth zone, then Bangladesh emerges an important player within the SAGQ growth zone. Whilst identifying the North Eastern States as the loci for various projects of cooperation, it must be realized that the central government in India will be the relevant party to address the broader policy issues governing such cooperation, particularly since all the other partners in the SAGQ growth zone remain nation states.

It is recognised that Nepal, Bhutan and North East India are rich in natural resources which have, as a result of their ralative isolation for geographical and historical reasons, remained underdeveloped whilst their resources have remained largely underutilised. The SAGQ growth zone, by widening the market for these isolated areas, provides greater incentives for utilising their natural resource wealth. Bangladesh, in contrast, commands the strategic resource of location, which can be used to bring these resource-rich but underdeveloped areas together, to build a dynamic growth zone. Sobhan's (1999) study on Growth Zones in Eastern South Asia looks at the problems of competition as well as complimentary in specific areas within the SAGQ and beyond to Mynmar, in such areas as jute, ready-made garments (RMG), natural resource use and labour markets. The discussion points out the advantage of building on the complementarities in these areas rather than remaining locked into selfdestructive competition or, worse, leaving the area's development potential unrealised.

Economic Relations Within The SAGQ

If we review the trading regime of the SAGQ region (Annexures 4, 5, 6). We may observe the growth of trade within the zone, including the rapid growth of unofficial trade, as also the unbalanced nature of this intra-zonal trade. Attention may be given to the sharp growth of India's exports to Bangladesh and Nepal, without much reciprocal growth of imports into India. This may be attributed both to India's relatively restrictive trade policies as well as the structural rigidities in the economies of the smaller countries which, in the short run, minimises their capacity to enhance exports to the Indian market. Particular note may be made of the growth of energy exports by Bhutan to India which has in recent years made it possible for Bhutan to emerge as the only country in South Asia with a favourable trade balance with India. Furthermore, it needs to be emphasised that North East India was cut off from its natural economic hinterland in Bangladesh in 1947. Sobhan's study (1999) suggests that the economic transformation of the North East of India as well as the restoration of political stability, lies in greater interaction with its neighbours both in Bangladesh and Myanmar. Such an eastern growth zone would make it possible for the states to make more effective use of their natural resources and move their stagnant economy on to a more dynamic growth path by effectively ending their land locked status and developing an open trading regime with their immediate neighbours.

In order to regenerate the growth potential of the SAGQ region it remains important to diversify and expand the production and export capacity of the less developed economies of Bangladesh, Bhutan, Nepal and North East India. This process will, however, require comprehensive market access both to the larger Indian market, to neighbouring Myanmar and also into the markets of China and ASEAN. SAARC already provides a forum for persuading India to give such an access to its small neighbours. But the newly emerged economic grouping of BIMSTEC could also be used to obtain similar concessions from ASEAN to formally link the SAGQ with its Eastern neighbours, whilst special economic links could also be established between the SAGQ and South West China. It may be kept in mind that Yunnan Province of China, in South West China, is also de facto, a landlocked region, which has realised the importance of seeking an outlet to the Bay of Bangal and is interested in forging links with the littoral states of the Bay.

INTEGRATING THE INFRASTRUCTURE

As part of the process of enhancing the development capacity of the SAGQ region we may focus on the development of the resource base and infrastructure of the region through the medium of the proposed growth zone. Within the SAGQ growth zone, focus needs to be given to three particular areas of cooperation, transport, energy and water which are seen as most appropriate for project-based cooperation.

Transport

In the case of transport, we need to recognise that a once integrated transport infrastructure within the SAGQ zones was disrupted for political reasons. We therefore, need to focus on the advantage of reintegrating this infrastructure not just within the SAGQ area but within the wider context of the Asian Highway and Railway which seeks to establish uninterrupted land and rail links between South East Asia and Yunnan Province, through Myanmar, North East India and Bangladesh to Nepal, Bhutan, mainland India, Pakistan, West and Central Asia, leading into Europe.

This issue of integrating the transport infrastructure of East and South Asia is more fully discussed in Sobhan's study on Rediscovering the Southern Silk Route (2000). It is argued in that study, that the development of this integrated transport system will have a transformatory effect on the economies of Bangladesh, Bhutan, North East India and Myanmar. It is here worth highlighting the significance of the recently commissioned Bangabandhu Bridge over the Jamuna river located at the centre of Bangladesh, which could play a no less significant geo-strategic role in linking South and West Asia than that played by the Bosphorous Bridge in linking Europe and Asia. The Jamuna bridge, as well as Chittagong Port, if used creatively to enhance land links within the SAGQ could serve to end the landlocked state of Nepal, Bhutan and the North-East of Intia. It is wrongly assumed that the landlocked status of a country is a fact of geography. On the contrary, the landlocked countries or regions are the victims of a history which for political reasons, has cut, them off from their neighbours and natural economic partners. It is hoped that the SAGQ can rectify these historical injustices and Bangladesh, due to its strategic location, can serve as a catalyst in this process.

Water

We need to take account of the enormous water resources available within the Ganges/Brahmaputra/Meghna (GBM) basin which serves an area of 137 million hectares and covers 95 percent of Bangladesh, 90 percent of Nepal as well as, a third of India (Annexure 7). In the past, these waters have served as a source of discord whereas nature demanded that they be used within a spirit of mutual accommodation. To optimise the benefits from this enormous natural resource wealth it is, therefore, essential for the countries within the GBM basin to cooperate in using these resources, as has been the experience of the co-riparians, in using the resources of the Mekong River. This cooperation in using the resources of the GBM will involve sharing of information, cooperation in flood prevention, augmenting irrigation capacity and could extend into development of energy projects. Sobhan's (1999) study on Growth Zones, as also other efforts in collaborative research on the GBM by CPR/IIDS/BUP, suggest, for example, that a Joint Rivers Commission be established which provides an institutional basis for bringing together India, Bangladesh, Nepal and Bhutan, to collectively harness the development of the water resources of the GBM system. One of the more positive goals of the SAGQ initiative could be to provide the necessary backing for such a multilateral approach to the use of the GBM waters.

Energy

We need to recognise the energy potential of the region. We may focus on the hydro-electrical power generation potential available to Nepal, Bhutan and North East India and also Tibet. The exploitable hydropower potential of the GBM region is estimated at 89,000 MW of which only 4000 MW has, so far, been developed. The market for this enormous wealth of hydropower obviously cannot be limited to Nepal, Bhutan or the North East of India but must be located within the much large energy market of South Asia.

Apart from hydro-electic energy we may also study the hydrocarbon resources of both North-East India and Bangladesh, in the way of gas. There are debates in Bangladesh over exactly how much gas is available for export from Bangladesh but it is generally recognised that our reserves are rather higher than we once assumed. It is important to profile the supply and demand for energy within the SAGQ as a shared enterprise, serving a common energy market, which extends across SAARC and into West Central Asia. Keeping such potential energy resources in mind, it appears that eastern South Asia has the potential of using energy as an important development resource, in the regional context. It is, thus, useful to take such a collective perspective for developing the energy infrastructure within the SAGQ region. This development of energy could emerge as one of the critical elements in the transformation of the SAGQ because it opens up new horizons for investment and industrial development in this region.

INSTITUTIONAL CONCERNS

Political Constraints

In conclusion, it is important to recognise the political constraints to cooperation within the SAGQ. These constraints relate to the following concerns:

— The need for the projects of the SAGQ growth zone to avoid conflict and overlap with the agendas of SAARC.

— The recognition of the extra-zonal linkages of the SAGQ partners India, Bangladesh and Nepal whose major export markets lie outside South Asia. We also need to take account of the prevailing volume and patterns of trade originating from North East India and West Bengal, which are currently directed within India.

— We need to carefully study the extent and implications of restructuring North East India's Trading relations towards Bangladesh within an open trading regime in the SAGQ and a further integration of its transport infrastructure with both Bangladesh and Myanmar

— The need for political balance within SAGQ, which would not give disproportionate influence to the larger partners within the growth zone, should be recognized. This applies both to India's presence in the SAGQ and Bangladesh's relations with the North East States, as well as Nepal and Bhutan.

— Domestic political apprehensions in Nepal, Bangladesh and North East India about association within the SAGQ should be taken into account. This points to the importance of building a domestic political consensus in each of the member countries and regions which is supportive of the SAGQ growth zone initiative.

It is arguable that most of these political concerns within the SAGQ and also within SAARC, could be resolved by emphasising the concept of a growth zone rather than the proclamation of an economic sub-region. The growth zone would, by its nature, be built around specific projects designed for promoting joint resource and infrastructure development, with a focus on widening the development horizons and capacity of the less developed countries/areas within the growth zone.

SAGQ RELATIONS WITH SAARC

The emergence of a growth zone embracing Bangladesh, Bhutan, India and Nepal remains without prejudice to the concept of SAARC. Attempts to project the SAGQ initiative as a substitute for SAARC could be counterproductive for both SAARC as well as the SAGQ and even within the concerned partners of the SAGQ. To the extent that we are looking at growth zones rather than country groupings, the project based focus of the SAGQ, which has been cleared by the SAARC heads of state in the Male summit, need not collide with the broader agendas of cooperation within SAARC. Thus, for example, projects for cooperation in the area of water and energy, drawing upon the resources of the GBM, largely fall within the domain of the SAGQ. Other members of SAARC such as Pakistan, Sri Lanka and the Maldives may not have much interest in the GBM waters. Energy cooperation within the SAGQ may eventually need to link up with a wider South Asian energy grid which reaches into West and Central Asia.

However, for the moment, most of the projects to be developed as well as the trade in energy originating in the SAGQ region, are likely to be within the SAGQ itself.

If however, we look at any agenda for transport cooperation, even within the framework of the SAGQ, this will be greatly benefited by drawing in Myanmar which provides the conduit to linking the SAGQ with Thailand and Yunnan province, through the medium of the Asian Highway and Railway. To this end BIMSTEC and the SAGQ would need to interact in building up an integrated transport infrastructure within the region. The physical gaps and software barriers to transport linkages lie within the SAGQ and in its links with Myanmar through India, where road transport links with Myanmar through North East India are being rapidly upgraded. However, the key initiatives for integrating the SAGQ region's transport system lie within the domain of the SAGQ growth zone. Whilst the SAGQ infrastructure is being integrated, its onward links with the countries to the East and with Pakistan and Iran to the West, will need to also proceed rapidly so that we may envisage a seamless flow of traffic from Singapore to Europe across South Asia.

OTHER GROWTH ZONES WITHIN SOUTH ASIA

Finally, it should be recognised that the same logic which indicates the value of the SAGQ growth zone could apply to development of growth zones in other parts of South Asia. Two possible zones which suggest themselves could cover (a) Maldives, Sri Lanka and Southern India, (b) Afghanistan, Pakistan, Northern as well as Western India and possibly Iran. A variety of projects could be identified to be of common benefit to the collaborating countries and regions. The same SAARC protocols to be applied to the SAGQ projects could be applied to these other growth zones in South Asia.

CONCLUSION

The SAGQ may be an idea whose time has come. There are many important projects waiting to graduate from the seminar room to the collective investment portfolios of the government and business sector of the SAGQ countries. These initiatives should, however, originate in the felt needs of the people of the SAGQ and not out of the compulsions of political expediency. Nor should we let the SAGQ process be exclusively driven by the agendas of multilateral agencies. The resources of such multilateral institutions can be used more productively if the SAGQ countries can, themselves, demonstrate the vision, commitment and capacity to cooperate. At the end of the day, the people of the SAGQ must recognise that a fragmented region can only condemn them to survive as a backwater of South Asia. It is only by drawing on their collective potential, that the people, located with the SAGQ, can hope to transform not just their economic fortunes but can aspire to build a sustainable pattern of political relations within and between the countries of the region.

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ANNEX 1

Table A 1
Number Of Projects In Each Country Within The Greater Mekong Sub-regional Cooperation Programme

Countries Involved	Transport Sector					Energy Sector			Tele Communi-cation Sector	Total
	Road	Railway	Water	Air	Total	Power	Gas	Total		
Cambodia	3	2	3	1	9	1	-	1	3	13
China	4	9	2	1	16	1	-	1	5	22
Lao People's Democratic Republic	6	4	2	-	12	4	-	4	6	22
Myanmar	3	8	2	1	14	1	1	2	4	20
Thailand	5	13	1	1	20	6	1	7	8	35
Viet Nam	5	6	5	1	17	2	-	2	5	24

Source : *Asian Development Bank, Economic Cooperation in the Greater Mekong : Facing the Challenge,* Manila, June 1996 : and *Economic Cooperation in the Greater Mekong Sub-region: An Overview,* Manila, July 1996.

ANNEX 2

Table A 2

The Economic Dimensions Of SAGQ Growth Zone

Country area	HDI	HDI rank	1996 GDP (billion US$)	Share of total GDP including north-east of India and West Bengal (percentage)	Share of total GDP including all of India (percentage)	Population (million)	Share of total population including north-east of India and West Bengal (Percentage)	Share of total population including all of India (Percentage)	1996 GDP per capita (US$)	Share of population below poverty line (Percentage)
Bangladesh	0.440	144	26.2	41.7	8.1	118	40.0	10.7	222	45
Bhutan	0.459	145	0.2	0.3	0.06	1.6	0.5	0.15	125	30
Nepal	0.463	150	4.1	6.5	1.3	21.0	7.1	1.9	195.2	-
North-eastern states of India	-	-	9.4	15.0	2.9	33.8	11.5	3.1	278.1	-
West Bengal	-	-	22.9	36.5	7.1	74.0	25.1	6.7	309.5	28
Total SAGQ	-	-	62.8	100	19.4	294.9	100	26.8	313.0	-
India	0.545	132	293.6	-	90.6	914.0	-	83.0	321.2	30
Total SAGQ with India as a whole	-	-	324.1	-	100	1101.1	-	100	321.1	

Notes : 1. For the calculation of GDP for north-eastern states of India, the share of these states in India's Net State Domestic Product at current prices, was calculated and then it is assumed that these states have the same share in India's GDP. The GDP for West Bengal is calculated in the same way.

2. For the calculation of population of north-eastern states of India, the share of those states in India's total populaiton in 1991 was calculated. Then considering that the same share prevails the population for 1994 has been computed. For West Bengal, the same method has been followed.

Sources: United Nations, Human Development Report, 1999, (New York, United Nations Development Programme, 1996); and Government of India, Economic Survey 1996-1997 (New Delhi, Government of India Press (PLU), 1997).

Based on Centre for Policy Dialogue, Experiences with Economic Reform: A Review of Bangladesh's Development, 1995 (Dhaka, University Press Ltd. 1996).

A hypen (-) indicates that the item is not applicable; BBIMN= Bangladesy, India, Myanmar and Nepal;

HDI= human development index; GDP= gross domestic product.

ANNEX 3

Table A 3

Some Macroeconomic Indicators of the Countries of the SAGQ zone

Countries	Growth Rate of GDP		Gross Domestic saving (percentage of GDP)		Gross Domestic Investment (Percentage of GDP)		Change in Consumer Prices (percent)		Balance of Payment on Current Account/GDP (percent)	Overall Budget Surplus/Deficit of Central Government (percentage of GDP)
	1981-90	1994-2000	1981-1990 Average	1994-2000 Average	1981-1990 Average	1994-2000A verage	1981-1990 Average	1994-2000 Average	1994-2000 Average	1994-29000 Average
Bangladesh	4.1	4.8	2.1	17.6	13.1	21.1	10.8	6.2	-1.6	-3.8
Bhutan	-	6.4	N.A	41.7[1]	N.A	50.4[2]	9.0	8.2[3]	15.7[4]	-0.4
India	53	6.6	21.4	23.1	22.8	23.8	8.8	6.4	-1.4	-2.9
Nepal	4.5	4.7	12.0	12.9	19.1	22.6	10.3	7.7	-6.5	-5.6

Note :

1. The average figures for Bhutan apply to the period 1994-1998
2. " " " " " " " " "
3. " " " " " " " " 1994-1999
4. " " " " " " " " "

Source : Asian Development Bank, *Asian Development Outlook 1997 and 2000.*
A hyphen (-) indicates that the item is not applicable;N.A. denotes not available.

ANNEX 4

Table A 4
Export Destinations of SAGQ Countries

Destinations	Developed Market Economy Countries				ASEAN	SAGQ	Total Exports (millions of US dollars)
Exporting countries	Total	European Union	Japan	United States and Canada			
Bangladesh	82.7	44.3	3.3	34.0	1.3	1.5	100 (3,129)
India	58.7	26.1	7.0	18.3	7.4	3.1	100 (30,537)
Nepal	89.7	54.2	0.6	31.2	0.3	8.8	100 (329)

Source : United Nations Conference on Trade and Development, The Least Development Countries 1997 Report United Nations Publication, Sales No. E. 97. II. D. 6), New York and Geneva, 1997.

ANNEX 5

Table A 5
Emport Sources for SAGQ Countries1995

Sources of Imports	Developed Market Economy Countries				ASEAN	SAGQ	Total Imorts (millions of US dollars)
Importing countries	Total	European Union	Japan	United States and Canada			
Bangladesh	30.9	11.8	9.2	7.0	9.2	15.4	100 (6496)
India	52.4	24.8	6.5	10.6	6.6	0.3	100 (34456)
Nepal	27.9	10.2	8.9	2.0	31.8	17.1	100 (754)

Source : United Nations Conference on Trade and Development, *The Least Development Countries 1992 Report*, United Nations Publication, Sales No. E. 93. II. D. 3), New York , 1993.

ANNEX 5

Table A 6

Share of Inter-SAGQ Exports In Inter-SAARC Exports:1994

Accounting for:	Intra-SAARC Exports (Millions of US dollars)	Intra-SAGQ Exports (Millions of US dollars)	Intra-SAGQ Exports as a percentage of intra-SAARC Exports
Only official exports	1383	657	48
Official plus unofficial exports (BIDS Study)	2131	1405	66
Official plus unofficial exports (NCAER study)	1768	1042	59

Share of Intra-SAGQ Imports In Intra-SAARC Imports 1994

Accounting for:	Intra-SAARC Imports (Millions of US dollars)	Intra-SAGQ Imports (Millions of US dollars)	Intra-SAGQ Imports as a Percentage of intra-SAARC Imports
Only official exports	1410	625	44
Official plus unofficial exports (BIDS Study)	2158	1373	64
Official plus unofficial exports (NCAER study)	1795	1010	56

Share of Intra-SAGQ Trade In Intra-SAARC Imports 1994

Accounting for:	Intra-SAARC (Millions of US dollars)	Intra-SAGQ Trade (Millions of US dollars)	Intra-SAGQ Trade as a Percentage of Intra-SAARC Trade
Only official trade	2793	1282	46
Official plus unofficial trade(BIDS Study)	4289	2778	65
Official plus unofficial trade(NCAER Study)	3564	2053	58

Sources : As of the Table A4 and A5.

Note : Unofficial trade include only unofficial exports and imports between India and Bangladesh which were found to be equivalent to US$ 622.0 million and US$ 128.0 million respectively in the Bangladesh Institute of Development Studies, Survey for 1994 and US$ 368.0 million and US$ 17.0 million in the National Council for Applied Economic Research Study.

ANNEX 7

Table A 7

Hydro-power Potential Of Ganges, Brahmaputra Meghna Barak Region

Basin	Estimated Utilizable Potential (MW)					Potential Created and Under Construction (MW)				
	India [a]	Nepal [b]	Bhutan	Bangla desh	Total	India [a]	Nepal	Bhutan	Bangla desh	Total
Ganga	10.715	25,000	-	-	35,715	2,839	240	-	-	3079
Brahma putra	31.012	-	20,000	-	51.012	677	-	346	-	1023
Barak	2,042	-	-	-	2,042	9.5	-	-	-	9.5
Total	43,769	25,000	20,000	-	88,769	3,525.5	240	346	-	4,115

Note: The figures in brackets indicate installed capacity.
major River Basins of India-An overview-CWC (April, 1989).
the total potential estimated is 83000 MW (Master Plan, 197)

Source : N.V.V. Chai (1997) *Integrated Water Resources Development of Ganga, Brahmaputra and, Meghna River Systems: International Dimension,* (mimeographed).