

India -Pakistan Trade Dialogue

The volume and extent of trade between India-Pakistan is considered to be unfulfilled in terms of its full potential. In the last fiscal year, this trade stood at US\$ 2.4 billion, whereas the target set in 2012 was for this trade to reach around US\$ 6 billion by 2014. Understandably, the strain in diplomatic relations between the two countries in 2013 has had a negative effect on these numbers.

The issue of non-trade tariff barriers has been discussed for number of years. In January, at the meeting between the Commerce Ministers of the two countries, it was decided that that Pakistan would grant India a Non-Discriminatory Market Access (NDMA) in order to push through a liberalised trade regime to bolster the economic ties of the two nations. It was also decided that banking licences would be issued to three banks from either side to set up branches on either side of the border. A liberalised visa regime for businessmen was also discussed. What effects are these measures likely to have on actual trade on the ground? Will the opening of the Wagha-Attari border for 24/7 trade accrue massive advantages to the businessmen and traders at the border? Were these the primary roadblocks to the realisation of full and flourishing trade between the two countries?

At the ground level there are problems faced by the traders at the Attari-Wagha border that are blocking further expansion of trade here. The CDR Trade Dialogue seeks to address the problems that are faced by traders and businessmen at the ground level. This is an area that does not find itself to be in focus when issues of trade and commerce between the two countries are discussed.

This dialogue shall involve business managers and traders from Amritsar and Lahore from the different sectors of trade conducted at the Wagha-Attari border. The dialogue seeks to create an understanding amongst traders and businessmen from both sides, of the challenges and problems faced by them in the conduct of trade and commerce, and explore solutions to overcome these problems.